

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on May 31, 2018 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on May 31, 2018 in this proceeding;
- A written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on May 31, 2018.


A copy of this Notice, the certification of the digital video record, hearing log, and exhibits have been electronically served upon all persons listed at the end of this Notice.

Parties desiring to view the digital video recording of the hearing may do so at

https://psc.ky.gov/av_broadcast/2016-00142/2016-00142_31May18_Inter.asx.

Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 8th day of June 2018.

A handwritten signature in cursive script that reads "Gwen R. Pinson".

Gwen R. Pinson
Executive Director
Public Service Commission of Kentucky

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In the Matter of:

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MARTIN COUNTY WATER DISTRICT PURSUANT TO)	2016-00142
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CERTIFICATION

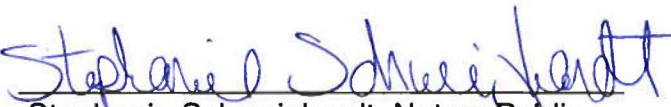
I, Angela Fields, hereby certify that:

1. The attached DVD contains a digital recording of the Hearing conducted in the above-styled proceeding on May 31, 2018. Hearing Log, Exhibit List and Witness List are included with the recording on May 31, 2018.
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Hearing of May 31, 2018.
4. The Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Hearing of May 31, 2018 and the time at which each occurred.

Signed this 5th day of June, 2018.



Angela Fields, Paralegal Consultant



Stephanie Schweighardt, Notary Public
State at Large
Commission Expires: January 14, 2019
ID#: 525987

Investigation of the Operating Capacity of Martin Co. Water Dist.

Date:	Type:	Location:	Department:
5/31/2018	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Judge: Bob Cicero; Talina Mathews; Michael Schmitt

Witness: Kelly Callahan; Turner Campbell; Greg Heitzmann; John Horn; Jimmy Kerr; John Mills; Greg Scott; Linda Sumpter; Bob Taylor

Clerk: Angela Fields

Event Time	Log Event
8:02:12 AM	Session Started
8:02:15 AM	Session Paused
9:00:17 AM	Session Resumed
9:00:21 AM	VC Cicero
	Note: Fields, Angela Preliminary remarks
9:01:46 AM	VC Cicero
	Note: Fields, Angela Notice given
9:02:00 AM	Nina McCoy - Public Comment
	Note: Fields, Angela Leaking pipe issues, the plant is comatose, and the pump pumping from the river is having issues. Problem of redundancy.
9:05:31 AM	VC Cicero
	Note: Fields, Angela We will not let what happened last time happen again.
9:06:13 AM	Cromer
	Note: Fields, Angela Motion to withdraw the subpoena on Mr. Taylor.
9:06:49 AM	Chairman Schmitt
	Note: Fields, Angela Would like to ask Mr. Taylor questions.
9:07:59 AM	Cumbo - direct Kerr
	Note: Fields, Angela Explain to PSC to familiarize yourself with the water commission.
9:09:50 AM	Cumbo - direct Kerr
	Note: Fields, Angela MCCC is welcome to the meetings?
9:10:34 AM	Cumbo - direct Kerr
	Note: Fields, Angela What is your financial position from the last time at the PSC?
9:17:55 AM	Cumbo - direct Kerr
	Note: Fields, Angela Were are you with the grants?
9:19:08 AM	Cumbo - direct Kerr
	Note: Fields, Angela The Commission is soliciting requests for proposals?
9:19:37 AM	Cumbo - direct Kerr
	Note: Fields, Angela School project going to bid this morning?
9:20:05 AM	Cumbo - direct Kerr
	Note: Fields, Angela Explain why MCWD was late in filing its first monthly report to the PSC?
9:21:44 AM	Cumbo - direct Kerr
	Note: Fields, Angela One other issue, Dept. of Local Government noncompliance issue. Please advise the board on that.
9:23:25 AM	Cumbo - direct Kerr
	Note: Fields, Angela Explain the status of the negotiations with the PCUC.
9:28:32 AM	Cromer - cross Kerr
	Note: Fields, Angela Phase I and Phase II. When it got better. Give us a since of when the turnaround happened.
9:29:49 AM	Cromer - cross Kerr
	Note: Fields, Angela Meetings on Thursday morning. What is Raymond Sumpter's role?

9:30:47 AM	Cromer - cross Kerr Note: Fields, Angela	What is your understanding of the status of the river pumps?
9:31:39 AM	Cromer - cross Kerr Note: Fields, Angela	The board had turned in a budget to DLG?
9:31:59 AM	Cromer - cross Kerr Note: Fields, Angela	Did the board approve the budget?
9:32:13 AM	Bowker cross Kerr Note: Fields, Angela	What did you mean by noncompliant with the DLG?
9:32:39 AM	Bowker cross Kerr Note: Fields, Angela	Accurate MCWD revenue exceeded its billing by \$20 thousand?
9:33:14 AM	Bowker cross Kerr Note: Fields, Angela	Who in the MCWD came up with that figure?
9:33:45 AM	Bowker cross Kerr Note: Fields, Angela	What efforts have MCWD made since last February to pay off past due payables?
9:35:59 AM	Bowker cross Kerr Note: Fields, Angela	Still in discussion with the bank for a \$250,000 loan?
9:37:18 AM	Bowker cross Kerr Note: Fields, Angela	Working on time tables. Do you have a timetable on when you plan to get a discision from a bank regarding a loan?
9:37:57 AM	Bowker cross Kerr Note: Fields, Angela	Debt service surcharge approved by the PSC. How do you intend to use the surcharge proceeds?
9:39:03 AM	Bowker cross Kerr Note: Fields, Angela	You were at Jenny Wiley for training on both days, and have completed your training?
9:40:16 AM	Bowker cross Kerr Note: Fields, Angela	How was Mr. Scott's salary determined?
9:40:39 AM	Bowker cross Kerr Note: Fields, Angela	That is to keep it under a certain level for retirement?
9:41:02 AM	Bowker cross Kerr Note: Fields, Angela	Mr. Scott an employee or independant contractor?
9:41:29 AM	Bowker cross Kerr Note: Fields, Angela	Do you have any updates on BlueWater Kentucky recommendations?
9:42:20 AM	Bowker cross Kerr Note: Fields, Angela	What will BlueWater's role be?
9:42:43 AM	Bowker cross Kerr Note: Fields, Angela	When is BlueWater's contract going to be renewed?
9:43:19 AM	Bowker cross Kerr Note: Fields, Angela	Honey Branch tank. The board has agreed to sell the assest to PCUC for \$5 million?
9:44:11 AM	Bowker cross Kerr Note: Fields, Angela	What analysis was done to reach the \$5 million saleprice?
9:46:04 AM	Bowker cross Kerr Note: Fields, Angela	Why does MCWD consider the addition of the offset as a deal breaker?
9:47:06 AM	Bowker cross Kerr Note: Fields, Angela	The MCWD wants to to be able to in the future make money off the prison water?
9:48:35 AM	Bowker cross Kerr Note: Fields, Angela	Was emergancy water service to MCWD cut off?
9:49:16 AM	VC Cicero Note: Fields, Angela	Any other communication between MCWD with PCUC?

9:51:00 AM	Bowker cross Kerr Note: Fields, Angela	What would MCWD do with the proceeds from the tank?
9:52:08 AM	Bowker cross Kerr Note: Fields, Angela	Who come up with the new MCWD mileage policy?
9:52:53 AM	Bowker cross Kerr Note: Fields, Angela	How does allowing MCWD employees to take their district vehicles home help with faster response?
9:54:25 AM	Bowker cross Kerr Note: Fields, Angela	How was the mileage rate determined?
9:55:02 AM	Chairman Schmitt Note: Fields, Angela	Ms. Sumpter is who determined the mileage rate?
9:55:34 AM	Chairman Schmitt Note: Fields, Angela	Who made the decision about the mileage rates?
9:56:00 AM	Chairman Schmitt Note: Fields, Angela	You would like to think someone checked to see what is reasonable.
9:56:47 AM	Chairman Schmitt Note: Fields, Angela	Surcharge put in place to be used to pay or secure a loan, or pay the district outstanding debt?
9:57:16 AM	Chairman Schmitt Note: Fields, Angela	Failure to comply with with the terms of that order allows PSC to pull surcharge.
9:57:47 AM	Chairman Schmitt Note: Fields, Angela	MCWD is supposed to comply with order over the years, and didn't do it. I am not going to vote to keep your district on life support if you do not comply timely with this Commission.
10:01:09 AM	Chairman Schmitt Note: Fields, Angela	Does MCWD have a plan to replace aging infrastructure?
10:04:26 AM	Chairman Schmitt Note: Fields, Angela	I think the problem is your rates were too low.
10:06:48 AM	Chairman Schmitt Note: Fields, Angela	Surcharges only last for a certain amount of time. When does your board meet?
10:08:14 AM	Chairman Schmitt Note: Fields, Angela	Would MCWD be interested in an infrastructure surcharge?
10:09:28 AM	Chairman Schmitt Note: Fields, Angela	You would have to have some kind of plan first to replace your infrastructure.
10:10:52 AM	Chairman Schmitt Note: Fields, Angela	The MCWD had an outside auditor, but it was not completed because they were not paid. What is the status of that?
10:11:31 AM	Chairman Schmitt Note: Fields, Angela	Mr. Scott is the interim general manager? Have any plans to hire a permanent manager?
10:12:22 AM	Chairman Schmitt Note: Fields, Angela	You should contact the KY. Dept. of Labor, regarding being possible violation of the wage an hour laws.
10:13:17 AM	Commissioner Matthews Note: Fields, Angela	Did you take any disciplinary action against any employee for hiking up these charges?
10:13:48 AM	Commissioner Matthews Note: Fields, Angela	IRS standard rate is the same as the rate you use.
10:14:23 AM	VC Cicero Note: Fields, Angela	Who developed the procedures on fuel procurement, the purchase orders. etc.?

10:14:55 AM	VC Cicero Note: Fields, Angela	Should I ask Mr. Scott about the procedures? I think they are extremely lacking.
10:15:49 AM	VC Cicero Note: Fields, Angela	Meeting of the minds at the last meeting and 90 days later no signed contract. You made an assumption they wanted to by the tank. My issue is there has not been any other communication regarding what the issue is with PCUC.
10:18:09 AM	VC Cicero Note: Fields, Angela	Two parties and no one is talking to each other.
10:19:00 AM	VC Cicero Note: Fields, Angela	You need to communicate with PCUC.
10:19:13 AM	VC Cicero Note: Fields, Angela	Since the last PSC meeting you had how many board meetings?
10:20:32 AM	Cromer cross Kerr Note: Fields, Angela	With regard to the AML grant, and the raw water intake; are there any idea on how to fix it and who should I talk to about that?
10:21:18 AM	BREAK	
10:21:40 AM	Session Paused	
10:33:38 AM	Session Resumed	
10:34:29 AM	Cumbo - direct Scott Note: Fields, Angela	Would you tell the commission how you are currently employed.
10:35:09 AM	Cumbo - direct Scott Note: Fields, Angela	What are you retired from?
10:35:47 AM	Cumbo - direct Scott Note: Fields, Angela	Explain to the Commission is what you have done to make MCWD a better business.
10:36:50 AM	Cumbo - direct Scott Note: Fields, Angela	What are you doing to fix the river intake problem?
10:39:06 AM	Cumbo - direct Scott Note: Fields, Angela	As far as to pumping into the resevier now what is that situation?
10:39:48 AM	Cumbo - direct Scott Note: Fields, Angela	As we sit here today we do not have redundancy?
10:40:45 AM	Cumbo - direct Scott Note: Fields, Angela	Cost saving measures you put in place. Beginning with the fuel expense and purchase orders.
10:42:06 AM	Cumbo - direct Scott Note: Fields, Angela	What about the purchase order system?
10:43:04 AM	Cumbo - direct Scott Note: Fields, Angela	Have those controls resutled in cost savings or a reduction in fuel costs?
10:43:29 AM	Cumbo - direct Scott Note: Fields, Angela	What are you doing about leak detection?
10:44:22 AM	Cumbo - direct Scott Note: Fields, Angela	Has the MCWD hired an electician?
10:44:48 AM	Cumbo - direct Scott Note: Fields, Angela	What about Rural Water. Are they still helping?
10:45:25 AM	Cumbo - direct Scott Note: Fields, Angela	Questions from MCCC. Whose responsibilty is it now to respond to their questions?
10:47:10 AM	Chairman Schmitt Note: Fields, Angela	When they can provide good water to the citizens of Martin Co. they will have done a good service when the citizens get quality water service.

10:48:32 AM	Cumbo - direct Scott Note: Fields, Angela	Did your group hire Joe Hammonds as manager?
10:48:56 AM	Cumbo - direct Scott Note: Fields, Angela	Compliance with disinfection by-product standards is in compliance?
10:49:29 AM	Cumbo - direct Scott Note: Fields, Angela	Tell commission about negotiations with some of the vendors.
10:50:17 AM	Cumbo - direct Scott Note: Fields, Angela	How is employee morale?
10:50:53 AM	Cumbo - direct Scott Note: Fields, Angela	How many hours are you working a week?
10:51:16 AM	Cromer - cross Scott Note: Fields, Angela	What were your years of service on the board?
10:51:52 AM	Cromer - cross Scott Note: Fields, Angela	Raw water intake system. There is a submerged pump in the river that pumps into a well essentially?
10:52:37 AM	Cromer - cross Scott Note: Fields, Angela	Two pumpes in the river that pump into the wet well?
10:52:49 AM	Cromer - cross Scott Note: Fields, Angela	Reduncency or are there two pumps pumping at the same time?
10:53:16 AM	Cromer - cross Scott Note: Fields, Angela	You are talking about installing a buoy system?
10:53:36 AM	Cromer - cross Scott Note: Fields, Angela	Are you taking about a back-up system for the buoy system?
10:54:43 AM	Cromer - cross Scott Note: Fields, Angela	Have you done analysis about installing a new intake at a new location?
10:55:37 AM	Cromer - cross Scott Note: Fields, Angela	You got the idea about the buoy system from Mingo Co. WV?
10:56:17 AM	Cromer - cross Scott Note: Fields, Angela	Did any of the engineers go to Mingo with you?
10:57:07 AM	Cromer - cross Scott Note: Fields, Angela	Buoy system is a temporary fix? How do you pay for that?
10:57:36 AM	Cromer - cross Scott Note: Fields, Angela	How much did the new system cost?
10:57:52 AM	Cromer - cross Scott Note: Fields, Angela	All the pumps in the river are currently working?
10:58:24 AM	Cromer - cross Scott Note: Fields, Angela	If one of the pumps fail, do you have the back-up pump available.
10:58:46 AM	Cromer - cross Scott Note: Fields, Angela	AML grant.
10:59:38 AM	Cromer - cross Scott Note: Fields, Angela	Is there latitude in the grant to move the intake if necessary?
11:00:01 AM	Cromer - cross Scott Note: Fields, Angela	If the buoy system is sucessful you will take the money from the grant and put it towards the water treatment plant?
11:00:28 AM	Cromer - cross Scott Note: Fields, Angela	What would it take to determine that?
11:00:44 AM	Cromer - cross Scott Note: Fields, Angela	Looking forward, what is MCWD doing to prepare for summer issues?
11:01:40 AM	Cromer - cross Scott Note: Fields, Angela	Do you currently rent equipment?
11:02:00 AM	Cromer - cross Scott Note: Fields, Angela	Where is the rented pump located?

11:02:14 AM	Cromer - cross Scott Note: Fields, Angela	Pump can be used at different locations?
11:02:40 AM	Cromer - cross Scott Note: Fields, Angela	Why does the district rent?
11:03:09 AM	Cromer - cross Scott Note: Fields, Angela	Explain why you are sending it back?
11:03:29 AM	Cromer - cross Scott Note: Fields, Angela	How much will a new pump cost?
11:03:41 AM	Cromer - cross Scott Note: Fields, Angela	Only equipment rented?
11:04:08 AM	Cromer - cross Scott Note: Fields, Angela	Do you know when the last time the district received emergency water backup from PCUC?
11:04:39 AM	Cromer - cross Scott Note: Fields, Angela	Metering numbers you provided. Handing out documents.
11:05:40 AM	Cromer - cross Scott Note: Fields, Angela	MCCC EXHBIT 1. How is the monthly accounting is done. Walk us through the exhibit.
11:07:10 AM	Cromer - cross Scott Note: Fields, Angela	What is the purpose of sending it to Mr. Cumbo?
11:07:31 AM	Cromer - cross Scott Note: Fields, Angela	Can you go through the columns and what is represented in each column.
11:08:12 AM	Cumbo Note: Fields, Angela	Document was not prepared by Mr. Scott. It was prepared by Mr. Ally(?).
11:08:49 AM	VC Cicero Note: Fields, Angela	Request for a clarification. No one else but Mr. Ally
11:09:16 AM	PHDR Note: Fields, Angela	Who reconciled what? Someone to explain document?
11:10:04 AM	Cromer - cross Scott Note: Fields, Angela	What day of the month does MCWD receive billing from PCUC?
11:10:23 AM	Cromer - cross Scott Note: Fields, Angela	You have not seen March, April or May invoices?
11:10:58 AM	Cromer - cross Scott Note: Fields, Angela	School expansion project. Bids are being received today. Can you describe that project?
11:11:48 AM	VC Cicero Note: Fields, Angela	Whether or not there is going to be any liability.
11:12:46 AM	Cromer - cross Scott Note: Fields, Angela	Have you been made aware of changes to the route and tank size in the expansion project?
11:13:36 AM	PHDR Note: Fields, Angela	Request copy of the letter
11:13:59 AM	Cromer - cross Scott Note: Fields, Angela	Accounts payable. Are any of MCDW creditors making efforts to collect?
11:14:49 AM	Cromer - cross Scott Note: Fields, Angela	Policies that have been enacted since you came on board. Handing out documents. MCCC EXHIBITS 1 & 2.
11:16:35 AM	Cromer - cross Scott Note: Fields, Angela	What was your understanding of what was going on prior to your employment?

11:16:56 AM	Cromer - cross Scott Note: Fields, Angela	Are you familiar with the procurement guidelines?
11:17:38 AM	Cromer - cross Scott Note: Fields, Angela	Did you work with someone to develop these procedures? What was your role and others roles?
11:18:44 AM	Cromer - cross Scott Note: Fields, Angela	Has Office Manager do anything different. Did you proofread them?
11:19:31 AM	Cromer - cross Scott Note: Fields, Angela	You are now working for a public utility owned by the people and open to open records. How are the materials are kept in a way to allow for public review?
11:21:25 AM	Cromer - cross Scott Note: Fields, Angela	What is recorded in office?
11:22:35 AM	Cromer - cross Scott Note: Fields, Angela	Researching the three vendors. What documents are kept on that?
11:23:07 AM	Cromer - cross Scott Note: Fields, Angela	To your knowledge she does not keep documents of that?
11:23:30 AM	Cromer - cross Scott Note: Fields, Angela	Fuel Procedures (MCCC EXHIBIT 3). Tell use why there are two different responses?
11:24:49 AM	Cromer - cross Scott Note: Fields, Angela	How were these developed? In the same way?
11:25:08 AM	Cromer - cross Scott Note: Fields, Angela	Why did the earlier version have a mileage requirement?
11:26:04 AM	Cromer - cross Scott Note: Fields, Angela	And currently the procedures require mileage to be recorded?
11:26:42 AM	Cromer - cross Scott Note: Fields, Angela	The employees who work with Mr. Mills?
11:27:01 AM	Cromer - cross Scott Note: Fields, Angela	Zip Zone. Have they changed their procedures too?
11:27:32 AM	PHDR Note: Fields, Angela	Copy of Zip Zone monlthy Statement
11:28:08 AM	Cromer - cross Scott Note: Fields, Angela	Vehicle use policy. How many employees are allowed to drive vehicle home? Who?
11:29:13 AM	Cromer - cross Scott Note: Fields, Angela	Are these the same field workers we were talking about earlier?
11:29:48 AM	Cromer - cross Scott Note: Fields, Angela	Mileage reimbursment. Are there others that use their own vehicles. What about meter readers? Still contracting meter readers?
11:30:56 AM	Cromer - cross Scott Note: Fields, Angela	You have figured out the number of miles for their route?
11:31:14 AM	Cromer - cross Scott Note: Fields, Angela	Water loss reports. MCCC EXHIBIT 4.
11:32:24 AM	Cromer - cross Scott Note: Fields, Angela	Still getting up to speed. Describe your process in developing these reports.
11:34:43 AM	Cromer - cross Scott Note: Fields, Angela	Is there a meter that figures that?
11:35:06 AM	Cromer - cross Scott Note: Fields, Angela	The fire departments turns in a report?
11:36:34 AM	Cromer - cross Scott Note: Fields, Angela	Who would know who produced these documents?

11:37:02 AM	VC Cicero Note: Fields, Angela	Mr. Cumbo, who can answer to these reports?
11:37:36 AM	PHDR Note: Fields, Angela	Redo these reports the way they are supposed to be done. Oct., Nov. and Dec.
11:38:37 AM	PSC Pinney Note: Fields, Angela	We will have an exhibit that will highlight the differences in the reports.
11:39:07 AM	Chairman Schmitt Note: Fields, Angela	Mr. Lyons is working on a definition of lost water and he can help you with that.
11:39:36 AM	Cromer - cross Scott Note: Fields, Angela	Water loss report. Regarding the use of "Other loss". That has been refined to say "line leaks".
11:40:31 AM	Cromer - cross Scott Note: Fields, Angela	In the breakdown, is there a meaningful difference in line leaks and line breaks?
11:41:38 AM	Cromer - cross Scott Note: Fields, Angela	Capital Improvement Projects. Tell us a little about improvements to line route 3?
11:43:35 AM	Cromer - cross Scott Note: Fields, Angela	What engineers are you talking to about this project?
11:43:49 AM	Cromer - cross Scott Note: Fields, Angela	Have you identified sources of funding for the project?
11:44:35 AM	Cromer - cross Scott Note: Fields, Angela	How far along are you in the process?
11:45:04 AM	Cromer - cross Scott Note: Fields, Angela	This area between Devella and the Honey branch tank. All this infrastructure is being negotiated?
11:45:37 AM	Cromer - cross Scott Note: Fields, Angela	Handing out documents. MCCC EXHIBIT 5.
11:47:05 AM	Cromer - cross Scott Note: Fields, Angela	Water treatment clarifier rehab project. One clarifier does not work at all. Would this project bring that one back on line?
11:47:53 AM	Cromer - cross Scott Note: Fields, Angela	What is the status for funding on this?
11:48:37 AM	Cromer - cross Scott Note: Fields, Angela	Radio read meters. Is this for residential customers?
11:48:59 AM	Cromer - cross Scott Note: Fields, Angela	3.4 million project for water system controls and modifications. AML Grant? Is the receipt for that money certain?
11:49:47 AM	Cromer - cross Scott Note: Fields, Angela	Do you know what entity will be administering and dispursing?
11:50:08 AM	Cromer - cross Scott Note: Fields, Angela	Do you know if there is a memorandum of agreement?
11:50:28 AM	Cromer - cross Scott Note: Fields, Angela	When the current SCADA system was installed?
11:51:48 AM	Cromer - cross Scott Note: Fields, Angela	Is there one location that is a partular problem?
11:52:24 AM	Cromer - cross Scott Note: Fields, Angela	Water treatment plant clarifier and DBD reduction. Where this is in the process?
11:53:39 AM	Cromer - cross Scott Note: Fields, Angela	There were improvements made last summer. Is this the prograss that was made: on this project?

11:54:22 AM	Cromer - cross Scott Note: Fields, Angela	Last project. Is the the ARC water system improvements Is this the ARC grant for 1.2 million?
11:54:46 AM	Cromer - cross Scott Note: Fields, Angela	Funding info on this, it mentions of KIA fund B loan. Is the district trying to get that loan?
11:55:25 AM	Cromer - cross Scott Note: Fields, Angela	What is the current status of the ARC grant?
11:56:04 AM	Cromer - cross Scott Note: Fields, Angela	Mr. Heitzmann's recommendations. Does this meant the current sewer rates are not sufficient to cover sewer expenses?
11:57:00 AM	Cromer - cross Scott Note: Fields, Angela	How are the sewer expenses being covered?
11:57:30 AM	Cromer - cross Scott Note: Fields, Angela	No water district funds are used to cover sewer?
11:58:10 AM	Cromer - cross Scott Note: Fields, Angela	Short term critical capital projects. Can you tell us what applications have been submitted?
11:58:58 AM	Cromer - cross Scott Note: Fields, Angela	Will that list go to the board for approval?
11:59:25 AM	Cromer - cross Scott Note: Fields, Angela	Replace sublines. Are you referring to the ARC grant?
11:59:52 AM	Cromer - cross Scott Note: Fields, Angela	Does the district have a plan for replacing the other lines?
12:00:21 PM	Cromer - cross Scott Note: Fields, Angela	Part of the recommendaion is to replace the underpreforming meters. Describe the problem with the underpreforming meters?
12:01:24 PM	Cromer - cross Scott Note: Fields, Angela	District tariffs. Do you test the meters?
12:02:07 PM	Cromer - cross Scott Note: Fields, Angela	Are meter readers trained to do this?
12:03:02 PM	PSC Pinney cross Scott Note: Fields, Angela	Any questions about fuel procurement calculations. Those questions may be better suited for Ms. Sumpter?
12:03:47 PM	PSC Pinney cross Scott Note: Fields, Angela	Pay and salary. Do you have an agreement in place with the water district that you would waive any liabilities?
12:05:05 PM	PSC Pinney cross Scott Note: Fields, Angela	Is there a written agreement?
12:05:42 PM	PSC Pinney cross Scott Note: Fields, Angela	Do you know if the MCWD is pay SSI, unemployment on your behalf, etc.
12:06:10 PM	PSC Pinney cross Scott Note: Fields, Angela	Water loss. Handing out documents. Introduces PSC EXHIBIT 1
12:07:59 PM	PSC Pinney cross Scott Note: Fields, Angela	Staff provided what they thought would be the corrected information. Would you accept those numbers?
12:09:05 PM	PSC Exhibit 1 introduced into record	
12:09:33 PM	PHDR Note: Fields, Angela	In Feb. listed 100% water loss.
12:10:20 PM	PSC Pinney cross Scott Note: Fields, Angela	Handing out documents PSC EXHIBIT 2.
12:11:31 PM	PSC Pinney cross Scott Note: Fields, Angela	PSC EXHIBIT 3. Your Response on April 30th.

12:12:55 PM	PSC Pinney cross Scott Note: Fields, Angela	Staff's recommendation is that if be done sooner rather than later.
12:13:19 PM	PSC Pinney cross Scott Note: Fields, Angela	Inspection reports. Are these intended to show the written inspection reports that occurred?
12:14:15 PM	PSC Pinney cross Scott Note: Fields, Angela	The fourth deficiency. Several employees are CPR certified in response to the deficiency.
12:15:48 PM	PSC Pinney cross Scott Note: Fields, Angela	Move PSC EXHIBITS 2 & 3 be introduced into the record.
12:16:11 PM	Chairman Schmitt Note: Fields, Angela	You are salaried so you do not keep time?
12:16:44 PM	Chairman Schmitt Note: Fields, Angela	Ms. Cromer's question requesting for different engineering proposals? What was your answer?
12:17:26 PM	Chairman Schmitt Note: Fields, Angela	Service line replacement has not started yet?
12:17:58 PM	Chairman Schmitt Note: Fields, Angela	Were there different engineers you talked to about the river?
12:18:45 PM	Commissioner Matthews Note: Fields, Angela	When was the poorly designed intake raw water system installed?
12:19:31 PM	Commissioner Matthews Note: Fields, Angela	Is Kentucky Engineering on retainer? Use them exclusively?
12:20:22 PM	Commissioner Matthews Note: Fields, Angela	You did mention for the raw water intake you may use another engineer?
12:20:55 PM	VC Cicero Note: Fields, Angela	How much was saved in gas with new fuel policy?
12:21:20 PM	VC Cicero Note: Fields, Angela	Go through one more time what happens for a fuel purchase?
12:22:18 PM	VC Cicero Note: Fields, Angela	That detail is not included on this document. This document is incomplete. Same thing with the purchase order procedure.
12:23:26 PM	VC Cicero Note: Fields, Angela	What is inventory or a current project. How do you determine what is what in the system?
12:24:13 PM	VC Cicero Note: Fields, Angela	Procedures need to be updated for the next hearing.
12:24:35 PM	PDHR Note: Fields, Angela	Updated procedures
12:25:11 PM	Lunch break Note: Fields, Angela	Till 1:30.
12:25:47 PM	Cumbo Note: Fields, Angela	Meeting at 3, Can witness be excused for the 3:00 meeting?
12:26:14 PM	Session Paused	
1:29:51 PM	Session Resumed	
1:30:03 PM	Cumbo - direct Horn Note: Fields, Angela	How long have you been affiliated with MCWD?
1:30:56 PM	Cumbo - direct Horn Note: Fields, Angela	Are you committed to finishing your training?
1:31:12 PM	Cumbo - direct Horn Note: Fields, Angela	Handing out documents. MCWD Exhibit 1
1:33:18 PM	Cumbo - direct Horn Note: Fields, Angela	Explain your understanding of the lease with the PCUC.

1:34:31 PM	Cumbo - direct Horn Note: Fields, Angela	It is not the offset provision you don't agree with?
1:35:07 PM	Cumbo - direct Horn Note: Fields, Angela	Since then has the commission entertained the sale of the tank?
1:35:39 PM	Cumbo - direct Horn Note: Fields, Angela	Relative to the engineering services, what is the boards position on that?
1:36:43 PM	Cromer - cross Horn Note: Fields, Angela	Regarding the river pump that you rent, can you tell us about that?
1:37:12 PM	Cromer - cross Horn Note: Fields, Angela	It bypasses the wet well?
1:37:34 PM	Cromer - cross Horn Note: Fields, Angela	You are going to put out a RSP on that pump?
1:38:04 PM	Cromer - cross Horn Note: Fields, Angela	How far in the future is that grant money coming in?
1:38:23 PM	Cromer - cross Horn Note: Fields, Angela	In your letter to Mr. Campbell, I though your meetings was on the second Tuesday?
1:38:58 PM	Cromer - cross Horn Note: Fields, Angela	Two additional trainings have been announced.
1:39:18 PM	Cromer - cross Horn Note: Fields, Angela	Is the electician a full time employee?
1:39:44 PM	Cromer - cross Horn Note: Fields, Angela	The negotiations with PCUC, are you aware the route 3 improvements?
1:40:38 PM	Cromer - cross Horn Note: Fields, Angela	The pressure is needed not just for Honey branch.
1:41:02 PM	Cromer - cross Horn Note: Fields, Angela	Who are you meeting with this afternoon?
1:41:24 PM	Cromer - cross Horn Note: Fields, Angela	Hopefully you'll have a MOA by this afternoon.
1:41:54 PM	PSC Bowker cross Horn Note: Fields, Angela	Is the door still open for negotiations with PCUC?
1:42:39 PM	PSC Bowker cross Horn Note: Fields, Angela	Wanting someone to offer or get some assistance?
1:42:59 PM	PSC Bowker cross Horn Note: Fields, Angela	Apparent lack of communication with PCUC, is due you believe you are at impass?
1:43:39 PM	PSC Bowker cross Horn Note: Fields, Angela	When was the electrician hired?
1:43:54 PM	PSC Bowker cross Horn Note: Fields, Angela	When did you first become a commissioner?
1:44:09 PM	PSC Bowker cross Horn Note: Fields, Angela	You do not have an issue to come to one of the two trainings?
1:44:41 PM	PSC Bowker cross Horn Note: Fields, Angela	Do you have any updates on the progeg of the BlueWater recommendations?
1:45:30 PM	PSC Bowker cross Horn Note: Fields, Angela	Did you state that you were reappointed to the boad in Dec. of 2017?
1:46:02 PM	Chairman Schmitt Note: Fields, Angela	As of this date the only training you have had is one day of Prestonsburg in April of 2018?

1:46:45 PM	Chairman Schmitt Note: Fields, Angela	In 22 months you have had one training six hours of training. You are aware of the statute on training?
1:47:18 PM	VC Cicero Note: Fields, Angela	It does seem to be a pertinent to Martin Co.
1:48:18 PM	Cromer cross Horn Note: Fields, Angela	Any plans to hire a mediator?
1:48:42 PM	Chairman Schmitt Note: Fields, Angela	Is there a requirment for mediation with the contract with PCUC?
1:49:03 PM	VC Cicero Note: Fields, Angela	Can the witness be excussed?
1:49:53 PM	Cumbo - direct Sumpter Note: Fields, Angela	What is the finanical status of the MCWD?
1:52:20 PM	Cumbo - direct Sumpter Note: Fields, Angela	How close are you to breaking even?
1:53:06 PM	Cumbo - direct Sumpter Note: Fields, Angela	Are we able to pay into depreciation?
1:53:56 PM	Cumbo - direct Sumpter Note: Fields, Angela	Made April payment. Are you seeing a monthy bill from PCUC?
1:54:56 PM	Gardner cross Sumpter Note: Fields, Angela	Have your duties changed any?
1:55:27 PM	Gardner cross Sumpter Note: Fields, Angela	That is not a significant change in the amount of time you are spending with the MCWD?
1:56:08 PM	Gardner cross Sumpter Note: Fields, Angela	Has the district received revenues rate increase? When?
1:56:35 PM	Gardner cross Sumpter Note: Fields, Angela	Are the bills sent at the same time or are staggard?
1:57:40 PM	Gardner cross Sumpter Note: Fields, Angela	Getting money from the new rates did not start coming in till May?
1:58:10 PM	Gardner cross Sumpter Note: Fields, Angela	Has the 2017 Annual Report been filed?
1:58:48 PM	Gardner cross Sumpter Note: Fields, Angela	To what date have you been given an extension?
1:59:10 PM	Gardner cross Sumpter Note: Fields, Angela	So you are waiting for the auditor to give you a balance on 2016?
1:59:43 PM	Gardner cross Sumpter Note: Fields, Angela	Is there a budget that MCWD is adhering to?
2:00:23 PM	Gardner cross Sumpter Note: Fields, Angela	Who prepared the budget?
2:00:51 PM	Gardner cross Sumpter Note: Fields, Angela	The board has to approve the cash flow budget in advance?
2:01:37 PM	Gardner cross Sumpter Note: Fields, Angela	What goes to the board every month?
2:02:37 PM	Gardner cross Sumpter Note: Fields, Angela	When was the last time the MCWD had a budget other than a cash flow budget?
2:03:11 PM	Gardner cross Sumpter Note: Fields, Angela	Handing out 4 EXHIBITS. MCCC EXHIBITS 6, 7, 8 AND 9. Exhibit order.
2:05:17 PM	Gardner cross Sumpter Note: Fields, Angela	DLG requires this?
2:05:48 PM	Gardner cross Sumpter Note: Fields, Angela	Does this filing solve that or the 2016-2017 been filed?

2:06:13 PM	Gardner cross Sumpter Note: Fields, Angela	When was that report due? The DLG?
2:06:27 PM	Gardner cross Sumpter Note: Fields, Angela	You see no reason why the notice of compliance will not be resolved soon.
2:06:55 PM	Gardner cross Sumpter Note: Fields, Angela	We will be in the PHDR requesting that new budget.
2:07:19 PM	Gardner cross Sumpter Note: Fields, Angela	Process of this being prepared. Do you prepare an initial draft. I am referring to MCCC Exhibit 6. How does it flow through the organization.
2:08:47 PM	Gardner cross Sumpter Note: Fields, Angela	Mr. Kerr was not on the board at that time?
2:09:42 PM	Gardner cross Sumpter Note: Fields, Angela	This budget goes to DLG and it is used for all purposes then. This is the budget used for all purposes for the organization.
2:10:44 PM	Gardner cross Sumpter Note: Fields, Angela	Are you aware of any other budget form being used?
2:11:01 PM	Gardner cross Sumpter Note: Fields, Angela	You would recall if there was another form?
2:11:42 PM	Gardner cross Sumpter Note: Fields, Angela	Refer to MCCC Exhibit 7, pg 4.
2:12:30 PM	Gardner cross Sumpter Note: Fields, Angela	Do you know what the net operating loss was for 2017?
2:14:01 PM	Gardner cross Sumpter Note: Fields, Angela	Tell me your concerns about the GAZBE 68 is?
2:14:49 PM	Gardner cross Sumpter Note: Fields, Angela	The number given for the NOC 2016 was an unadjusted number?
2:15:12 PM	Gardner cross Sumpter Note: Fields, Angela	Dec. 2016 the cash balance was \$44 thousand in 2017?
2:15:46 PM	Gardner cross Sumpter Note: Fields, Angela	Do you know if it is going to be more than \$44 thousand?
2:16:02 PM	VC Cicero Note: Fields, Angela	If you have a lot of questions about this please put them in a PHDR.
2:16:34 PM	Gardner cross Sumpter Note: Fields, Angela	The accounts receivable was reduced from 650 to 608?
2:17:37 PM	Gardner cross Sumpter Note: Fields, Angela	Was that reduced because of the writting off of many of the accounts receivable?
2:19:16 PM	Gardner cross Sumpter Note: Fields, Angela	Do you know how many meters have been pulled?
2:19:38 PM	Gardner cross Sumpter Note: Fields, Angela	You felt there is a 17% cost saving from January, February and April?
2:20:20 PM	Gardner cross Sumpter Note: Fields, Angela	Back in Feb. you had concerns about meeting payroll. Do you still have those concerns about meeting payroll?
2:21:05 PM	Gardner cross Sumpter Note: Fields, Angela	Mr. Kerr indicated you not on the verge of collapse. Do you agree?
2:22:17 PM	Gardner cross Sumpter Note: Fields, Angela	Have there been any other policies that have been written that affect you in financials?

2:23:15 PM	Gardner cross Sumpter Note: Fields, Angela	Refer to MCCC ? #2 on page 13. Are you all doing that?
2:26:56 PM	Gardner cross Sumpter Note: Fields, Angela	Can you show me were the accounts receivables are in this ledger?
2:28:00 PM	Gardner cross Sumpter Note: Fields, Angela	So how would they know if the 37pg document is answering the questions about account receivables?
2:29:35 PM	Gardner cross Sumpter Note: Fields, Angela	Up to the Commisison what is the best approach for filing this infomation.
2:30:00 PM	VC Cicero Note: Fields, Angela	References in the attached file will work, and take care of your line of questioning.
2:30:22 PM	Gardner cross Sumpter Note: Fields, Angela	Question # 3 regarding accounts receiveable. For that one the general ledger was not submitted?
2:32:32 PM	VC Cicero Note: Fields, Angela	More careful in the way info are being submitted.
2:35:13 PM	PSC Pinney cross Sumpter Note: Fields, Angela	If there are significant changes will you submit with the annual report?
2:36:02 PM	PSC Pinney cross Sumpter Note: Fields, Angela	Are you able to see the different categorieis which costs are declining?
2:37:07 PM	Chairman Schmitt Note: Fields, Angela	How much is your flat rate per month?
2:37:39 PM	Chairman Schmitt Note: Fields, Angela	Is there a separate summary about what the auditors found?
2:38:01 PM	Chairman Schmitt Note: Fields, Angela	Is the auditor provided a copy for each of the water commissioners?
2:38:25 PM	Chairman Schmitt Note: Fields, Angela	Provided to the Commissioner by you?
2:38:47 PM	Chairman Schmitt Note: Fields, Angela	During April, when Staff was working on the report, Why you were not responsive the Commission's Staff?
2:39:57 PM	Chairman Schmitt Note: Fields, Angela	Did you receive any info from Mr. Cumbo about not being responsive to PSC staff?
2:40:44 PM	Commissioner Matthews Note: Fields, Angela	Anything else going on in the middle of April?
2:41:16 PM	VC Cicero Note: Fields, Angela	Is your assessment not there is no timeline that exists? Or would you assign a timeline on current activity?
2:42:33 PM	VC Cicero Note: Fields, Angela	Not much change in the accounts payable balanced?
2:42:55 PM	VC Cicero Note: Fields, Angela	When do you decide when an account is uncollectable?
2:43:46 PM	VC Cicero Note: Fields, Angela	How long has the ones identified been on the books?
2:44:52 PM	VC Cicero Note: Fields, Angela	608 thousand as uncollectable that need to be written off. It need to relect a true accounts receivable. Who can at MCWD can make that entry.

