October 3, 2017

Public Service Commission
ATTN: Hon. David Spenard
P.O. Box 615
Frankfort, KY 40602

RE: Martin County Water District
    PSC Case No. 2016-00142

Dear Mr. Spenard

Enclosed please find an original and six (6) copies of Martin Water District’s written responses to the public comments made at the August 29, 2017 public meeting.

Thank you for your time and attention to this matter.

Very truly yours,

[Signature]

BRIAN CUMBO

BC/l0
Enclosure
cc: Martin County Water District
COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF THE OPERATING CAPACITY OF MARTIN COUNTY WATER DISTRICT PURSUANT TO KRS 278.280 CASE NO. 2016-00142

MARTIN COUNTY WATER DISTRICT’S RESPONSES TO COMMENTS MADE AT AUGUST 29, 2017 PUBLIC MEETING
CERTIFICATE OF SERVICE

This will certify that a true and correct copy of the foregoing was mailed, overnight delivery, postage paid, on this the ___ day of October, 2017, to the following:

Public Service Commission
ATTN: David Spenard
P.O. Box 615
Frankfort, KY 40602

BRIAN CUMBO
VERIFICATION

I, Joe Hammond, of the Martin County Water District, hereby verify that the responses and exhibits attached hereto are true and correct to the best of my knowledge.

JOE HAMMOND

STATE OF KENTUCKY)
COUNTY OF MARTIN)

SUBSCRIBED, SWORN and ACKNOWLEDGED before me by Joe Hammond this 2nd day of October, 2017.


NOTARY PUBLIC, STATE AT LARGE
1. **Arlen Mollette:** Mr. Mollette stated he is a commissioner of the City of Inez, Kentucky. Mr. Mollette asked of Martin Water District will ever be fixed.

   - **RESPONSE:** The District is making progress. For the 3rd quarter of 2017, the District is in compliance with the TTHMs and HAAs. It is believed that chlorinating on top of the filters is responsible for the improvement.

   - **Also,** the District has been awarded a $1,200,000 grant from ARC to address the failing service lines and meters in the Warfield, Beauty and Wolf Creek areas. It is expected that this project will improve the District’s water loss issue.

2. **Deborah Blevins:** She lives in Warfield, Kentucky. She stated she lives on a fixed income and she maintains water service. Ms. Blevins stated the water provided by Martin District has rusted out her bathtub; further, she stated she has experienced a significant smell of chlorine in the water. She discussed her and her daughter’s health issues. Ms. Blevins stated she does not drink the water provided by Martin District.

   - **RESPONSE:** Ms. Deborah Blevins is not presently a water service customer of the District. There is no record of her having called the District office with complaints of the odor of chlorine or her bathtub being rusted out. The District utilizes chlorine in the treatment process.

3. **Bessie Morrison:** Ms. Morrison stated she lives in Debord, Kentucky. She stated since the 1970s, she has been receiving notices that Martin District is out of compliance with drinking water requirements. She stated several neighbors have died of cancer. She stated several of her neighbors have cancer and her son has been diagnosed with two separate types of tumors in his spine. She asked what will happen to her grandchildren if Martin District does not get the water straightened out. She stated if the cause of the health problems is not the water, she wants to know what is going on in Martin County to cause
these problems.

- **RESPONSE:** The District is committed to producing potable water for its’ customers. The District cannot comment on the health issues she has raised.

3. **Nina McCoy:** Ms. McCoy stated in 2000 she started keeping notices concerning Martin District's water service and has collected numerous notices over the years. She discussed the warnings that have been issued. She asked the following questions of each Martin District commissioner. Does Martin District really think that contaminants are a problem and the warnings have merit? If the answer to the question is "no," then does any commissioner of the Martin District have any scientific research to refute the warnings in notices? Further, she wants to know if the commissioner believes that the science behind the research concerning the warnings is silly or that drinking water regulations are just for sissies.

- **RESPONSE:** The District takes water quality seriously and much effort is being directed toward the reduction of DBPs and has shown great results. The District believes the rules and regulations set forth by DOW and the EPA concerning notifications to the public when the District exceeds levels that are above .080 mg/l for TTHMs and 0.060 mg/l for HAAs for the Quarter are appropriate.