2:46:18 PM	Garder cross Sumpter Note: Fields, Angela	Did you hear Mr. Scott indicate there was one system being rented. Are you aware of any other rentals?
2:46:57 PM	Garder cross Sumpter Note: Fields, Angela	Do you know why the rental would show 59 thousand?
2:47:46 PM	Break	
2:47:55 PM	Session Paused	
2:59:59 PM	Session Resumed	
3:01:29 PM	Cumbo direct Mills Note: Fields, Angela	Have any thoughts regarding current situation?
3:09:37 PM	Cromer cross Mills Note: Fields, Angela	Where in the system do you have the most problems. I am going to hand out a map.
3:12:06 PM	Cromer cross Mills Note: Fields, Angela	You can't get the water shut off to repair it?
3:12:25 PM	Cromer cross Mills Note: Fields, Angela	From Buckcreek down through down through Beauty and Warfield
3:13:30 PM	Cromer cross Mills Note: Fields, Angela	Hydrolic zone map. Can you explain how those work?
3:14:42 PM	Cromer cross Mills Note: Fields, Angela	Which are the good zones?
3:16:48 PM	Cromer cross Mills Note: Fields, Angela	In addition to Buckcreek and Warfield area, what is the second zone are causing problems?
3:17:40 PM	Cromer cross Mills Note: Fields, Angela	What are the problems there?
3:19:40 PM	Cromer cross Mills Note: Fields, Angela	The ARC grant is providng money to replace lines in the in Beauty/Warfield area. If you had additional money, what would be the next area you would replace lines in?
3:21:07 PM	Cromer cross Mills Note: Fields, Angela	Process for leak detection. You like to work in a specific area for any given time?
3:22:27 PM	Cromer cross Mills Note: Fields, Angela	The SCADA system is working well?
3:23:28 PM	Cromer cross Mills Note: Fields, Angela	If it weren't the vandalism, is the SCADA system is working?
3:24:29 PM	Cromer cross Mills Note: Fields, Angela	Had asked for progress for leak detection. Are you still doing the late night leak detection?
3:26:05 PM	Cromer cross Mills Note: Fields, Angela	Master meter. Has it been paid for?
3:26:25 PM	Cromer cross Mills Note: Fields, Angela	Is the hold up the money. Why hasn't been installed yet?
3:27:12 PM	Cromer cross Mills Note: Fields, Angela	Do you know when the meter will be installed?
3:27:51 PM	Cromer cross Mills Note: Fields, Angela	Raw water intake. Is the problem still occuring with the pump?
3:29:10 PM	Cromer cross Mills Note: Fields, Angela	You need both VFDs to operate?
3:30:00 PM	Cromer cross Mills Note: Fields, Angela	Do you have access to the equipment and supplies that you need to do your work?

3:30:47 PM	Cromer cross Mills Note: Fields, Angela	How do those get ordered? How often?
3:31:22 PM	Cromer cross Mills Note: Fields, Angela	School expansion project. Do you have any concerns about keeping good water pressure?
3:32:50 PM	Cromer cross Mills Note: Fields, Angela	What are AC lines?
3:33:17 PM	Cromer cross Mills Note: Fields, Angela	Vehicle use. Do you drive a MCWD vehicle?
3:34:01 PM	Cromer cross Mills Note: Fields, Angela	What type of vehicle is it?
3:34:11 PM	Cromer cross Mills Note: Fields, Angela	When was it bought?
3:34:54 PM	Cromer cross Mills Note: Fields, Angela	Your about 30 minutes out?
3:35:12 PM	PSC Pinney cross Mills Note: Fields, Angela	When was the electrician hired?
3:35:41 PM	PSC Pinney cross Mills Note: Fields, Angela	What the total number of vehicles MCWD owns?
3:36:23 PM	PSC Pinney cross Mills Note: Fields, Angela	Master meter measure water coming in from the raw intake or water going out?
3:36:43 PM	PSC Pinney cross Mills Note: Fields, Angela	Are Issues due to age? Characteristics of the issues in each area?
3:38:02 PM	Chairman Schmitt Note: Fields, Angela	To what extent does the MCWD have mapping to show where the distribution lines are?
3:38:56 PM	Chairman Schmitt Note: Fields, Angela	Are there records that show when some of the lines were put in the ground? Know the age of most lines?
3:41:55 PM	Chairman Schmitt Note: Fields, Angela	Would the district have an idea what needs to be replaced?
3:43:11 PM	Cromer direct Callaham Note: Fields, Angela	Handing out document. MCCC EXHIBITS 10 and 11. Map will not be introduced.
3:45:12 PM	Cromer direct Callaham Note: Fields, Angela	What was the total on the bids on Hollybush project?
3:46:15 PM	Cromer direct Callaham Note: Fields, Angela	Has money been received from the corp?
3:47:06 PM	Cromer direct Callaham Note: Fields, Angela	Are you confident the lines will be in place before the deadline?
3:48:00 PM	Cromer direct Callaham Note: Fields, Angela	Refer to MCCC Exhibit 10. Mr. Taylor describes there has been two revisions to the project at the request to the Industrial Authority?
3:51:16 PM	Cromer direct Callaham Note: Fields, Angela	There were questions about whether you could use eminent domain and possible other route?
3:53:32 PM	Cromer direct Callaham Note: Fields, Angela	How much did the Industrial Authority agree to invest?
3:54:26 PM	Cromer direct Callaham Note: Fields, Angela	How would this work?
3:55:22 PM	Cromer direct Callaham Note: Fields, Angela	Who are the engineers who designed it?

3:55:44 PM	Cromer direct Callaham Note: Fields, Angela	Are there specific plans for future development for this site?
3:56:03 PM	Cromer direct Callaham Note: Fields, Angela	Refer to the EA, pg 2. How does that relate to the new route?
3:58:12 PM	Cromer direct Callaham Note: Fields, Angela	KY 40 is the new route that you are considering?
3:59:36 PM	Cromer direct Callaham Note: Fields, Angela	Do you know whether the corp is okay with it?
4:00:17 PM	Witness comments Note: Fields, Angela	Procurement.
4:01:50 PM	PSC Pinney direct Campbell Note: Fields, Angela	PSC staff has subpoenaed Mr. Turner to be a witness.
4:03:07 PM	PSC Bowker direct Campbell Note: Fields, Angela	Was the emergency water service terminated yesterday?
4:04:07 PM	PSC Bowker direct Campbell Note: Fields, Angela	Why did PCUC file another lien against MCWD?
4:04:30 PM	PSC Bowker direct Campbell Note: Fields, Angela	What property does the lien cover?
4:04:48 PM	PSC Bowker direct Campbell Note: Fields, Angela	Does the proposed lease agreement contain a provision that terminates the joint operating agreement?
4:05:16 PM	PSC Bowker direct Campbell Note: Fields, Angela	Why did PCUC decide to add that provision?
4:05:37 PM	PSC Bowker direct Campbell Note: Fields, Angela	When you met with MCWD, was there any discussion about terminating the joint operating agreement?
4:06:37 PM	PSC Bowker direct Campbell Note: Fields, Angela	Why is the 3 yr lease as proposed by MCWD not a possibility for PCUC to enter into?
4:08:03 PM	PSC Bowker direct Campbell Note: Fields, Angela	How did PCUC determine the purchase price?
4:08:41 PM	PSC Bowker direct Campbell Note: Fields, Angela	Since the Feb. 28th meeting has someone from MCWD tried to contact you or PCUC?
4:09:24 PM	PSC Bowker direct Campbell Note: Fields, Angela	How many times has someone from PCUC tried to contact someone from MCWD to discuss the lease?
4:09:56 PM	PSC Bowker direct Campbell Note: Fields, Angela	Why do you believe they are having a hard time communicating?
4:10:25 PM	Cumbo cross Campbell Note: Fields, Angela	When you met last time you did without attorneys?
4:11:34 PM	Cumbo cross Callaham Note: Fields, Angela	You were said it was talked about at the meeting?
4:11:59 PM	Cumbo cross Campbell Note: Fields, Angela	In your communication about terminating emergency water service, that would put customers of MCWD out of service
4:13:50 PM	Chairman Schmitt Note: Fields, Angela	Are there any lien on that infrastructure?
4:14:30 PM	Chairman Schmitt Note: Fields, Angela	Mr. Cumbo would you make an effort to check on the liens.
4:14:50 PM	Chairman Schmitt Note: Fields, Angela	Make an effort to check someone else is claiming a lien other than PCUC.

4:15:43 PM	Cromer cross Campbell Note: Fields, Angela	Has PCUC been serving MCWD not just on an emergency basis?
4:17:50 PM	Cromer cross Campbell Note: Fields, Angela	Where would the cutoff point be? From the prison to Devella?
4:18:23 PM	Cromer cross Campbell Note: Fields, Angela	Has PCUC provided emergency water service to Devella road in March and April this year?
4:19:08 PM	Cromer cross Campbell Note: Fields, Angela	Jan. 2017 you renegotiated the joint operationg agreement to change the rates. Has PCUC done an analysis on how much MCWD haa billed and how much to PCUC? Who does it work out better for?
4:20:49 PM	Cromer cross Campbell Note: Fields, Angela	Under the joint operating agreement, PCUC and MCWD are each responsible for 50 of demand to the prison PCUC determins if the 50% is met?
4:22:45 PM	Cromer cross Campbell Note: Fields, Angela	Since PCUC determines what amout is owed, what stops PCUC from oversupplying so MCWD would owe PCUC?
4:24:21 PM	VC Cicero Note: Fields, Angela	Does PCUC do any of that and supply it to MCDW or do you just do a calculation?
4:25:10 PM	VC Cicero Note: Fields, Angela	No one is receiving an invoice from MCDW from PCUC.
4:25:38 PM	VC Cicero Note: Fields, Angela	I would like a copy of the monthly invoice mailed to the PSC every month.
4:26:28 PM	VC Cicero Note: Fields, Angela	Why did the lease fall through? Is it because you involved lawyers?
4:27:34 PM	VC Cicero Note: Fields, Angela	What is PCUC's response if MCWD would sign the agreement without the additional language?
4:28:36 PM	VC Cicero Note: Fields, Angela	Could MCDW send a new lease to PCUC with the additional language scratched out?
4:30:45 PM	VC Cicero Note: Fields, Angela	Mr. Cumbo will you send the lease agreement back to PCUC the way that they had originally agreed to so PCUC to review again. If the MCWD board allows you to do so.
4:31:56 PM	Cumbo Note: Fields, Angela	Upon my commissioner's approval to do so.
4:32:12 PM	Cumbo cross Campbell Note: Fields, Angela	Would you be willing to meet with Mr. Kerr?
4:32:54 PM	Cromer Note: Fields, Angela	MCCC moves to introduce 1-11 into the record.
4:33:55 PM	Data Request deadlines Note: Fields, Angela	PSC wants June 5th. MCCC request June 6th
4:34:35 PM	Cumbo Note: Fields, Angela	Extension?
4:35:32 PM	VC Cicero Note: Fields, Angela	June 6 to issue the DR.
4:36:37 PM	VC Cicero Note: Fields, Angela	Have responses by June 22nd
4:37:05 PM	Cumbo Note: Fields, Angela	Extension time for Mr. Horn to get training?

4:37:50 PM	VC Cicero	
	Note: Fields, Angela	Next hearing on Aug. 29th.
4:38:08 PM	Adjourned	
4:38:16 PM	Session Paused	
4:40:44 PM	Session Ended	



Exhibit List Report

2016-00142 31May2018

Investigation of the Operating Capacity of Martin Co. Water Dist.

Name:	Description:
MCCC Exhibit 01	Water-In Report
MCCC Exhibit 02	Purchase Order Procedures
MCCC Exhibit 03	Fuel Procedures
MCCC Exhibit 04	Monthly Water Use Report
MCCC Exhibit 05	Water Treatment Plant Clarifier Rehab Project
MCCC Exhibit 06	SPGE Financial Disclosure Report
MCCC Exhibit 07	2018-00017 PSC Order - Martin Co. Rate Adjustment
MCCC Exhibit 08	April 30, 2018 letter to PSC Counsel from B. Cumbo
MCCC Exhibit 09	May 16, 2018 letter to PSC from B. Cumbo
MCCC Exhibit 10	May 8, 2018 email string from Robert Taylor to Stephen Porter
MCCC Exhibit 11	Environmental Assessment - January 2018
MCWD Exhibit 1	Martin Co. "Special" Fiscal Court Meeting, Dec. 7, 2017
PSC Exhibit 01	Water Loss Report - Dec. 31, 2017
PSC Exhibit 02	Feb. 23, 2018 letter to John Horn from PSC
PSC Exhibit 03	Letter received by PSC on Apr. 30, 2018, from Greg Scott

Martin County Water District
Water Loss Reports fye December 31, 2017

MCWD Response to Commissions Post Hearing Request
Exhibit 1

	January	February	March	April	May	June	July	August	September	October	November	December	2017 Total
Produced	62.634	54.436	60.093	57.113	59.310	57.027	58.697	59.881	59.170	58.684	52.618	55.918	695.581
Purchased										1.298		0.546	1.844
Sold	13.519	15.713	17.371	17.075	14.987	17.439	18.169	15.249	17.193	19.074	14.219	14.811	194.819
Used	2.506	2.558	2.125	6.480	4.451	6.590	3.865	4.900	5.764	6.342	3.753	2.834	52.168
Loss	46.609	36.165	40.597	33.558	39.872	32.998	36.663	39.732	36.213	34.566	34.646	38.819	450.438
Loss Percentage	74.41%	66.44%	67.56%	58.76%	67.23%	57.86%	62.46%	66.35%	61.20%	58.90%	65.84%	69.42%	64.76%

MCCC's Hearing Exhibit 1

	January	February	March	April	May	June	July	August	September	October	November	December	2017 Total
Produced	62.634	54.436	60.093	60.093	59.310	57.021	57.021	59.881	59.170	58.684	52.618	55.918	696.879
Purchased													0.000
Sold	14.821	15.713	17.374	17.075	14.987	18.463	18.169	15.249	17.193	19.074	14.219	14.811	197.148
Used	2.506	2.558	2.125	5.415	4.451	6.590	3.865	4.900	4.764	6.342	3.753	2.834	50.103
Loss	45.307	36.165	40.594	37.603	39.872	31.968	34.987	39.732	37.213	33.268	34.646	38.273	449.628
Loss Percentage	72.34%	66.44%	67.55%	62.57%	67.23%	56.06%	61.36%	66.35%	62.89%	56.69%	65.84%	68.44%	64.52%

Matthew G. Bevin
Governor

Charles G. Snavelly
Secretary
Energy and Environment Cabinet



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Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Talina R. Mathews
Commissioner

February 23, 2018

John Horn
Martin County Water District
387 East Main St. Suite 140
Inez, KY 41224

Re: Periodic Water Inspection
Martin County Water District Water System
Martin County, KY

Dear John Horn:

Public Service Commission staff performed a periodic inspection of the Martin County Water District water system on January 31, 2018 reviewing utility operations and management practices pursuant to Commission regulations. The report of this inspection is enclosed with this letter.

Based on the inspector's observations, the following deficiencies were identified:

1. Martin County Water District is failing to operate its facilities so as to provide adequate and safe service to its customers as required by 807 KAR 5:066, Section 7, due to water loss exceeding 15 percent. (repeat deficiency)
2. The Tariff for Martin County Water District does not address penalties for fire departments not reporting their unmetered water usage to the district as required in 807 KAR 5:095, Section 9. (repeat deficiency)
3. Martin County Water District does not have annual written inspection records as required by 807 KAR 5:006, Section 26 (6)(a), (6)(b), and (6)(c).
4. Martin County Water District is not instructing their employees in safe methods of performing their work as required by 807 KAR 5:006, Section 25 (2) and (3).
5. Martin County Water District has not filed inspection procedures with the Commission as required in 807 KAR 5:006, Section 26(1).
6. Martin County Water District does not have a disconnect charge in their tariff as required by 807 KAR 5:006, Section 9(2).

PSC EXHIBIT 2


Periodic Water Inspection
Martin County Water District Water System
February 23, 2018
Page 2 of 2

According to Martin County Water District's annual report for 2016, unaccounted-for water loss equaled approximately 64.37 percent of the District's total water produced. The District produced \$253,263 of water that cannot be recovered for rate making purposes.

For the six deficiencies listed above, an explanation of why these deficiencies occurred and how these deficiencies will be remedied and prevented in the future needs to be provided. A letter addressing the organization's actions regarding these deficiencies needs to be submitted within 30 days from the date of this letter. (March 25, 2018)

If you have any questions regarding this inspection, feel free to contact Erin Donges at 502-782-2627 or via email at erin.donges@ky.gov.

Sincerely,



Erin Donges
Utility Regulatory & Safety Investigator
Public Service Commission

Enclosure(s)

Copy: Kelly Callaham, County Judge/Executive
Joshua Muncy, County Magistrate 1
Kenney McCoy Jr., County Magistrate 2
Darrell Mills, County Magistrate 3
B.J. Slone, County Magistrate 4
Victor Slone, County Magistrate 5

Kentucky Public Service Commission

Periodic Compliance Inspection

Utility: Martin County Water District

Utility location: 387 East Main St. Suite 140
Inez, KY 41224

Investigator: Erin Donges

Date(s) of inspection: January 31, 2018

Date(s) of last inspection: December 10, 2014

Deficiencies noted during last inspection:

1. Martin County Water District was not conducting pressure recordings through its system as required in 807KAR 5:066, Section 5(2).
2. The Tariff for Martin Count Water District does not address a charge for fire departments not reporting their water usage as required by 807 KAR 5:095, Section 9.
3. Martin County Water District failed to obtain Certificates of Public Convenience and Necessity on construction projects that extended the area where water service is available to customers in 2013. This is a violation of KRS 278.020 which requires a Certificate of Public Convenience and Necessity before beginning construction on water line projects.
4. Unaccounted for water loss is over 60%, above the 15% recoverable water loss that is permitted to be recovered in rates as required in 807 KAR 5:066, Section 6(3).

Have deficiencies been corrected since last inspection: Yes ☐ No ☒ N/A ☐

Primary utility representative(s) involved with inspection:

Name: Joe Hammond
Name: Marcie Dials

Title: Business Manager
Title: Office Manager

Who with the utility should receive the inspection report cover letter from the commission?

Name: John Horn

Title: Chairperson

Email address: Johnglennhorn@gmail.com

Kentucky Public Service Commission

Periodic Compliance Inspection

General Questions

Treatment Facility

Source Water: Reservoir Lake supplied by pumping from Tug River.

Plant Capacity: 2.3 million gallons a day.

Avg. Amount Produced: According to the 2016 annual report the Utility produced 1,907,649 gallons per day.

Distribution Facility

Source Water: The Utilities treatment plant, but also has the ability to purchase from Kermit, City of Prestonsburg, and Mountain Water District in an emergency situation.

Area of Operation: Martin County and Lawrence County, and Pike County

Miles of Water Line: 300 miles of 1"-16" distribution line.

Avg. Amount Purchased: According to the 2016 annual report the Utility purchased 28,331 gallons per day from Kermit(WV)

Water sold at wholesale rate to other water systems: N/A

Utility Information

Number of Employees: 13 Full-time and 2 Part-time

Number of Office Employees: 3

Number of Certified Water Treatment Employees: 4

Number of Certified Distribution Employees: 6

Number of Certified Meter Testers: 2

Utility Chairperson/President: John Glenn Horn

Metering System:

Number of Customers: 3,243

Meter Reading:

Kentucky Public Service Commission

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AMR ☐

AMI ☐

Other ☐

Manual ☒

Type of meter used for customers: 500 radios reads

Contractor(s): **C.I. Thornburg (Testing of 1" or larger meters)**

Review Current Emergency Response Plan (ERP):

Has the utility made any revisions to the ERP in the past 24 months?

Yes ☐

No ☒

N/A ☐

When was the last year construction was performed? No Construction since previous inspection on December 10, 2014.

What did the construction project consist of?

807 KAR 5:006

(General Rules)

Section 4: Reports

Has the utility filed its gross annual operating revenue report?

Yes ☒

No ☐

N/A ☐

Does the utility file Quarterly Meter Reports (QMR) indicating meter tested, number of customers, and amount of refunds?

Yes ☒

No ☐

N/A ☐

Section 7: Billings, Meter Readings, and Information

Does each bill for utility service, issued periodically by a utility, clearly show the following?

The date the bill was issued:

Yes ☒

No ☐

N/A ☐

Class of service:

Yes ☐

No ☐

N/A ☒

Present and last preceding meter readings:

Yes ☒

No ☐

N/A ☐

Date of the present reading:

Yes ☒

No ☐

N/A ☐

Number of units consumed:

Yes ☒

No ☐

N/A ☐

Meter constant, if applicable:

Yes ☐

No ☐

N/A ☒

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Net amount for service rendered: Yes ☒ No ☐ N/A ☐

All taxes: Yes ☒ No ☐ N/A ☐

Adjustments, if applicable: Yes ☐ No ☐ N/A ☒

The gross amount of the bill: Yes ☒ No ☐ N/A ☐

The date after which a penalty may apply to the gross amount: Yes ☒ No ☐ N/A ☐

If the bill is estimated or calculated: Yes ☐ No ☐ N/A ☒

Is the rate schedule under which the bill is computed posted on the utility's Web site (if it maintains a Web site)? Yes ☒ No ☐ N/A ☐

Also furnished by one (1) of the following methods, by:

Printing it on the bill: Yes ☐ No ☐ N/A ☒

Publishing it in a newspaper of general circulation once each year:

Yes ☐ No ☐ N/A ☒

Mailing it to each customer once each year; or: Yes ☐ No ☐ N/A ☒

Provide a place on each bill for a customer to indicate the customer's desire for a copy of the applicable rates: Yes ☒ No ☐ N/A ☐

Does the utility (except if prevented by reasons beyond its control) read customer meters at least quarterly? Yes ☒ No ☐ N/A ☐

Is each customer-read meter read manually, at least once during each calendar year? Yes ☐ No ☐ N/A ☒

Does the utility maintain the information required by this subsection, and is it available to the commission and any customer requesting this information? Yes ☒ No ☐ N/A ☐

If, due to reasons beyond its control, a utility is unable to read a meter in accordance with this subsection, does the utility record the date and time the attempt was made, if applicable, and the reason the utility was unable to read the meter? Yes ☒ No ☐ N/A ☐

Section 9: Non-recurring Charges

Is a charge assessed if a customer requests the meter be tested pursuant to Section 19 of this administrative regulation and the tests show the as-found meter accuracy is within the limits established by 807 KAR 5:066, Section 15(2)(a)? Yes ☒ No ☐ N/A ☐

Section 10: Customer Complaints to the Utility

Kentucky Public Service Commission

Periodic Compliance Inspection

Upon complaint to a utility by a customer at the utility's office, by telephone or in writing, does the utility make a prompt and complete investigation and advise the customer of the utility's findings?

Yes ☒ No ☐ N/A ☐

Does the utility keep a record of all written complaints concerning the utility's service?

Yes ☒ No ☐ N/A ☐

Does the record include the following?

The customer's name and address:

Yes ☒ No ☐ N/A ☐

The date and nature of the complaint:

Yes ☒ No ☐ N/A ☐

The disposition of the complaint:

Yes ☒ No ☐ N/A ☐

Does the utility maintain these records for two (2) years from the date of resolution of the complaint?

Yes ☒ No ☐ N/A ☐

If a written complaint or a complaint made in person at the utility's office is not resolved, does the utility provide written notice to the customer of his or her right to file a complaint with the commission?

Yes ☒ No ☐ N/A ☐

Does the utility provide the customer with the mailing address, Web site address, and telephone number of the commission?

Yes ☒ No ☐ N/A ☐

If a telephonic complaint is not resolved, does the utility provide at least oral notice to the customer of his or her right to file a complaint with the commission?

Yes ☒ No ☐ N/A ☐

Section 11: Bill Adjustment

Does the utility monitor a customer's usage at least quarterly?

Yes ☒ No ☐ N/A ☐

Are the utility's procedures designed to draw the utility's attention to unusual deviations in a customer's usage?

Yes ☒ No ☐ N/A ☐

If a customer's usage is unduly high and the deviation is not otherwise explained, will the utility test the customer's meter?

Yes ☒ No ☐ N/A ☐

If a utility's procedure for monitoring usage indicates that an investigation of a customer's usage is necessary, does the utility notify the customer in writing?

Yes ☐ No ☐ N/A ☒

If knowledge of a serious situation requires more expeditious notice, does the utility notify the customer by the most expedient means available?

Yes ☒ No ☐ N/A ☐

If the meter shows an average meter error greater than two (2) percent fast or slow, does the utility maintain the meter in question at a secure location under the utility's control, for a period of six (6) months from the date the customer is notified of the finding of the investigation and the time frame the meter will be secured by the utility or if the customer has filed a formal complaint?

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Yes ☒ No ☐ N/A ☐

Section 14: Utility Customer Relations

Does the utility post and maintain regular business hours and provide representatives available to assist its customers and to respond to inquiries from the commission regarding customer complaints?

Yes ☒ No ☐ N/A ☐

Does the utility designate at least one (1) representative to be available to answer customer questions, resolve disputes, and negotiate partial payment plans at the utility's office?

Yes ☒ No ☐ N/A ☐

If the utility has annual operating revenues of \$250,000 or more does it make a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, five (5) days per week excluding legal holidays?

Yes ☒ No ☐ N/A ☐

If the utility has annual operating revenues of less than \$250,000 does it make a designated representative available during the utility's established working hours not fewer than seven (7) hours per day, one (1) days per week?

Yes ☐ No ☐ N/A ☒

Does the utility provide the following?

Maintain a telephone: Yes ☒ No ☐ N/A ☐

Publish the telephone number in all service areas: Yes ☒ No ☐ N/A ☐

Permit all customers to contact the utility's designated representative without charge: Yes ☒ No ☐ N/A ☐

Does the utility prominently display in each office open to the public for customer service (and shall post on its Web site, if it maintains a Web site) a summary, prepared and provided by the commission, of the customer's rights pursuant to this section and Section 16 of this administrative regulation?

Yes ☒ No ☐ N/A ☐

Does the utility inspect the condition of its meter and service connections before making service connections to a new customer so that prior or fraudulent use of the facilities shall not be attributed to the new customer?

Yes ☒ No ☐ N/A ☐

Section 17: Meter Testing

Does the utility maintain meter standards and test facilities, as more specifically established in 807 KAR 5:066?

Yes ☒ No ☐ N/A ☐

Before being installed for use by a customer, are all meters tested and in good working order (and adjusted as close to the optimum operating tolerance as possible) as more specifically established in 807 KAR 5:066, Section 15(2)(a)-(b)?

Yes ☒ No ☐ N/A ☐

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Does the utility have all or part of its testing of meters performed by another utility or agency?

Yes ☒ No ☐ N/A ☐

Does the utility or agency doing meter testing for a utility have in its employ meter testers certified by the commission?

Yes ☒ No ☐ N/A ☐

Does the utility or agency employ apprentices in training for certification as meter testers?

Yes ☒ No ☐ N/A ☐

Are all tests performed during this period by an apprentice witnessed by a certified meter tester?

Yes ☒ No ☐ N/A ☐

Section 18: Meter Test Records

Does the utility maintain a complete record of all meter tests and adjustments and data sufficient to allow checking of test calculations?

Yes ☒ No ☐ N/A ☐

Do the records include the following?

Information to identify the unit and its location:

Yes ☒ No ☐ N/A ☐

Date of tests:

Yes ☒ No ☐ N/A ☐

Reason for the tests:

Yes ☒ No ☐ N/A ☐

Readings before and after test:

Yes ☒ No ☐ N/A ☐

Statement of "as found" and "as left" accuracies sufficiently complete to permit checking of calculations employed:

Yes ☒ No ☐ N/A ☐

Statement of repairs made, if any:

Yes ☐ No ☐ N/A ☒

Identifying number of the meter:

Yes ☒ No ☐ N/A ☐

Type and capacity of the meter:

Yes ☒ No ☐ N/A ☐

Does the utility maintain a complete record of tests of each meter continuous for at least two (2) periodic test periods and shall in no case be less than two (2) years?

Yes ☒ No ☐ N/A ☐

Does the utility maintain numerically arranged and properly classified records for each meter that it owns, uses, and inventories?

Yes ☒ No ☐ N/A ☐

Do these records include the following?

Identification number:

Yes ☒ No ☐ N/A ☐

Date of purchase:

Yes ☒ No ☐ N/A ☐

Name of manufacturer:

Yes ☒ No ☐ N/A ☐

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Serial number: Yes ☒ No ☐ N/A ☐

Type: Yes ☒ No ☐ N/A ☐

Name and address of each customer on whose premises the meter has been in service with date of installation and removal: Yes ☒ No ☐ N/A ☐

Do these records contain condensed information concerning all tests and adjustments including dates and general results of the adjustments? Yes ☒ No ☐ N/A ☐

Do these records reflect the date of the last test and indicate the proper date for the next periodic test? Yes ☒ No ☐ N/A ☐

Section 19: Request Tests

Does the utility make a test of a meter upon written request of a customer if the request is not made more frequently than once each twelve (12) months? Yes ☒ No ☐ N/A ☐

Does the utility afford the customer the opportunity to be present at the requested test? Yes ☒ No ☐ N/A ☐

If the tests show the as-found meter accuracy is within the limits allowed by 807 KAR 5:066, Section 15(2)(a), does the utility may make a reasonable charge for the test?

Yes ☒ No ☐ N/A ☐

Has the utility filed a tariff (commission approved) establishing a meter test charge? Yes ☒ No ☐ N/A ☐

Section 20: Access to Property

Do employees of the utility (whose duties require him to enter the customer's premises) wear a distinguishing uniform or other insignia, identifying them as an employee of the utility, and show a badge or other identification that shall identify them as an employee of the utility?

Yes ☒ No ☐ N/A ☐

Section 23: System Maps and Records

Does the utility have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve? Yes ☒ No ☐ N/A ☐

Is the map or maps available in electronic format as a PDF file or as a digital geographic database? Yes ☐ No ☐ N/A ☒

Is following data available on the map or maps?

Operating districts: Yes ☒ No ☐ N/A ☐

Rate districts Yes ☐ No ☐ N/A ☒

Kentucky Public Service Commission

Periodic Compliance Inspection

Communities served: Yes ☒ No ☐ N/A ☐

Location and size of distribution lines, and service connections: Yes ☒ No ☐ N/A ☐

Section 24: Location of Records

Are all records required by 807 KAR Chapter 5 kept in the office of the utility and made available to representatives, agents, or staff of the commission upon reasonable notice at all reasonable hours?

Yes ☒ No ☐ N/A ☐

Section 25: Safety Program

Has the utility adopted and executed a safety program, appropriate to the size and type of its operations?

Yes ☒ No ☐ N/A ☐

At a minimum, does the safety program include the following?

A safety manual with written guidelines for safe working practices and procedures to be followed by utility employees: Yes ☒ No ☐ N/A ☐

Instruct employees in safe methods of performing their work? Yes ☐ No ☒ N/A ☐

Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation, or drowning, in accepted methods of artificial respiration:

Yes ☐ No ☒ N/A ☐

Section 26: Inspection of Systems

Has the utility adopted inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5?

Yes ☐ No ☒ N/A ☐

Have these inspection procedures been filed with the commission for review?

Yes ☐ No ☒ N/A ☐

Upon receipt of a report of a potentially hazardous condition at a utility facility, does the utility inspect all portions of the system that are the subject of the report? Yes ☐ No ☒ N/A ☐

Are appropriate records kept by a utility to identify the inspection made, the date and time of inspection, the person conducting the inspection, deficiencies found, and action taken to correct the deficiencies?

Yes ☐ No ☒ N/A ☐

Water utility inspections. Each water utility shall make systematic inspections of its system as established in paragraphs (a) through (c) of 807 KAR 5:006 Section (6) to insure that the commission's safety requirements are being met. These inspections shall be made as often as necessary but not less

Kentucky Public Service Commission

Periodic Compliance Inspection

frequently than as established in paragraphs (a) through (c) of 807 KAR 5:006 Section (6) for various classes of facilities and types of inspection.

The utility shall annually inspect all structures pertaining to source of supply for their safety and physical and structural integrity.

Does the utility inspect the structures listed below?

Dams	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Intakes	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Traveling screen	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>

Does the utility semiannually inspect the structures listed below?

Wells	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Well motors and structures	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Electric power wiring and controls	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>

The utility shall annually inspect all structures pertaining to purification for their safety, physical and structural integrity, and for leaks.

Does the utility annually inspect the structures listed below?

Sedimentation basins	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Filters	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Clear Wells	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Chemical feed equipment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Pumping equipment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Water storage facilities	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Hydrants	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Mains	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Meters	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Meter settings	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Valves	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>

Kentucky Public Service Commission

Periodic Compliance Inspection

Does the utility monthly inspect the equipment listed below for defects, wear, operational hazards, lubrication, and safety features?

Construction equipment Yes ☐ No ☒ N/A ☐

Vehicles Yes ☐ No ☒ N/A ☐

Section 27: Reporting of Accidents, Property Damage, or Loss of Service

Within two (2) hours following discovery does the utility notify the commission by telephone or electronic mail of a utility related accident that results in the following:

Death or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization: Yes ☒ No ☐ N/A ☐

Actual or potential property damage of \$25,000 or more: Yes ☒ No ☐ N/A ☐

Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less: Yes ☒ No ☐ N/A ☐

Are summary written reports submitted by the utility to the commission within seven (7) calendar days of the utility related accident? Yes ☒ No ☐ N/A ☐

Section 28: Deviations from Administrative Regulation:

Has the utility been permitted by the commission to deviate from these administrative regulations?

Yes ☐ No ☒ N/A ☐

807 KAR 5:011 (Tariffs)

Section 12: Posting tariffs, Administrative Regulations, and Statutes

Does the utility display a suitable placard, in large type, that states that the utility's tariff and statutes are available for public inspection? Yes ☒ No ☐ N/A ☐

Does the utility provide a suitable table or desk in its office or place of business on which the public may view all effective tariffs? Yes ☒ No ☐ N/A ☐

Section 13: Special Contracts

Does the utility have any special contracts that establish rates, charges, or conditions of service not contained in its tariff? Yes ☒ No ☐ N/A ☐

If yes has the utility filed, the special contracts with the PSC?

Yes ☒ No ☐ N/A ☐

Kentucky Public Service Commission

Periodic Compliance Inspection

807 KAR 5:066 (Water)

Section 2: Information Available to Customers:

Does the utility provide the information listed below to any customer upon request?

A description in writing of chemical constituents and bacteriological standards of the treated water as required by the Division of Water Yes ☒ No ☐ N/A ☐

Schedule of rates for water service Yes ☒ No ☐ N/A ☐

Method of reading meters Yes ☒ No ☐ N/A ☐

Past readings of a customer's meter for a period of two (2) years Yes ☒ No ☐ N/A ☐

Section 3: Quality of Water

Is the utility in compliance with the Division of Water? (TTHM's) Stage II DBP's Yes ☐ No ☒ N/A ☐

When the utility is required by the Division of Water to make a public notification is the utility providing the Commission with a copy of the notification when it is made? Yes ☐ No ☐ N/A ☒

Section 4: Continuity of Service

Does the utility immediately notify the fire chief if an emergency interruption of service affects service to any public fire protection device? Yes ☐ No ☒ N/A ☐

If the utility schedules an interruption of service are all customers notified that are affected by the interruption? Yes ☒ No ☐ N/A ☐

Does the utility have standby pumps capable of providing the maximum daily pumping demand? Yes ☒ No ☐ N/A ☐

Does the utility's minimum storage capacity equal the average daily consumption? Yes ☒ No ☐ N/A ☐

Does the utility keep a record of all interruption? Yes ☒ No ☐ N/A ☐

Does the record contain the information listed below?

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Cause of interruption	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Date	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Time	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Duration	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Remedy and steps taken to prevent recurrence	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

Section 5: Pressure

Does the customer's service pipe under normal conditions fall below thirty (30) psig or static pressure exceed 150 psig?

Yes ☐ No ☒ N/A ☐

Does the utility have one (1) or more recording pressure gauges to make pressure surveys?

Yes ☒ No ☐ N/A ☐

Is the utility maintaining one (1) or more of these recording pressure gauges at some representative point on the utility's mains at a minimum of one (1) week per month in continuous service?

Yes ☒ No ☐ N/A ☐

Is the utility, at least once annually, making a survey of pressures in its distribution system?

Yes ☒ No ☐ N/A ☐

Section 6: Water Supply Measurement

Has the utility installed a measuring device at each source of supply?

Yes ☒ No ☐ N/A ☐

Section 7: Standards of Construction

Is the utility failing to operate its facilities so as to provide adequate and safe service to its customers due to water loss exceeding 15 percent?

Yes ☒ No ☐ N/A ☐

Section 8: Distribution Mains

Are dead ends provided with a hydrant, flushing hydrant, or blowoff for flushing purpose?

Yes ☒ No ☐ N/A ☐

Section 9: Service Lines

Does the utility inspect the customer's service line?

Yes ☐ No ☒ N/A ☐

Does the utility substitute its inspection for the proof of an inspection done by the appropriate state or local plumbing inspector?

Yes ☒ No ☐ N/A ☐

Kentucky Public Service Commission

Periodic Compliance Inspection

Section 13: Measurement of Service

Does the utility meter all water sold? Yes ☒ No ☐ N/A ☐

Does the utility have any flat water rates? Yes ☐ No ☒ N/A ☐

Has the utility adopted a standard method of installing meters and service lines?
Yes ☒ No ☐ N/A ☐

Section 15: Accuracy requirement of Water Meters

Are all new meters, and any meter removed from service for any cause tested for accuracy prior to being placed into service?
Yes ☒ No ☐ N/A ☐

Do the meters tested register within the accuracy limits specified in 807 KAR 5:066, Section 15 (2)(a)?
Yes ☒ No ☐ N/A ☐

Section 16: Periodic Tests

Is the utility testing all water meters so that no meter remains in service without testing for a period longer than specified by the table in 807 KAR, Section 16 (1)?
Yes ☒ No ☐ N/A ☐

Section 17: Water Shortage Response Plan

Has the utility submitted a copy of its Water Shortage Response Plan with the Commission?
Yes ☒ No ☐ N/A ☐

Section 18: Deviations from Administrative Regulation:

Has the utility been permitted by the commission to deviate from these administrative regulations?
Yes ☐ No ☒ N/A ☐

807 KAR 5:095 (Fire Protection Service for Water Utilities)

Section 9

Does the utility allow a utility to withdraw water from its distribution system for fire protection and training purposes at no charge?
Yes ☒ No ☐ N/A ☐

Does the utility require a fire department to submit quarterly reports demonstrating its water usage?
Yes ☒ No ☐ N/A ☐

Does the utility's tariff state the penalty to be assessed for failure to submit water usage reports?

Kentucky Public Service Commission

Periodic Compliance Inspection

Yes ☐

No ☒

N/A ☐

Kentucky Public Service Commission

Periodic Compliance Inspection

Review of Facilities:

1.

Tank: Marcus Wells Water Storage Tank

Capacity: 200,000

Condition: No Visual Issues

2.

Pump Station: KY 40 West Pump Station

Condition: Was unable to view pump station picture supplied by utility

3.

Pump Station: Raw Intake Pumps

Condition: No Visual Issues

Kentucky Public Service Commission

Periodic Compliance Inspection

Deficiencies

1. The Tariff for Martin County Water District does not address penalties for fire departments not reporting their unmetered water usage to the District as required in 807 KAR 5:095, Section 9. This regulation requires fire departments to report their water use quarterly, and that the penalty for not submitting these reports shall be stated in the tariff. (repeat deficiency)
2. Martin County Water District is failing to operate its facilities so as to provide adequate and safe service to its customers as required by 807 KAR 5:066, Section 7, due to water loss exceeding 15 percent. (repeat deficiency)
3. Martin County Water District does not have annual written inspection records as required by 807 KAR 5:006, Section 26 6(a), 6(b), and 6(c).
4. Martin County Water District is not instructing their employees in safe methods of performing their work as required by 807 KAR 5:006, Section 25 (2), 25 (3). The Utilities CPR Certification has expired. Joe Hammonds stated it had been expired for a couple years.
5. Martin County Water District has not filed inspection procedures with the Commission. According to 807 KAR 5:006, Section 26 (1), A utility shall adopt inspection procedures to assure safe and adequate operation of the utility's facilities and compliance with KRS Chapter 278 and 807 KAR Chapter 5 and shall file these procedures with the commission for review.
6. Martin County Water District does not have a disconnect charge in their tariff as required by 807 KAR 5:006, Section 9(2).

Kentucky Public Service Commission

Periodic Compliance Inspection

Additional Inspector Comments

Failure to have records of inspections is considered to be an indicator that inspections were never conducted.

General housekeeping could greatly improve. The plant overall is in an unkept condition

During the inspection of the Water Storage Tank and Pump Station could not be accessed due to Joe Hammonds not having sufficient keys.

Martin County Water District is not in compliance with the Division of Water due to DBP's (Disinfection By-Products).

Comment: During this periodic regulatory compliance inspection, it was not possible to review/discuss every record relating to all Commission requirements. Therefore, in some instances the results contained in this report are indicative of those items inspected and reviewed on a sample basis.

Report by:

Date: February 23, 2018



Erin Donges

Utility Regulatory & Safety Investigator

Kentucky Public Service Commission

Kentucky Public Service Commission

Periodic Compliance Inspection

Attachment(s): A.) Water Storage Tanks, Pump Stations, Master Meters, Water Loss

B.) Pictures

Attachment A

MARTIN COUNTY WATER DISTRICT WST, PS, MM, WL 2018

<u>WATER STORAGE TANKS</u>	<u>CAPACITY</u>	<u>INT INSP</u>	<u>EXT INSP</u>
<u>BUCKS CREEK</u>	500,000		
<u>LITTLE ROCKCASTLE</u>	150,000		
<u>292 SOUTH</u>	100,000		
<u>BIG ELK</u>	100,000		
<u>CLEAR WELL TANKS</u>	(2) 500,000		
<u>TURKEY</u>	50,000		
<u>MARCUS WELLS</u>	200,000		
<u>CALLOWAY</u>	100,000		
<u>OTTO BROWN</u>	260,000		
<u>BUFFALO HORN</u>	50,000		
<u>BIG SANDY AIRPORT</u>	1,040,000		
<u>KY 645</u>	67,000		
<u>TOTAL STORAGE CAPACITY</u>	2,617,000		

<u>PUMP STATIONS</u>	<u># OF PUMPS/GPM</u>	<u>LAST INSP</u>
<u>KY 40 EAST</u>	2(500)	2017
<u>BIG ELK</u>	2/240	2017
<u>BONE HOLLOW</u>	2(30)	2017
<u>KY 292</u>	2(130)	2017
<u>TURKEY</u>	2(90)	2017
<u>KY 40</u>	2(420)	2017
<u>CALLOWAY</u>	2(90)	2017
<u>OTTO BROWN</u>	2(245)	2017
<u>KY 645</u>	2(90)	2017
<u>PETER CAVE</u>	2(30)	2017
<u>BUFFALO HORN</u>	2(60)	2017
<u>DAVELLA</u>	2(350)	2017
<u>CASELL BRANCH</u>	2(30)	2017
<u>BIG LICK BRANCH</u>	2(30)	2017
<u>MEAT HOUSE</u>	2(25)	2017

<u>MASTER METERS</u>	<u>LAST TESTED</u>
<u>KERMIT WV 2"</u>	NOT IN USE
<u>MOUNTAIN WATER DISTRICT</u>	
<u>2"</u>	NOT IN USE

<u>WATER LOSS PERCENTAGE</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
	64.37	60.5	56.9	60.9	55.8

Attachment B







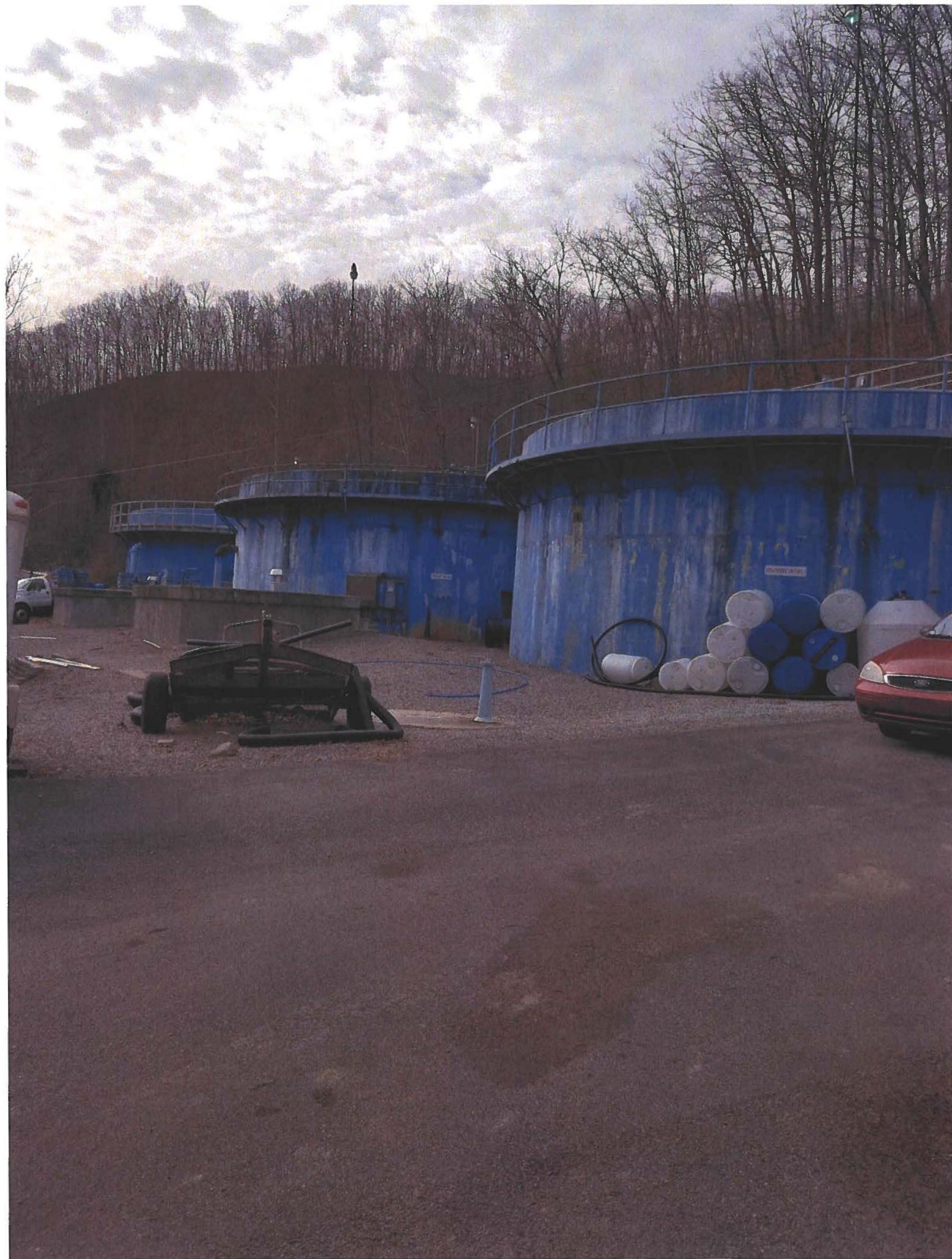
Martin County Water Meter Testing Results

METER SIZE: 5/8 MAKE: Badger SERIAL #: 99691328
 TEST NO. 1
 GPM 0.25 Date: 11/14/18
 Accuracy
 > 95 % FOR NEW < 101.5%
 > 90 % FOR USED < 101.5%
 ENDING READING 385840.0
 BEGINNING READING 385830.0 100 %
 TEST NO. 2
 GPM 2
 INTERMEDIATE FLOW
 ENDING READING 385850.1 Accuracy
 > 98.5%
 < 101.5%
 BEGINNING READING 385840.0 100.1 %
 TEST NO. 3
 GPM 15
 MAXIMUM FLOW
 ENDING READING 385949.7 Accuracy
 > 98.5%
 < 101.5%
 BEGINNING READING 385850.1 99.6 %

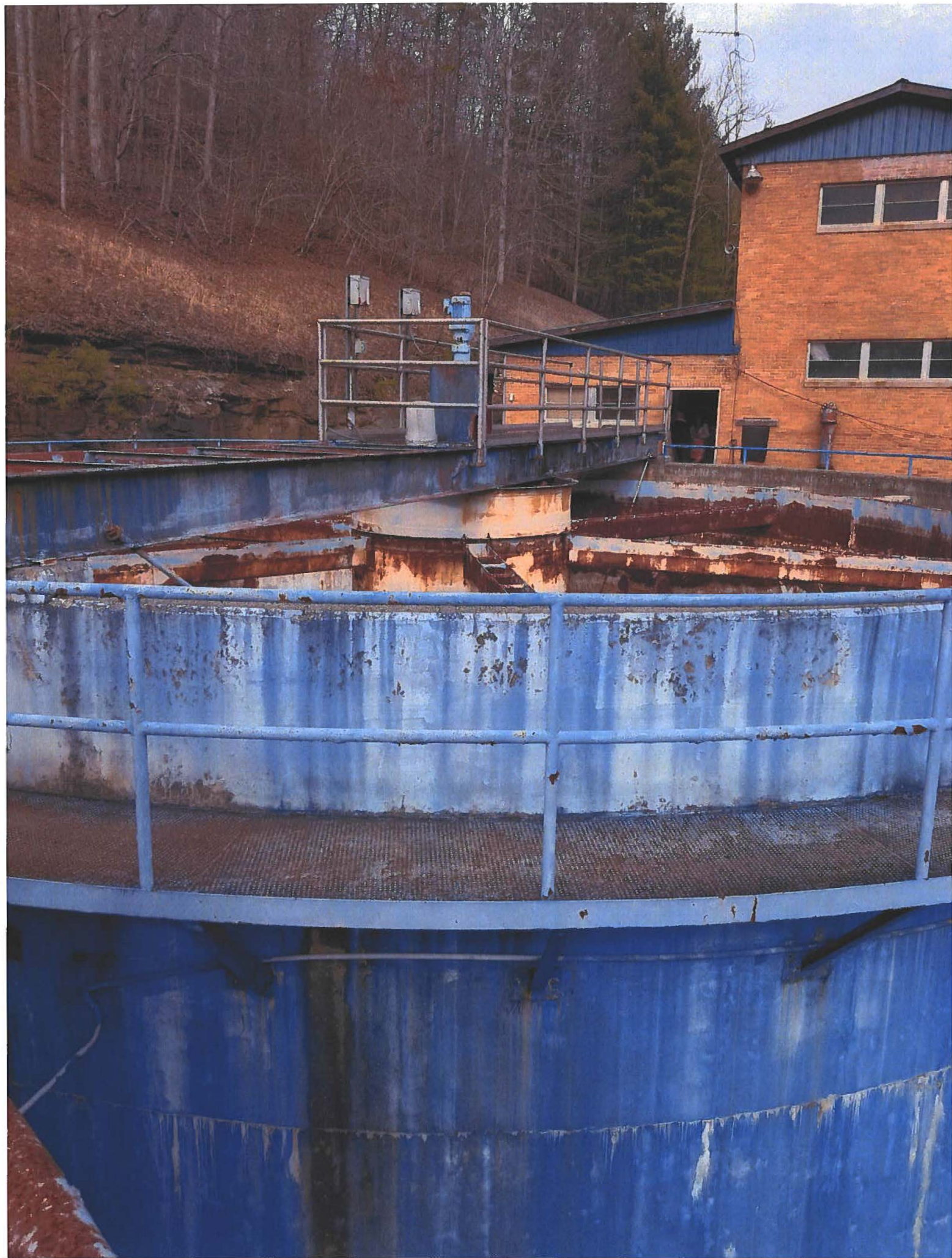
METER SIZE: 5/8 MAKE: Badger SERIAL #: 18962987
 TEST NO. 1
 GPM 0.25 Date: 11/14/18
 Accuracy
 > 95 % FOR NEW < 101.5%
 > 90 % FOR USED < 101.5%
 ENDING READING 380410.1
 BEGINNING READING 380400.0 100.1 %
 TEST NO. 2
 GPM 2
 INTERMEDIATE FLOW
 ENDING READING 380420.2 Accuracy
 > 98.5%
 < 101.5%
 BEGINNING READING 380410.1 100.1 %
 TEST NO. 3
 GPM 15
 MAXIMUM FLOW
 ENDING READING 380519.8 Accuracy
 > 98.5%
 < 101.5%
 BEGINNING READING 380420.2 99.6 %

METER SIZE: 5/8 MAKE: Badger SERIAL #: 29935151
 TEST NO. 1
 GPM 0.25 Date: 11/14/18
 Accuracy
 > 95 % FOR NEW < 101.5%
 > 90 % FOR USED < 101.5%
 ENDING READING 217340.0
 BEGINNING READING 217330.0 100 %
 TEST NO. 2
 GPM 2
 INTERMEDIATE FLOW
 ENDING READING 217350.0 Accuracy
 > 98.5%
 < 101.5%
 BEGINNING READING 217340.0 100 %
 TEST NO. 3
 GPM 15
 MAXIMUM FLOW
 ENDING READING 217449.6 Accuracy
 > 98.5%
 < 101.5%
 BEGINNING READING 217350.0 99.6 %

METER SIZE: 5/8 MAKE: Sensys SERIAL #: 70472579
 TEST NO. 1
 GPM 0.25 Date: 11/14/18
 Accuracy
 > 95 % FOR NEW < 101.5%
 > 90 % FOR USED < 101.5%
 ENDING READING 473219.2
 BEGINNING READING 473210.0 99.2 %
 TEST NO. 2
 GPM 2
 INTERMEDIATE FLOW
 ENDING READING 473229.0 Accuracy
 > 98.5%
 < 101.5%
 BEGINNING READING 473219.2 99.8 %
 TEST NO. 3
 GPM 15
 MAXIMUM FLOW
 ENDING READING 473328.7 Accuracy
 > 98.5%
 < 101.5%
 BEGINNING READING 473229.0 98.7 %



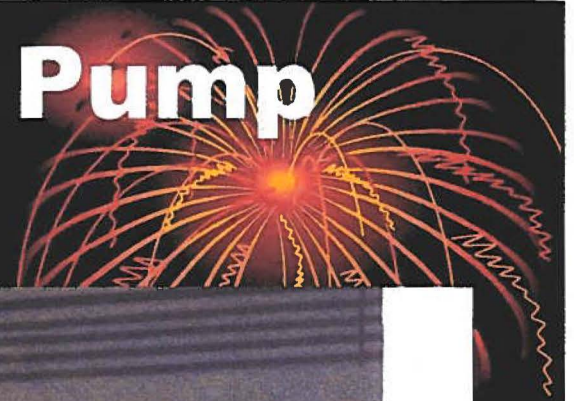




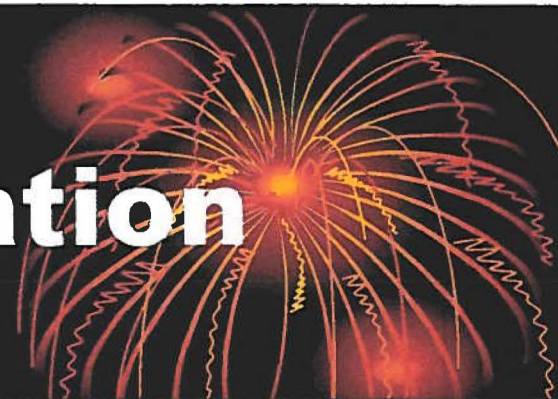
40 East and 40 West Pump Station



Inside of 40 West Pump Station

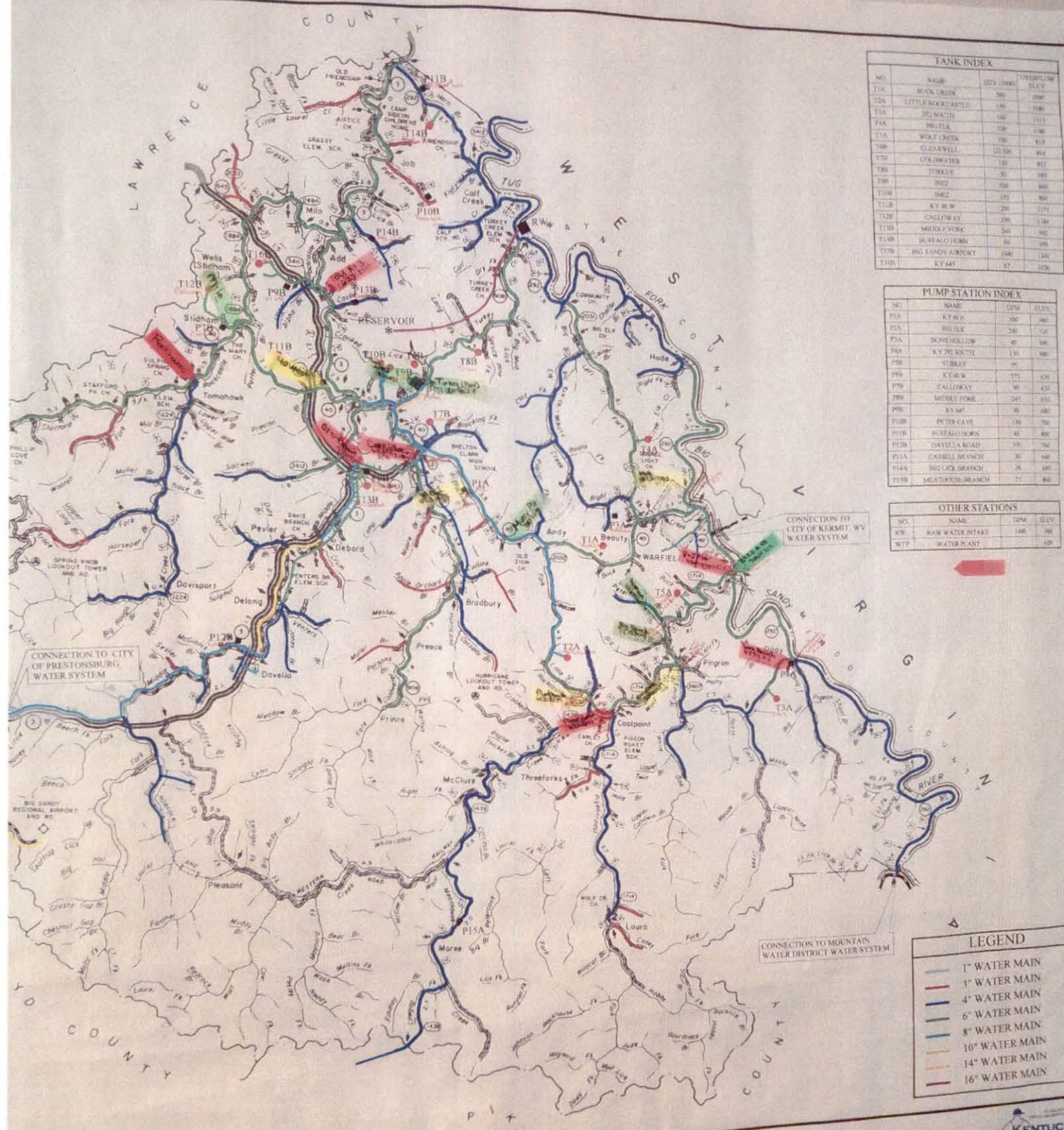


40 West Pump Station



Two 500,000 Clearwell





TANK INDEX			
NO.	NAME	SIZE (GALLONS)	ELEVATION (FEET)
T1A	WALL	3275	1000
T1B	BLACK CREEK	300	700
T2A	LITTLE ROCK CASTLE	150	1000
T3A	2ND NORTH	100	1111
T4A	SHULTZ	100	1200
T5A	WOLF CREEK	100	910
T6A	CLEARWATER	12150	894
T7A	COLORADO	130	877
T8A	THURLEY	50	981
T9A	SHUT	100	880
T10A	SHUT	100	880
T11A	KY 40 W	200	1111
T12A	CALLOWAY	200	1100
T13A	MIDDLE FORK	240	942
T14A	BURTON/JOHN	50	100
T15A	BIG SANDY AIRPORT	1500	140
T16A	KY 64V	87	1036

PUMP STATION INDEX			
NO.	NAME	CFM	ELEV.
P1A	KY 40 E	300	960
P2A	SHULTZ	280	720
P3A	BOYD/HOLLOW	40	500
P4A	KY 20 SOUTH	130	880
P5A	TURKEY	95	100
P6A	KY 40 W	571	630
P7A	CALLOWAY	90	450
P8A	MIDDLE FORK	245	650
P9A	KY 64V	85	680
P10A	PETER CAVE	130	750
P11A	BUTALD HORN	40	800
P12A	DAVELLA ROAD	100	750
P13A	CASSELL BRANCH	30	640
P14A	BIG LICK BRANCH	20	140
P15A	MEATHROD BRANCH	25	800

OTHER STATIONS			
NO.	NAME	CFM	ELEV.
RW	RAW WATER INTAKE	1400	140
WTP	WATER PLANT		120

LEGEND	
—	1" WATER MAIN
—	3" WATER MAIN
—	4" WATER MAIN
—	6" WATER MAIN
—	8" WATER MAIN
—	10" WATER MAIN
—	14" WATER MAIN
—	16" WATER MAIN

MCWD
MARTIN COUNTY WATER DISTRICT

WATER SYSTEM MAP



RECEIVED

APR 30 2018

MARTIN COUNTY UTILITY BOARD PUBLIC SERVICE
COMMISSION

387 East Main Street Suite 140
INEZ, KY 41224

606-298-3885 OFFICE

606-298-4913 Fax

Public Service Commission
Erin Donges
Utility Regulatory and Safety

Erin,

As per our conversation on 4/25/18, I am sending you copies of our inspection procedures and policy that are in place concerning:

1. Fire department usage
2. Tank and pump station inspection-monthly
3. Safety meeting-weekly
4. C.P.R. certified
 - A. Raymond Jude
 - B. John Mills
 - C. John Stafford
 - D. Justin Scott

If this does not satisfy our commitment please let me know so I can continue working on it. Looking forward to talking with you.



Greg Scott

Martin County Water District

Inspection Report

Turkey Pump Station

4-19-18

Inspected By:

Date Inspected:

Pump # In Use

Auto
Hand
Off

#1 #2

<input checked="" type="checkbox"/>	

Suction Pressure

249.15	
--------	--

Discharge Pressure

191	
-----	--

Sump Pump

Working
Non Working

<input checked="" type="checkbox"/>	

Heater

Working
Non-Working

<input checked="" type="checkbox"/>	

Lights

Working
Replace
Non-Working

<input checked="" type="checkbox"/>	

Dehumidifier

Working
Non-Working

<input checked="" type="checkbox"/>	

Exhaust Fan

Working
Non-Working

<input checked="" type="checkbox"/>	

Station Clean

Trash
Debris

Clean	

Tank Site Inspection - 1 Tank

Turkey Tank

Yes No

Gate Secure
Fence Secure
Hatch Locked
Ladder Gate
Cut Grass

<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>

OK Repair

Level Gauge
Over Flow

<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	

Comments:

- greased both
pump motors

Martin County Water District

Inspection Report

Inspected By: <i>Ryan Smith</i>		Davella PS		Date: <i>4-17-18</i>
Pump # In Use		#1	#2	Comments:
Auto		<input checked="" type="checkbox"/>		1
Hand				2
Off				3
				4
Suction Pressure		<i>70</i>		5
				6
Discharge Pressure		<i>360</i>		
Sump Pump				
Working				<i>- greased both pump motors</i>
Non Working				
Heater				
Working		<input checked="" type="checkbox"/>		
Non-Working				
Lights				
Working		<input checked="" type="checkbox"/>		
Replace				
Non-Working				
Dehumidifier				
Working		<input checked="" type="checkbox"/>		
Non-Working				
Exhaust Fan				
Working		<input checked="" type="checkbox"/>		
Non-Working				
Station Clean				
Trash		<i>OK</i>		
Debris				

Martin County Water District

Inspection Report

645 Pump Station

4-16-18

Inspected By:

Date Inspected:

Pump # In Use	#1	#2
Auto		✓
Hand		
Off	✓	
Suction Pressure		30
Discharge Pressure		132
Sump Pump		
Working	✓	
Non Working		
Heater		
Working	✓	
Non-Working		
Lights		
Working	✓	
Replace		
Non-Working		
Dehumidifier		
Working	✓	
Non-Working		
Exhaust Fan		
Working	✓	
Non-Working		
Station Clean		
Trash	OK	
Debris		

Tank Site Inspection - 1 Tank

Eden Tank

	Yes	No
Gate Secure	NO Gate	
Fence Secure	No Fence	
Hatch Locked		
Ladder Gate	✓	
Cut Grass		✓

	OK	Repair
Level Gauge	✓	
Over Flow	✓	

Comments:

greased #2 pump motor

had to reset control breaker in panel and pump water out of station

Martin County Water District

Inspection Report

Otto Brown Pump Station

4-16-18

Inspected By: R. Smith

Date Inspected:

Pump # In Use

Auto
Hand
Off

#1	#2
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Suction Pressure

80	
----	--

Discharge Pressure

120	142
-----	-----

Sump Pump

Working
Non Working

<input checked="" type="checkbox"/>
<input type="checkbox"/>

Heater

Working
Non-Working

<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Lights

Working
Replace
Non-Working

<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Dehumidifier

Working
Non-Working

<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Exhaust Fan

Working
Non-Working

<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Station Clean

Trash
Debris

OK	

Tank Site Inspection - 1 Tank

Otto Brown Tank

	Yes	No
Gate Secure	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fence Secure	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Hatch Locked	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ladder Gate	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cut Grass	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	OK	Repair
Level Gauge	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Over Flow	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Comments:

- ground fault pump
motors

Martin County Water District

Inspection Report

40 East Pump Station

4-9-18

Inspected By:

Date Inspected:

Pump # In Use

Auto
Hand
Off

#1

#2

	✓

Tank Site Inspection - 2 Tank

Buckcreek

Yes No

Suction Pressure

28.2

Discharge Pressure

179

Pump Pump

Working
Non Working

✓	

Heater

Working
Non-Working

✓	

Lights

Working
Non-Working

✓	

Fence Secure

Hatch Locked

Ladder Gate

Cut Grass

✓	
✓	
✓	
	✓

OK Repair

Level Gauge

Over Flow

✓	
✓	

Little Rockcastle

Yes No

Gate Secure

Fence Secure

Hatch Locked

Ladder Gate

✓	
✓	
✓	
✓	

Dehumidifier

Working
Non-Working

✓	

OK Repair

Level Gauge

Over Flow

✓	
✓	

Exhaust Fan

Working
Non-Working

Station Clean

Trash
Debris

Clear	

Comments:

- greased both pump motors at 40 East

Martin County Water District

Inspection Report

40 West Pump Station

4-17-18

Inspected By:

Date Inspected:

Pump # In Use

Auto
Hand
Off

#1

#2

<input checked="" type="checkbox"/>	

Hour Meter

9	
---	--

Common Suction Pressure

--	--

Common Discharge Pressure

--	--

Suction Pressure

70	
----	--

Discharge Pressure

260	
-----	--

Door Drain

Clear
Clogged

<input checked="" type="checkbox"/>	

AC/Heat

Working
Non-Working

AC

Heat

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Lights

Working
Replace
Non-Working

<input checked="" type="checkbox"/>	

Dehumidifier

Working
Non-Working

<input checked="" type="checkbox"/>	

ation Clean

Trash
Debris

Clean	

Tank Site Inspection - 1 Tank

Marcus Wells Tank

Yes

No

Gate Secure
Fence Secure
Hatch Locked
Ladder Gate
Cut Grass

<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	

OK

Repair

Level Gauge
Over Flow

	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	

Comments:

- Level gauge broke
- Greased both pumps
- valves

Motor #1

Greased

<input checked="" type="checkbox"/>

Motor #2

Greased

<input checked="" type="checkbox"/>

KENTUCKY PUBLIC SERVICE COMMISSION
WATER UTILITY INSPECTION PROCEDURES OUTLINE

807 KAR 5:006, Section 25, Inspection of systems

(1) Each utility shall adopt inspection procedures to assure safe and adequate operation of its facilities and compliance with commission rules and administrative regulations. These procedures shall be filed with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at any utility facility made by a qualified employee, public official, or customer, the utility shall inspect all portions of the system which are the subject of the report.

(3) Appropriate records shall be kept by each utility to identify the inspection made, deficiencies found and action taken to correct the deficiencies.

(6) Water utility inspections

Each water utility shall make systematic inspections of its system in the manner set out below to insure that the commission's safety requirements are being met. These inspections shall be made as often as necessary but not less frequently than is set forth below for various classes of facilities and types of inspection.

(a) The utility shall annually inspect all structures pertaining to source of supply for their safety and physical and structural integrity, including dams, intakes, and traveling screens. The utility shall semi-annually inspect supply wells, their motors and structures, including electric power wiring and controls for proper and safe operation.

(b) The utility shall annually inspect all structures pertaining to purification for their safety, physical and structural integrity and for leaks, including sedimentation basins, filters, and clear wells; chemical feed equipment; pumping equipment and water storage facilities, including electric power wiring and controls; hydrants, mains, and valves.

(c) The utility shall monthly inspect construction equipment and vehicles for defects, wear, operational hazards, lubrication, and safety features.

Note: *This document serves as a guideline to assist water utilities customize their inspection procedures to their water system.*

Infrastructure**Inspection Frequency****Source of supply**

Dams	Annually
Intakes	Annually
Traveling Screens	Annually
Wells	Semi-Annually
Well Motors	Semi-Annually
Well Structures	Semi-Annually
Well Electric Power Wiring and Controls	Semi-Annually

Treatment/Purification (safety, physical, structural integrity, and leaks)

Sedimentation Basins	Annually
Filters	Annually
Clearwells	Annually
Chemical Feed Equipment	Annually
Buildings	Annually

Storage and Distribution

Pumping Equipment	Annually
Motors	Annually
Electrical power wiring and controls	Annually
Tanks	
Standpipes	Annually
Elevated Tanks	Annually
Reservoirs	Annually
Hydrants	Annually
Mains	Annually
Valves	Annually
Meters (Master Meters)	Annually
Construction Equipment	Monthly
Vehicles	Monthly

CUSTOMER BILL OF RIGHTS

As a residential customer of a regulated public utility in Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administrative Regulations:

- You have the right to service, provided you (or a member of your household whose debt was accumulated at your address) are not indebted to the utility.
- You have the right to inspect and review the utility's rates and tariffed operating procedures during the utility's normal office hours.
- You have the right to be present at any routine utility inspection of your service conditions.
- You must be provided a separate, distinct disconnect notice alerting you to a possible disconnection of your service if payment is not received.
- You have the right to dispute the reasons for any announced termination of your service.
- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment.
- You have the right to participate in equal, budget payment plans for your natural gas and electric service.
- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official.
- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance of the service has been corrected.
- If you have not been disconnected, you have the right to maintain your natural gas and electric service for up to thirty (30) days if you present a Certificate of Need issued by the Kentucky Cabinet for Human Resources between November and the end of March.
- If you have been disconnected due to nonpayment, you have the right to have your natural gas or electric service reconnected between the months of November through March provided you:
 1. Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources, and
 2. Pay one third (1/3) of your outstanding bill (\$200 maximum), and
 3. Accept referral to the Human Resources' Weatherization Program, and
 4. Agree to a repayment schedule that will cause your bill to become current by October 15.
- You have the right to contact the Public Service commission regarding any dispute that you have been unable to resolve with your utility (Call Toll Free 1-800-772-4636).

The Customer Bill of Rights is referenced in 807 KAR 5:006 Section 13.

**PUBLIC SERVICE COMMISSION
WATER UTILITY INSPECTION
QUICK REFERENCE**

KENTUCKY ADMINISTRATIVE REGULATIONS (KAR)

807 KAR 5:001. RULES OF PROCEDURE

807 KAR 5:006. GENERAL RULES

807 KAR 5:011. TARIFFS

807 KAR 5:066. WATER

KENTUCKY REVISED STATUTES (KRS)

KRS CHAPTER 74: WATER UTILITIES

KRS CHAPTER 278: PUBLIC SERVICE COMMISSION

KRS 278.020: CERTIFICATE OF CONVENIENCE AND NECESSITY

KRS 278.023: APPROVAL OF FEDERALLY-FUNDED CONSTRUCTION PROJECTS

KRS 278.160: UTILITIES TO FILE AND DISPLAY GENERAL SCHEDULES OF RATES

WEBSITES

KY PUBLIC SERVICE COMMISSION <http://www.psc.ky.gov>

KY DIVISION OF WATER <http://water.ky.gov>

KENTUCKY RURAL WATER ASSOC. <http://www.krwa.org>

KAR TITLE 807 (KAR 807) <http://www.lrc.state.ky.us/kar/TITLE807.HTM>

KRS CHAPTER 278 (KRS 278) <http://www.lrc.state.ky.us/krs/278-00/chapter.htm>

B07 KAR 5:001. Rules of procedure.

RELATES TO: KRS Chapter 278

STATUTORY AUTHORITY: KRS 278.310(2)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 278.310(2) provides that all hearings and investigations before the commission or any commissioner shall be governed by rules adopted by the commission. This administrative regulation prescribes requirements with respect to formal and informal proceedings before the commission.

Section 9. Applications for Certificates of Public Convenience and Necessity. (1) Application to bid on a franchise pursuant to KRS 278.020(3). Upon application to the commission by the utility for a certificate of convenience and necessity authorizing applicant to bid on a franchise, license or permit offered by any governmental agency, the applicant shall submit with its application, the following:

(a) A copy of its articles of incorporation (see Section 8(3) of this administrative regulation).

(b) The name of the governmental agency offering the franchise.

(c) The type of franchise offered.

(d) A statement showing the need and demand for service. Should the applicant be successful in acquiring said franchise, license or permit, it shall file a copy thereof with the commission.

(2) New construction or extension. When application is made by the utility, person, firm, or corporation for a certificate that the present or future public convenience or necessity requires, or will require, the construction or extension of any plant, equipment, property or facility, the applicant, in addition to complying with Section 8 of this administrative regulation, shall submit the following data, either in the application or as exhibits attached thereto:

(a) The facts relied upon to show that the proposed new construction is or will be required by public convenience or necessity.

(b) Copies of franchises or permits, if any, from the proper public authority for the proposed new construction or extension, if not previously filed with the commission.

(c) A full description of the proposed location, route, or routes of the new construction or extension, including a description of the manner in which same will be constructed, and also the names of all public utilities, corporations, or persons with whom the proposed new construction or extension is likely to compete.

(d) Three (3) maps to suitable scale (preferably not more than two (2) miles per inch) showing the location or route of the proposed new construction or extension, as well as the location to scale of any like facilities owned by others located anywhere within the map area with adequate identification as to the ownership of such other facilities.

(e) The manner in detail in which it is proposed to finance the new construction or extension.

(f) An estimated cost of operation after the proposed facilities are completed.

(g) All other information necessary to afford the commission a complete understanding of the situation.

(h) Extensions in the ordinary course of business. No certificate of public convenience and necessity will be required for extensions that do not create wasteful duplication of plant, equipment, property or facilities, or conflict with the existing certificates or service of other utilities operating in the same area and under the jurisdiction of the commission that are in the general area in which the utility renders service or

contiguous thereto, and that do not involve sufficient capital outlay to materially affect the existing financial condition of the utility involved, or will not result in increased charges to its customers.

Renewal applications. Insofar as procedure is concerned, applications for a renewal of a certificate of convenience and necessity will be treated as an original application.

807 KAR 5:006. General rules.

RELATES TO: KRS Chapter 278, 49 C.F.R. Part 192

STATUTORY AUTHORITY: KRS 278.280(2), 49 C.F.R. Part 192

NECESSITY, FUNCTION, AND CONFORMITY: KRS 278.280(2) provides that the Public Service Commission (hereinafter referred to as "commission") shall prescribe rules for the performance of any service or the furnishing of any commodity by any utility. This administrative regulation establishes general rules which apply to electric, gas, water, sewage and telephone utilities. This administrative regulation includes the substance of 807 KAR 5:008, which it repeals.

Section 3. Reports.

(2) Report of meters, customers and refunds. Every gas, electric and water utility shall make periodic reports on forms prescribed by the commission, of meter tests, number of customers and amount of refunds. These forms are hereby incorporated by reference, and may be obtained at the commission's offices at 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky, 40602, Monday through Friday between the hours of 8 a.m. and 4:30 p.m. local time.

Section 6. Billings, Meter Readings and Information.

(3) Bill format. Each utility shall include the billing form to be used by it, or its contents, in its tariffed rules.

(4) Meter readings. Registration of each meter shall read in the same units as used for billing unless a conversion factor is shown on the billing form.