5. **Lillian Stacy:** Ms. Stacy stated she lives in Beauty, Kentucky. She stated Martin District personnel stated that they had been reading her water meter. She stated she documented mud in the meter pit and, further, she asserted the meter could not be read due to the mud. She asked why are they building courthouses in Martin County. She stated Martin District does not care what happens to people in Martin County.
• RESPONSE: The meter readers confirmed that Ms. Stacy’s meter is being read. There often is mud in the meter box, however, they wipe the register off so they can read the meter.

6. **Marian Krom:** Ms. Krom stated she lives between Beauty and Warfield, Kentucky. She stated in the last four years there have been six water leaks that have lasted more than a week. She has had to call almost daily to get the leaks fixed. She stated there have been no boil water notices. She stated Martin County has the capability to telephone people in the event of a tornado or other similar event. She asked why this type of notification is not given for water leaks. She stated the amount of the charge imposed for bottled water at the schools is a disservice to the children. She asked what is happening to the revenue for the bottled water sold to children at the schools. She does not know how many times the local health department has checked the water at the schools. She wants to know whether the local health department is checking the restaurants and places that make their own ice because the soft drinks are using contaminated water. She stated they are not letting the citizens of Martin County know such things. She stated there are pregnant women in Martin County who cannot afford bottled water. She wanted to know the rate of birth defects in Martin County in comparison with birth defects in other parts of Kentucky and with other states. She stated Martin District has been out of compliance for approximately 20 years and is not capable of
regulating itself. Ms. Krom stated the commissioners of Martin District deny that there is a major problem. She stated citizens of Martin County are trapped. She asked what industry is going to locate in Martin County when people who move into Martin County are unable to access safe water.

• **RESPONSE:** The District records indicate that a leak was on a service line on a vacant lot, therefore, no Boil Water was necessary and the leak was timely repaired. The District must wisely address the issues, forcing the District to allocate their scarce resources to the most pressing issues. The District cannot answer for the Health Department, however, when a Boil Water is issued by e-mail the Health Department is notified.

7. **Gary Ball:** Mr. Ball stated he lives in Wolf Creek, Kentucky. He expressed appreciation for the Commission travelling to Martin County for the public meeting. He stated the Director of Division of Water did not know that Martin District was out of compliance for the first two quarters of 2017, and he was disappointed with the Division of Water's response. He stated there is money to fix the problems. Mr. Ball stated there has been no system-wide flushing in years and Martin District's lines are nasty. He stated he does not drink Martin District water but he does use the water for showering and brushing his teeth. He wants a clear answer on contamination. He wants to know whether Martin District would be agreeable to allowing an entity such as the University of Kentucky to
conduct water sampling in people’s homes. He thinks there is a difference between the sampling that takes place in the distribution system and sampling that takes places in a home.

- **RESPONSE:** With the District’s current debt load there is not enough money to cover operating expenses. The District is responsible for delivering potable water through the district’s meters for that customer. Only the homeowner can authorize entry into their home. The District denies the lines are “nasty.” The District has contracted with a Certified Lab (Appalachian States) to do sampling for the District twice a month and report the results to Division of Water in compliance with the applicable regulations. Flushing is done after every line repair, and when water loss is reduced to a reasonable level a more active and aggressive flushing schedule will be implemented.

8. **James Fannin:** Mr. Fannin stated he lives in Milo Kentucky. Mr. Fannin indicated that the way to fix the problem is to put clean water into the lines at the water plant and do not let the supply lines leak. He stated Martin District does not have its priorities right. Martin District only has two people fixing leaks. He stated if Martin District does not get a handle on its water loss, it will never get it right.

- **RESPONSE:** The District utilizes the appropriate number of personnel for the size and severity of the leak. For instance, a service line repair usually involves 2 field personnel. As the size of the lines increase, the number of field personnel increases. The District is pursuing a water loss preservation/reduction program. The majority of the service lines and main lines are very old and need to be replaced.

9. **Pam Mullins:** Did not offer a public comment.

10. **James Shepherd:** Mr. Shepherd stated he lives in Inez,
Kentucky. Mr. Shepherd stated he recently had to get a visiting family member who had showered in the water medication for itch relief. Mr. Shepherd stated he does not drink or cook with the water further, he stated he does not give the water to his dog. He stated Martin District's water service is his only option and that something needs to be done.