(5) Frequency of meter reading. Each utility, except if prevented by reasons beyond its control, shall read customer meters at least quarterly, except that each utility using customer-read meter information shall read each revenue related meter on its system at least once during each calendar year. Records shall be kept by the utility to insure that this information is available to commission staff and any customer requesting this information. If, due to reasons beyond its control, a utility is unable to read a meter in accordance with this subsection, the utility shall record the date and time the attempt was made, if applicable, and the reason the utility was unable to read the meter.

Section 9. Customer Complaints to the Utility. Upon complaint to the utility by a customer at the utility's office, by telephone or in writing, the utility shall make a prompt and complete investigation and advise the complainant of its findings. The utility shall keep a record of all written complaints concerning its service. This record shall show the name and address of the complainant, the date and nature of the complaint, and the adjustment or disposition of the complaint. Records shall be maintained for two (2) years from the date of resolution of the complaint. If a written complaint or a complaint made in person at the utility's office is not resolved, the utility shall provide written notice to the complainant of his right to file a complaint with the commission, and shall provide him with the address and telephone number of the commission. If a telephonic complaint is not resolved, the utility shall provide at least oral notice to the complainant of his right to file a complaint with the commission and the address and telephone number of the commission.

Section 10. Bill Adjustment for Gas, Electric and Water Utilities.

(3) Monitoring usage. Each utility shall monitor customers' usage at least annually according to procedures which shall be included in its tariff on file with the commission. The procedures shall be designed to draw the utility's attention to unusual variations in a customer's usage and shall provide for reasonable means by which the utility can determine the reasons for the unusual deviation. If a customer's usage is unduly high and the deviation is not otherwise explained, the utility shall test the customer's meter to determine whether the meter shows an average error greater than two (2) percent fast or slow.

(4) Usage investigation. If the utility's procedure for monitoring usage indicates that an investigation of a customer's usage is necessary, the utility shall notify the customer in writing either during or immediately after the investigation of the reasons for the investigation, and of the findings of the investigation. If knowledge of a serious situation requires more expeditious notice, the utility shall notify the customer by the most expedient means available.

Section 13. Utility Customer Relations. (1) A utility shall post and maintain regular business hours and provide representatives available to assist its customers.

(a) Available telephone numbers. Each utility shall maintain a telephone, shall publish the telephone number in all service areas, and shall permit all customers to contact the utility's designated representative without charge.

(b) Designated representatives. Each utility shall designate at least one (1) representative to be available to answer customer questions, resolve disputes and negotiate partial payment plans at the utility's office. The designated representative shall be knowledgeable of the commission's administrative regulations regarding customer bills and service and shall be authorized to negotiate and accept partial payment plans.

2. Each nonmajor gas or electric utility (as defined by the Uniform System of Accounts) and each water or sewer utility having annual operating revenues of less than \$250,000 shall make the designated representative available during the utility's established working hours not fewer than seven (7) hours per day, one (1) day per week. Additionally, during the months of November through March, each previously defined nonmajor utility providing gas or electric service shall make available the designated representative during the utility's established working hours not fewer than five (5) days per week.

Section 16. Meter Testing. (1) All electric, gas and water utilities furnishing metered service shall provide meter standards and test facilities, as more specifically set out under 807 KAR 5:022, 807 KAR 5:041 and 807 KAR 5:066. Before being installed for use by any customer, all electric, gas and water meters shall be tested and in good working order and shall be adjusted as close to the optimum operating tolerance as possible, as more specifically set out in 807 KAR 5:022, Section 8(3)(a), 807 KAR 5:041, Section 17(1)(a)-(c) and 807 KAR 5:066, Section 15(2)(a)-(b).

(2) A utility may have all or part of its testing of meters performed by another utility or agency approved by the commission for that purpose. Each utility having tests made by another agency or utility shall notify the commission of those arrangements in detail to include make, type and serial number of standards used to make the checks or tests.

Section 17. Meter Test Records. (1)(a) A complete record of all meter tests and adjustments and data sufficient to allow checking of test calculations shall be recorded by the meter tester. Such record shall include: Information to identify the unit and its location; date of tests; reason for such tests; readings before and after test; statement of "as found" and "as left" accuracies sufficiently complete to permit checking of calculations employed; notations showing that all required checks have been made; statement of repairs made, if any; identifying number of the meter; type and capacity of the meter; and the meter constant.

(b) The complete record of tests of each meter shall be continuous for at least two (2) periodic test periods and shall in no case be less than two (2) years.

(2) Historical records. Each utility shall keep numerically arranged and properly classified records for each meter owned, used and inventoried by the utility. The identification number, date of purchase, name of manufacturer, serial number, type, rating, and name and address of each customer on whose premises the meter has been in service with date of installation and removal shall be included in the records. These records shall also contain condensed information concerning all tests and adjustments including dates and general results of such adjustments. The records shall reflect the date of the last test and indicate the proper date for the next periodic test required by the applicable commission administrative regulation.

(4) A utility may store any or all of the meter test and historical data described or required in subsections (1) and (2) of this section in a computer storage and retrieval system upon notification to the commission. If a utility elects to use a computer storage and retrieval system, a back-up copy of the identical information shall be retained.

Section 19. Access to Property. The utility shall at all reasonable hours have access to meters, service connections and other property owned by it and located on customer's premises for purposes of installation, maintenance, meter reading, operation, replacement or removal of its property at the time service is to be terminated. Any employee of the utility whose duties require him to enter the customer's premises shall wear a distinguishing uniform or other insignia, identifying him as an employee of the utility, or show a badge or other identification which will identify him as an employee of the utility.

Section 22. System Maps and Records. (1) Each utility shall have on file at its principal office located within the state and shall file upon request with the commission a map or maps of suitable scale of the general territory it serves or holds itself ready to serve showing the following:

- (a) Operating districts.
- (b) Rate districts.
- (c) Communities served.
- (d) Location and size of transmission lines, distribution lines and service connections.
- (e) Location and layout of all principal items of plant.
- (f) Date of construction of all items of plant by year and month.

(2) In each division or district office there shall be available information relative to the utility's system that will enable the local representative to furnish necessary information regarding the rendering of service to existing and prospective customers.

(3) In lieu of showing the above information on maps, a card record or other suitable means may be used. For all construction the records shall also show the date of construction by month and year.

Section 23. Location of Records. All records required by commission administrative regulations shall be kept in the office of the utility and shall be made available to representatives, agents or staff of the commission upon reasonable notice at all reasonable hours.

Section 24. Safety Program. Each utility shall adopt and execute a safety program, appropriate to the size and type of its operations. At a minimum, the safety program shall:

- (1) Establish a safety manual with written guidelines for safe working practices and procedures to be followed by utility employees.
- (2) Instruct employees in safe methods of performing their work.
- (3) Instruct employees who, in the course of their work, are subject to the hazard of electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.

Section 25. Inspection of Systems. (1) Each utility shall adopt inspection procedures to assure safe and adequate operation of its facilities and compliance with commission rules and administrative regulations. These procedures shall be filed with the commission for review.

(2) Upon receipt of a report of a potentially hazardous condition at any utility facility made by a qualified employee, public official, or customer, the utility shall inspect all portions of the system which are the subject of the report.

(3) Appropriate records shall be kept by each utility to identify the inspection made, deficiencies found and action taken to correct the deficiencies.

(6) Water utility inspections. Each water utility shall make systematic inspections of system in the manner set out below to insure that the commission's safety requirements are being met. These inspections shall be made as often as necessary but not less frequently than is set forth below for various classes of facilities and types of inspection.

(a) The utility shall annually inspect all structures pertaining to source of supply for their safety and physical and structural integrity, including dams, intakes, and traveling screens. The utility shall semiannually inspect supply wells, their motors and structures, including electric power wiring and controls for proper and safe operation.

(b) The utility shall annually inspect all structures pertaining to purification for their safety, physical and structural integrity and for leaks, including sedimentation basins, filters, and clear wells; chemical feed equipment; pumping equipment and water storage facilities, including electric power wiring and controls; hydrants, mains, and valves.

(c) The utility shall monthly inspect construction equipment and vehicles for defects, wear, operational hazards, lubrication, and safety features.

Section 26. Reporting of Accidents, Property Damage or Loss of Service. (1) Within two (2) hours following discovery each utility, other than a natural gas utility, shall notify the commission by telephone or electronic mail of any utility related accident which results in:

(a) Death; or shock or burn requiring medical treatment at a hospital or similar medical facility, or any accident requiring inpatient overnight hospitalization;

Actual or potential property damage of \$25,000 or more; or

(c) Loss of service for four (4) or more hours to ten (10) percent or 500 or more of the utility's customers, whichever is less.

807 KAR 5:011. Tariffs.

RELATES TO: KRS Chapter 278

STATUTORY AUTHORITY: KRS 278.160(1)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 278.160(1) provides that the commission shall prescribe rules under which each utility shall file schedules showing all rates and conditions established by it and collected or enforced.

Section 12. Posting Tariffs, Administrative Regulations and Statutes. Every utility shall provide a suitable table or desk in its office and place of business, on which shall be available to the public at all times the following:

(1) A copy of all effective tariffs and supplements setting out its rates, classifications, charges, rules and administrative regulations, together with forms of contracts and applications applicable to the territory served from that office or place of business.

(2) Copies of the Kentucky Revised Statutes applicable to the utility.

(3) A copy of the administrative regulations governing such utility adopted by the commission.

(4) A suitable placard, in large type, giving information to the public that said tariffs, rules and administrative regulations and statutes are kept there for public inspection.

Section 13. Special Contracts. Every utility shall file true copies of all special contracts entered into governing utility service which set out rates, charges or conditions of service not included in its general tariff. The provisions of this administrative regulation applicable to tariffs containing rates, rules and administrative regulations, and general agreements, shall also apply to the rates and schedules set out in said special contracts, so far as practicable.

RELATES TO: KRS Chapter 278

TUTORY AUTHORITY: KRS 278.280(2)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 278.280(2) provides that the Public Service Commission (hereinafter referred to as "commission") shall prescribe rules for the performance of any service or the furnishing of any commodity by the utility. This administrative regulation establishes general rules which apply to water utilities.

Section 2. Information Available to Customers. A utility shall provide the following information to any customer upon request:

- (1) Characteristics of water. A description in writing of chemical constituents and bacteriological standards of the treated water as required by the Natural Resources Cabinet.
- (2) Rates. A schedule of rates for water service applicable to the service to be rendered to the customer.
- (3) Reading meters. Information about method of reading meters.
- (4) Bill analysis. A statement of the past readings of a customer's meter for a period of two (2) years.

Section 3. Quality of Water. (1) Compliance with Natural Resources Cabinet. Any utility furnishing water service for human consumption or domestic use shall conform to all legal requirements of the Natural Resources Cabinet for construction and operation of its water system as pertains to sanitation and potability of the water.

(3) Operation of supply system.

(b) Potable water connections. No utility shall make a physical connection between its distribution system and that of any other water supply unless the other water supply maintains a safe sanitary quality in accordance with this administrative regulation, and the utility provides notice to the commission prior to any such interconnections.

(4) Testing of water.

(b) Report to the commission. If a utility is required by the Natural Resources Cabinet to make a public notification pursuant to administrative regulations of the Natural Resources Cabinet, the utility shall provide the commission with a copy of the public notification when it is made.

Section 4. Continuity of Service. (1) Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its consumers and the general public. If an emergency interruption of service affects service to any public fire protection device, the utility shall immediately notify the fire chief or other public official responsible for fire protection.

(2) Scheduled interruptions. If any utility finds it necessary to schedule an interruption of its service, it shall notify all customers to be affected by the interruption, stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions shall be made at hours of least inconvenience to customers. If public fire protection is provided by mains affected by the interruptions, the utility shall notify the fire chief or other officials responsible for fire protection of the interruption, stating the time and anticipated duration. The fire chief or other official responsible for fire protection shall be notified immediately upon restoration of service.

(3) Standby equipment. The utility shall have available standby pumps capable of providing the maximum daily pumping demand of the system for use when any pump is out of service.

Storage. The minimum storage capacity for systems shall be equal to the average daily consumption.

(5) Record of interruptions. Each utility shall keep a complete record of all interruptions on its entire system or on major divisions of that system. This record shall show the cause of interruption, date, time, duration, remedy and steps taken to prevent recurrence.

Section 5. Pressures. (1) Standard pressure. Each utility shall, subject to the approval of the commission, adopt and maintain a standard pressure in its distribution system at locations to be designated as the point or points of "standard pressure." The selection of such points shall be confined to locations fairly representative of average conditions. In selecting points for fixed standard pressure, a utility may divide its distribution system into districts if division is necessary due to differences of elevation or loss of pressure because of friction, or both, and may either adopt a standard pressure for each division or establish a single standard pressure for its distribution system as a whole. In no case shall the constant difference between the highest and lowest pressures in a district for which a standard has been adopted exceed fifty (50) percent of such standard. In the interpretation of this rule it shall be understood that in districts of widely varying elevations or low customer density a utility may undertake to furnish a service which does not comply with the foregoing specifications if the customer is fully advised of the conditions under which average service may be expected. It shall be understood that nothing shall prevent the commission from requiring improvements when, upon investigation, it appears right and proper that such betterments should be made. In no event, however, shall the pressure at the customer's service pipe under normal conditions fall below thirty (30) psig nor shall the static pressure exceed 150 psig.

Pressure gauges. Each utility shall provide itself with one (1) or more recording pressure gauges to make pressure surveys as required by these rules. These gauges shall be suitable to record the pressure experienced on the utility's system and shall be able to record a continuous twenty-four (24) hour test. One (1) of these recording pressure gauges shall be maintained for a minimum of one (1) week per month in continuous service at some representative point on the utility's mains.

(3) Pressure surveys. At least once annually, each utility shall make a survey of pressures in its distribution system of sufficient magnitude to indicate the quality of service being rendered at representative points in its system. Pressure charts for these surveys shall show the date and time of beginning and end of the test and the location at which the test was made. Records of these pressure surveys shall be maintained at the utility's principal office in Kentucky and shall be made available to the commission upon request.

Section 6. Water Supply Measurement. (1) Measuring devices. Each utility shall install a suitable measuring device at each source of supply so that a record may be maintained of the quantity of water produced by each source.

(3) Unaccounted-for water loss. Except for purchased water rate adjustments for water districts and water associations, and rate adjustments pursuant to KRS 278.023(4), for rate making purposes a utility's unaccounted-for water loss shall not exceed fifteen (15) percent of total water produced and purchased, excluding water used by a utility in its own operations. Upon application by a utility in a rate case filing or by separate filing, or upon motion by the commission, an alternative level of reasonable unaccounted-for water loss may be established by the commission. A utility proposing an alternative level shall have the burden of demonstrating that the alternative level is more reasonable than the level prescribed in this section.

Section 8. Distribution Mains. (2) Dead ends. In order to provide increased reliability of service and reduce head loss, dead ends shall be minimized by making appropriate tie-ins whenever practicable. Where dead ends occur they shall be provided with a fire hydrant, if flow and pressure are sufficient to meet the requirements of Section 10(2)(b) this administrative regulation, or with an approved flushing hydrant or blowoff for flushing purposes. Flushing devices shall be sized to provide flows which will give a velocity of at least two and one-half (2.5) feet per second in the water main being flushed. No flushing device shall be directly connected to any sewer. Mains with dead ends shall be flushed at least once each year but more often if necessary to maintain the quality of the water.

Section 9. Service Lines.

(3) Inspection of service line. In the installation of the service line, the utility shall require the customer to leave the trench open and pipe uncovered, and the utility shall inspect the line to determine it is free from any tee, branch connection, irregularity or defect. The utility may substitute for its inspection an inspection by the appropriate state or local plumbing inspector, if proof of that inspection is presented to the utility by the customer.

Section 10. Construction Requirements.

(2) Distribution system.

(b) Fire protection.

1. On or after the effective date of this administrative regulation, fire hydrants may be installed by a utility only if:

a. A professional engineer with a Kentucky registration has certified that the system can provide a minimum fire flow of 250 gallons per minute; and

The system supporting this flow has the capability of providing this flow for a period of not less than two (2) hours plus consumption at the maximum daily rate.

Section 16. Periodic Tests. (1) Each utility shall test periodically all water meters so that no meter will remain in service without test for a period longer than specified in the following table:

Size of Meter Inches	Interval Between Tests Years
5/8	10
5/8 x 3/4	10
3/4	10
1	10
1 1/4	4
1 1/2	4
2	4
3	2
4 and larger	1

Section 17. Water Shortage Response Plans. Each utility which files a water shortage response plan with the Natural Resources Cabinet shall simultaneously file a copy of the plan with the commission. Any utility which has already filed a plan with the Natural Resources Cabinet shall file the plan with the commission within sixty (60) days of the effective date of this administrative regulation.

KRS 278.020 Certificate of convenience and necessity required for construction provision of utility service or of utility -- Exceptions -- Approval required for acquisition or transfer of ownership -- Public hearing on proposed transmission line -- Severability of provisions.

(1) No person, partnership, public or private corporation, or combination thereof shall commence providing utility service to or for the public or begin the construction of any plant, equipment, property, or facility for furnishing to the public any of the services enumerated in KRS 278.010, except retail electric suppliers for service connections to electric-consuming facilities located within its certified territory and ordinary extensions of existing systems in the usual course of business, until that person has obtained from the Public Service Commission a certificate that public convenience and necessity require the service or construction. Upon the filing of an application for a certificate, and after any public hearing which the commission may in its discretion conduct for all interested parties, the commission may issue or refuse to issue the certificate, or issue it in part and refuse it in part, except that the commission shall not refuse or modify an application submitted under KRS 278.023 without consent by the parties to the agreement. The commission, when considering an application for a certificate to construct a base load electric generating facility, may consider the policy of the General Assembly to foster and encourage use of Kentucky coal by electric utilities serving the Commonwealth. Unless exercised within one (1) year from the grant thereof, exclusive of any delay due to the order of any court or failure to obtain any necessary grant or consent, the authority conferred by the issuance of the certificate of convenience and necessity shall be void, but the beginning of any new construction or facility in good faith within the time prescribed by the commission and the prosecution thereof with reasonable diligence shall constitute an exercise of authority under the certificate.

(2) For the purposes of this section, construction of any electric transmission line of one hundred thirty-eight (138) kilovolts or more and of more than five thousand two hundred eighty (5,280) feet in length shall not be considered an ordinary extension of an existing system in the usual course of business and shall require a certificate of public convenience and necessity. However, ordinary extensions of existing systems in the usual course of business not requiring such a certificate shall include:

(a) The replacement or upgrading of any existing electric transmission line; or
(b) The relocation of any existing electric transmission line to accommodate construction or expansion of a roadway or other transportation infrastructure; or

(c) An electric transmission line that is constructed solely to serve a single customer and that will pass over no property other than that owned by the customer to be served.

(3) No utility shall exercise any right or privilege under any franchise or permit, after the exercise of that right or privilege has been voluntarily suspended or discontinued for more than one (1) year, without first obtaining from the commission, in the manner provided in subsection (1) of this section, a certificate of convenience and necessity authorizing the exercise of that right or privilege.

(4) No utility shall apply for or obtain any franchise, license, or permit from any city or other governmental agency until it has obtained from the commission, in the manner provided in subsection (1) of this section, a certificate of convenience and necessity showing that there is a demand and need for the service sought to be rendered.

(5) No person shall acquire or transfer ownership of, or control, or the right to control, any utility under the jurisdiction of the commission by sale of assets, transfer of stock, or otherwise, or abandon the same, without prior approval by the commission. The commission shall grant its approval if the person acquiring the utility has the financial, technical, and managerial abilities to provide reasonable service.

(6) No individual, group, syndicate, general or limited partnership, association, corporation, joint stock company, trust, or other entity (an "acquirer"), whether or not organized under the laws of this state, shall acquire control, either directly or indirectly, of any utility furnishing utility service in this state, without having first obtained the approval of the commission. Any acquisition of control without prior authorization shall be void and of no effect. As used in this subsection, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a utility, whether through the ownership of voting securities, by effecting a change in the composition of the board of directors, by contract or otherwise. Control shall be presumed to exist if any individual or entity, directly or indirectly, owns ten percent (10%) or more of the voting securities of the

utility. This presumption may be rebutted by a showing that ownership does not in fact confer control. Application for any approval or authorization shall be made to the commission in writing, verified by oath or affirmation, and be in a form and contain the information as the commission requires. The commission shall approve any proposed acquisition when it finds that the same is to be made in accordance with law, for a proper purpose and is consistent with the public interest. The commission may make investigation and hold hearings in the matter as it deems necessary, and thereafter may grant any application under this subsection in whole or in part and with modification and upon terms and conditions as it deems necessary or appropriate. The commission shall grant, modify, refuse, or prescribe appropriate terms and conditions with respect to every such application within sixty (60) days after the filing of the application therefore, unless it is necessary, for good cause shown, to continue the application for up to sixty (60) additional days. The order continuing the application shall state fully the facts that make continuance necessary. In the absence of that action within that period of time, any proposed acquisition shall be deemed to be approved.

(7) Subsection (6) of this section shall not apply to any acquisition of control of any:

(a) Utility which derives a greater percentage of its gross revenue from business in another jurisdiction than from business in this state if the commission determines that the other jurisdiction has statutes or rules which are applicable and are being applied and which afford protection to ratepayers in this state substantially equal to that afforded such ratepayers by subsection (6) of this section;

(b) Utility by an acquirer who directly, or indirectly through one (1) or more intermediaries, controls, or is controlled by, or is under common control with, the utility, including any entity created at the direction of such utility for purposes of corporate reorganization; or

(c) Utility pursuant to the terms of any indebtedness of the utility, provided the issuance of indebtedness was approved by the commission.

(8) In a proceeding on an application filed pursuant to this section, any interested person, including a person over whose property the proposed transmission line will cross, may request intervention, and the commission shall, if requested, conduct a public hearing in the county in which the transmission line is proposed to be constructed, or, the transmission line is proposed to be constructed in more than one county, in one of those counties. The commission shall issue its decision no later than ninety (90) days after the application is filed, unless the commission extends this period, for good cause, to one hundred twenty (120) days. The commission may utilize the provisions of KRS 278.255(3) if, in the exercise of its discretion, it deems it necessary to hire a competent, qualified and independent firm to assist it in reaching its decision. The issuance by the commission of a certificate that public convenience and necessity require the construction of an electric transmission line shall be deemed to be a determination by the commission that, as of the date of issuance, the construction of the line is a prudent investment.

(9) If any provision of this section or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this section which can be given effect without the invalid provision or application, and to that end the provisions are declared to be severable.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 75, sec. 1, effective July 13, 2004. - Amended 2001 Ky. Acts ch. 35, sec. 1, effective June 21, 2001. -- Amended 1998 Ky. Acts ch. 388, sec. 1, effective July 15, 1998. -- Amended 1994 Ky. Acts ch. 144, sec. 1, effective July 15, 1994. - Amended 1992 Ky. Acts ch. 102, sec. 2, effective July 14, 1992. -- Amended 1988 Ky. Acts ch. 12, sec. 3, effective July 15, 1988; ch. 22, sec. 5, effective July 15, 1988; ch. 335, sec. 1, effective July 15, 1988. - Amended 1986 Ky. Acts ch. 368, sec. 1, effective July 15, 1986. -- Amended 1982 Ky. Acts ch. 82, sec. 5, effective July 15, 1982; ch. 130, sec. 1, effective July 15, 1982. -- Amended 1978 Ky. Acts ch. 379, sec. 6, effective April 1, 1979. -- Amended 1974 Ky. Acts ch. 388, sec. 3. -- Amended 1972 Ky. Acts ch. 83, sec. 5. - Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 3952- 25.

KRS 278.023 Approval of federally funded construction projects -Commission review of agreement and supporting documents -- Surcharge.

(1) The provisions of this section shall apply to any construction project undertaken by a water association, commission, district, or combined water, gas or sewer district formed under KRS Chapter 74 or 273, which is financed in whole or in part under the terms of an agreement between the water utility and the United States Department of Agriculture or the United States Department of Housing and Urban Development. Because federal financing of such projects entails prior review and oversight by the federal agency and obligates the utility to certain actions, and because conflicting requirements by the federal agency and the Public Service Commission may place the water utility in an untenable position and delay or jeopardize such projects, it is declared to be the policy of the Commonwealth that such agreements shall be accepted by the Public Service Commission, and that the commission shall not prohibit a water utility from fulfilling its obligations under such an agreement.

(2) No agreement between a water utility and federal agency under this section shall take effect until thirty (30) days after such agreement, together with necessary applications and documentation, is filed with the commission, unless the commission acts within a lesser time. The commission in its administrative regulations shall list the specific documents required to be filed under this subsection.

(3) The commission shall review the project and the agreement, may recommend changes to the utility and the federal agency, but shall not modify or reject any portion of the agreement on its own authority. The commission shall issue a certificate of necessity and convenience and such other orders as may be required to implement the terms of the agreement no later than thirty (30) days after filing.

(4) The commission shall not prohibit the inclusion of any cost or the use of any accounting procedure in reviewing or setting the rates of the utility if such cost or procedure is required as a condition for federal financing of a construction project under an approved agreement between the water utility and federal agency.

(5) If the federal agency approves a surcharge to the water bills of customers who receive service through an extension of water facilities under this section, which is in lieu of an assessment against the customer for the cost of the extension, then the Public Service Commission shall allow collection of the surcharge to continue for the period of years for which the surcharge was established.

Effective: July 15, 1994

History: Amended 1994 Ky. Acts ch. 158, sec. 1, effective July 15, 1994. - Amended 1992 Ky. Acts ch. 388, sec. 2, effective July 14, 1992. -- Created 1988 Ky. Acts ch. 12, sec. 4, effective July 15, 1988.

KRS 278.160 Utilities to file and display general schedules of rates and conditions for service -- Adherence to schedules -- Exclusion from disclosure of confidential or proprietary provisions in special contracts.

Under rules prescribed by the commission, each utility shall file with the commission, within such time and in such form as the commission designates, schedules showing all rates and conditions for service established by it and collected or enforced. The utility shall keep copies of its schedules open to public inspection under such rules as the commission prescribes.

Fire Department - Water Usage Report

KRS 278.170(3) 807 KAR 5:086 Section 9

Any city, county, urban-county, charter county, fire protection district, or volunteer fire protection district (User) may withdraw water from the utility's water distribution system for the purpose of fighting fires or training firefighters at no charge on the condition that it maintains estimates. Any city, county, urban-county, charter county, fire protection district, or volunteer fire protection district that withdraws water from the utility's water distribution system for fire protection or training purposes and fails to submit the required report on water usage in a timely manner shall. A non-reporting user's usage shall be presumed to be 0.3 percent of the utility's total water sales for the calendar month.

Inez Fire Department

**Month
Year**

**January-Feb
2018**

Martin County Water District

Date	Location and/or Number	Reason Operated				Gallons Flowed	
1/8/2018	79 Lonnie Maynard	Fire				20	
1/26/2018	3012 Rockhouse Rd	Fire				20	
2/21/2018	572 Wooten Rd	Fire				2,800	
3/25/2018	Fields Traller Park	Fire				3,800	
3/26/2018	831 Cassell Br	Fire				1,000	
4/1/2018	West Eden Ln	Fire				1,800	
	Training For the Year					10,000	

Total For the Year 19,440

KRS 278.170(3) 807 KAR 5:095 Section 9

Pigeon Roost Fire Department

January-Feb

Martin County Water District

Total For the Year	9,200
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KRS 278.170(3) 807 KAR 5:085 Section 9

Warfield Fire Department

January-Feb Mar.

2018

□ □ □ □ □

Training for a year.
Training For the Year

4300

KRS 278.170(3) 807 KAR 5:095 Section 9

Any city, county, urban-county, charter county, fire protection district, or volunteer fire protection district that withdraws water from the utility's water distribution system for fire protection or training purposes and fails to submit the required report on water usage in a timely manner shall be assessed the cost of this water.

A non-reporting user's usage shall be presumed to be 0.3 percent of the utility's total water sales for the calendar month.

(name of Fire Department) Month
 (name of Water System) Year

unit conversion factor	28.83
coefficient value	0.95

[illegible]

Total Gallons for Month	58,437
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New

SAFETY POLICY HANDBOOK

SAFETY

The purpose of a specific safety program is to reduce personal injury and damage to property in a particular situation. The intent of safety policies is to inform all employees of their responsibility for their own personal safety. By complying with the safety policy, each person greatly reduces the probability of personal injuries and injury to other employees. Our most important and valuable assets are the people who work for us. For this reason much effort is continually being expended to provide safe and healthy working conditions for each employee.

The employer has the over-all responsibility for promoting safety and to comply with all state and federal safety laws and regulations, including the Act of 1970 also referred to as OSHA. The employer shall not require any employee to work in surrounding and under working conditions which are unsanitary, unduly hazardous, or potentially dangerous to his/her health or safety.

THE EMPLOYER'S RESPONSIBILITIES

1. Indoctrinate and familiarize all employees with their rights and responsibilities by reviewing the personnel manual in detail.
 - a. This should be completed with new employees at the time of hiring and before they start work.
 - b. Use checklist for indoctrination with new employee signing form.
2. To maintain and post where and when required, all posters and reporting forms as required by OSHA and other agencies.
3. To initiate and maintain accident prevention programs. Maintain health and accident injury forms completely filled out on all recordable conditions for five (5) years.
4. To provide a healthful work environment.
5. To provide all employees with tools and equipment designed for the work, properly maintained and serviced.
6. To provide and maintain personal protective gear designed for protection of the employee relative to the hazards to which each is being subjected.
7. To encourage all employees to avail themselves of basic first aid training and retraining every three years.
 - a. Make periodic checks on all employees for required licenses and training.
8. Be prepared to reprimand an employee who decides to carry out his work assignment contrary to policy. Document any reprimands and have the employee sign-off.

THE EMPLOYEE'S RESPONSIBILITIES

1. To familiarize oneself with the employer's general policy.
2. To adhere to the policy and cooperate to the best of his/her ability.
3. To report all job incurred injuries or illnesses to management the day of their happening.
4. To report all equipment or vehicle accidents or malfunction the day of their happening.
5. To use and/or operate all equipment and vehicles according to manufacturer's recommendations or company directive.
6. To have in one's possession a current valid driver's license when driving a company vehicle.
7. To never drive a company vehicle when under the influence of drugs or alcohol beyond acceptable limits established by the state.
8. To be a defensive driver at all times.
9. To not take undue chances or subject oneself to known hazardous conditions without taking precautionary measures.
10. To use personal protective gear whenever conditions warrant and to use said gear for only the use intended.
11. To practice basic good rules of sanitation and housekeeping.
12. To dress in good taste for the particular assignment, but always fully clothed from ankle to neck.
13. To know location of first aid supplies and fire fighting equipment at all times.
14. To know the location of the nearest medical emergency room, doctor and ambulance.
15. To observe and obey all "NO SMOKING" signs and areas.
16. To not under any conditions become involved in "HORSEPLAY" that could result in injury to oneself or co-worker.
17. To lift properly when required to do so, using the legs and keeping the back straight.
18. To never catch a ride by standing up in the bed of a truck or riding on a running board.
19. To not work alone when conditions could result in injury or be injurious to one's health.
20. To be "FIRST AID" trained and prepared to administer first aid in an intelligent and humanitarian manner.
21. No employee shall drive "COMPANY VEHICLE" for personal use.

SPECIFIC GUIDELINES

When coming upon or being involved in an accident or suffering personal injury:

1. When coming upon an accident:

- a. Give first aid to accident victim in a conscientious manner taking into consideration, blood borne pathogens by using disposable gloves, a breathing barrier, your training, personal safety and the extent and severity of the injury.
- b. Call or request that ambulance service respond to the scene.
- c. Call or request that law enforcement personnel respond to the scene.
- d. Call or request that fire department personnel be called to the scene should conditions warrant.
- e. Assist in the control and movement of traffic until law enforcement arrives on the scene.

2. When involved in a vehicle accident:

- a. Respond to personal injury first.
- b. Call for law enforcement.
- c. Move vehicle only if unit impedes the flow of traffic prior to law enforcement coming on the scene.
- d. If you have a camera, take many pictures from all angles.
- e. Make a rough sketch of the accident scene showing position and direction of vehicles prior to the accident and position and direction of vehicles after the accident.
- f. Take measurements if nothing more than stepping off the distances.
- g. Make note of road conditions (wet, icy, loose gravel, etc.).
- h. Make note of time of day.
- i. Get names and addresses of as many witnesses as possible.
- j. Give limited information to any investigating accident (preferably no more than what is on your driver's license and vehicle registration card).
- k. Notify company office of the accident.
- l. If vehicle is not drivable, have unit hauled to a nearby storage lot.

3. When company personnel suffer an injury or are involved in accident while on the job:

- a. Respond to personal injury first by giving oneself or co-worker first aid or requesting first aid, or getting professional attention.
- b. Take pictures of accident scene.
- c. Take measurements and location of equipment and tools.
- d. Draw a sketch of the accident or injury scene.
- e. Move no equipment, such as ladders, scaffolding or any work related equipment until an investigation of the accident can be made.
- f. Note amount of artificial light if inside the building.
- g. Notify company office with details to the best of your ability, relative to the circumstances of the accident.

ELECTRICAL:

1. Failure

- a. Become involved only to the extent of your **ABILITY** and **TRAINING**.
- b. Notify the power company and/or an electrical contractor.
- c. Notify management.

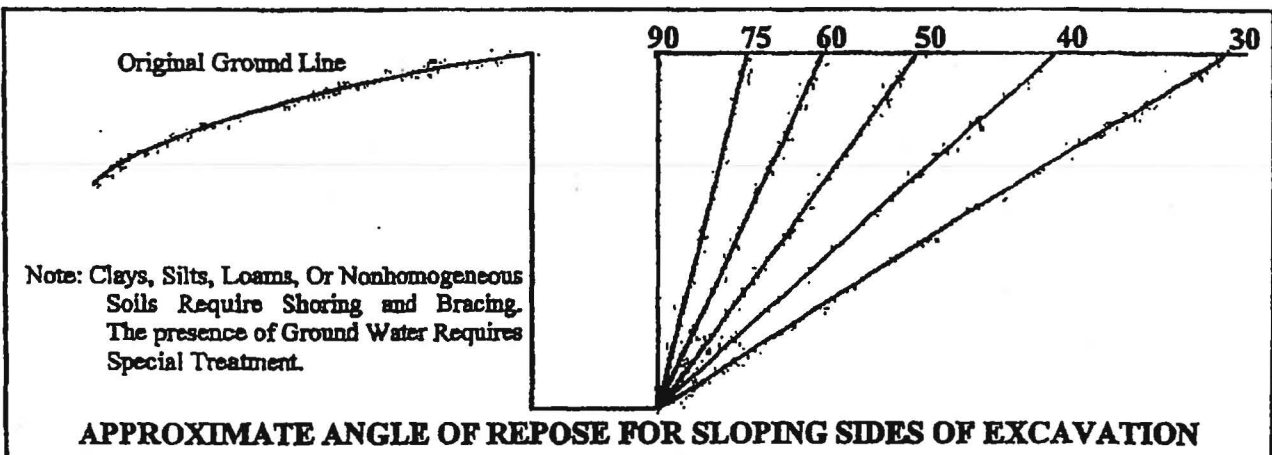
2. Equipment

- a. Use only grounded or double insulated tools.
- b. Use only grounded extension cords and trouble lights.
- c. Check all outlets to make sure they are functioning as a **GROUND**
OUTLET.

UNDERGROUND:

1. Trenching Requirements

- a. Excavations deeper than five (5) feet high shall be shored, laid back to a stable slope, or some other equivalent means of protection shall be provided where employees will be exposed. Refer to chart as a guide in sloping of banks. Trenches less than five (5) feet in depth shall also be effectively protected when examination of the ground by the construction person indicates hazardous ground movement may be expected.



- b. Sides of trenches, five (5) feet or more in depth, shall be shored, sheeted, braced, sloped, or otherwise supported by means of sufficient strength to protect the employees working within them.
- c. Sides of trenches in hard or compact soil, including embankments, shall be shored or otherwise supported when the trench is more than five (5) feet in depth. In lieu of shoring, the sides of the trench above the five (5) foot level may be sloped to preclude collapse, but shall not be steeper than one (1) foot rise to each one-half (1/2) foot horizontal.
- d. When employees are required to be in trenches four (4) feet deep or more, an adequate means of exit, such as a ladder or steps, shall be provided and located so as to require no more than twenty-five (25) feet of lateral travel.

CHLORINE:

1. Cylinder Storage

- a. Never store near electrical equipment (chlorine leakage can damage copper fittings and connections in a short period of time).
- b. Store where temperature never exceeds 120 F. as heat increases cylinder pressure thus causing plug release and emptying contents.
- c. Cylinders, be they full or empty, must be stored upright, with the caps in place and anchored (chain all cylinders to wall) so as to prevent falling or tipping.

2. Chlorine Room

- a. Never enter chlorine room without first turning on the exhaust fan.
- b. Never enter chlorine room exhausted from exercise or strenuous work thus causing individual to breathe hard.

3. Chlorine Leak or Spill

- a. Upon detecting a chlorine leak:
 - i. Vent room immediately, if in unpopulated area.
 - ii. Evacuate anyone in immediate vicinity.
 - iii. Notify office or superior.
 - iv. Notify authorities

FIRE EXTINGUISHERS:

1. Fire Extinguishers

- a. Recommend a twenty pound (20#) A.B.C. type fire extinguisher to be mounted just inside door near or under light switch at each location.
- b. Recommend a five pound (5#) A.B.C. type fire extinguisher be mounted in each vehicle.
- c. Each employee should know how to use the fire extinguisher effectively.

2. Housekeeping

- a. All storage of burnables or combustibles, including waste, must be controlled.
- b. No gasoline storage inside any building exceeding five (5) gallons and then only in an approved safety can.
- c. Keep paths of travel free and clear of tripping hazards.

FIRST AID:

1. Training

- a. All employees shall be trained in "Basic First Aid" with refresher courses as required, beginning with the first year of employment.
- b. All employees shall be trained in the use and care of artificial breathing devices and cardiopulmonary resuscitation (CPR).

2. Protective Gear

- a. When conditions warrant, protective gear shall be worn properly without exception
 - i. Safety hats
 - ii. Goggles or safety glasses
 - iii. Gloves
 - iv. Respirators

- b. Emergency self contained breathing apparatus (SCBA) shall be positioned in a fixed location ready to use.
3. First Aid Supplies
 - a. Recommend that a 10 unit industrial type first aid kit be mounted near the fire extinguisher at each location.
 - b. Recommend that a 10 unit industrial type kit be mounted in each vehicle. (Kits must be checked regularly and supplies replenished).
 - c. Recommend that a master kit be located and mounted at each headquarters' office.

REGULAR SAFETY MEETING TOPICS

This suggested list of safety topics for regular safety meetings is only a partial list

- | | |
|---|---|
| <p>1. UNSAFE PRACTICES January</p> <ul style="list-style-type: none"> - Excessive speed of vehicles - Improper lifting - Smoking in danger areas - Horseplay - Running in aisles or on stairs - Handling chlorine cylinders - Removing machine or other guards - Work on unguarded moving machinery | <p>6 – 7. DISASTERS June/July</p> <p style="padding-left: 40px;">(Natural or Man-Made)</p> <ul style="list-style-type: none"> - Electrical - Equipment - Flooding |
| <p>2. FIRST AID February</p> <ul style="list-style-type: none"> - First aid kits and rooms, - Use of air tank and mask - Emergency showers - All injuries reported | <p>8. MISCELLANEOUS August</p> <ul style="list-style-type: none"> - Acids and caustics - New processes, chemicals and solvents - Dusts, vapors or fumes - Ladders and scaffolds |
| <p>3. TOOLS March</p> <ul style="list-style-type: none"> - Power tools wiring - Hand tools - Use and storage of tools | <p>9. PERSONAL PROTECTIVE EQUIPMENT September</p> <ul style="list-style-type: none"> - Goggles or face shields - Foot protection - Gloves - Respirators or gas masks - Protective clothing |
| <p>4. HOUSEKEEPING April</p> <ul style="list-style-type: none"> - Tornado awareness - Aisles, stairs and floors - Storage and piling of materials - Light and ventilation - Disposal of waste - Yards and parking lots - Cutting weeds and grass | <p>10. FIRE PROTECTION October</p> <ul style="list-style-type: none"> - Extinguishing equipment - Stand pipes, hoses, sprinkler heads, and valves - Exits, stairs and signs - Storage of flammable material |
| <p>5. MACHINERY May</p> <ul style="list-style-type: none"> - Point of operation guards - Belts, pulleys, gears, shafts, etc. - Oiling, cleaning &, adjusting - Maintenance & oil leakage | <p>11-12. VEHICLE November/December</p> <ul style="list-style-type: none"> - Communication - Winter preparedness - Storm clothing - Tow chain or cable |

NEW EMPLOYEE CHECK LIST

GENERAL:

1. You realize that we are an Equal Opportunity employer.
2. Current valid driver's license must be produced and always in your possession when driving company vehicles.
3. Reporting to work under the influence of either drugs or alcohol shall be reason for disciplinary action.
4. Insubordination in any form shall be reason for disciplinary action.

SAFETY:

1. Each employee shall comply with all safety and health standards, regulations, and orders that are part of the safety policy.
2. All injuries, regardless of severity, shall be reported to management the day of happening.
3. It shall be management's decision as to whether the injured employee requires professional medical attention.
4. Location of first aid kits and other safety gear such as respirators, rubber gloves, etc.
5. Each employee shall cooperate by picking up trash and waste he/she creates.
6. Each employee shall cooperate in keeping paths of travel unobstructed.
7. Horseplay will not be tolerated where such action could cause injury or damage equipment.
8. Use of tools or power equipment that is defective must be reported to management.
9. Tools or power equipment that are defective must be reported to management.
10. Cooperation from all employees is expected in maintaining toilet and wash rooms.
11. Garbage and waste resulting from lunch pails/lunch rooms will be disposed of in covered waste containers.
12. All employees are expected to know the location and operation of fire extinguishers.
13. Once the fire extinguisher has had the seal broken it shall be scheduled for recharging.
14. Gasoline shall be stored in 5 gallon approved safety cans only.
15. Gasoline shall never be used for washing parts or for any but intended use.

16. Personal protective equipment shall be worn where designated with no exceptions.

17. All equipment shall be operated with utmost care complying with manufacturer's recommendations.

18. No employee shall drive company vehicles for personal use.

I have had all the above policy statements explained to me and understand the policy completely. This will become part of my employee file.

Date _____

Employee Signature

Manager's Signature

MARTIN COUNTY "SPECIAL" FISCAL COURT MEETING

THURSDAY DECEMBER 7TH, 2017 1:00 P.M.

OPENING OF THE COURT

The meeting was called to order at 1:00 P.M. by Judge Executive Kelly Callaham. Those present were: Magistrate Josh Muncy district #1, Magistrate Kenny McCoy district #2, Magistrate Darrell Mills district #3 and Magistrate Victor Slone district #5. Assistant County Attorney Lynette Muncy was present and led prayer.

ACCEPTING MINUTES OF LAST COURT MEETING

The minutes from December 4th, 2017 were approved upon motion made by Magistrate Darrell Mills and seconded by Magistrate Josh Muncy. It was a unanimous vote.

APPOINT WATER BOARD MEMBERS

Judge Executive addressed the court stating the terms of the water board members have to be staggered. He recommended a 1-year term for John Hensley and Rex Endicott. Their term will end December 2018. Jimmy Don Kerr and Jarrod Crum a 2-year term. John Horn a 3-year term. These terms will be from this day forward. This will makeup a full water board. Judge Executive Kelly Callaham told Mike Crum he would have to go up to the water company and swear in these new board members and conduct the meeting the following Monday. Motion to accept these water board members was made by Magistrate Josh Muncy and seconded by Magistrate Victor Slone. It was a unanimous vote.

PETITION TO ADOPT ROAD EASEMENTS

Much debate went on about the KRS laws on adopting a road into the county road system. Assistant County Attorney Lynette Muncy recommended doing a petition then the county road foreman and another viewer go out and make sure the road met all the requirements and that it would serve a public purpose. If it met the requirements an easement with exact boundaries would be needed. If possible, get the petition and easement at the same time. Once the road has a CR number, the county could maintain road. Assistant County Attorney Lynette Muncy stated this is the process County Attorney Kennis Maynard has required for the past 15 years. Magistrate Victor Slone read KRS 178.080 and stated these was not the requirements that County Attorney Kennis Maynard was requiring.

Motion to accept the easement going forward and on any road in the past without a CR# can use this easement and petition was made by Magistrate Darrell Mills and seconded by Magistrate Kenny McCoy. It was a unanimous vote with Magistrate Victor Slone protesting.

MOA – BLACKTOP

Motion to accept the memorandum of agreement on blacktop was made by Magistrate Victor Slone and seconded by Magistrate Darrell Mills. It was a unanimous vote.

MOA – FLOOD CONTROL PROJECT

Judge Executive Kelly Callaham stated the flood project has been on hold for the past two years due to the federal funds not being available. The flood control project is a 95% federal money and 5% money county liability. The county funds have already been set aside in an account. The federal government has their portion for the project.

Motion to accept the Flood Control Project agreement was made by Magistrate Josh Muncy and seconded by Magistrate Victor Slone. It was a unanimous vote.

ADJOURN

Motion to adjourn was made by Magistrate Victor Slone and seconded by Magistrate Kenny McCoy. It was a unanimous vote.


KELLY CALLAHAM, JUDGE EXECUTIVE


JEANETTA GOBLE, COURT RECORDER

EXHIBIT

#3

	Water In Airport Meter		Davella Meter		Davella Usage	Total Pumped	The Difference
3/1/2018	53,331,000	5,198,600	9,740,000	6,909,710	15,000	9,760	-5,240
3/2/2018	53,452,000	5,208,840	9,740,000	6,918,570	8,860	131,240	122,380
3/3/2018	53,620,000	5,223,040	9,740,000	6,926,280	7,710	182,200	174,490
3/4/2018	53,701,000	5,230,450	9,741,000	6,935,350	10,070	88,410	78,340
3/5/2018	53,776,000	5,237,250	9,740,000	6,947,100	10,750	81,800	71,050
3/6/2018	53,778,000	5,246,610	9,740,000	6,957,800	10,700	11,360	660
3/7/2018	53,976,000	5,254,750	9,740,000	6,968,540	10,740	206,140	195,400
3/8/2018	54,013,000	5,257,900	9,740,000	6,982,000	13,460	40,150	26,690
3/9/2018	54,081,000	5,263,920	9,740,000	6,993,560	11,560	74,020	62,460
3/10/2018	54,144,000	5,269,020	9,740,000	7,007,060	13,500	68,100	54,600
3/11/2018	54,301,000	5,281,820	9,740,000	7,015,410	8,350	169,800	161,450
3/12/2018	54,344,000	5,285,450	9,740,000	7,026,980	11,570	46,630	35,060
3/13/2018	54,450,000	5,294,260	9,740,000	7,039,500	12,520	114,810	102,290
3/14/2018	54,523,000	5,301,500	9,740,000	7,054,460	14,960	80,240	65,280
3/15/2018	54,523,000	5,301,700	9,740,000	7,068,620	14,160	200	-13,960
3/16/2018	54,584,000	5,307,080	9,740,000	7,083,690	15,070	66,380	51,310
3/17/2018	54,666,000	5,314,140	9,740,000	7,092,810	9,120	89,060	79,940
3/18/2018	54,710,000	5,317,980	9,740,000	7,104,030	11,220	47,840	36,620
3/19/2018	54,766,000	5,322,790	9,740,000	7,118,980	14,950	60,810	45,860
3/20/2018	54,766,000	5,322,800	9,740,000	7,134,610	15,630	10	-15,620
3/21/2018	54,815,000	5,326,910	9,757,000	7,143,670	26,060	53,110	27,050
3/22/2018	54,816,000	5,326,910	9,783,000	7,154,050	36,380	1,000	-35,380
3/23/2018	54,815,000	5,326,910	10,125,000	7,188,210	376,160	-1,000	-377,160
3/24/2018	54,815,000	5,326,920	10,316,000	7,210,800	213,590	10	-213,580
3/25/2018	54,815,000	5,326,940	10,323,000	7,226,410	22,610	20	-22,590
3/26/2018	54,815,000	5,326,940	10,433,000	7,252,770	136,360	0	-136,360
3/27/2018	54,815,000	5,326,970	10,433,000	7,271,030	18,260	30	-18,230
3/28/2018	54,815,000	5,326,970	10,433,000	7,285,400	14,370	0	-14,370
3/29/2018	54,815,000	5,326,980	10,443,300	7,300,610	25,510	10	-25,500
3/30/2018	54,815,000	5,327,000	10,433,000	7,315,830	4,920	20	-4,900
3/31/2018	54,815,000	5,327,000	10,433,000	7,334,700	18,870	0	-18,870
4/1/2018	54,815,000	5,327,020	10,433,000	7,353,770	19,070	20	-19,050
4/2/2018	54,815,000	5,327,020	10,433,000	7,374,200	20,430	0	-20,430
4/3/2018	54,815,000	5,327,030	10,433,000	7,397,210	23,010	10	-23,000
4/4/2018	54,815,000	5,327,040	10,433,000	7,421,910	24,700	10	-24,690
4/5/2018	54,815,000	5,327,050	10,433,000	7,454,190	32,280	10	-32,270
4/6/2018	54,815,000	5,327,050	10,434,000	7,493,860	40,670	0	-40,670

Total Pumped	Difference	Davella
1,622,180	470,120	1,152,060

4/7/2018	54,815,000	5,327,050	10,437,000	7,542,190	51,330	0	-51,330			
4/8/2018	54,815,000	5,327,060	10,444,000	7,585,030	49,840	10	-49,830			
4/9/2018	54,815,000	5,327,060	10,455,000	7,626,270	52,240	0	-52,240			
4/10/2018	54,815,000	5,327,070	10,474,000	7,673,660	66,390	10	-66,380			
4/11/2018	54,815,000	5,327,070	10,500,000	7,719,760	72,100	0	-72,100			
4/12/2018	54,815,000	5,327,070	10,540,000	7,766,540	86,780	0	-86,780			
4/13/2018	54,815,000	5,327,080	10,601,000	7,815,070	109,530	10	-109,520			
4/14/2018	54,815,000	5,327,100	10,610,000	7,832,900	26,830	20	-26,810			
4/15/2018	54,815,000	5,327,100	10,610,000	7,842,800	9,900	0	-9,900			
4/16/2018	54,815,000	5,327,100	10,610,000	7,850,610	7,810	0	-7,810			
4/17/2018	54,907,000	5,334,970	10,610,000	7,857,300	6,690	99,870	93,180			
4/18/2018	54,980,000	5,341,500	10,610,000	7,864,200	6,900	79,530	72,630			
4/19/2018	55,152,000	5,355,680	10,610,000	7,868,480	4,280	186,180	181,900			
4/20/2018	55,271,000	5,365,200	10,610,000	7,875,480	7,000	128,520	121,520			
4/21/2018	55,501,000	5,384,940	10,610,000	7,879,020	3,540	249,740	246,200			
4/22/2018	55,508,000	5,385,620	10,610,000	7,888,960	9,940	7,680	-2,260			
4/23/2018	55,508,000	5,385,630	10,610,000	7,896,070	7,110	10	-7,100			
4/24/2018	55,758,000	5,406,280	10,610,000	7,898,660	2,590	270,650	268,060			
4/25/2018	55,884,000	5,417,100	10,610,000	7,903,630	4,970	136,820	131,850			
4/26/2018	56,023,000	5,429,140	10,610,000	7,908,850	5,220	151,040	145,820			
4/27/2018	56,045,000	5,431,020	10,610,000	7,917,350	8,500	23,880	15,380			
4/28/2018	56,256,000	5,449,110	10,610,000	7,921,340	3,990	229,090	225,100			
4/29/2018	56,477,000	5,469,200	10,610,000	7,922,630	1,290	241,090	239,800			
4/30/2018	56,631,000	5,482,760	10,610,000	7,933,510	10,880	167,560	156,680			
5/1/2018	56,765,000	5,494,030	10,611,000	7,941,200	8,690	145,270	136,580	2,117,030	1,332,530	784,500

4/7/2018	54,815,000	5,327,050	10,437,000	7,542,190	51,330	0	-51,330			
4/8/2018	54,815,000	5,327,060	10,444,000	7,585,030	49,840	10	-49,830			
4/9/2018	54,815,000	5,327,060	10,455,000	7,626,270	52,240	0	-52,240			
4/10/2018	54,815,000	5,327,070	10,474,000	7,673,660	66,390	10	-66,380			
4/11/2018	54,815,000	5,327,070	10,500,000	7,719,760	72,100	0	-72,100			
4/12/2018	54,815,000	5,327,070	10,540,000	7,766,540	86,780	0	-86,780			
4/13/2018	54,815,000	5,327,080	10,601,000	7,815,070	109,530	10	-109,520			
4/14/2018	54,815,000	5,327,100	10,610,000	7,832,900	26,830	20	-26,810			
4/15/2018	54,815,000	5,327,100	10,610,000	7,842,800	9,900	0	-9,900			
4/16/2018	54,815,000	5,327,100	10,610,000	7,850,610	7,810	0	-7,810			
4/17/2018	54,907,000	5,334,970	10,610,000	7,857,300	6,690	99,870	93,180			
4/18/2018	54,980,000	5,341,500	10,610,000	7,864,200	6,900	79,530	72,630			
4/19/2018	55,152,000	5,355,680	10,610,000	7,868,480	4,280	186,180	181,900			
4/20/2018	55,271,000	5,365,200	10,610,000	7,875,480	7,000	128,520	121,520			
4/21/2018	55,501,000	5,384,940	10,610,000	7,879,020	3,540	249,740	246,200			
4/22/2018	55,508,000	5,385,620	10,610,000	7,888,960	9,940	7,680	-2,260			
4/23/2018	55,508,000	5,385,630	10,610,000	7,896,070	7,110	10	-7,100			
4/24/2018	55,758,000	5,406,280	10,610,000	7,898,660	2,590	270,650	268,060			
4/25/2018	55,884,000	5,417,100	10,610,000	7,903,630	4,970	136,820	131,850			
4/26/2018	56,023,000	5,429,140	10,610,000	7,908,850	5,220	151,040	145,820			
4/27/2018	56,045,000	5,431,020	10,610,000	7,917,350	8,500	23,880	15,380			
4/28/2018	56,256,000	5,449,110	10,610,000	7,921,340	3,990	229,090	225,100			
4/29/2018	56,477,000	5,469,200	10,610,000	7,922,630	1,290	241,090	239,800			
4/30/2018	56,631,000	5,482,760	10,610,000	7,933,510	10,880	167,560	156,680			
5/1/2018	56,765,000	5,494,030	10,611,000	7,941,200	8,690	145,270	136,580	2,117,030	1,332,530	784,500

	Water In Airport Meter		Davella Meter		Davella Usage	Total Pumped	The Difference
3/1/2018	53,331,000	5,198,600	9,740,000	6,909,710	15,000	9,760	-5,240
3/2/2018	53,452,000	5,208,840	9,740,000	6,918,570	8,860	131,240	122,380
3/3/2018	53,620,000	5,223,040	9,740,000	6,926,280	7,710	182,200	174,490
3/4/2018	53,701,000	5,230,450	9,741,000	6,935,350	10,070	88,410	78,340
3/5/2018	53,776,000	5,237,250	9,740,000	6,947,100	10,750	81,800	71,050
3/6/2018	53,778,000	5,246,610	9,740,000	6,957,800	10,700	11,360	660
3/7/2018	53,976,000	5,254,750	9,740,000	6,968,540	10,740	206,140	195,400
3/8/2018	54,013,000	5,257,900	9,740,000	6,982,000	13,460	40,150	26,690
3/9/2018	54,081,000	5,263,920	9,740,000	6,993,560	11,560	74,020	62,460
3/10/2018	54,144,000	5,269,020	9,740,000	7,007,060	13,500	68,100	54,600
3/11/2018	54,301,000	5,281,820	9,740,000	7,015,410	8,350	169,800	161,450
3/12/2018	54,344,000	5,285,450	9,740,000	7,026,980	11,570	46,630	35,060
3/13/2018	54,450,000	5,294,260	9,740,000	7,039,500	12,520	114,810	102,290
3/14/2018	54,523,000	5,301,500	9,740,000	7,054,460	14,960	80,240	65,280
3/15/2018	54,523,000	5,301,700	9,740,000	7,068,620	14,160	200	-13,960
3/16/2018	54,584,000	5,307,080	9,740,000	7,083,690	15,070	66,380	51,310
3/17/2018	54,666,000	5,314,140	9,740,000	7,092,810	9,120	89,060	79,940
3/18/2018	54,710,000	5,317,980	9,740,000	7,104,030	11,220	47,840	36,620
3/19/2018	54,766,000	5,322,790	9,740,000	7,118,980	14,950	60,810	45,860
3/20/2018	54,766,000	5,322,800	9,740,000	7,134,610	15,630	10	-15,620
3/21/2018	54,815,000	5,326,910	9,757,000	7,143,670	26,060	53,110	27,050
3/22/2018	54,816,000	5,326,910	9,783,000	7,154,050	36,380	1,000	-35,380
3/23/2018	54,815,000	5,326,910	10,125,000	7,188,210	376,160	-1,000	-377,160
3/24/2018	54,815,000	5,326,920	10,316,000	7,210,800	213,590	10	-213,580
3/25/2018	54,815,000	5,326,940	10,323,000	7,226,410	22,610	20	-22,590
3/26/2018	54,815,000	5,326,940	10,433,000	7,252,770	136,360	0	-136,360
3/27/2018	54,815,000	5,326,970	10,433,000	7,271,030	18,260	30	-18,230
3/28/2018	54,815,000	5,326,970	10,433,000	7,285,400	14,370	0	-14,370
3/29/2018	54,815,000	5,326,980	10,443,300	7,300,610	25,510	10	-25,500
3/30/2018	54,815,000	5,327,000	10,433,000	7,315,830	4,920	20	-4,900
3/31/2018	54,815,000	5,327,000	10,433,000	7,334,700	18,870	0	-18,870
4/1/2018	54,815,000	5,327,020	10,433,000	7,353,770	19,070	20	-19,050
4/2/2018	54,815,000	5,327,020	10,433,000	7,374,200	20,430	0	-20,430
4/3/2018	54,815,000	5,327,030	10,433,000	7,397,210	23,010	10	-23,000
4/4/2018	54,815,000	5,327,040	10,433,000	7,421,910	24,700	10	-24,690
4/5/2018	54,815,000	5,327,050	10,433,000	7,454,190	32,280	10	-32,270
4/6/2018	54,815,000	5,327,050	10,434,000	7,493,860	40,670	0	-40,670

Total Pumped	Difference	Davella
1,622,180	470,120	1,152,060

Martin County Water District

Purchase Order Procedures

- Beginning March 5, 2018, a purchase order system will be used.
- When materials are bought for the Martin County Utility:
 - A. Request from field to office.
 - B. Request researched through three vendors.
 - C. Once satisfied with price, P.O. is issued.
 - D. E.T.A. of material ordered.
 - E. Purchase order and work orders mated.
- Recorded in office.

MARTIN COUNTY UTILITY BOARD

387 East Main Street Suite 140
INEZ, KY 41224

606-298-3885 OFFICE

606-298-4913 Fax

Gwen Pinson
P.S.C. Executive Director

In Response to case # 2018-00017:

1. A P.O. system has been implemented for all vendors.

- Distribution supervisor will request supplies
- An invoice is generated to the office and accounting
- I will then review it
- Talk to accounting, issue a P.O. and authorize a check

2. See attachment for fuel purchase.

- Employee must call office with unit #, mileage, cost per gallon, number of gallons purchased, and final cost.

3. Arrangements have been made with vendors for monthly payments on past due payables.

- Any and all current purchases that are made are C.O.D.

4. We have written off many past due accounts of deceased customers and are still in the process of obtaining a collection agency.

I hope this description helps you understand our process, and if we can be helpful, don't hesitate to call.

Yours truly,

Greg Scott



MARTIN COUNTY WATER DISTRICT

FUEL PROCEDURES

- Field workers call office before fuel is purchased.
- Give office the following information
 1. Unit Price
 2. Price per gallon
 3. Gallons purchased
 4. Final total
 5. Mileage on vehicle recorded
- Recorded in office on spreadsheet.

Martin County Water District

Fuel Procedures

- Field workers call office when fuel is purchased.
- Give office the following information:
 1. Unit number
 2. Price per gallon
 3. Gallons purchased
 4. Final total
- Recorded in office.

Monthly Water Use Report

Water Utility: **Martin County Water District**

For the Month of: **October**

Year: **2017**

LINE #	ITEM	GALLONS (Omit 000's)	%
1	WATER PRODUCED or PURCHASED		
2	Water Produced	58.684	100%
3	Water Purchased	0	0%
4	TOTAL PRODUCED AND PURCHASED	58.684	
	WATER SOLD		
5	Residential	15.396	81%
6	Commercial		0%
7	Industrial		0%
8	Bulk Loading Stations		0%
9	Wholesale		0%
10	Other Sales (explain) Honey Branch Industrial Park	3.678	19%
11	TOTAL WATER SOLD	19.074	33%
12	TOTAL WATER NOT SOLD	39.610	67%
	BREAKDOWN OF UNSOLD WATER USED		
13	Utility and/or Water Treatment Plant	0.892	2%
14	Wastewater Plant	0.550	1%
15	System Flushing Estimated	4.550	8%
16	Fire Department Estimated	0.350	1%
17	Other (explain)	0	0%
	TOTAL UNSOLD WATER USED	6.342	11%
	BREAKDOWN OF WATER LOST		
18	Tank Overflows	0.250	0%
19	Line Breaks	7.250	12%
20	Other Loss	25.768	44%
	TOTAL WATER LOST	33.268	57%
21	"OTHER LOSS" FLOW RATE CALCULATION:		
22	"Other Loss"	25.768	
23	% "Other Loss"	44%	
24	Number of Days in Period	31	
25	"Other Loss" per Day (1,000's gallons per Day)	0.831	
	"Other Loss" per Minute (GPM)	0.577	

Kentucky
UNBRIDLED SPIRIT



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MCCC EXHIBIT 4

Monthly Water Use Report

EX 1 20180214 Resp

Water Utility: **Martin County Water District**

For the Month of: **November**

Year: **2017**



LINE #	ITEM	GALLONS (Omit 000's)	%
1	WATER PRODUCED or PURCHASED		
2	Water Produced	52.618	100%
3	Water Purchased	0.000	0%
4	TOTAL PRODUCED AND PURCHASED	52.618	
	WATER SOLD		
5	Residential	13.468	95%
6	Commercial		0%
7	Industrial		0%
8	Bulk Loading Stations		0%
9	Wholesale		0%
10	Other Sales (explain) Honey Branch Industrial Tank	0.751	5%
11	TOTAL WATER SOLD	14.219	27%
12	TOTAL WATER NOT SOLD	38.399	73%
	BREAKDOWN OF UNSOLD WATER USED		
13	Utility and/or Water Treatment Plant	0.803	2%
14	Wastewater Plant	0.050	0%
15	System Flushing	Estimated 2.500	5%
16	Fire Department	Estimated 0.400	1%
17	Other (explain)		0%
	TOTAL UNSOLD WATER USED	3.753	7%
	BREAKDOWN OF WATER LOST		
18	Tank Overflows	Estimated 0.175	0%
19	Line Breaks	Estimated 8.500	16%
20	Other Loss	25.971	49%
	TOTAL WATER LOST	34.646	66%

"OTHER LOSS" FLOW RATE CALCULATION:

21	"Other Loss"	25.971
22	% "Other Loss"	49%
23	Number of Days in Period	30
24	"Other Loss" per Day (1,000's gallons per Day)	0.866
25	"Other Loss" per Minute (GPM)	0.601



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Monthly Water Use Report				
Water Utility:		Martin County Water District		
For the Month of:		December	Year:	2017
LINE #	ITEM		GALLONS (Omit 000's)	%
1	WATER PRODUCED or PURCHASED			
2	Water Produced		55.918	100%
3	Water Purchased		0	0%
4	TOTAL PRODUCED AND PURCHASED		55.918	
WATER SOLD				
5	Residential		14.775	100%
6	Commercial		0.036	0%
7	Industrial			0%
8	Bulk Loading Stations			0%
9	Wholesale			0%
10	Other Sales (explain)			0%
11	TOTAL WATER SOLD		14.811	26%
12	TOTAL WATER NOT SOLD		41.107	74%
BREAKDOWN OF UNSOLD WATER USED				
13	Utility and/or Water Treatment Plant		0.809	1%
14	Wastewater Plant		0.075	0%
15	System Flushing	Estimate	1.500	3%
16	Fire Department	Estimate	0.450	1%
17	Other (explain)			0%
TOTAL UNSOLD WATER USED			2.834	5%
BREAKDOWN OF WATER LOST				
18	Tank Overflows		0.000	0%
19	Line Breaks	Estimate	10.500	19%
20	Other Loss		27.773	50%
TOTAL WATER LOST			38.273	68%
"OTHER LOSS" FLOW RATE CALCULATION:				
21			"Other Loss"	27.773
22			% "Other Loss"	50%
23			Number of Days in Period	31
24			"Other Loss" per Day (1,000's gallons per Day)	1
25			"Other Loss" per Minute (GPM)	1
 				
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Monthly Water Use Report

Water Utility: **Martin County Water District**

For the Month of: **October**

Year: **2017**

LINE #	ITEM	GALLONS (Omit 000's)	%
1	WATER PRODUCED or PURCHASED		
2	Water Produced	58.684	98%
3	Water Purchased	1.298	2%
4	TOTAL PRODUCED AND PURCHASED	59.982	
WATER SOLD			
5	Residential	15.396	81%
6	Commercial		0%
7	Industrial		0%
8	Bulk Loading Stations		0%
9	Wholesale		0%
10	Other Sales (explain) Honey Branch Industrial Park	3.678	19%
11	TOTAL WATER SOLD	19.074	32%
12	TOTAL WATER NOT SOLD	40.908	68%
BREAKDOWN OF UNSOLD WATER USED			
13	Utility and/or Water Treatment Plant	0.892	1%
14	Wastewater Plant	0.550	1%
15	System Flushing Estimated	4.550	8%
16	Fire Department Estimated	0.350	1%
17	Other (explain)	0	0%
	TOTAL UNSOLD WATER USED	6.342	11%
BREAKDOWN OF WATER LOST			
18	Tank Overflows	0.250	0%
19	Line Breaks	7.250	12%
20	Other Loss	27.066	45%
	TOTAL WATER LOST	34.566	58%
"OTHER LOSS" FLOW RATE CALCULATION:			
21		"Other Loss"	27.066
22		% "Other Loss"	45%
23		Number of Days in Period	31
24		"Other Loss" per Day (1,000's gallons per Day)	0.873
25		"Other Loss" per Minute (GPM)	0.606



Monthly Water Use Report

Response

Water Utility: **Martin County Water District**For the Month of: **November**Year: **2017**

LINE #	ITEM	GALLONS (Omit 000's)	%
1	WATER PRODUCED or PURCHASED		
2	Water Produced	52.618	100%
3	Water Purchased	0.000	0%
4	TOTAL PRODUCED AND PURCHASED	52.618	
	WATER SOLD		
5	Residential	13.468	95%
6	Commercial		0%
7	Industrial		0%
8	Bulk Loading Stations		0%
9	Wholesale		0%
10	Other Sales (explain) Honey Branch Industrial Tank	0.751	5%
11	TOTAL WATER SOLD	14.219	27%
12	TOTAL WATER NOT SOLD	38.399	73%
	BREAKDOWN OF UNSOLD WATER USED		
13	Utility and/or Water Treatment Plant	0.803	2%
14	Wastewater Plant	0.050	0%
15	System Flushing Estimated	2.500	5%
16	Fire Department Estimated	0.400	1%
17	Other (explain)		0%
	TOTAL UNSOLD WATER USED	3.753	7%
	BREAKDOWN OF WATER LOST		
18	Tank Overflows Estimated	0.175	0%
19	Line Breaks Estimated	8.500	16%
20	Other Loss	25.971	49%
	TOTAL WATER LOST	34.646	66%
	"OTHER LOSS" FLOW RATE CALCULATION:		
21	"Other Loss"	25.971	
22	% "Other Loss"	49%	
23	Number of Days in Period	30	
24	"Other Loss" per Day (1,000's gallons per Day)	0.866	
25	"Other Loss" per Minute (GPM)	0.601	



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Monthly Water Use Report						
Water Utility:		Martin County Water District				
For the Month of:		December		Year:		2017
LINE #	ITEM			GALLONS (Omit 000's)		%
1	WATER PRODUCED or PURCHASED					
2	Water Produced			55.918	0%	
3	Water Purchased			546280	100%	
4	TOTAL PRODUCED AND PURCHASED			546335.918		
WATER SOLD						
5	Residential			14.775	100%	
6	Commercial			0.036	0%	
7	Industrial				0%	
8	Bulk Loading Stations				0%	
9	Wholesale				0%	
10	Other Sales (explain)				0%	
11	TOTAL WATER SOLD			14.811	0%	
12	TOTAL WATER NOT SOLD			546321.107	100%	
BREAKDOWN OF UNSOLD WATER USED						
13	Utility and/or Water Treatment Plant			0.809	0%	
14	Wastewater Plant			0.075	0%	
15	System Flushing	Estimate		1.500	0%	
16	Fire Department	Estimate		0.450	0%	
17	Other (explain)				0%	
TOTAL UNSOLD WATER USED				2.834	0%	
BREAKDOWN OF WATER LOST						
18	Tank Overflows			0.000	0%	
19	Line Breaks	Estimate		10.500	0%	
20	Other Loss			546307.773	100%	
TOTAL WATER LOST				546318.273	100%	
"OTHER LOSS" FLOW RATE CALCULATION:						
21				"Other Loss"	546307.773	
22				% "Other Loss"	100%	
23				Number of Days in Period	31	
24				"Other Loss" per Day (1,000's gallons per Day)	17623	
25				"Other Loss" per Minute (GPM)	12238	
 						
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EXHIBIT #4



Drinking Water Project Profile

Legal Applicant: **Martin County Water District**

Project Title: **Water Treatment Plant Clarifier Rehab**

Project Number: **WX21168007**

[View Map](#)

Funding Status: **Not Funded**

Project Status: **Approved**

Project Schedule: **0-2 Years**

E-Clearinghouse SAI:

Applicant Entity Type: **Water District (KRS 74)**

Date Approved (AWMPC): **08-27-2017**

Submitted By: **BSADD**

Primary County: **Martin**

Planning Unit: **Martin**

Multi-County: **No**

ECH Status:

ADD WMC Contact: **Jamie Pinson**

Project Description:

This project will rehab the existing clarifier unit (No. 1) at the water treatment plant. The clarifier unit was constructed in the late 1980; renovated in the late 1980 and is in need of rehabilitation again.

The clarifier unit is a combination upflow clarifier and settling basin with peripheral filters. The unit has a treatment capacity of 0.7 to 1.0 MGD (depending on raw water turbidity). The unit is in the need of having the metal support bridge repainted; the clarifier rake mechanism is in the need of repair with damaged or broken supports replaced and structurally reinforced; the motor gear box and drive unit needs to be replaced. The filter underdrain is the original underdrain system with ceramic spheres, which several are missing or have worn down. Several underdrain hoppers are in poor or failing condition causing the filter media to fall into the filter chase.

Additional work will be done to relocate the filter effluent, filter drain, filter-to-waste, and effluent valves to a new valve vault similar to the existing two units that was constructed in 2010. Tube settlers will be installed in this unit similar to the two existing units. The portions or parts of the clarifier that will be rehabilitated or replaced: The metal support bridge repainted, clarifier rake mechanism replaced, motor gear box and drive unit replaced. The filter underdrains will be replaced. This project will impact the finished water by improving filtration by reducing the filtration. This will not impact potential DBP formation at the water plant. This project will address the CT and/or cryptosporidium issues.

This project will also replace remainder of district's water meters to radio read meters, residential and commercial.

Need for Project:

Briefly describe how this project promotes public health or achieves and/or maintains compliance with the Clean Water Act or Safe Drinking Water Act:

The rehabilitation of this unit will allow the WTP to remove from service any of the three treatment units for repairs, cleaning, maintenance, or back washing of the filters without reducing the overall treatment plant capacity of 2.4 MGD.

Project Alternatives:

Alternate A:

Construct a new clarifier.

Alternate B:

Legal Applicant:

Entity Type: **Water District (KRS 74)**

PSC Group ID: **25000**

Entity Name: **Martin County Water District**

Web URL:

Office EMail: **greg_scott818@yahoo.com**

Office Phone: **606-298-3885**

Toll Free:

Fax: **606-298-4913**

Mail Address Line 1: **387 E Main St**

Phys Address Line 1: **387 E Main St**

Mail Address Line 2:

Phys Address Line 2:

Mail City, State Zip: **Inez, KY 41224**

Phys City, State Zip: **Inez, KY 41224**

Contact: **Greg Scott**

Financial Contact:

Auth Official: **Kelly Calaham**

Contact Title: **Interim General Manager**

Financial Contact Title:

Auth Official Title: **Judge Executive**

Contact EMail: **greg_scott818@yahoo.com**

Financial Contact EMail:

kcalaham@suddenlinkmail.com

Auth Official EMail: **com**

Contact Phone: **606-298-3885**

Financial Contact Phone:

Auth Official Phone: **606-298-2800**

Data Source: **Kentucky Infrastructure Authority**

Date Last Modified: **04.10.2018**



Drinking Water Project Profile

WX21159007 - Martin County Water District
Water Treatment Plant Clarifier Rehab

Project Administrator (PA) Information

Name: **Holly L Nicholas**
 Title: **Project Administrator**
 Organization: **Kentucky Engineering Group, PLLC**
 Address Line 1: **PO Box 1034**
 Address Line 2:
 City: **Versailles** State: **KY** Zip: **40383**
 Phone: **859-333-9742** Fax: **859-251-4137**

Applicant Contact (AC) Information

Name: **John Mills**
 Title: **General Manager**
 Organization: **Martin County Water District**
 Address Line 1: **Hc 69 Box 875**
 Address Line 2:
 City: **Inez** State: **KY** Zip: **41224**
 Phone: **606-298-3885** Fax:

Estimated Budget

Project Cost Categories:

Cost Category	Cost
Administrative Expenses:	\$ 39,875
Legal Expenses:	\$ 5,000
Land, Appraisals, Easements:	
Relocation Expenses & Repayments:	
Planning:	\$ 25,000
Engineering Fees - Design:	\$ 141,158
Engineering Fees - Construction:	
Engineering Fees - Inspection:	\$ 89,320
Engineering Fees - Other:	
Construction:	\$ 2,095,000
Equipment:	
Miscellaneous:	\$ 3,500
Contingencies:	\$ 159,500
Total Project Cost:	\$ 2,558,353

Construction Cost Categories:

Cost Category	Cost
Treatment:	\$ 1,295,000
Transmission & Distribution:	
Source:	
Storage:	
Purchase of Systems:	
Restructuring:	
Land Acquisition:	
Non-Categorized:	\$ 800,000
Total Construction Cost:	\$ 2,095,000

Total Sustainable Infrastructure Costs:

Note: Total Sustainability Infrastructure Costs are included within construction and other costs reported in this section. This breakout is provided for SRF review purposes.

Project Funding Sources:

Total Project Cost: **\$2,558,353**
 Total Committed Funding: **\$0**
 Funding Gap: **\$2,558,353 (Not Funded)**

☒ This project will be requesting SRF funding for fiscal year 2019.

Estimated Project Schedule:

Est. Environmental Review Submittal Date: **02-01-2017**
 Estimated Bid Date: **01-01-2018**
 Estimated Construction Start Date: **04-01-2018**
 Estimated Construction Completion Date: **01-01-2018**

Funding Source	Loan or Grant ID	Fiscal Year	Amount	Status	Applicable Date
KIA SRF Fund F Loan (DW)		2017	\$1,011,600	Ranked	8/21/2016
KIA SRF Fund F Loan (DW)		2018	\$2,058,353	Ranked	5/19/2017
KIA SRF Fund F Loan (DW)	F19-014	2019	\$2,558,353	Ranked	4/11/2018
Total Committed					

Funding Source Notes:



Drinking Water Project Profile

Legal Applicant:	Martin County Water District	
Project Title:	Water System Controls and Raw Water Modifications	
Project Number:	WX21159009	View Map
Funding Status:	Not Funded	Submitted By: BSADD
Project Status:	Approved	Primary County: Martin
Project Schedule:	0-2 Years	Planning Unit: Martin
E-Clearinghouse SAI:	KY201804020196	Multi-County: No
Applicant Entity Type:	Water District (KRS 74)	ECH Status: Under Review
Date Approved (AWMPC):	12-04-2016	ADD WMC Contact: Jamie Pinson

Project Description:

This project will include raw water intake modifications. A secondary intake will be added in the Tug Fork River providing redundancy. Piping, pumps, and controls will be upgraded to provide for the second intake. In addition to the second raw water intake, the raw water transmission main will be extended from the Crum Reservoir to the water treatment plant and a new reservoir intake structure will be constructed. The transmission main will be 3,500 linear feet of 16 inch ductile iron pipe. This project also includes installation of system wide telemetry SCADA system.

Need for Project:

Briefly describe how this project promotes public health or achieves and/or maintains compliance with the Clean Water Act or Safe Drinking Water Act:

The second intake structure will provide security when the river level is low and protection during flood events. The piping, pump, and control upgrades will provide more reliability than the current system alone.

The transmission main extension from the reservoir to the plant will give the District flexibility to bring water directly from the river to the WTP bypassing the reservoir. During certain time of the year, primarily in the fall, organics get very high in the reservoir impacting the final water quality.

The new SCADA system will allow for continuous readout at a central location from all storage tanks, pump stations, and control valves. This will reduce water loss by detecting problems sooner and reducing down time when there is a problem.