- **RESPONSE:** _The District cannot comment on health related matters._

11. **Joe Stepp:** Mr. Stepp stated he lives in the Warfield area and he has been advised by his doctor to not use Martin District's water to many of his breathing equipment. He believes they should have safe water for washing medical equipment and for personal use in the county.

- **RESPONSE:** _The District cannot respond to the advice the doctor gave the customer. The District has dedicated and certified treatment plant operators that treat the District’s water._

12. **Mitchell Horn:** Mitchell Horn stated he is from Hardin Bottom. He stated he will not drink the water and tells his guests to not drink the water. He stated he will brush his teeth in the water while his wife will not. He stated he thinks that he will have to stop washing his medical equipment in the water. Mr. Horn stated he is already paying more for clean water. Mr. Horn stated he pays $50.00 a month, separate from and in addition to his water bill, for clean drinking water for his family, guests, and himself. He stated he would not let his dog drink water supplied by Martin District.
He stated many people in Martin County are on a fixed income and cannot afford bottled water. Mr. Horn stated the elderly are more affected by the contaminants. He stated the cards from Martin District contain print that is too small to read. Per Mr. Horn, a willful determination has been made by Martin District to use print too small to read and the practice is deceptive. He wants to know who made the decision to use small print on the notices. He wants to know why Martin District does not purchase all of its water requirements from Prestonsburg. He stated Martin District has ignored previous orders since 2002 and failed to comply with thing’s they agreed to comply with in the past. He asks why they will now comply by answering questions brought up at the public meeting.

- **RESPONSE:** The District is dedicated to providing potable water in compliance with the standards set forth by the regulatory agencies. Water loss is a big issue for the District and replacing main and service lines will take time and money. The water plant and source of water was developed for a population of about 600 customers. We now have 3,550 customers. Font size is in compliance with the regulations.

13. **Jerrod Slone:** Did not offer a public comment.

14. **Nancy Newsome:** Did not offer a public comment.

15. **Rachel Ball:** Did not offer a public comment.

16. **Claude Mollette:** Did not offer a public comment.

17. **Phyllis Mollette:** Did not offer a public comment.

18. **Tangarie Mollette:** Ms. Mollette stated she was very appreciative for
the Commission being in Inez. She stated she has had a health problem for four months. She stated it is not right that they do not have drinking water fit to drink or take showers in. Ms. Mollette stated the doctor thought her illness is, more than anything, due to the water. She stated there has to be a solution for everybody that they can afford. She asked Martin District's commissioners what they would do to fix the problem if it was members of their families who were sick.

**RESPONSE:** This District cannot comment on Ms. Mollette's health matters. The District is making progress in dealing with the DBPs by making changes at the plant. After the District received permission from the DOW to change the injection point for Chlorine the District is now in compliance for the 3rd quarter of this year for DBPs.

19. **Regina Tripplett Jones:** Ms. Jones stated she is a regional representative from the Office of U.S. Senator Rand Paul and has been asked by Senator Paul to attend the meeting and listen to all of the comments as well as the presentations made by the Public Service Commission and the water department. Senator Paul has been following this matter for some time and would like to be involved in the final resolution. She stated her Grandmother still lives in Martin County and has horrible water. Senator Paul has some suggestions for federal funding. The U.S. Environmental Protection Agency ("EPA") is now funding a grant program under Section 2104 of last year's WIIN [Water Infrastructure Improvements for the Nation Act] Bill for small and disadvantage communities. The focus of the grant program is water infrastructure. Another resource that may be helpful is
the water finance clearinghouse, a site the EPA launched a month ago, which compiles and organizes funding-related resources for drinking water and wastewater infrastructure. She indicated that Senator Paul's Office is happy to work with everybody to help find funding sources.

- **RESPONSE:** The District wishes to thank Senator Paul for his suggestions notifying us of sources to seek funding to solve some of our problems. Also, thanks to Ms Regina Tripplett Jones for representing Senator Paul.

20. **Kenneth Goforth:** Did not offer a public comment.

21. **Victor Sjone:** Did not offer a public comment.