Project Alternatives:

Alternate A:

For the intake activities; change the pumps and valves only.

Alternate B:

Reduce scope of SCADA control systems

Legal Applicant:

Entity Type: Water District (KRS 74)

PSC Group ID: 26000

Entity Name: Martin County Water District

Web URL:

Office EMail: greg_scott818@yahoo.com

Office Phone: 606-298-3885

Toll Free:

Fax: 606-298-4913

Mail Address Line 1: 387 E Main St

Phys Address Line 1: 387 E Main St

Mail Address Line 2:

Phys Address Line 2:

Mail City, State Zip: Inez, KY 41224

Phys City, State Zip: Inez, KY 41224

Contact: Greg Scott

Financial Contact:

Auth Official: Kelly Calaham

Contact Title: Interim General Manager

Financial Contact Title:

Auth Official Title: Judge Executive

Contact EMail: greg_scott818@yahoo.com

Financial Contact EMail:

kcalaham@suddenlinkmail.com

Contact Phone: 606-298-3885

Financial Contact Phone:

Auth Official EMail: com

Auth Official Phone: 606-298-2800

Data Source: Kentucky Infrastructure Authority

Date Last Modified: 04.10.2018



Drinking Water Project Profile

WX21159009 - Martin County Water District
Water System Controls and Raw Water Modifications

Project Administrator (PA) Information

Name: **Monica Spriggs**
Title: **Project Administrator**
Organization: **Big Sandy Area Development District**
Address Line 1: **110 Resource Dr**
Address Line 2:
City: **Prestonsburg** State: **KY** Zip: **41653**
Phone: **606-886-2374** Fax: **606-886-3382**

Applicant Contact (AC) Information

Name: **Greg Scott**
Title: **Interim General Manager**
Organization: **Martin County Water District**
Address Line 1: **HC 69 Box 675**
Address Line 2:
City: **Inez** State: **KY** Zip: **41224**
Phone: **606-298-3885** Fax:

Estimated Budget

Project Cost Categories:

Cost Category	Cost
Administrative Expenses:	
Legal Expenses:	
Land, Appraisals, Easements:	
Relocation Expenses & Repayments:	
Planning:	
Engineering Fees - Design:	\$ 202,000
Engineering Fees - Construction:	\$ 50,000
Engineering Fees - Inspection:	\$ 152,000
Engineering Fees - Other:	
Construction:	\$ 2,750,000
Equipment:	
Miscellaneous:	
Contingencies:	\$ 275,000
Total Project Cost:	\$ 3,429,000

Construction Cost Categories:

Cost Category	Cost
Treatment:	
Transmission & Distribution:	
Source:	\$ 2,500,000
Storage:	
Purchase of Systems:	
Restructuring:	
Land Acquisition:	
Non-Categorized:	\$ 250,000
Total Construction Cost:	\$ 2,750,000

Total Sustainable Infrastructure Costs:

Note: Total Sustainability Infrastructure Costs are included within construction and other costs reported in this section. This breakout is provided for SRF review purposes.

Project Funding Sources:

Total Project Cost: **\$3,429,000**
Total Committed Funding: **\$0**
Funding Gap: **\$3,429,000 (Not Funded)**

☒ This project will be requesting SRF funding for fiscal year 2019.

Estimated Project Schedule:

Est. Environmental Review Submittal Date: **06-15-2018**
Estimated Bid Date: **09-15-2018**
Estimated Construction Start Date: **11-15-2018**
Estimated Construction Completion Date: **12-13-2019**

Funding Source	Loan or Grant ID	Fiscal Year	Amount	Status	Applicable Date
AML		2018	\$3,429,000	Anticipated	
Total Committed					

Funding Source Notes:

The following systems are beneficiaries of this project:

✓ **KY0800273 Martin County Water District**

Note: Check mark indicates primary system for this project.



Drinking Water Project Profile

Legal Applicant:	Martin County Water District	
Project Title:	Water Treatment Plant Clarifier and Disinfection byproduct reduction	
Project Number:	WX21159016	View Map
Funding Status:	Not Funded	Submitted By: BSADD
Project Status:	Approved	Primary County: Martin
Project Schedule:	0-2 Years	Planning Unit: Martin
E-Clearinghouse SAI:		Multi-County: No
Applicant Entity Type:	Water District (KRS 74)	ECH Status:
Date Approved (AWMPC):	12-05-2017	ADD WMC Contact: Jamie Pinson

Project Description:

This project will include clear well aeration and diffusion pipe repair along with a Clarifier cover and an Intake screen at the reservoir intake. This project will improve the water quality by installing clearwell aeration, clarifier cover intake screen at reservoir intake and repair clearwell diffusion pipe.

Need for Project:

Briefly describe how this project promotes public health or achieves and/or maintains compliance with the Clean Water Act or Safe Drinking Water Act:

This project will reduce the disinfection byproducts

Project Alternatives:

Alternate A:

Distribution aeration

Alternate B:

Legal Applicant:

Entity Type: Water District (KRS 74)

PSC Group ID: 25000

Entity Name: Martin County Water District

Web URL:

Office EMail: greg_scott818@yahoo.com

Office Phone: 606-298-3885

Toll Free:

Fax: 606-298-4913

Mail Address Line 1: 387 E Main St

Phys Address Line 1: 387 E Main St

Mail Address Line 2:

Phys Address Line 2:

Mail City, State Zip: Inez, KY 41224

Phys City, State Zip: Inez, KY 41224

Contact: Greg Scott

Financial Contact:

Auth Official: Kelly Calaham

Contact Title: Interim General Manager

Financial Contact Title:

Auth Official Title: Judge Executive

Contact EMail: greg_scott818@yahoo.com

Financial Contact EMail:

Auth Official EMail: kcallahan@suddenlinkmail.com

Contact Phone: 606-298-3885

Financial Contact Phone:

Auth Official Phone: 606-298-2800

Data Source: Kentucky Infrastructure Authority

Date Last Modified: 04.10.2018



Drinking Water Project Profile

WX21159016 - Martin County Water District
Water Treatment Plant Clarifier and Disinfection byproduct reduction

Project Administrator (PA) Information

Name: **Holly L Nicholas**
 Title: **Project Administrator**
 Organization: **Kentucky Engineering Group, PLLC**
 Address Line 1: **PO Box 1034**
 Address Line 2:
 City: **Versailles** State: **KY** Zip: **40383**
 Phone: **859-333-9742** Fax: **859-251-4137**

Applicant Contact (AC) Information

Name: **Joe Hammond**
 Title: **Business Manager**
 Organization: **Martin County Utilities**
 Address Line 1: **38 7 E Main St**
 Address Line 2:
 City: **Inez** State: **KY** Zip: **41224**
 Phone: **606-626-7748** Fax: **606-298-4913**

Estimated Budget

Project Cost Categories:

Cost Category	Cost
Administrative Expenses:	\$ 10,000
Legal Expenses:	\$ 10,000
Land, Appraisals, Easements:	
Relocation Expenses & Repayments:	
Planning:	\$ 10,000
Engineering Fees - Design:	\$ 26,000
Engineering Fees - Construction:	\$ 30,000
Engineering Fees - Inspection:	\$ 15,000
Engineering Fees - Other:	
Construction:	\$ 235,000
Equipment:	
Miscellaneous:	
Contingencies:	\$ 23,500
Total Project Cost:	\$ 359,500

Construction Cost Categories:

Cost Category	Cost
Treatment:	\$ 235,000
Transmission & Distribution:	
Source:	
Storage:	
Purchase of Systems:	
Restructuring:	
Land Acquisition:	
Non-Categorized:	
Total Construction Cost:	\$ 235,000

Total Sustainable Infrastructure Costs:

Note: Total Sustainability Infrastructure Costs are included within construction and other costs reported in this section. This breakout is provided for SRF review purposes.

Project Funding Sources:

Total Project Cost: **\$359,500**
 Total Committed Funding: **\$0**
 Funding Gap: **\$359,500 (Not Funded)**

☒ This project will be requesting SRF funding for fiscal year 2019.

Estimated Project Schedule:

Est. Environmental Review Submittal Date:
 Estimated Bid Date: **06-01-2018**
 Estimated Construction Start Date: **08-01-2018**
 Estimated Construction Completion Date: **02-15-2019**

Funding Source	Loan or Grant ID	Fiscal Year	Amount	Status	Applicable Date
KIA SRF Fund F Loan (DW)	F19-022	2019	\$359,500	Ranked	4/11/2018
Local			\$359,500	Anticipated	
Total Committed					

Funding Source Notes:

The following systems are beneficiaries of this project:

✓ **KY0800273 Martin County Water District**



Drinking Water Project Profile

Legal Applicant:	Martin County Water District	
Project Title:	ARC Water System Improvements	
Project Number:	WX21159006	View Map
Funding Status:	Not Funded	Submitted By: BSADD
Project Status:	Approved	Primary County: Martin
Project Schedule:	0-2 Years	Planning Unit: Martin
E-Clearinghouse SAI:	KY201708291043	Multi-County: No
Applicant Entity Type:	Water District (KRS 74)	ECH Status: Approved
Date Approved (AWMPC):	12-09-2014	ADD WMC Contact: Jamie Pinson

Project Description:

This project involves the replacement of 1,000 water service lines and meters in the Martin County Water District's distribution system. The replacement of customer service lines (from the water main to customer connection at the meter) will primarily be in the Beauty and Warfield area. The District has experienced water loss exceeding 60 percent and recent water loss studies have shown significant water loss in the Beauty & Warfield area is attributed to service line leakage and inaccurate meters. Meters in the area are over 20 years old resulting in under-registering the amount of water passing through the meters. By replacing the service lines and meters, water loss will be reduced and the District will receive the following benefits: lower operating expenses for producing and delivering water; lower operating expenses from leak repairs; Increase revenue by accurately billing for all the water passing through the meters

Need for Project:

Briefly describe how this project promotes public health or achieves and/or maintains compliance with the Clean Water Act or Safe Drinking Water Act:

The existing service lines were installed in the 1970s and the material used was greatly inferior to the materials used today. It has been determined through leak detection that most of the water loss in this area is through these service lines and not the main lines. The service lines will be replaced using 1 inch Endot EndoPure SDR 9 Class 200 polyethylene service tubing. The meters in place range from 10 to 30 years old. By replacing them with radio read meters the amount of labor and time it takes the District to read the individual customer meters will be reduced and the readings will be more accurate.

Project Alternatives:

Alternate A:

Replace meters with regular meters.

Alternate B:

Replace service lines when there is a known problem not a large number at one time.

Legal Applicant:

Entity Type: Water District (KRS 74) PSC Group ID: 25000

Entity Name: Martin County Water District

Web URL:

Office EMail: greg_scott818@yahoo.com

Office Phone: 606-298-3885

Toll Free:

Fax: 606-298-4913

Mail Address Line 1: 387 E Main St

Phys Address Line 1: 387 E Main St

Mail Address Line 2:

Phys Address Line 2:

Mail City, State Zip: Inez, KY 41224

Phys City, State Zip: Inez, KY 41224

Contact: Greg Scott

Financial Contact:

Auth Official: Kelly Callahan

Contact Title: Interim General Manager

Financial Contact Title:

Auth Official Title: Judge Executive

Contact EMail: greg_scott818@yahoo.com

Financial Contact EMail:

kcallahan@suddenlinkmail.com

Contact Phone: 606-298-3885

Financial Contact Phone:

Auth Official Phone: 606-298-2800

Data Source: Kentucky Infrastructure Authority

Date Last Modified: 04.10.2018



Drinking Water Project Profile

WX21159006 - Martin County Water District
ARC Water System Improvements

Project Administrator (PA) Information

Name: **Monica Spriggs**
 Title: **Project Administrator**
 Organization: **Big Sandy Area Development District**
 Address Line 1: **110 Resource Dr**
 Address Line 2:
 City: **Prestonsburg** State: **KY** Zip: **41663**
 Phone: **606-886-2374** Fax: **606-886-3382**

Applicant Contact (AC) Information

Name: **Greg Scott**
 Title: **Interim General Manager**
 Organization: **Martin County Water District**
 Address Line 1: **HC 69 Box 875**
 Address Line 2:
 City: **Inez** State: **KY** Zip: **41224**
 Phone: **606-298-3886** Fax:

Estimated Budget

Project Cost Categories:

Cost Category	Cost
Administrative Expenses:	\$ 50,000
Legal Expenses:	
Land, Appraisals, Easements:	
Relocation Expenses & Repayments:	
Planning:	
Engineering Fees - Design:	\$ 70,800
Engineering Fees - Construction:	
Engineering Fees - Inspection:	\$ 58,750
Engineering Fees - Other:	\$ 17,700
Construction:	\$ 906,500
Equipment:	
Miscellaneous:	\$ 5,550
Contingencies:	\$ 90,700
Total Project Cost:	\$ 1,200,000

Construction Cost Categories:

Cost Category	Cost
Treatment:	
Transmission & Distribution:	\$ 906,500
Source:	
Storage:	
Purchase of Systems:	
Restructuring:	
Land Acquisition:	
Non-Categorized:	
Total Construction Cost:	\$ 906,500

Total Sustainable Infrastructure Costs:

Note: Total Sustainability Infrastructure Costs are included within construction and other costs reported in this section. This breakout is provided for SRF review purposes.

Project Funding Sources:

Total Project Cost: **\$1,200,000**
 Total Committed Funding: **\$0**
 Funding Gap: **\$1,200,000 (Not Funded)**

☒ This project will be requesting SRF funding for fiscal year 2019.

Estimated Project Schedule:

Est. Environmental Review Submittal Date: **10-10-2017**
 Estimated Bid Date: **12-15-2017**
 Estimated Construction Start Date: **02-01-2018**
 Estimated Construction Completion Date: **12-31-2018**

Funding Source	Loan or Grant ID	Fiscal Year	Amount	Status	Applicable Date
KIA SRF Fund F Loan (DW)	F16-030	2016	\$2,760,980	Invited	9/16/2015
KIA SRF Fund F Loan (DW)		2017	\$3,599,900	Invited	10/28/2016
KIA SRF Fund F Loan (DW)	F19-034	2019	\$1,200,000	Ranked	4/11/2018
ARC		2017	\$1,200,000	Anticipated	
KIA Fund B Loan		2018	\$289,050	Anticipated	
Total Committed					

Funding Source Notes:

Special Purpose Governmental Entity (SPGE) Financial Disclosure Report

Click [DASHBOARD](#) to go back to your SPGE dashboard or use the navigation bar at left to visit other pages on this site..

SPGE Information		
NAME: Linda Sumpter CPA	PHONE: (606) 298-4189	DATE: 06/27/2017
ADDRESS: 397 East Main Street, Suite 140	EMAIL: linda@lindasumptercpa.com	
CITY: Inez	STATE: KY	ZIP: 41224
DO YOU HAVE A DULY ADOPTED BUDGET IN PLACE? Yes		IF NO, EXPLANATION:

Budget Information			
	Due Jan 15	As of Dec 31	Due Mar 1
DESCRIPTION	CURRENT YEAR ESTIMATES	AMENDMENTS / TRANSFERS	YEAR END ACTUALS
Utility Operating Income			
Operation Revenues	\$2,169,550.00	\$0.00	\$0.00
Operation and Maintenance Expenses	\$1,805,365.00	\$0.00	\$0.00
Depreciation Expense	\$773,500.00	\$0.00	\$0.00
Amortization Expense	\$1,662.00	\$0.00	\$0.00
Taxes Other Than Income	\$43,518.00	\$0.00	\$0.00
Net Utility Operating Expenses	\$2,624,045.00	\$0.00	\$0.00
UTILITY OPERATING INCOME (LOSS)	(\$454,495.00)	\$0.00	\$0.00
Other Income and Deductions			
Net Results / Merchandising, Jobbing & Contract Work	\$0.00	\$0.00	\$0.00
Interest and Dividend Income	\$195.00	\$0.00	\$0.00
Income from Utility Plant Leased to Others	\$0.00	\$0.00	\$0.00
Gains (Losses) form Disposition of Utility Property	\$0.00	\$0.00	\$0.00
Borrowed Money	\$0.00	\$0.00	\$0.00
Allowance for Funds Used During Construction	\$0.00	\$0.00	\$0.00
Nonutility Income	\$0.00	\$0.00	\$0.00
Other Income Subtotal	\$195.00	\$0.00	\$0.00
Miscellaneous Nonutility Expense	\$0.00	\$0.00	\$0.00
Taxes Other Than Income	\$0.00	\$0.00	\$0.00
Interest Expense	\$96,331.00	\$0.00	\$0.00
Capital Expenditures	\$0.00	\$0.00	\$0.00
Principal Loan Payments	\$49,924.00	\$0.00	\$0.00

Other Deductions Subtotal	\$146,255.00	\$0.00	\$0.00
TOTAL OTHER INCOME (DEDUCTIONS)	(\$146,060.00)	\$0.00	\$0.00
Net Assets			
Income Before Contributions and Extraordinary Items	(\$600,555.00)	\$0.00	\$0.00
Carryover from Prior Fiscal Year	\$22,500.00	\$0.00	\$0.00
Proceeds from Capital Contributions	\$0.00	\$0.00	\$0.00
Add In Depreciation / Amortization	\$775,162.00	\$0.00	\$0.00
Net Extraordinary Items	\$0.00	\$0.00	\$0.00
CHANGE IN NET ASSETS (ENDING CASH BALANCE)	\$197,107.00	\$0.00	\$0.00

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MARTIN COUNTY)	CASE NO.
WATER DISTRICT FOR AN ALTERNATIVE)	2018-00017
RATE ADJUSTMENT)	

ORDER

On January 16, 2018, Martin County Water District ("Martin District") filed an application ("Application") with the Commission requesting to adjust its rates for water service pursuant to the alternative rate adjustment procedure for small utilities, 807 KAR 5:076. In the cover letter accompanying its Application, Martin District requested that emergency rates be permitted, pursuant to KRS 278.190(2), while the Commission completed its review of the rate application. On January 26, 2018, a public hearing was held at the Commission's offices in Frankfort, Kentucky, for the purpose of addressing Martin District's request for interim rate relief. Evidence was taken for the purpose of determining whether the request for interim relief met the standard set forth in KRS 278.190(2). That standard requires the Commission to make findings that Martin District's credit or operations will be materially impaired or damaged if all or a portion of the proposed rates are not permitted to become effective during the further review of the rate application.

At the hearing, the Commission granted Martin County Concerned Citizens, Inc.'s ("MCCC") motion to intervene, and memorialized that decision in an Order entered on February 2, 2018. Prestonsburg City's Utilities Commission ("PCUC") filed

At the public hearing on January 26, 2018, Martin District called Linda Sumpter, Martin District's contract accountant, to testify as to Martin District's current financial condition.⁶ Ms. Sumpter testified that, in general terms, the financial situation was "critical."⁷ According to its 2016 Annual Report, filed with the Commission on August 29, 2017, Martin District experienced a net operating loss of \$873,516.⁸ In addition, Martin District's cash balance as of December 31, 2016, was reported to be \$44,727.⁹ Martin District introduced an Exhibit that stated the accounts payable balance to be \$808,209 as of December 31, 2017, of which \$616,882 was over 90 days past due, and that Martin District's current payables of \$104,238 exceed its operating cash balance.¹⁰ Ms. Sumpter also gave testimony on the recent events regarding interrupted water service in January 2018, causing Martin District's employees to work 622 overtime hours.¹¹ Ms. Sumpter described Martin District as barely able to meet payroll and stated that its cash flow was depleted due to paying the electric bill and its power suppliers.¹² Ms. Sumpter gave testimony that Martin District's credit and operations will be materially impaired or damaged if the requested emergency rates are not approved.¹³

⁶ January 26, 2018 H.V.T at 18:31.

⁷ *Id.* at 19:49.

⁸ *Annual Report of Martin County Water District to the Public Service Commission for the Calendar Year Ended December 31, 2016* ("2016 Annual Report") at 20.

⁹ *Id.* at 15.

¹⁰ January 26, 2018 H.V.T. at 21:20, Martin District's Exhibit 1.

¹¹ *Id.* at 26:15.

¹² *Id.* at 26:34.

¹³ January 26, 2018 H.V.T at 35:03

rather than a permanent base rate increase.¹⁸ She testified that she wanted any money collected to be used to ensure that all customers are paying their bills.¹⁹

During the second public hearing held on February 28, 2018, for Case No. 2018-00017, Martin District called Linda Sumpter to update the Commission on Martin District's financial situation since the January 26, 2018 hearing. Ms. Sumpter testified that she believed that, despite efforts made by Martin District to rein in expenses after the appointment of the new board members in January 2018, Martin District's financial condition would only support its current level of expenses for another four months.²⁰ She also testified that the current balance in all of Martin District's unrestricted cash accounts was approximately \$75,000, which included the operational account and payroll account.²¹

The Commission additionally called James Don Kerr, who testified at the February 28, 2018, hearing in Case No. 2018-00017 that Martin District had contacted several banks and discussed a plan to obtain needed financing, which included establishing a relationship with the banks and providing a baseline of information so the lending institutions could assess their progress. Kerr planned to continue his discussions with various lending institutions in order to determine what would be required for Martin District to obtain financing. While he acknowledged that lending institutions declined to provide financing because of Martin District's current financial

¹⁸ February 28, 2018 H.V.T at 5:17:39.

¹⁹ *Id.* at 5:18:15.

²⁰ Case No. 2018-00017, February 28, 2018 H.V.T. at 6:20.

²¹ *Id.* at 20:40.

IT IS THEREFORE ORDERED that:

1. Martin District is authorized to place into effect the interim base rate increase, subject to refund, and the surcharge set forth in the Appendix to this Order, for service rendered on and after the date of this Order.

2. Martin District shall maintain its records in such a manner as will enable it, or the Commission, or any of Martin District's customers, to determine the amounts to be refunded and to whom any refund is due in the event that a refund of any portion of the interim base rate increase is ordered by the Commission.

3. On the fifteenth of each month, beginning on April 15, 2018, Martin District shall provide monthly updates, supported by financial records, to the Commission on its attempts to identify uncollectibles and write off accounts, and report on its ability to sell any receivables that are deemed to be uncollectible by Martin District.

4. As of the date of this Order, Martin District shall immediately revise its termination-of-service procedures so they are consistent with its current tariff for non-payment of bills.

5. On the fifteenth of each month, beginning on April 15, 2018, Martin District shall provide monthly revenue and expense reports to the Commission that show the amount of revenue billed, revenue received through base rates, and how each dollar collected was expensed. Included in this monthly report shall be a status update on the restructuring of the process for approval of employee purchases from each of Martin District's vendors. Management approval shall be required for employee purchases and such purchases shall be restricted to operational needs. Itemized

receipts shall be required for approval or an explanation provided as to why an itemized receipt could not be obtained.

6. Subject to the conditions set forth in ordering paragraphs 7 through 13, Martin District is authorized to assess a monthly surcharge of \$4.19 on each customer upon the creation of an interest-bearing account with a financial institution, continuing until Martin District has discharged all accounts payable existing on or before April 1, 2018. Martin District's failure to comply with the conditions set forth in ordering paragraphs 7 through 13 shall result in termination of the surcharge.

7. Within ten days of the date of the entry of this Order, Martin District shall establish a separate, interest-bearing account in which to deposit the proceeds of the surcharge.

8. Martin District shall deposit surcharge collections in the interest-bearing account.

9. Subject to the provisions of ordering paragraph 8 through 13, Martin District, shall use the proceeds of the surcharge solely for the discharge of its accounts payable incurred prior to April 1, 2018.

10. Martin District is authorized to utilize the proceeds of the surcharge as collateral for, and payment of, a loan utilized to discharge all or a portion of Martin District's accounts payable. Such loan shall only be for the discharge of accounts payable incurred prior to April 1, 2018.

11. Martin District shall make no disbursement from the surcharge account without explicit permission granted in a Commission Order.

12. On the fifteenth day of each month beginning from the date of entry of this Order, Martin District shall file with the Commission a monthly activity report that includes all of its accounts payable. The report shall also include new accounts payable that have not been discharged within 30 days of accrual, and a copy of the most recent bank statement for the interest-bearing account established pursuant to paragraph 7.

13. Martin District shall prioritize payment of accounts payable by first paying those outstanding obligations that are most critical to the district's ability to continue operating and providing water service to the citizens of Martin County. Within ten days of the entry of this Order, Martin District shall file with the Commission a prioritized list of its accounts payable, listed in the order in which Martin District proposes to pay its creditors.

14. Martin District's members of the Board of Commissioners, and all management employees of Martin District shall attend the Public Service Commission sponsored 2018 Water Training Seminar to be held on April 17 and 18, 2018, in Prestonsburg, Kentucky.

15. Should Martin District fail to comply with the terms and conditions of this Order, any, and all amounts collected as a result of the interim base rate increase granted hereunder shall be subject to refund, and both Martin District and the Board of Commissioners shall be subject to all applicable penalties under KRS 278.990.

16. PCUC's motion to intervene is denied as moot.

8
RECEIVED

MAY 04 2018

PUBLIC SERVICE
COMMISSION



BRIAN CUMBO

ATTORNEY AT LAW

86 W. Main St., Suite 100
P.O. Box 1844
Inez, KY 41224
(606) 298-0428
FAX: (606) 298-0316
cumbolaw@cumbolaw.com

ADMITTED IN KY AND WV

April 30, 2018

Public Service Commission
ATTN: Brittany Koenig
P.O. Box 615
Frankfort, KY 40602

Via Email & USPS

RE: Martin County Water District
PSC Case No. 2018-00017
Application for Rate Adjustment

Dear Ms. Koenig:

Please accept this correspondence in response to the requirements of the Martin Water District in the Public Service Commission's Order entered March 16, 2018.

Requirement #3: On the fifteenth of each month, beginning on April 15, 2018, Martin District shall provide monthly updates, supported by financial records, to the Commission on its attempts to identify uncollectables and write off accounts, and report on its ability to sell any receivables that are deemed to be uncollectible by Martin District.

Response: See Exhibit #1 – General Ledger and Exhibit #2 – Deceased accounts – written off.

Requirement #5: On the fifteenth of each month, beginning on April 15, 2018, Martin District shall provide monthly revenue and expense reports to the Commission that show the amount of revenue billed, revenue received through base rates, and how each dollar collected was expensed. Included in this monthly report shall be a status update on the restructuring of the process for approval of employee purchases from each of Martin District's vendors.

Response: See Exhibit #1 – General Ledger. A purchase order system has been implemented for all vendors. Fuel purchases require the employee to call the office providing the unit number, mileage, cost per gallon, and number of gallons purchased. Major purchases are COD..

Requirement #7: Within ten days of the date of the entry of this Order, Martin District shall establish a separate, interest-bearing account in which to deposit the proceeds of the surcharge.

Response: See Exhibit #3 – Proof of establishment of interest bearing account.

Requirement #12: On the fifteenth day of each month beginning from the entry of this Order, Martin District shall file with the Commission a monthly activity report that includes all of its accounts payable. The report shall also include new accounts payable that have not been discharged within 30 days of accrual, and a copy of the most recent bank statement for the interest bearing account established pursuant to paragraph 7.

Response: See Exhibit #4 – Purchase Journal; Exhibit #5 – Cash Disbursements Journal; and Exhibit #6 Accounts Payable by Priority.

Requirement #13: Martin District shall prioritize payment of accounts payable by first paying those outstanding obligations that are most critical to the district's ability to continue operating and providing water service to the citizens of Martin County. Within ten days of the entry of this Order, Martin District shall file with the Commission a prioritized list of its accounts payable, listed in the order in which Martin District proposes to pay its credits.

Response: See Exhibit #6 – Accounts Payable by Priority.

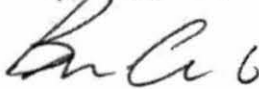
If you require any further documentation, or have any questions or concerns about this submission, please do not hesitate to contact my office.

Public Service Commission

April 30, 2018

Page Three

Very truly yours,

A handwritten signature in dark ink, appearing to read "Brian Cumbo", with a stylized flourish at the end.

BRIAN CUMBO

BC/ld

Enclosure

cc: Martin Water District

Linda Sumpter, CPA

Hon. Mary Varson Cromer

Hon. James Wilson Gardner

Hon. M. Todd Osterloh

EXHIBIT #1

GENERAL LEDGER

MARTIN COUNTY WATER DISTRICT

General Ledger

For the Period From Mar 1, 2018 to Mar 31, 2018

Filter Criteria includes: Report order is by ID. Report is printed with shortened descriptions and in Detail Format.

Account ID Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
100b	3/1/18			Beginning Balance			
Transfer In/Out	3/2/18	3181	CDJ	MARTIN COUNTY	15,000.00		
	3/2/18	3181	CRJ	REVENUE SECTI		15,000.00	
	3/9/18	3182	CDJ	MARTIN COUNTY	26,374.55		
	3/9/18	3182	CRJ	REVENUE SECTI		26,374.55	
	3/12/18	3183	CDJ	MARTIN COUNTY	10,000.00		
	3/12/18	3183	CRJ	REVENUE SECTI		10,000.00	
	3/15/18	3184	CDJ	MCWD KACO SIN	10,525.00		
	3/15/18	3184	CRJ	REVENUE SECTI		10,525.00	
	3/15/18	1084	CDJ	MCWD SEC A KIA	5,800.00		
	3/15/18	1084	CRJ	EFT ACCOUNT		5,800.00	
	3/15/18	3185	CDJ	MARTIN CO WAT	10,900.00		
	3/15/18	3185	CRJ	REVENUE SECTI		10,900.00	
	3/15/18	1085	CDJ	MARTIN COUNTY	15,000.00		
	3/15/18	1085	CRJ	EFT ACCOUNT		15,000.00	
	3/22/18	3186	CDJ	MARTIN COUNTY	24,942.30		
	3/22/18	3186	CRJ	REVENUE SECTI		24,942.30	
	3/23/18	3187	CDJ	MARTIN COUNTY	3,000.00		
	3/23/18	3187	CRJ	REVENUE SECTI		3,000.00	
	3/26/18	3188	CDJ	MARTIN COUNTY	54,000.00		
	3/26/18	3188	CRJ	REVENUE SECTI		54,000.00	
	3/26/18	1086	CDJ	MARTIN COUNTY	10,000.00		
	3/26/18	1086	CRJ	EFT ACCOUNT		10,000.00	
	3/28/18	3189	CDJ	MARTIN COUNTY	7,500.00		
	3/28/18	3189	CRJ	REVENUE SECTI		7,500.00	
				Current Period Cha	193,041.85	193,041.85	
	3/31/18			Ending Balance			
108.1b	3/1/18			Beginning Balance			-15,123,198.8
Accumulated Depreci	3/31/18	Depreciatio	GEN	To rec'd Depreciati		64,441.92	
				Current Period Cha		64,441.92	-64,441.92
	3/31/18			Ending Balance			-15,187,640.8
126	3/1/18			Beginning Balance			63.19
04-135-1 KACO- Sinki	3/31/18			Ending Balance			63.19
126c	3/1/18			Beginning Balance			7,273.49
51-136-6 KIA - Sinking	3/1/18		CDJ	US BANK		5,711.99	
	3/15/18	1084	CRJ	EFT ACCOUNT	5,800.00		
	3/30/18	033018	CRJ	INTEREST	0.06		
				Current Period Cha	5,800.06	5,711.99	88.07
	3/31/18			Ending Balance			7,361.56
126d	3/1/18			Beginning Balance			3,117.77
53-694-6 RD - Sinking	3/15/18	3185	CRJ	REVENUE SECTI	10,900.00		
	3/23/18		CDJ	KENTUCKY RURA		10,516.15	
				Current Period Cha	10,900.00	10,516.15	383.85
	3/31/18			Ending Balance			3,501.62
126e	3/1/18			Beginning Balance			601.78
04-137-8 KACO-Sinki	3/15/18	3184	CRJ	REVENUE SECTI	10,525.00		
	3/15/18	1551	CDJ	US BANK KY POO		10,513.02	
	3/30/18	033018	CRJ	INTEREST	0.04		
				Current Period Cha	10,525.04	10,513.02	12.02
	3/31/18			Ending Balance			613.80
126f	3/1/18			Beginning Balance			26,138.45

EXHIBIT #2

DECEASED ACCOUNTS
WRITTEN OFF

#2

Martin County Water District

387 East Main St., Suite 140

Inez, KY 41224

(606) 298-3885

Deceased Accts. Written Off
All Divisions

Payments and/or Adjustments Made Between: 3/1/2018 And 4/24/2018

Category	Customer No.	Name	Date	Description	Rate
Adjustment					
	10-00044	Arthur Madison	3/29/2018	Deceased	\$64.27
	10-00044	Arthur Madison	3/29/2018	Deceased	\$22.98
	10-00044	Arthur Madison	3/29/2018	Deceased	\$121.12
	10-00044	Arthur Madison	3/29/2018	Deceased	\$52.35
	10-00044	Arthur Madison	3/29/2018	Deceased	\$52.35
	10-00044	Arthur Madison	3/29/2018	Deceased	\$133.98
	10-00044	Arthur Madison	3/29/2018	Deceased	\$111.72
	10-00044	Arthur Madison	3/29/2018	Deceased	\$89.45
	10-00044	Arthur Madison	3/29/2018	Deceased	\$59.76
	10-00130	GARY OSBORNE	3/29/2018	Deceased	\$238.06
	10-00130	GARY OSBORNE	3/29/2018	Deceased	\$103.82
	10-00130	GARY OSBORNE	3/29/2018	Deceased	\$2,256.43
	10-00130	GARY OSBORNE	3/29/2018	Deceased	\$14.73
	10-00130	GARY OSBORNE	3/29/2018	Deceased	\$14.73
	10-00130	GARY OSBORNE	3/29/2018	Deceased	\$14.73
	10-00130	GARY OSBORNE	3/29/2018	Deceased	\$14.73
	10-00130	GARY OSBORNE	3/29/2018	Deceased	\$14.73
	10-00158	Della Robinson	3/29/2018	Deceased	\$14.73
	10-00158	Della Robinson	3/29/2018	Deceased	\$22.66
	10-00158	Della Robinson	3/29/2018	Deceased	\$16.92
	10-00158	Della Robinson	3/29/2018	Deceased	\$14.73
	10-00158	Della Robinson	3/29/2018	Deceased	\$22.66
	10-00158	Della Robinson	3/29/2018	Deceased	\$37.50
	10-00158	Della Robinson	3/29/2018	Deceased	\$119.13
	10-00158	Della Robinson	3/29/2018	Deceased	\$22.66
	10-00158	Della Robinson	3/29/2018	Deceased	\$8.09
	10-00158	Della Robinson	3/29/2018	Deceased	\$22.66
	10-00158	Della Robinson	3/29/2018	Deceased	\$22.66
	10-00158	Della Robinson	3/29/2018	Deceased	\$22.66
	10-00158	Della Robinson	3/29/2018	Deceased	\$44.92
	10-00158	Della Robinson	3/29/2018	Deceased	\$15.16
	10-00158	Della Robinson	3/29/2018	Deceased	\$37.50
	10-00318	Mary Balsden	3/28/2018	Deceased	\$17.82
	10-00318	Mary Balsden	3/28/2018	Deceased	\$22.66
	10-00330	Ernie Stanley	3/15/2018	School Tax (air in line)	\$4.53
	10-00330	Ernie Stanley	3/15/2018	Res. N/Tax Water (air in line)	\$247.90
	10-00332	Walter Wolford	4/2/2018	Deceased	\$15.06
	10-00332	Walter Wolford	4/2/2018	Deceased	\$30.03
	10-00332	Walter Wolford	4/2/2018	Deceased	\$23.96
	10-00341	Regina Wolford	4/2/2018	Deceased	\$15.06
	10-00341	Regina Wolford	4/2/2018	Deceased	\$3.39
	10-00341	Regina Wolford	4/2/2018	Deceased	\$30.03
	10-00359	Henry Fugitt #2	3/28/2018	Deceased	\$22.66

2018-04-24 14:54

MARTIN CO. WATER SUB 298 4Y13 >>

P 10/10

Category	Customer No. Name	Date	Description	Rate
	9-00300 Bettie @ Housley	4/4/2018	Bal. forward 1-00065	\$74.78
	Adjustment Count	892	Adjustment Total	\$48,767.83
	All Categories Count	892	All Categories Total	\$48,767.83

EXHIBIT #3

INTEREST BEARING
ACCOUNT

ACCOUNT AGREEMENT

Inez Deposit Bank
Main Office
PO Box 365, Main Street
Inez, KY 41224
(606)298-3511

Agreement Date: 04/26/2018 By: SYLVIAD

☐ EXISTING Account - This agreement replaces previous agreement(s).

Account Description:

IDB BUSINESS INTEREST

☒ Checking ☐ Savings ☐ NOW ☐

Initial Deposit \$ 100.00 Source: Cash

Ownership of Account - CONSUMER Purpose

- ☐ Individual ☐
☐ Joint - With Survivorship (and not as tenants in common)
☐ Joint - No Survivorship (as tenants in common)
☐ Trust - Separate Agreement:

☐ Revocable Trust or ☐ Pay-on-Death Designation
as Defined in this Agreement

(Name and Address of Beneficiaries):

Ownership of Account - BUSINESS Purpose

- ☐ Sole Proprietorship ☐ Single-Member LLC ☐ Partnership
☐ LLC (LLC tax classification: ☐ C Corp ☐ S Corp ☐ Partnership)
☐ C Corporation ☐ S Corporation ☐ Non-Profit
☐

Business:

Backup Withholding Certifications (Non-"U.S. Persons" - Use separate Form W-9)

☒ By signing at right, I, MARTIN COUNTY WATER DISTRICT
certify under penalties of perjury that the statements made in this section are true.

☒ TIN: _____ The Taxpayer Identification
Number (TIN) shown is my correct taxpayer identification number.

☒ Not Subject to Backup Withholding. I am NOT subject to backup
withholding either because I have not been notified that I am subject to backup
withholding as a result of a failure to report all interest or dividends, or the Internal
Revenue Service has notified me that I am no longer subject to backup withholding.

☐ Exempt Recipient. I am an exempt recipient under the Internal Revenue
Service Regulations. Exempt payee code (if any) _____

FATCA Code. The FATCA code entered on this form (if any) indicating that I am
exempt from FATCA reporting is correct.

U.S. Person. I am a U.S. citizen or other U.S. person (as defined
in the instructions).

Account
Number:

Account Owner(s) Name & Address

MARTIN COUNTY WATER DISTRICT
DEBT SERVICE SURCHARGE
387 EAST MAIN STREET, SUITE 14
INEZ KY 41224

Additional Information:

Signature(s). The undersigned certifies the accuracy of the information he/she has
provided and acknowledges receipt of a completed copy of this form. The undersigned
authorizes the financial institution to verify credit and employment history and/or have
a credit reporting agency prepare a credit report on the undersigned, as individuals.
The undersigned also acknowledges the receipt of a copy and agree to the terms of the
following agreement(s) and/or disclosure(s):

- ☒ Terms & Conditions ☒ Truth in Savings ☒ Funds Availability
☒ Electronic Fund Transfers ☒ Privacy ☒ Substitute Checks
☐ Common Features ☐

The Internal Revenue Service does not require your consent to any
provision of this document other than the certifications required to
avoid backup withholding.