22. **Pamela Blevins:** Ms. Blevins stated she is from Tomahawk, Kentucky. She stated she has lived in Martin County since 2002. She discussed her health issues and stated she has experience problems with itching similar to those identified by previous speakers in the public meeting. She stated she uses Martin District's water to wash her clothes. Ms. Blevins stated some days Martin District's water smells like rotten eggs, some days it smells like bleach, and some days it smells like oil. She discussed people that she knows in Martin County who have cancer. She stated three quarters of Martin County is on a fixed income and are below the poverty level. She stated if you cannot afford bottled water, then you have no choice. Ms. Blevins stated that when you have to buy bottled water then you have to go without medication, groceries, and necessities, and you also have to make more trips to the doctor. More than one doctor has told her not to drink the water. Ms. Blevins questions: Does Martin...
District have to pass an audit to qualify for money? Has Martin District ever passed an audit? If Martin District has not passed an audit, then why did it not pass the audit? Could the commissioners of Martin District be removed? She states that the commissioners of Martin District do not want an audit.

- **RESPONSE:** The District is audited regularly, and the audits are current through 2015. The audit for 2016 is expected to be completed later this year. You can review the District’s Financial reports at www. PSC.ky.gov. This District cannot comment on Ms. Blevins’ health matters.

23. **Jenna Patrick:** Ms. Patrick stated she is from Tomahawk, Kentucky. She stated she appreciates the Commission being in Martin County. She stated she is in good health and added that she has well water. She stated she has four grandchildren in school in Martin County and one is continuously sick with diarrhea and vomiting while he is in school. She stated the child is not sick during the summer, and she stated her belief the water at the school is responsible for the child's sickness. She has a concern the water at the school is not being considered or identified as a source of the problem for children who are ill.

- **RESPONSE:** The District cannot comment on her grandchildren’s health issues.

24. **Gerri Ball:** Ms. Ball stated she lives in Lovely, Kentucky. She discussed her health issues. She stated she is on a fixed income and pays $180 and a month for a medication. She stated she cannot give her cats Martin
District water. She stated they just want to be able to open the spigot, turn it on, get a drink or make a cup of coffee, give the water to their animals, or take a bath.

- **RESPONSE:** The District cannot comment on Ms. Ball’s health issues.

No other members of the public wished to make a comment. The public meeting was then adjourned. All persons in attendance were asked to sign-in. The sign-in sheets are attached hereto as Appendix A. The Kentucky Division of Water presentation is attached hereto as Appendix B.

The following questions and concerns were submitted at the August 29, 2017 public meeting by written comments.

1. John Kirk asked the following questions. For the last ten years, what is the average annual percentage of Martin District’s income that has been spent on maintaining its water system? Why should Martin District be given extra funding or be given permission to increase rates when it should have been spending the money it was already receiving for services to maintain its system? Why should the current organization be allowed to continue oversee Martin County Water District after years of mismanagement which has left the water system
grievously neglected and which has continuously failed to meet water standards?

- RESPONSE: Cost increases in fuel, electricity, insurance, (health, liability), vehicle maintenance, chemicals, maintenance of pumping stations, replacing motors at raw water, parts to replace main lines and service lines, and payroll continue to rise. Periodic rate adjustments are necessary. The annual finance reports of the District can be viewed at the Public Service Commission website, www.PSC@Ky.gov.

2. Lisa Smith Stayton stated the Martin District distribution line servicing her house is a dead-end line, the water in the line is stagnant and has either a foul rotting odor or a strong chlorine order. She stated they frequently experience uncomfortable skin irritations after showering. She stated sediment in the water has damaged and destroyed appliances and coated their in-ground pool. She stated they also experience outages, discolored water, and low or fluctuating pressure with their water service and are forced to buy bottled water to drink.

- RESPONSE: Ms. Stayton is the last customer on the line. The District is committed to improving its water loss ratio and its line flushing abilities.

3. Shelby Horne stated she has low water pressure, the water is unsafe, and she can tell when the water is off by the air in the line. She stated she needs safe drinking water.

- RESPONSE: The District would encourage Ms. Horne to report these issues to the District so they may be timely addressed.
4. Ursula Dingess stated her greatest concern is the safety of the water and that she buys other water to drink. She wants to know what happened to the money allocated to Martin District. She thinks it would be wonderful to have fresh safe water to drink.

- **RESPONSE:** The District is tested frequently for the potability of the water it produces, and an independent lab does the testing.