(1): ☒ []
JOHN P HENSLEY

I.D. # _____

(2): ☒ []
REX ENDICOTT

I.D. # _____

(3): ☒ []
JIMMY DON KERR

I.D. # _____

(4): ☒ []

I.D. # _____

☐ Authorized Signer (Individual Accounts Only)

☒ []

I.D. # _____ D.O.B. _____



EXHIBIT #4

PURCHASE
JOURNAL

MARTIN COUNTY WATER DISTRICT
Purchase Journal
For the Period From Mar 1, 2018 to Mar 31, 2018

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by Date. Report is printed in Detail Format.

Date	Account ID Account Description	Invoice/CM #	Line Description	Debit Amount	Credit Amount
3/1/18	162b Prepayments 231b Accounts Payable	020130	ANTHEM BS/BC	9,618.84	9,618.84
3/1/18	615.5b Purchased Power DO 231b Accounts Payable	030118	AMERICAN ELECTRIC POWER	592.30	592.30
3/1/18	610.1 Purchased Water SO 231b Accounts Payable	2282018	PRESTONSBURG CITY UTILITIES	26,512.50	26,512.50
3/1/18	650.6b Transportation Expense 231b Accounts Payable	708304	Fuel ZIP ZONE, INC	65.39	65.39
3/1/18	650.6b Transportation Expense 231b Accounts Payable	708305	Fuel ZIP ZONE, INC	35.68	35.68
3/1/18	650.8b Transportation Expense 231b Accounts Payable	710651	Fuel ZIP ZONE, INC	81.00	81.00
3/1/18	650.8b Transportation Expense 231b Accounts Payable	711249	Fuel ZIP ZONE, INC	30.02	30.02
3/1/18	650.6b Transportation Expense 231b Accounts Payable	711251	Aquafina Water ZIP ZONE, INC	5.29	5.29
3/1/18	641.7b Rental of Bld/RI Prop CA 641.7b Rental of Bld/RI Prop CA 675.8b Miscellaneous Expense 231b Accounts Payable	RFCCC0015	MARTIN COUNTY COMMUNITY CENTER INC	689.58 20.00 103.43	813.01
3/1/18	620.3b Materials & Supplies TO 231b Accounts Payable	SO-6769-DU	SERVICE PUMP & SUPPLY INC	1,754.43	1,754.43
3/2/18	610.1b Purchased Water SO 231b Accounts Payable	030218	MOUNTAIN WATER DISTRICT	447.07	447.07
3/2/18	615.5b Purchased Power DO 231b Accounts Payable	030218	AMERICAN ELECTRIC POWER	468.55	468.55
3/2/18	620.1	50723490		100.35	

MARTIN COUNTY WATER DISTRICT
Purchase Journal

For the Period From Mar 1, 2018 to Mar 31, 2018

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by Date. Report is printed in Detail Format.

Date	Account ID Account Description	Invoice/CM #	Line Description	Debit Amount	Credit Amount
	Transportation Expense 231b Accounts Payable		ZIP ZONE, INC		35.36
3/30/18	650.6b Transportation Expense 231b Accounts Payable	711575	Diesel	73.00	
			ZIP ZONE, INC		73.00
3/31/18	633.8b Contractual Ser-Leg AG 231b Accounts Payable	033118		1,097.35	
			BRIAN CUMBO, ATTORNEY AT LAW		1,097.35
3/31/18	633.8b Contractual Ser-Leg AG 231b Accounts Payable	0331181		62.50	
			BRIAN CUMBO, ATTORNEY AT LAW		62.50
3/31/18	633.8b Contractual Ser-Leg AG 231b Accounts Payable	0331182		347.35	
			BRIAN CUMBO, ATTORNEY AT LAW		347.35
3/31/18	633.8b Contractual Ser-Leg AG 231b Accounts Payable	0331183		75.00	
			BRIAN CUMBO, ATTORNEY AT LAW		75.00
3/31/18	633.8b Contractual Ser-Leg AG 231b Accounts Payable	0331184		1,062.50	
			BRIAN CUMBO, ATTORNEY AT LAW		1,062.50
3/31/18	642.6b Rental of Equipment DM 231b Accounts Payable	05458229		148.95	
			SCOTT-GROSS CO., INC.		148.95
3/31/18	632.8b Contractual Ser-Acct AG 231b Accounts Payable	2018-0426		3,500.00	
			LINDA F. SUMPTER, CPA, PSC		3,500.00
3/31/18	620.6b Materials & Supplies DM 231b Accounts Payable	FCH22974		104.91	
			R & J BUILDING SUPPLY		104.91
				<u>102,838.54</u>	<u>102,838.54</u>

EXHIBIT #5

CASH DISBURSEMENTS
JOURNAL

MARTIN COUNTY WATER DISTRICT
Cash Disbursements Journal
For the Period From Mar 1, 2018 to Mar 31, 2018

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
3/1/18		224.1		4,249.43	
		427.3b		1,371.15	
		675.8b		91.41	
		126c	US BANK		5,711.99
3/1/18	13623	231b	Invoice: 022118	1,122.96	
		131.3b	KERMIT WATER & SEWER		1,122.96
3/2/18	1083	145b	LEANNA CRUM	235.96	
			ACCT # 1-00088		
		131.2b	MARTIN COUNTY SANITATION DISTRICT		235.96
3/2/18	13624	618.3b		3,663.00	
		131.3b	THE C. I. THORNBURG CO., INC.		3,663.00
3/2/18	13625	231b	Invoice: S1711411.1	2,132.37	
		231b	Invoice: S1711458.1	250.00	
		231b	Invoice: S1711724.1	28.00	
		231b	Invoice: S1711606.1	5,037.98	
		231b	Invoice: S1710202.3	794.00	
		231b	Invoice: S1712579.1	64.86	
		231b	Invoice: S1712745.1	1,692.79	
		131.3b	THE C. I. THORNBURG CO., INC.		10,000.00
3/2/18	3181	100b		15,000.00	
		131.2a	MARTIN COUNTY WATER DISTRICT		15,000.00
3/5/18		142b		302.11	
		131.2a	NSF		302.11
3/5/18	13626	620.7b	POSTAGE TO MAIL BILLS	999.32	
		131.3b	US POSTAL SERVICE		999.32
3/5/18	13627	620.7b	5 ROLLS OF STAMPS	250.00	
		131.3b	US POSTAL SERVICE		250.00
3/8/18		231b	Invoice: 011618	223.56	
		231b	Invoice: 021518	223.56	
		131.3b	SUDDENLINK		447.12
3/9/18	3182	100b		26,374.55	
		131.2a	MARTIN COUNTY WATER DISTRICT PAYROLL		26,374.55
3/9/18	8679	241.6		30.00	
		131.4b	KY DEFERRED COMP		30.00
3/12/18		675.7b		364.26	
		131.2b	NEXCHECK, LLC		364.26
3/12/18	13628	636.6b	602 METERS READ X \$0.80 PER READ	481.60	
		636.6b	61 METER PULLS X	915.00	

MARTIN COUNTY WATER DISTRICT
Cash Disbursements Journal
For the Period From Mar 1, 2018 to Mar 31, 2018

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
		241.3c		281.34	
		236.13a		1,202.93	
		236.13a		281.34	
		131.4b	FEDERAL TAX DEPOSIT		4,297.88
3/28/18		142b		41.25	
		131.2a	NSF		41.25
3/28/18		142b		48.00	
		131.2a	NSF		48.00
3/28/18	13699	231b	Invoice: 161275	1,500.00	
		131.3b	ROGER'S PETROLEUM SERVICES, INC.		1,500.00
3/28/18	13700	231b	Invoice: RFCCC0010	813.01	
		231b	Invoice: RFCCC0011	813.01	
		231b	Invoice: RFCCC0012	813.01	
		231b	Invoice: RFCCC0013	813.01	
		231b	Invoice: RFCCC0014	813.01	
		231b	Invoice: RFCCC0015	813.01	
		231b	Invoice: RFCCC0016	709.58	
		131.3b	MARTIN COUNTY COMMUNITY CENTER INC		5,587.64
3/28/18	3189	100b		7,500.00	
		131.2a	MARTIN COUNTY WATER DISTRICT		7,500.00
3/30/18	13701	675.8b	2018 WATER TRAINING SEMINAR	600.00	
		131.3b	KENTUCKY STATE TREASURER		600.00
Total				381,999.92	381,999.92

EXHIBIT #6

ACCOUNTS PAYABLE
BY PRIORITY

MARTIN COUNTY WATER DISTRICT

Aged Payables

As of Mar 31, 2018

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Summary Format.

ANTH	ANTHEM BS/BC		9,618.84				9,618.84	
AEP-	AMERICAN ELECTRIC POW	PC UNIT PUMP		137.41	163.70		301.11	
AEP-	AMERICAN ELECTRIC POW	BONE HOLLOW RD	96.70	50.66	36.37		183.73	
AEP-	AMERICAN ELECTRIC POW	LICK-STOCKROOM	25.89	13.18	12.49		51.56	
AEP-	AMERICAN ELECTRIC POW	RCF TRLR	29.31	28.11	23.89		81.31	
AEP-	KENTUCKY POWER COMP		30.43	29.45	26.67		86.55	
AEP-	AMERICAN ELECTRIC POW	FLB-PUMPING STATION	325.02	298.82	274.82		898.66	
AEP-	AMERICAN ELECTRIC POW	INDUSTRIAL PARK	55.38	25.63	22.39		103.40	
AEP-	AMERICAN ELECTRIC POW	FLUTY LICK BR	28.94	28.16	23.72		80.82	
AEP-	KENTUCKY POWER COMP	LICK BRANCH	22,242.68	10,820.99			33,063.67	
AEP-	AMERICAN ELECTRIC POW	LICK BR	146.12	84.65	86.22		316.99	
AEP-	AMERICAN ELECTRIC POW	ELI RD- MIDDLE FK RD	1,632.81	163.04	627.18		2,423.03	
AEP-	AMERICAN ELECTRIC POW		122.88	166.42	212.09		501.39	
AEP-	AMERICAN ELECTRIC POW		149.06	189.68	233.53		572.27	
AEP-	AMERICAN ELECTRIC POW	LITTLE BLACKLOG ROAD	89.48				89.48	
AEP-	AMERICAN ELECTRIC POW	BIG ELK PUMP STATION	263.31	321.55	315.68		900.54	
AEP-	AMERICAN ELECTRIC POW	MAIN STREET	58.31	27.50			85.81	
AEP-	AMERICAN ELECTRIC POW	TC NEW RIVER STATION	381.04	4,752.63		-2,958.11	2,175.56	
AEP-	AMERICAN ELECTRIC POW	BUCK CRK TANK	19.92	19.84			39.76	
AEP-	AMERICAN ELECTRIC POW	STORAGE TANK CANEY H	1,060.85		615.40		1,676.25	
AEP-	AMERICAN ELECTRIC POW	LITTLE BLACKLOG ROAD	58.31				58.31	
AEP-	AMERICAN ELECTRIC POW	FLB-LIGHTS AT PLANT	24.81	24.36	22.39		71.56	
AEP-	AMERICAN ELECTRIC POW	RT 3 S AIRPORT PUMP	1,111.75	210.08	190.09		1,511.92	
AEP-	AMERICAN ELECTRIC POW	LBR-COLDWATER TANK	55.01	25.94	22.10		103.05	
AEP-	AMERICAN ELECTRIC POW		7,181.44	3,928.83	3,742.37		14,852.64	
AEP-	AMERICAN ELECTRIC POW	BIG ELK CREEK	29.44	28.48	24.32		82.24	
AEP-	AMERICAN ELECTRIC POW	TC-PLANT OFFICE	332.26	242.99	209.58		784.83	
AEP-	AMERICAN ELECTRIC POW	TURKEY CREEK ROAD	28.70	27.67	23.41		79.78	
APPV	APPALACHIAN WIRELESS		452.53				452.53	
MCS	MARTIN COUNTY SANITAT		81.68	81.68	81.68	1,641.03	1,886.07	
PAIN	PAINTSVILLE UTILITIES		71.57	57.21	61.61		190.39	
PRES	PRESTONSBURG CITY UT		26,512.50	44,291.00	6,754.50		77,558.00	
SUDI	SUDDENLINK		213.56				213.56	
SUDI	SUDDENLINK		245.29				245.29	
WAL	WALKER COMMUNICATION					1,602.00	1,602.00	
APPA	APPALACHIAN STATES AN			3,309.50		6,382.50	9,692.00	
THEC	THE C. I. THORNBURG CO		-525.04	9,138.45	1,700.73	75,975.47	86,289.61	
USAE	USA BLUE BOOK			2,261.95		151.80	2,413.75	
GUTH	GUTHRIE SALES AND SER					389.21	389.21	
SERV	SERVICE PUMP & SUPPLY		5,805.93	2,874.11		1,263.66	9,943.70	
SOLE	SOLES ELECTRIC OF HUN			2,215.00	14,000.00	6,500.00	22,715.00	
STAT	STATE ELECTRIC SUPPLY					121.20	121.20	
VERI	VERMEER HEARTLAND			1.24	2.48	36.00	39.72	
ALLP	ALL PUMPS SALES & SERV			671.00	6,785.00	24,266.36	31,722.36	
ARAN	ARAMARK		417.38	406.26	410.04		1,233.68	\$ 816.30
CINT	CINTAS	04505			1,024.84	1,020.24	2,045.08	\$ 1,276.45
EVAN	EVANS HARDWARE, INC.		7,337.27	8,227.93		66,479.10	82,044.30	\$ 1,500.00
64SE	64 SECONDS					705.00	705.00	
ACRQ	ACROPRINT TIME RECOR				955.54		955.54	

MARTIN COUNTY WATER DISTRICT

Aged Payables

As of Mar 31, 2018

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Summary Format.

ANTH	ANTHEM BS/BC		9,618.84				9,618.84
ADV	ADVANCED AUTO PARTS			142.68	59.32	890.27	1,092.27
ALL	ALL AMERICAN FIRE EQUI					725.00	725.00
ASHL	ASHLAND OFFICE SUPPLY		262.40			84.00	346.40
BREN	BRENNTAG MID-SOUTH, IN					2,490.75	2,490.75
CDPE	CDP ENGINEERS, INC.			960.00			960.00
CHAF	ERIC CHAFINS			195.00		390.00	585.00
CON	CONSOLIDATED PIPE & SU	FLUTY LICK BR	377.64	125.88		11,733.68	12,237.20
COUN	COUNTY CONCRETE				926.00	1,750.00	2,676.00
CUM	BRIAN CUMBO, ATTORNEY		2,644.70	11,133.40	1,166.25	14,437.19	29,381.54
DAVI	PAUL DAVIS				525.00	600.00	1,125.00
DELO	PAUL DELONG		60.00	55.00	55.00	330.00	500.00
EDGA	EDGAR'S TIRES					981.00	981.00
ELITE	THE ELITE AGENCY INC.	1-859-264-9400			3,869.42		3,869.42
ELLI	ELLIOTT SUPPLY & GLASS			995.00			995.00
FAST	FAST CHANGE	606-298-0764			232.26	4,115.69	4,347.95
HIGH	HIGHLAND COMMUNICATI					110.00	110.00
HINK	HINKLE BLACKTOP LLC		850.00	175.00	175.00	5,014.10	6,214.10
HOLE	HOLBROOK IMPLEMENT					793.97	793.97
HOW	HOWELLS HVAC		818.58			3,166.85	3,985.43
HOW	HOWELL'S RECYCLING			3,300.00	4,300.00	6,525.00	14,125.00
INEZ	INEZ AUTOMOTIVE SUPPL					169.95	169.95
IPC	IPC					38.00	38.00
JHTC	JH TOMBLIN FENCE CO					422.00	422.00
JJKE	J.J. KELLER & ASSOCIATE					40.00	40.00
KIRK	RICHARD KIRK					600.00	600.00
KIRK	KIRK LAWN SERVICE					100.00	100.00
KYRU	KENTUCKY RURAL WATER					1,700.00	1,700.00
KYTE	KYTEKS					155.00	155.00
KYUN	KY UNDERGROUND PROT		19.50	93.00	27.20	1,646.40	1,786.10
LIND	LINDA F. SUMPTER, CPA, F		3,500.00	7,000.00	7,000.00	133,000.00	150,500.00
MAR	MARCO MINE SUPPLY INC					1,382.87	1,382.87
MCC	McCOY'S TREE SERVICE					600.00	600.00
MOO	CANDY MOORE					450.00	450.00
NOR	RAILROAD MANAGEMENT					55.00	55.00
POCA	POCAHONTAS DEVELOPME					25.00	25.00
QUIL	QUILL CORPORATION					461.73	461.73
R&J	R & J BUILDING SUPPLY		104.91	104.91	104.91	8,905.68	9,220.41
RFC	MARTIN COUNTY COMMUN		-709.58				-709.58
TECH	TECH 2000, INC.		162.50	2,580.00	408.99	4,037.94	7,189.43
THE	THE CHAPMAN PRINTING			889.20			889.20
THE	THE HOME CITY INCE COM					399.00	399.00
UNIT	UNITED SYSTEMS& SOFTV					3,020.00	3,020.00
UNIV	UNIVERSAL LICENSING SE					471.38	471.38
WAR	WARFIELD SHOPRITE INC					12.00	12.00
WHA	WHAYNE SUPPLY COMPAN					7,649.86	7,649.86
WILD	WILDCAT AUTOMOTIVE SA	606-534-4020				1,006.06	1,006.06
WILD	WILDCAT AUTOMOTIVE SA		1,430.85				1,430.85
WILS	WILSON EQUIPMENT COM	874-8036				413.01	413.01

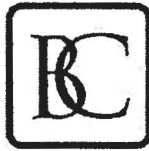
MARTIN COUNTY WATER DISTRICT

Aged Payables

As of Mar 31, 2018

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Summary Format.

ANTH	ANTHEM BS/BC			9,618.84				9,618.84	
WVA	W.VA. ELECTRIC SUPPLY C						908.03	908.03	
XYLE	XYLEM DEWATERING SOL						42,496.60	42,496.60	
ZIPZ	ZIP ZONE, INC			5,170.80	13,088.15	7,518.01	176,388.64	202,165.60	
Vend	Vendor	Contact	Telephone 1	0 - 30	31 - 60	61 - 90	Over 90 days	Amount Due	
Repo				90,884.82	136,018.62	65,052.19	624,267.11	916,222.74	
									\$ 3,592.75



BRIAN CUMBO

ATTORNEY AT LAW

86 W. Main St., Suite 100
P.O. Box 1844
Inez, KY 41224
(606) 298-0428
FAX: (606) 298-0316
cumbolaw@cumbolaw.com

ADMITTED IN KY AND WV

9
RECEIVED

MAY 21 2018

**PUBLIC SERVICE
COMMISSION**

May 16, 2018

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

RE: Martin County Water District
PSC Case No. 2018-00017

To Whom It May Concern:

Enclosed please find seven (7) copies of the redacted Martin Water District's Notice of Filing Information in Compliance with PSC Order of March 16, 2018 – Monthly Requirements. The original was previously mailed to your office, but was inadvertently not redacted.

Thank you for your attention to this matter.

Very truly yours,

BRIAN CUMBO

BC/ld
Enclosure

RECEIVED

MAY 21 2018

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE MARTIN
COUNTY WATER DISTRICT FOR
ALTERNATIVE RATE ADJUSTMENT

)
)
)

CASE NO. 2018-00017

**MARTIN COUNTY WATER
DISTRICT'S NOTICE OF FILING
INFORMATION IN COMPLIANCE
WITH ORDER OF MARCH 16, 2018
– MONTHLY REQUIREMENTS**

CERTIFICATE OF SERVICE

This will certify that a true and correct copy of the foregoing was emailed and mailed, postage paid, on this the 14 day of May, 2018, to the following:

Public Service Commission
ATTN: Brittany Koenig
P.O. Box 615
Frankfort, KY 40602
brittany.koenig@ky.gov

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

Hon. M. Todd Osterloh
Hon. James Wilson Gardner
Sturgill, Turner, Barker & Moloney, PLLC
333 West Vine Street, Ste. 1400
Lexington, KY 40507
tosterloh@sturgillturner.com
jameswilsongardner@gmail.com


BRIAN CUMBO

3. On the fifteenth of each month, beginning on April 15, 2018, Martin District shall provide monthly updates, supported by financial records, to the Commission on its attempts to identify uncollectibles and write off accounts, and report on its ability to sell any receivables that are deemed to be uncollectible by Martin District.

RESPONSE: See Exhibit #1.

5. On the fifteenth of each month, beginning on April 15, 2018, Martin District shall provide monthly revenue and expense reports to the Commission that show the amount of revenue billed, revenue received through base rates, and how each dollar collected was expensed. Included in this monthly report shall be a status update on the restructuring of the process for approval of employee purchases from each of Martin District's vendors. Management approval shall be required for employee purchases and such purchases shall be restricted to operational needs. Itemized receipts shall be required for approval or an explanation provided as to why an itemized receipt could not be obtained.

RESPONSE: See Exhibit #2.

12. On the fifteenth day of each month beginning from the date of entry of this Order, Martin District shall file with the Commission a monthly activity report that includes all of its accounts payable. The report shall also include new accounts payable that have not been discharged within 30 days of accrual, and a copy of the most recent bank statement for the interest-bearing account established pursuant to paragraph 7.

RESPONSE: See Exhibit #3.

13. Martin District shall prioritize payment of accounts payable by first paying those outstanding obligations that are most critical to the district's ability to continue operating

and providing water service to the citizens of Martin County. Within ten days of the entry of this Order, Martin District shall file with the Commission a prioritized list of its accounts payable, listed in the order in which Martin District proposes to pay its creditors.

RESPONSE: See Exhibit #4.

EXHIBIT #1

Martin County Water District

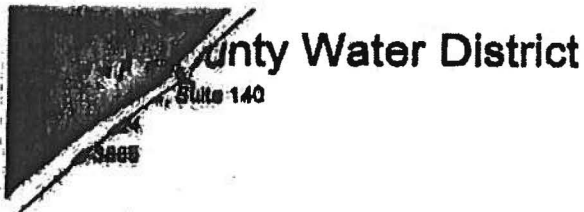
367 East Main St., Suite 140
Inez, KY 41224
(606) 298-3885

All Divisions

Payments and/or Adjustments Made Between: 4/1/2018 And 4/30/2018

4/2/2018	Deceased	\$23.98
4/2/2018	Deceased	\$30.03
4/2/2018	Deceased	\$15.08
4/2/2018	Deceased	\$3.39
4/2/2018	Deceased	\$15.08
4/2/2018	Deceased	\$30.03
4/2/2018	Deceased	\$30.03
4/2/2018	Deceased	\$15.08
4/2/2018	Deceased	\$30.03
4/2/2018	Deceased	\$30.03
4/2/2018	Deceased	\$30.03
4/2/2018	Deceased	\$15.08
4/2/2018	Deceased	\$30.03
4/2/2018	Deceased	\$62.80
4/2/2018	Deceased	\$45.21
4/2/2018	Deceased	\$30.03
4/2/2018	Deceased	\$45.21
4/2/2018	Deceased	\$188.44
4/12/2018	School Tax (busted meter)	\$7.03
4/12/2018	Res. N/Tax Water (busted meter)	\$234.60
4/28/2018	Bal. forward 1-00022	\$30.03
4/28/2018	Bal. forward 1-00022	\$30.03
4/28/2018	Bal. forward 1-00022	\$30.03
4/8/2018	Bal. forward	\$20.04
4/29/2018	Bal. forward 1-00022	\$98.80
4/28/2018	Bal. forward 1-00022	\$30.03
4/28/2018	Bal. forward 1-00022	\$30.03
4/28/2018	Bal. forward 1-00022	\$30.03
4/28/2018	Bal. forward 1-00022	\$32.83
4/28/2018	Bal. forward 1-00022	\$37.82
4/28/2018	Bal. forward 1-00022	\$30.03
4/28/2018	Bal. forward 1-00022	\$74.03
4/8/2018	Uncollectable	\$18.89
4/8/2018	Uncollectable	\$30.22
4/8/2018	Uncollectable	\$13.32
4/8/2018	Uncollectable	\$12.93
4/8/2018	Uncollectable	\$36.89
4/8/2018	Uncollectable	\$3.00
4/8/2018	Uncollectable	\$38.89
4/8/2018	Uncollectable	\$9.89
4/8/2018	Uncollectable	\$47.54
4/8/2018	Uncollectable	\$33.88
4/8/2018	Uncollectable	\$0.10

4/5/2018	Deceased	\$37.50
4/5/2018	Deceased	\$37.50
4/5/2018	Deceased	\$75.57
4/5/2018	Deceased	\$30.00
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$561.41
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$45.53
4/5/2018	Uncollectable	\$24.88
4/5/2018	Uncollectable	\$9.88
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$20.12
4/5/2018	Uncollectable	\$45.53
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$30.00
4/5/2018	Uncollectable	\$31.78
4/4/2018	Bal. forward 1-60065	\$74.78



All Books

Billing Statistics For Invoice Bill Date: 4/20/2018

Bills Printed	3567
Billed For Usage	11841000
Total Usage For The Bill Date Specified	12247000
Total Produced For The Bill Date Specified	67813000
Water Loss	45668000
Billed For Previous Balances	\$107,178.61
D1	\$1,084.66
D1	\$6,256.90
C1E	\$623.60
C2	\$1,833.70
C2E	\$400.20
C3	\$380.90
C3E	\$220.10
C4	\$4,557.90
C4E	\$6,283.30
C5	\$2,892.60
C6	\$3,041.60
D88	\$14,250.18
EX	\$0.00
Meter Pull Non-	\$360.00
Meter Pull Non-	\$360.00
Meter Set Fee	\$240.00
NSF Check Fee	\$12.00
R1	\$112,188.80
SC	\$4,121.64
Service Fee	\$40.00
Balances Due From Pay Plans	\$1,686.75
Amount Previously Paid	\$1,334.46
Amount Billed	\$264,968.48

Martin County Water District

387 East Main St., Suite 140

Inez, KY 41224

(606) 298-3885

All Books

Daily Payment Detail Report By Pay Type

Drawer

Station2



Cash	\$38,905.96
Check	\$95,267.85
Credit	\$22,862.92
M.O.	\$1,839.52

Payments Total: \$158,876.25

MARTIN COUNTY UTILITY BOARD

387 East Main Street Suite 140

INEZ, KY 41224

606-298-3885 OFFICE

606-298-4913 Fax

Gwen Pinson
P.S.C. Executive Director

In Response to case # 2018-00017:

1. A P.O. system has been implemented for all vendors.
 - Distribution supervisor will request supplies
 - An invoice is generated to the office and accounting
 - I will then review it
 - Talk to accounting, issue a P.O. and authorize a check
2. See attachment for fuel purchase.
 - Employee must call office with unit #, mileage, cost per gallon, number of gallons purchased, and final cost.
3. Arrangements have been made with vendors for monthly payments on past due payables.
 - Any and all current purchases that are made are C.O.D.
4. We have written off many past due accounts of deceased customers and are still in the process of obtaining a collection agency.

I hope this description helps you understand our process, and if we can be helpful, don't hesitate to call.

Yours truly,

Greg Scott

EXHIBIT #2

Martin County Water District

387 East Main St., Suite 140
Inez, KY 41224
(606) 298-3885

All Books

Date Range 4/1/2018 Through 4/30/2018

<u>Date</u>	<u>Usage</u>	<u>Category</u>	<u>Billed Amount</u>
4/20/2018	12247000		
		01	\$1,098.24
		C1	\$8,282.40
		C1E	\$823.50
		C2	\$1,333.70
		C2E	\$400.20
		C3	\$380.90
		C3E	\$220.10
		C4	\$4,567.90
		C4E	\$5,283.30
		C6	\$2,892.50
		C6	\$3,041.50
		DSS	\$14,647.88
		EX	\$0.00
		Late Charge	\$3,854.18
		Meter Pull Non-Pay Service Fee	\$360.00
		Meter Pull Non-Pay Re-set Fee	\$360.00
		Meter Set Fee	\$240.00
		NSF Check Fee	\$32.00
		R1	\$114,620.80
		SC	\$4,195.64
		Service Fee	\$40.00
		4/20/2018 Total Billed:	\$164,142.52

Martin County Water District

387 East Main St., Suite 140
Inez, KY 41224
(606) 288-3885

All Books

Payments Applied Between: 4/1/2018 And 4/30/2018

UnFiled

01	Sales Tax	\$1,225.30
Bal. Forward	Tap balance	\$2,866.04
C1	Comm.. W/Tax Water	\$9,043.02
C1E	Res. N/T Water	\$1,789.80
C2	1" Meter Water	\$1,008.80
C2E	1" Meter N/T Water	\$400.20
C3	1 1/2" Com. Water	\$360.80
C3E	1 1/2" Com. N/T Water	\$220.10
C4	2" Commercial Water	\$4,897.50
C4E	2" Com. N/T Water	\$5,004.93
C5	3" Commercial Water	\$2,882.60
C6	4" Commercial Water	\$3,041.60
D88	Debt Svc. Surcharge	\$12,042.88
Late Charge	Late Charge	\$5,536.42
Meter Pull Fee	Meter Pull NP	\$85.00
Meter Pull Non-Pay 8	Meter pull non-pay	\$1,125.81
Meter Pull Non-Pay	Meter set back	\$885.09
Meter Re-set Fee	Meter Set Back	\$30.00
Meter Set Fee	Meter set	\$207.42
NSF Check Fee	RCF #203	\$20.00
R1	Res. N/Tax Water	\$127,324.09
SC	School Tax	\$4,868.76
Service Fee	Meter Set Back	\$190.00
Total Payments:		\$184,483.18

MARTIN COUNTY WATER DISTRICT
Cash Disbursements Journal
For the Period From Apr 1, 2018 to Apr 30, 2018

Filter Criteria Includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
4/2/18				4,280.05	
				1,360.53	
				90.70	
			US BANK		5,711.28
4/2/18			S100048689	6,060.60	
			THE C. I.		6,060.60
			THORNBURG CO.,		
			INC.		
4/2/18			Invoice: 040518	225.00	
			US POSTAL		225.00
			SERVICE		
4/2/18				1,018.63	
			US POSTAL		1,018.63
			SERVICE		
4/2/18				8,000.00	
			MARTIN COUNTY		8,000.00
			WATER DISTRICT		
4/3/18				4,000.00	
			MARTIN COUNTY		4,000.00
			WATER DISTRICT		
4/4/18			S100048757	2,725.00	
			S100048917	484.00	
			THE C. I.		3,209.00
			THORNBURG CO.,		
			INC.		
4/6/18				117.55	
				14.18	
				7.62	
				57.21	
			JOHN MILLS		196.56
4/6/18				14.32	
				35.47	
			JOHN STAFFORD		49.79
4/6/18			TUG RIVER	500.00	
			PROPERTY		
			EASEMENT		
			DONALD AND LURA		500.00
			MILLS		
4/6/18				25,178.63	
			MARTIN COUNTY		25,178.63
			WATER DISTRICT		
			PAYROLL		
4/6/18			04/06/18	30.00	
			KY DEFERRED		30.00
			COMP		
4/10/18				1,848.88	
				1,427.36	
				333.81	
				1,427.36	
				333.81	
			FEDERAL TAX		5,171.22
			DEPOSIT		
4/10/18			RETIREMENT SD	2,669.37	
			RETIREMENT EE	1,865.96	

MARTIN COUNTY WATER DISTRICT
Cash Disbursements Journal
For the Period From Apr 1, 2018 to Apr 30, 2018

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
4/27/18				121.99	
				121.99	
				121.99	
			RITEAID		365.97
4/27/18				9,000.00	
			MARTIN COUNTY WATER DISTRICT		9,000.00
4/27/18			1Q18 MARTIN COUNTY FISCAL COURT	1,356.81	
					1,356.81
4/30/18				636.74	
			TREASURER, KUIF		636.74
4/30/18			APRIL 01, 2018 THRU APRIL 30, 2018	6,000.00	
			MCWD DEBT SERVICE SURCHARGE		6,000.00
4/30/18			S100051209 THE C. I. THORNBURG CO., INC.	5,249.96	
					5,249.96
4/30/18			APRIL 01, 2018 - APRIL 30, 2018	6,182.96	
		131.2a	MCWD DEBT SERVICE SURCHARGE		6,182.96
Total				341,027.71	341,027.71

Martin County Water District

Purchase Order Procedures

- **Beginning March 5, 2018, a purchase order system will be used.**
- **When materials are bought for the Martin County Utility:**
 - A. Request from field to office.**
 - B. Request researched through three vendors.**
 - C. Once satisfied with price, P.O. is issued.**
 - D. E.T.A. of material ordered.**
 - E. Purchase order and work orders mated.**
- **Recorded in office.**

EXHIBIT #3

MARTIN COUNTY WATER DISTRICT General Ledger

For the Period From Apr 1, 2018 to Apr 30, 2018

Filter Criteria includes: Report order is by ID, Report is printed with shortened descriptions and in Detail Format.

Account ID Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
Transfer In/Out	4/1/18			Beginning Balance			
	4/2/18	3190	CDJ	MARTIN COUNTY	8,000.00		
	4/2/18	3190	CRJ	REVENUE SECTI		8,000.00	
	4/3/18	3191	CDJ	MARTIN COUNTY	4,000.00		
	4/3/18	3191	CRJ	REVENUE SECTI		4,000.00	
	4/6/18	3192	CDJ	MARTIN COUNTY	25,178.63		
	4/6/18	3192	CRJ	REVENUE SECTI		25,178.63	
	4/10/18	3193	CDJ	MARTIN COUNTY	4,000.00		
	4/10/18	3193	CRJ	REVENUE SECTI		4,000.00	
	4/12/18	3194	CDJ	MARTIN COUNTY	16,000.00		
	4/12/18	3194	CRJ	REVENUE SECTI		16,000.00	
	4/13/18	3195	CDJ	MARTIN COUNTY	27,000.00		
	4/13/18	3195	CRJ	REVENUE SECTI		27,000.00	
	4/13/18	3196	CDJ	MCWD KACO SIN	460.00		
	4/13/18	3196	CRJ	REVENUE SECTI		460.00	
	4/13/18	1087	CDJ	MCWD SEC A KIA	5,800.00		
	4/13/18	1087	CRJ	EFT ACCOUNT		5,800.00	
	4/13/18	1088	CDJ	MARTIN CO WAT	10,900.00		
	4/13/18	1088	CRJ	EFT ACCOUNT		10,900.00	
	4/16/18	3197	CDJ	MARTIN COUNTY	7,000.00		
	4/16/18	3197	CRJ	REVENUE SECTI		7,000.00	
	4/19/18	3198	CDJ	MARTIN COUNTY	28,184.72		
	4/19/18	3198	CRJ	REVENUE SECTI		28,184.72	
	4/24/18	3199	CDJ	MARTIN COUNTY	35,000.00		
	4/24/18	3199	CRJ	REVENUE SECTI		35,000.00	
	4/27/18	3200	CDJ	MARTIN COUNTY	9,000.00		
	4/27/18	3200	CRJ	REVENUE SECTI		9,000.00	
				Current Period Cha	180,523.35	180,523.35	
	4/30/18			Ending Balance			
Accumulated Depreci	4/1/18			Beginning Balance			-15,187,640.8
	4/30/18	Depreciatio	GEN	To rec'd Depreciati		64,441.92	
				Current Period Cha		64,441.92	-64,441.92
	4/30/18			Ending Balance			-15,252,082.7
KACO- Sinki	4/1/18			Beginning Balance			63.19
	4/30/18			Ending Balance			63.19
KIA - Sinkin	4/1/18			Beginning Balance			7,361.56
	4/2/18		CDJ	US BANK		5,711.28	
	4/13/18	1087	CRJ	EFT ACCOUNT	5,800.00		
	4/30/18	043018	CRJ	INTEREST	0.07		
				Current Period Cha	5,800.07	5,711.28	88.79
	4/30/18			Ending Balance			7,450.35
inking	4/1/18			Beginning Balance			3,501.62
	4/13/18	1088	CRJ	EFT ACCOUNT	10,900.00		
	4/20/18		CDJ	KENTUCKY RURA		10,516.15	
				Current Period Cha	10,900.00	10,516.15	383.85
	4/30/18			Ending Balance			3,885.47
1	4/1/18			Beginning Balance			613.80
	4/13/18	3196	CRJ	REVENUE SECTI	460.00		
	4/13/18	1552	CDJ	US BANK KY POO		454.59	
	4/30/18	043018	CRJ	INTEREST	0.01		
				Current Period Cha	460.01	454.59	5.42
	4/30/18			Ending Balance			619.22

MARTIN COUNTY WATER DISTRICT**General Ledger****For the Period From Apr 1, 2018 to Apr 30, 2018**

Filter Criteria includes: Report order is by ID. Report is printed with shortened descriptions and in Detail Format.

Account ID Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
Miscellaneous Expens	4/30/18			Ending Balance			2,100.00
	4/1/18			Beginning Balance			4,174.05
Miscellaneous Expens	4/2/18		CDJ	US BANK	90.70		
	4/6/18	13709	CDJ	JOHN MILLS	117.55		
	4/6/18	13709	CDJ	JOHN MILLS	57.21		
	4/6/18	13709	CDJ	JOHN MILLS	7.82		
	4/6/18	13709	CDJ	JOHN MILLS	14.18		
	4/6/18	13710	CDJ	JOHN STAFFORD	35.47		
	4/6/18	13710	CDJ	JOHN STAFFORD	14.32		
	4/9/18	04/09/18	GEN	Service Charge	5.00		
	4/9/18	04/09/18	GEN	Service Charge	13.21		
	4/17/18	13729	CDJ	JAMES KERR - RE	120.00		
	4/17/18	4103539	PJ	APPALACHIAN WI	218.61		
	4/20/18	13730	CDJ	JOHN MILLS - 270	51.50		
	4/30/18	04/30/18	GEN	Service Charge	20.43		
	4/30/18	04/30/18	GEN	Service Charge	10.00		
				Current Period Cha	775.80		775.80
	4/30/18			Ending Balance			4,949.85
-----	4/1/18			Beginning Balance			1,077.08
Other Contractor -- Op	4/30/18			Ending Balance			1,077.08

MARTIN COUNTY WATER DISTRICT**Purchase Journal****For the Period From Apr 1, 2018 to Apr 30, 2018**

Filter Criteria Includes: 1) Includes Drop Shipments. Report order is by Date. Report is printed in Detail Format.

Date	Account ID Account Description	Invoice/CM #	Line Description	Debit Amount	Credit Amount
	Contractual Ser-Acct AG				
	Accounts Payable		LINDA F. SUMPTER, CPA, PSC		3,500.00
4/30/18		2018-0538		3,500.00	
	Contractual Ser-Acct AG 231b		LINDA F. SUMPTER, CPA, PSC		3,500.00
	Accounts Payable				
4/30/18		2880702-018-000		125.88	
	Materials & Supplies DO 231b		CONSOLIDATED PIPE & SUPPLY CO INC		125.88
	Accounts Payable				
4/30/18		705076		25.00	
	Transportation Expense 231b		ZIP ZONE, INC		25.00
	Accounts Payable				
4/30/18		710720		73.51	
	Transportation Expense 231b		ZIP ZONE, INC		73.51
	Accounts Payable				
4/30/18		710771	Fuel	86.23	
	Transportation Expense 231b		ZIP ZONE, INC		86.23
	Accounts Payable				
4/30/18		712724	Fuel	47.79	
	Transportation Expense 231b		ZIP ZONE, INC		47.79
	Accounts Payable				
				57,392.58	57,392.58

EXHIBIT #4

PRIORITY LEVEL LEGEND

- A
1 Payroll and all related payroll tax expenses
2 Insurances
3 Bond and lease payments
4 Utilities
5 Chemicals
B
6 Required and emergency vendor purchases and CODs
7 Required depleted fittings and materials
8 Emergency equipment repairs
9 Vendor arrangements for preventing collection procedures
10 Vendor Payments as cash flow permits

Vendor	Contact	Telephone 1	0 - 30	31 - 60	61 - 90	Over 90 days	Amount Due	Paid May 31, 2018	Priority Level
ANTHONY MBS/BC			8,618.84				8,618.84		2
AEP AMERICAN ELECTRIC POWER		PCANY PUMP	121.12		197.41		259.53		4
AEP AMERICAN ELECTRIC POWER		BONE HOLLOW RD	154.90	95.70	50.88		302.25		4
AEP AMERICAN ELECTRIC POWER		LICK STOCKROOM		25.80	13.18		38.98		4
AEP AMERICAN ELECTRIC POWER		BCF TRUK	26.06	28.31	28.12		82.49		4
AEP KENTUCKY POWER COMPANY			28.09	30.22	25.45		83.76		4
AEP AMERICAN ELECTRIC POWER		FLD PUMPING STATION	240.00	225.00	238.52		699.97		4
AEP AMERICAN ELECTRIC POWER		INDUSTRIAL PARK		33.36	25.63		59.01		4
AEP AMERICAN ELECTRIC POWER		PLUTY BRICK	28.71	28.04	28.18		84.93		4
AEP KENTUCKY POWER COMPANY	LICK BRANCH			22,242.68			22,242.68		4
AEP AMERICAN ELECTRIC POWER		LICK BR		148.12	84.55		232.67		4
AEP AMERICAN ELECTRIC POWER		EL RD - MIDDLE RCRD		1,832.81	151.24		1,984.05		4
AEP AMERICAN ELECTRIC POWER			143.89	122.88	188.42		455.19		4
AEP AMERICAN ELECTRIC POWER			278.88	148.05	188.68		615.61		4
AEP AMERICAN ELECTRIC POWER	BATTLE BLACK LOG ROAD			21.09			21.09		4
AEP AMERICAN ELECTRIC POWER		BIG ELK PUMP STATION	241.83	283.31	321.55		846.69		4
AEP AMERICAN ELECTRIC POWER		MAIN STREET		82.02			82.02		4
AEP AMERICAN ELECTRIC POWER		SS NEW RIVER STATION	813.89	381.94		2,296.11	2,063.51		4
AEP AMERICAN ELECTRIC POWER		BUCK CREEK TANK	78.24	19.42			97.66		4
AEP AMERICAN ELECTRIC POWER		STORAGE TANK CANEY H		1,088.85			1,088.85		4
AEP AMERICAN ELECTRIC POWER		FLD LIGHTS AT PLANT	28.83	24.81	24.36		77.99		4
AEP AMERICAN ELECTRIC POWER		RT 3 S AIRPORT PUMP		1,111.75	210.08		1,321.83		4
AEP AMERICAN ELECTRIC POWER		LBR COLDWATER TANK		35.01	25.34		60.35		4
AEP AMERICAN ELECTRIC POWER				2,181.44	3,926.83		11,110.27		4
AEP AMERICAN ELECTRIC POWER		BIG ELK CREEK	28.69	28.44	28.48		85.61		4
AEP AMERICAN ELECTRIC POWER		TC PLANT OFFICE		332.38	242.89		575.27		4
AEP AMERICAN ELECTRIC POWER		TURKEY CREEK ROAD	27.81	88.98	27.87		144.66		4
APR APRILACHIAN WIRELESS			278.83	452.83			731.66		4
MCS MARTIN COUNTY SANITATION DISTRICT				87.88	87.88	1,228.21	1,403.97		4
PRESTONSBURG CITY UTILITIES			3,510.25	26,512.50	41,291.00	8,754.80	92,062.25		4
SUD SUDENLINK			84.93	61.50			146.43		4
SUD SUDENLINK			223.74	213.88			437.62		4
SUD SUDENLINK			255.15	245.09			500.24		4
APR APRILACHIAN WIRELESS			1,922.25		3,300.58	8,382.50	11,605.33		4
THE T & L WAREHOUSE, INC			8,051.13		9,138.45	72,678.30	90,867.88		4
USARSA BLUE BOOK			1,438.81		2,261.98	551.80	3,842.68		4
BEV BEVIE PUMP & SERVICE INC			5,885.80	5,885.83	1,137.27		10,322.20		4
GOLD SOLES ELECTRIC OF HUNTINGTON					2,316.50	18,000.00	20,316.50		4
BEV BEVIE PUMP & SERVICE INC					121.20		121.20		4
GUTHRE SALES AND SERVICE, INC					388.21		388.21		4
BEV BEVIE PUMP & SERVICE INC					671.00	30,061.36	30,732.36		4
BEV BEVIE PUMP & SERVICE INC			5,887.30	5,887.75	3,322.83	8,940.18	23,622.06		4
BEV BEVIE PUMP & SERVICE INC						705.00	705.00		4
APR APRILACHIAN WIRELESS						553.14	553.14		4
APR APRILACHIAN WIRELESS					142.88	948.68	1,091.56		4
APR APRILACHIAN WIRELESS						725.00	725.00		4
APR APRILACHIAN WIRELESS			148.83				148.83		4
APR APRILACHIAN WIRELESS			888.23	477.38			1,365.61		4
ASH ASHLAND OFFICE SUPPLY				752.40		84.00	836.40		4

[illegible]



Date: Tuesday, May 8, 2018 9:26 AM

From: Porter, Stephen M CIV USARMY CELRH (US) <Stephen.M.Porter@usace.army.mil>

To: Robert Taylor <rtaylor@kyengr.com>

Cc: Kelly Callaham (kcallaham@suddenlinkmail.com) <kcallaham@suddenlinkmail.com>, rwarrix@eliteky.net <rwarrix@eliteky.net>, Jim Thompson <jthompson@kyengr.com>, Ethan Fryman <efryman@kyengr.com>, Romans, Sharanna G CIV USARMY CELRH (US) <Sharanna.G.Romans@usace.army.mil>

Subject: Re: [Non-DoD Source] Martin County, KY - Hollybush Utilities Project

Robert,

I've forwarded your response to our project team for their input. I have a couple followup questions:

1. When were the decisions made to make these changes?
2. When can USACE anticipate receiving updated plans/specs for review?

Rerouting the water line and doubling the size of the storage tank are significant changes from what we reviewed and approved.

Stephen

SENT VIA BLACKBERRY

Stephen M. Porter, PMP, CFM
Project Manager
US Army Corps of Engineers - Huntington District
502 8th Street
Huntington, WV 25701
Phone: 304-399-5062
Blackberry: 304-360-2729
Email: stephen.m.porter@usace.army.mil

From: Robert Taylor

Sent: Tuesday, May 8, 2018 09:54

To: Porter, Stephen M CIV USARMY CELRH (US)

Cc: Kelly Callaham (kcallaham@suddenlinkmail.com); rwarrix@eliteky.net; Jim Thompson; Ethan Fryman

Subject: [Non-DoD Source] Martin County, KY - Hollybush Utilities Project

Mr. Porter,

I wanted to address the revision to the water main for this project. The original intent of the project remains exactly the same. The only revision that has been made from the plan for the water main that was approved by the USACOE is that the portion of the water main that was

proposed to be located across the Horn property has been relocated to run parallel to the proposed sanitary sewer force main along KY 645 to the tank site. This routing also decreases the footage of water main by over 1,500 LF and all of the water main is within the area covered by the environmental. The tank site and overflow elevation of the proposed water storage tank remain the same. This re-routing of the water main was the result of the owner not being able to negotiate an easement with the Horn's to cross their property. The process of trying to negotiate the easement has caused a four month delay in this project being advertised for construction bids.

The only other revision is the size of the proposed water storage tank which was originally 150,000 gallons. The Martin County Industrial Authority requested that the proposed storage tank size be increased from 150,000 gallons to 300,000 gallons in order to better provide storage capacity for the remaining industrial development area which the Authority owns. The Martin County Industrial Authority owns all of the property in the area and sold acreage to the Board of Education for the school. The new high School is 50% complete at this time with a anticipated opening date of March, 2019, there is also a new vocational school that is planned for the area as well and its approval is being held up until the utilities are under construction. Also increasing the size of the storage tank will help provide needed additional storage capacity and flow not only for the area of the school and industrial development area but also benefit a large portion of Martin County Water District's service area which has been plagued recently with flow and pressure problems. The tanks site and overflow elevation remain the same for the proposed tank.

I hope this will better explain the revision that has been made and we can provide revised plan sheets for the change for your review and approval. Because of time restraints and schedule hopefully this will not prohibit us from advertising for construction bids later this week.

Please advise and thank you for your assistance.



Robert E. Taylor, Jr.

Kentucky Engineering Group, PLLC

P.O. Box 1034

Versailles, KY 40383

Office: 859.251.4127

Office Fax: 859.251.4137

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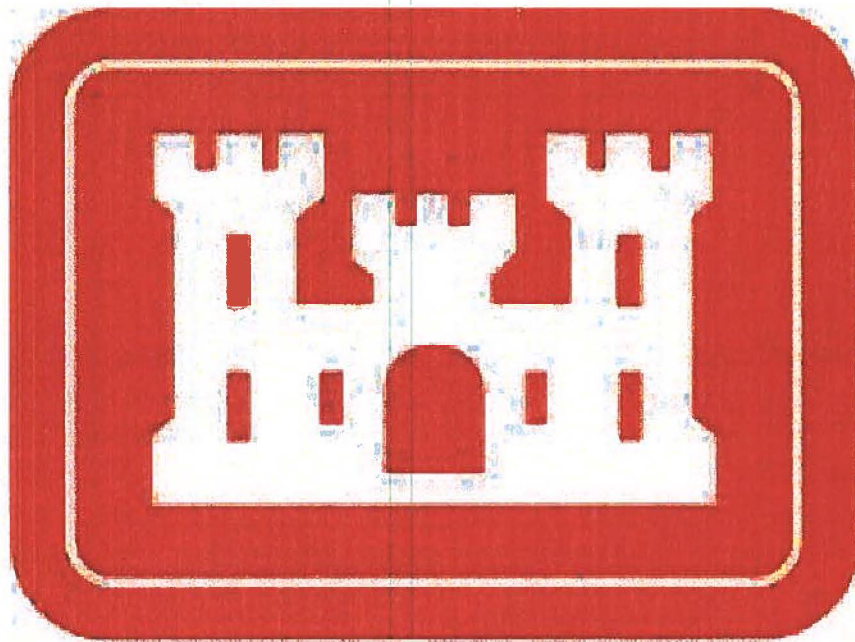
e-mail: rtaylor@kyengr.com

Blockedwww.kyengr.com

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**Environmental Assessment
Section 531
Hollybush KY 645 Water and Sewer Extension Project
Martin County, Kentucky**



**U.S. Army Corps of Engineers
Huntington District
Huntington, West Virginia
January 2018**



**Environmental Assessment
Section 531 Hollybush KY 645 Water and Sewer Extension Project
Martin County, Kentucky
Executive Summary**

The Martin County Fiscal Court is proposing to provide water and sanitary sewer service to the previously unserved area known as the Hollybush Industrial Development area. The Martin County Board of Education has started construction of a new high school building in the Hollybush area. The water and sanitary sewer extension would provide utility service for the new high school building.

The Proposed Action Alternative would entail construction and installation of water and sewer lines, pump station, and water storage tank. The sanitary sewer extension will tie into an existing sewage pump station and includes approximately 5,400 LF of 6" PVC force main and a duplex grinder pump station. Also included, will be two service connections, highway bore for the 6" force main and a connection to an existing sewage pump station located near the intersection of KY 40 and KY 645. The water service extension includes approximately 5,500 linear feet of 8" water main, a booster pumping station and an approximate 150,000 gallon water storage tank, service connections, highway bore for the 8" water main, and fire hydrant assemblies. Water and sewer lines would be installed utilizing an open cut trench. The depth of the trench would vary throughout the project to accommodate the changes in elevation and slope. After construction, the displaced soils would be backfilled and restored to preexisting conditions. The sites for the pump stations and storage tank will be permanently converted to utility space.

The proposed project is a partnership agreement between the Martin County Fiscal Court and the US Army Corps of Engineers (Corps), established under the authority of Section 531 of the Water Resources Development Act of 1996 (Public Law No. 104-303), as amended. The Section 531 program provides design and construction assistance for water related environmental infrastructure projects to Non-Federal interests in southern and eastern Kentucky. Under this program the Corps may provide support in the form of design and construction assistance for water-related environmental infrastructure, water resource protection and development, and environmental restoration. Examples of possible projects that would qualify under this program could include wastewater treatment and related facilities, water supply, water storage, water treatment, water distribution facilities, and surface water resource protection and development. Funding, as established under Section 531, shall be shared 75% Federal and 25% Non-Federal (State and Local). This Environmental Assessment is prepared pursuant to the National Environmental Policy Act (NEPA), Council on Environmental Quality Regulations (40 CFR 1500-1508), and Corps implementing regulation, ER 200-2-2.

The Environmental Assessment has concluded there are no significant impacts to the human environment associated with the implementation of the proposed Hollybush KY 645 Water and Sewer Extension Project



SECTION 531
HOLLYBUSH KY 645 WATER AND SEWER EXTENSION PROJECT
MARTIN COUNTY, KENTUCKY
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The brief and concise nature of this document is consistent with the 40 CFR requirements of the National Environmental Policy Act (NEPA) to reduce paperwork and delay by eliminating duplication with existing environmental documentation, incorporating pertinent material by reference, and by emphasizing interagency cooperation. The majority of data collection and analysis in this document was performed by Kentucky Engineering Group, PLLC in conjunction with the U.S. Army Corps of Engineers (Corps).

1.0 PROJECT DESCRIPTION

1.1 Project Background

This Environmental Assessment (EA) examines the potential environmental impacts of the utilities project as proposed by the Martin County Fiscal Court. The purpose of the EA is to analyze the potential environmental impacts of the proposed project and to determine whether to prepare an Environmental Impact Statement (EIS) or a Finding of No Significant Impact (FONSI).

1.2 Purpose, Need, and Authorization

The purpose of the proposed project is to provide water and sanitary sewer service to the previously unserved area known as the Hollybush Industrial Development area. The Martin County Board of Education has started construction of a new high school building in the Hollybush area. The need for the water and sanitary sewer service in the proposed area is to provide utility service for the new high school building.

The proposed project is a partnership agreement between the Martin County Fiscal Court and the Corps established under the authority of Section 531 of the Water Resources Development Act (WRDA) of 1996 (Public Law No. 104-303), as amended, which provides authority for the Corps to establish a program to provide environmental assistance to Non-Federal interests in southern and eastern Kentucky. This law provides design and construction assistance for water related environmental infrastructure projects to Non-Federal interests in southern and eastern Kentucky, including projects for wastewater treatment and related facilities, water supply, water storage, water treatment, water distribution facilities, and surface water resource protection and development.

This EA is prepared pursuant to NEPA, Council on Environmental Quality (CEQ) Regulations (40 CFR 1500-1508), and Corps implementing regulation, ER 200-2-2.

2.0 ALTERNATIVES DISMISSED FROM FURTHER CONSIDERATION

2.1 8" Gravity Sewer Connection

This alternative considered constructing a conventional 8" gravity sewer located along the new KY 645 from the school site to an existing pump station at the intersection of KY 40 and KY



645. This alternative was dismissed from further consideration as the cost is approximately two times the cost of the preferred alternative, making this alternative a non-viable option.

2.2 Extended Aeration Wastewater Treatment Plant Connection

This alternative considered installing a package extended aerations wastewater treatment plant at the site for treatment of wastewater. However, there is no suitable discharge point for this type of plant. Therefore, this alternative is not technically feasible and was dismissed from further consideration.

2.3 KY 40 Water Service Connection

This alternative considered connecting to an existing 10" water main located along KY 40 to the south of the proposed site. This water main is already over capacity and connecting a new main and pump station to this water main would increase already existing capacity problems in the area. Therefore, this alternative is not technically feasible and was dismissed from further consideration.

2.4 Utilize Existing Water Storage Tank

This alternative considered utilizing an existing water storage tank located on KY 40. The connection and pumping station would need to be connected to the same KY 40 water main that currently has capacity problems. Also, the existing water storage tank is not at the proper elevation to provide adequate pressure to the school without installing an additional pumping station, which was cost prohibitive. Therefore, this alternative was dismissed from further consideration due to greater costs than the proposed action and is not technically feasible.

3.0 PROPOSED ACTION AND ALTERNATIVES

3.1 Proposed Action Alternative (PAA)

The PAA will provide water and sewer service to the new Martin County High School building. The sanitary sewer extension will run from the site South along KY 645 to the intersection of KY 645 and KY 40 where it will tie into an existing sewage pump station and includes approximately 5,400 LF of 6" PVC force main and a duplex grinder pump station. Also included, will be two service connections, highway bore for the 6" force main and a connection to an existing sewage pump station located near the intersection of KY 40 and KY 645.

The water service extension to serve the school will generally run North West from the site over to KY 908 and connect to an existing water main near Martin County Water District's water treatment plant and include approximately 5,500 LF of 8" water main, a booster pumping station and an approximate 150,000 gallon water storage tank. Also included will be a connection to an existing water main, at least, four fire hydrant assemblies, two service connections and a highway bore for the 8" water main. Water and sewer lines would be installed utilizing an open cut trench. The depth of the trench would vary throughout the project to accommodate the



changes in elevation and slope. After construction, the displaced soils would be backfilled and restored to preexisting conditions. The sites for the pump stations and storage tank would be permanently converted to utility space.

3.2 No Action Alternative (NAA)

Under the NAA, the Corps would not provide funding for the project. Additionally, Martin County would not expand water and sewer lines and the new school under construction would not have access to water and sewer service. Therefore, this alternative was considered unacceptable due to unavailability of water or sewer service.

4.0 ENVIRONMENTAL SETTING AND CONSEQUENCES

4.1 Location

The affected area is located within Martin County, Kentucky. The site of the new Martin County High School is located east of the town of Inez beside the newly extended KY 645. The water line will extend from the Martin County Utility District's water treatment plant on KY 908 to the high school site. The sewer lines will run from the high school site to the existing sewer line along KY 645/Route 40 intersection. Project location mapping can be found in Appendix A.

4.2 Land Use

Land use in the vicinity of the PAA is rural. The majority of the water line route to the school site would be through undeveloped wooded hillside utilizing existing gas well access roads. The route of the waterline starts at the water treatment plant and passes a small number of residences before traversing previously disturbed existing access roads through the undeveloped wooded hillside. The route of the sewer line would start at the school site with the pump stations and run within road right-of-ways along the newly extended Route 645. There is no development along this route until the sewer line reaches the intersection of Route 645 and Route 40 where there are a number of businesses and a technical school. The location of the water storage tank is rural and was timbered prior to the sponsor purchasing land for the proposed project. The creation of developable land from the extension of Route 645 could lead to changes in land use in the future and could have desirable community growth. However, at this time, due to the economic conditions in Martin County, future land use changes are not expected to occur. After water and sewer line installation, existing conditions would be re-established. Therefore, there would be no anticipated impacts to land use as part of the PAA.

There would be no impacts to land use as a result of NAA.

4.3 Climate

The Tug Watershed's mid-latitude position makes it susceptible to highly variable weather throughout the year. The watershed's climate is greatly influenced by oceanic and atmospheric interactions. The watershed experiences seasonal weather patterns throughout the year, with



climatic conditions typical of summer, fall, winter, and spring seasons for the Mid-Atlantic and Southeast Regions of the United States. Variability in weather tends to be greater during the late winter, spring, and fall seasons within the watershed. Summers are usually characterized by warm to hot weather with periods of high humidity. Winters within the watershed are typically mild, with areas at higher elevations experiencing slightly harsher winters and greater snowfall. Fall is typically the driest season within the watershed, while spring is typically the wettest.

The PAA would not involve any activity that could affect the environment in regard to climate change. This region is not projected to experience severe drought conditions and is instead expected to experience more precipitation in the future as larger and more intense rainfalls become more frequent. As a result, the PAA would not likely be influenced by or influence future climate change. For the same reasons, there are also no impacts expected with respect to climate as a result of the NAA.

4.4 Terrestrial Habitat

The PAA would be constructed primarily on previously disturbed areas, including existing access roads and road right-of-ways; therefore, potential impacts to vegetation would be minimal and temporary. No tree clearing is anticipated for the proposed project as most of the water and sewer line routes have been previously disturbed due to prior road construction. Water line and sewer line areas would be returned to pre-construction conditions upon completion of construction activities. The water tank site was cleared prior to the Fiscal Court negotiating the property and there are no plans with the proposed project to clear any additional areas. Only short-term temporary impacts during construction are anticipated to occur. Therefore, no significant long-term impacts to terrestrial habitat are anticipated as part of the PAA.

As the selection of the NAA would entail no changes to the project area, there are no impacts to terrestrial habitat anticipated as part of the NAA.

4.5 Floodplains

Executive Order 11988 requires Federal agencies to consider the potential effects of their proposed actions to floodplains. In order to determine the PAA's potential floodplain impact, the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRM) were reviewed and portions of the proposed project are located within the base floodplain or the area that has a 1-percent chance or greater of having a flood in any given year (<https://www.fema.gov/floodplain-management/flood-zones>). The proposed water and sewer lines with the exception of the storage tank and pump system would be buried and result in no change in grade or elevation. The water storage tank location and pump station would be constructed outside of the floodplain. Prior to construction, any appropriate permits will be obtained.

Therefore, no impacts to floodplains are anticipated to occur from the PAA or NAA.



4.6 Prime and Unique Farmland

The Farmland Protection Policy Act (FPPA) requires Federal agencies to minimize the conversion of prime and unique farmland to non-agricultural uses. The majority of the project occurs in previously disturbed areas (i.e. existing access roads). Based upon review of the project, the Natural Resource Conservation Service (NRCS) determined that since soils in the project area are not classified as prime farmlands or statewide important farmlands, the FPPA would not apply to this proposed project.

Based upon the NRCS determination, a Farmland Conversion Impact Rating does not need to be completed and the PAA would have no impact on Prime or Unique, Statewide, or Locally important farmland (Appendix B).

There are no impacts to Prime and Unique Farmland anticipated as part of the NAA.

4.7 Aquatic Habitat/Water Quality

The proposed project area is located within the Tug Watershed. Several waterbodies within the watershed are listed in the Environmental Protection Agency's Waterbody Quality Assessment Report. The major sources of impairment in Coldwater Creek is sediment and salinity. Rockcastle Creek's cause of impairment is pathogens, sediment, salinity, and turbidity. Additionally, Tug Fork River's cause of impairment is Polychlorinated Biphenyls (PCBs). Implementation of the PAA would not result in any new discharge of pollutants. Construction of the PAA will avoid any permanent and temporary in-stream impacts as stream crossings along Coldwater Creek will be directionally bored beneath waters. Impacts to groundwater could occur from the proposed directional boring, however, these impacts would be temporary and minor. Under the Clean Water Act, a 404 (b)(1) analysis or 401 permit is not needed for this action since fill material will not be discharged into waters of the U.S.. However, a National Pollutant Discharge Elimination System (NPDES) permit will be required due to the size of construction area. Best Management Practices (BMPs) would be used throughout the project to prevent runoff from the project into adjacent surface waters. There would be no significant impact on downstream users as a result of the proposed action. Based on the above, implementation of the PAA would not result in significant short or long term environmental impacts to aquatic habitat and water quality.

Under the NAA, no aquatic impacts would occur and water quality in the project area would remain unchanged.

4.8 Wetlands

National Wetland Inventory Maps (NWI) were reviewed for the proposed project area and a site reconnaissance was conducted to determine validity of NWI Maps. NWI maps indicated that there are no wetlands adjacent to the project area. The site reconnaissance conducted by the Kentucky Engineering Group, PLLC on July 11, 2017, also confirmed no wetlands are located



within the proposed project area. No impacts to wetlands are anticipated as part of the PAA or NAA.

4.9 Wild and Scenic Rivers

No designated State Wild or Scenic Rivers are present within the Project Area. Therefore, no impacts to these resources are anticipated as part of the PAA or NAA.

4.10 Hazardous, Toxic, and Radioactive Waste (HTRW)

A Phase 1 HTRW Environmental Site Assessment was conducted for the Hollybush/ KY 645 Water and Sewer Extension Project to identify environmental conditions and to identify the potential presence of HTRW contamination located in the project's construction work limits. Below are the following Phase 1 HTRW findings:

The Corps HTRW staff determined the Phase 1 HTRW showed no evidence of recognized environmental contamination within the property and no further HTRW action is required. Therefore, no impacts to HTRW are anticipated with the PAA. A clearance memorandum was signed by Corps HTRW staff September 6, 2017.

The NAA would not result in ground disturbing activities, and thus would not disturb areas of potential HTRW contamination. Therefore, there are no HTRW impacts associated with the NAA.

4.11 Cultural Resources

Coordination with the Kentucky Heritage Council (KHC) under Section 106 of the National Historic Preservation Act (NHPA) was initiated by Kentucky Engineering Group, PLLC. KHC determined that there will be no historic properties affected by the proposed undertaking. There are no architectural resources eligible for or listed in the National Register of Historic Places that would be impacted by this project; therefore, no additional consultation is necessary for architectural resources.

Pursuant to Section 106 of the National Historic Preservation Act of 1966, as amended, the Corps has made the determination that no historic properties will be affected by the PAA and no further consultation under Section 106 of the NHPA is necessary (Appendix B). Additionally, there would be no impacts associated with the NAA.

If unanticipated archaeological deposits or human remains are discovered during construction, all work near the location of the discovery shall cease and the Project Manager and Huntington District Archaeologist shall be contacted immediately. The Kentucky State Police, the Martin County Coroner, and KHC must also be notified immediately if human remains are discovered.



4.12 Threatened and Endangered Species

According to the U.S. Fish and Wild Service (USFWS) website, there are four threatened and endangered listed species in Martin County, Kentucky. They are the Big Sandy crayfish (*Cambarus callainus*), Indiana bat (*Myotis sodalist*), Grey bat (*Myotis grisescens*), and Northern Long-Eared bat (*Myotis septentrionalis*).

In correspondence dated January 19, 2017, the USFWS stated the Service does not think installation of the proposed water and sewer lines is likely to result in significant impacts to federally-listed species". The proposed water and sewer lines would occur in existing road rights-of-way and previously cleared areas. No trees would be removed for this project and directional boring would be implemented to cross Coldwater Creek. Therefore, the Corp's Huntington District has determined the proposed action would have no effect on the Big Sandy crayfish, Indiana bat, Grey bat, and Northern Long-Eared bat. No further Section 7 consultation under the Endangered Species Act is required.

4.13 Air Quality

According to the U.S. Environmental Protection Agency (USEPA) website, Martin County is classified as "in attainment" (maintaining applicable standards) for all criteria pollutants. Emissions from construction equipment would occur during the construction period. Contractors would operate all equipment in accordance with local, state, and Federal regulations. The PAA is exempted by 40 CFR Part 93.153 from making a conformity determination, since estimated emissions from construction equipment would not be expected to exceed de minimis levels, direct emissions of a criteria pollutant, or its precursors. Any impacts would be short-term, localized, and would occur only during construction phase activities. Impacts to air quality under the PAA would be temporary during construction and minor.

No impacts to air quality are anticipated to occur as part of the NAA.

4.14 Noise

Noise associated with the PAA would be limited to that generated during construction except for noise at the pump station. The noise associated with construction would be short in duration and would only occur during daylight hours. Noise is measured as Day Night average noise levels (DNL) in "A-weighted" decibels that the human ear is most sensitive to (dBA). There are no Federal standards for allowable noise levels. According to the Department of Housing and Urban Development Guidelines, DNLs below 65 dBA are normally acceptable levels of exterior noise in residential areas. The Federal Aviation Administration (FAA) denotes a DNL above 65 dBA as the level of significant noise impact. Several other agencies, including the Federal Energy Regulatory Commission, use a DNL criterion of 55 dBA as the threshold for defining



noise impacts in suburban and rural residential areas. According to Dr. Paul Schomer in his 2001 Whitepaper, while there are numerous thresholds for acceptable noise in residential areas, research suggests an area's current noise environment, which has experienced noise in the past, may reasonably expect to tolerate a level of noise about 5 dBA higher than the general guidelines. The Corps Safety and Health Requirements Manual provides criteria for temporary permissible noise exposure levels (see Table 3.1 below), for consideration of hearing protection or the need to administer sound reduction controls.

Table 1 - Permissible Non-Department of Defense Noise Exposures	
Duration/day (hours)	Noise level (dBA)
8	90
6	92
4	95
3	97
2	100
1.5	102
1	105

Construction noise would be similar to that of farm equipment and other small machinery used in the local area. A backhoe, end loader, road grader and/or vibratory roller are examples of equipment that is likely to be used during construction. Each emits noise levels around 85 dBA at 45 feet. Construction equipment would be operated during daylight hours; therefore a reasonable exposure time of two hours would be expected during the time residents may be home during the day. Peak outdoor noise levels ranging from 78-90 dBA would occur during the time in which equipment is directly in front of or in proximity to homes and businesses (within 25-100 feet). A maximum noise exposure of approximately 98 dBA, for one hour could occur if equipment were within 10 feet of homes and business. The noise projections do not account for screening objects, such as trees, outbuildings or other objects that muffle and reduce the noise being emitted. The outdoor construction noise would be further muffled while residents are inside their homes. While the construction noise generated would be considered unacceptable according to HUD and FAA standards, these limited exposures and time intervals are still within allowable Corps safety levels. Further, they are similar to typical neighborhood noise generated by gas powered lawnmowers in the local area, which could range from 90-95 dBA at three feet and 70-75 dBA at 100 feet

As part of the PAA, the water pump station will be located at the water treatment plant site in a masonry building and the sewage pump station will be located below ground within the mechanical yard at the new school. These two pump stations will only generate noise when operating. Operation is anticipated during daylight hours with the exception of occasional nighttime running during sporting events. Very little noise will be detected from a distance greater than 50 feet from each station. Due to daytime construction of the water and sewer lines and limited duration of elevated noise levels associated with the PAA, impacts from the noise to local residences would be minor.



There would be no change in noise and thus no impact under the NAA.

4.15 Environmental Justice and Protection of Children

Executive Order (E.O.) 12898 requires Federal actions to address environmental justice in minority populations and low-income populations. According to the U.S. Census Bureau, the 2016 population estimate for Martin County was 12,002 and does not contain significant minority populations. The 2015 census indicates Perry County is 91.8% white and has a median household income of \$25,795 compared with the median household income of \$43,740 for the Commonwealth of Kentucky. Individuals residing in the county below the poverty level is 40% compared to 18.5% statewide.

EO 13045 requires each Federal agency “to identify and assess environmental health risks and safety risks that may disproportionately affect children” and “ensure that its policies, programs, activities, and standards address disproportionate risks to children that result from environmental health risks or safety risks.” This EO was prompted by the recognition that children, still undergoing physiological growth and development, are more sensitive to adverse environmental health and safety risks than adults. The potential for impacts on the health and safety of children is greater where projects are located near residential areas.

Service provided by the water and sewer extension would provide utility service for the new high school building. Implementation of the PAA would provide the high school with a safe reliable water and sewer system, thereby improving the living environment for all visitors, staff, and students. No homes or buildings would be impacted by the proposed project; therefore, the PAA meets the directive of EO 12898 and EO 13045 by avoiding any disproportionately high adverse human health or environmental effects on minority or low income populations or children.

No positive impacts to minority or low income populations or children are anticipated to occur from the NAA.

4.16 Aesthetics

The project area is rural, consisting primarily of hillsides and roadways. Temporary disturbance of the local aesthetics would be anticipated during construction of the water and sewer extension; however after construction, the excavated sites would be restored to original conditions. The water storage tank is the one permanent change to the aesthetics of the area. Trees surrounding the tank site will help shield the tank from view. Additionally, there are no residences or businesses in the nearby vicinity of the tank to be effected by the location of the tank.

Neither the PAA nor NAA would significantly impact local aesthetics.



4.17 Transportation and Traffic

The proposed water line will follow Route 908 for a short stretch then on private property until after the proposed water store tank where it will be on Martin County School Board property. The sewer lift station will be on School Board property and the wastewater collection line on Kentucky Department of Transportation rights-of-way along KY Route 645. No new traffic patterns will occur as a result of this project. Construction of the PAA in and along existing road rights of way would involve some delays in the normal traffic flow. Construction on or near road surfaces would be in compliance with Kentucky Transportation Cabinet Guidelines. All appropriate guidelines for traffic control would be implemented and emergency access would be maintained. Impacts anticipated to occur from the PAA would be minimal and temporary.

No impacts to transportation and traffic are anticipated to occur from the NAA.

4.18 Health and Safety

The PAA has been designed to provide safe, reliable public water and proper disposal of wastewater to students and staff at the new school. The connection of the school to the existing wastewater system will prevent sewage from entering area streams or groundwater. Therefore, the PAA is anticipated to have a long term beneficial impact on health and safety for users of the facility and area residents.

Under the NAA, users of the facility would not have use of the new facilities and instead have to use temporary structures for class rooms which are not designed for long term use. This could cause negative impacts on the health and safety of all users of the school.

4.19 Cumulative Effects

The Corps must consider the cumulative effects of the proposed project on the environment as stipulated by NEPA. Cumulative effects are "the impact on the environment which results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (Federal or Non-Federal) or person undertakes such actions". Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time (40 CFR Part 1508.7 Council on Environmental Quality [CEQ] Regulations).

The cumulative effects analysis is based on the potential effects of the proposed project when added to similar impacts from other projects in the region. An inherent part of the cumulative effects analysis is the uncertainty surrounding actions that have not yet been fully developed. The CEQ regulations provide for the inclusion of uncertainties in the analysis and states that "when an agency is evaluating reasonably foreseeable significant adverse effects on the human environment...and there is incomplete or unavailable information, the agency shall always make clear that such information is lacking" (40 CFR 1502.22).



Temporal and geographical limits for this project must be established in order to frame the analysis. These limits can vary by the resources that are affected. The construction of a water system would have minimal and insignificant negative impacts on the environment. Long term beneficial effects will result from the project and would include health and safety. The temporal limits for assessment of this impact would initiate in 1972 with the passage of the Clean Water Act and end 50 years after completion of this project. The geographical extent would be broadened to consider effects beyond the PAA. The geographical extent considered is the Tug Watershed.

Then Tug Watershed is listed in the Environmental Protection Agency's Waterbody Quality Assessment Report where it is listed as impaired for sediment, salinity, turbidity, and PCBs. In the past, other villages and counties within the watershed have performed upgrades to existing water systems. These past actions had similar temporary impacts but no significant cumulative impact. The Tug Watershed is part of the Big Sandy River Basin. Watershed studies for the Big Sandy River Basin have been undertaken recently by both the Corps and the USDA, but currently, no programs are active in the Big Sandy Watershed. The Big Sandy Area Development District (BSADD) is a regional planning organization that serves Floyd, Johnson, Magoffin, Martin, and Pike Counties. BSADD performs services in water management and has a water management council that meets to discuss existing projects and needs within the service area. In the future, watershed programs may address obstruction to stream flow and other maintenance activities. Impairment of the Tug Watershed is expected to continue.

Section 4.0 documents the existing environment and potential environmental effects of the PAA and NAA with respect to existing conditions. The effects of the PAA, as discussed beforehand, are localized and minor. Past actions that may have resulted in similar effects may include water and sewer system improvement actions and the construction of the high school. No reasonably foreseeable future actions that would have similar impacts as the proposed action were identified. In scoping cumulative effects issues, no resources were identified as having a potential to be significantly affected. Only minor and temporary impacts to ecological resources would be sustained with the implementation of the PAA. These resources would be reestablished upon completion of construction.

The availability of Federal funds through programs, such as the 531 Program, to assist communities with installation and construction of water-related environmental infrastructure and resource protection and development projects in Kentucky, is an additional benefit. The significance of this action on health and safety would be positive. Given the current program is in place for the foreseeable future and the overall beneficial effect from implementation of the PAA, there is expected to be a positive, though small, cumulative effect on health and safety based on past, present, and reasonably foreseeable actions.

5.0 Status of Environmental Compliance

The PAA is in full compliance with all local, state, and Federal statutes as well as Executive Orders. Compliance is documented below in Table 2.



Table 2 - Environmental Compliance Status				
Statute/Executive Order	Full	Partial	N/A	
National Environmental Policy Act (considered partial until the FONSI is signed)	X			
Fish and Wildlife Coordination Act	X			
Endangered Species Act	X			
Clean Water Act	X			
Wild and Scenic Rivers Act	X			
Clean Air Act	X			
National Historic Preservation Act	X			
Archeological Resources Protection Act			N/A	
Comprehensive, Environmental Response, Compensation and Liability Act	X			
Resource Conservation and Recovery Act	X			
Toxic Substances Control Act	X			
Quiet Communities Act	X			
Farmland Protection Act	X			
Executive Order 11988 Floodplain Management	X			
Executive Order 11990 Protection of Wetlands	X			
Executive Order 12898 Environmental Justice in Minority Populations and Low-Income Populations	X			
Executive Order 13045 Protection of Children	X			

6.0 REQUIRED COORDINATION

6.1 Agencies Contacted

Direct coordination with the KHS, NRCS, Kentucky Department of Fish and Wildlife Resources, and USFWS was completed prior to publication of the EA. Agency correspondence is included in Appendix B.

6.2 Public Review and Comments

The EA and FONSI was made available for public review and comment for a period of 30 days, as required under NEPA. A Notice of Availability was also published in the local newspaper, Mountain Citizen, advising the public of this document's availability for review and comment. A copy of the EA was placed in the Martin County Public Library and made available on-line at <http://www.lrh.Corps.army.mil/Missions/PublicReview.aspx>. No comments were received. The mailing list for the EA is located in Appendix C.



7.0 CONCLUSION

The Hollybush / KY 645 Water and Sewer Extension project will provide safe drinking water and proper wastewater disposal for the new high school in Martin County, Kentucky. The proposed project will protect the health and safety of all users of the school facility. No significant adverse impacts have been identified as a result of implementation of the proposed improvements project.

The majority of construction would take place on previously disturbed land and land that is isolated from the most area residents and businesses. Health and safety would be realized immediately with project implementation. Effects associated with construction would be minor and temporary. BMPs would be implemented during construction to minimize impacts to residents and the environment. Therefore, the PAA would not be expected to have significant impacts on the human environment.

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