From: <u>Bruner, Brandon S (PSC)</u> on behalf of <u>PSC Executive Director</u>

To:

Subject: Martin County Water District (2020-00154 and 2021-00154)

 Date:
 Monday, September 20, 2021 3:16:00 PM

 Attachments:
 Letter to PSC about water outage.pdf

Thank you for your comments on the cases related to the Martin County Water District. Your comments in the above-referenced matter have been received and will be placed into the case files for the Commission's consideration. The documents in these cases are available at <u>View Case Filings for: 2021-00154 (ky.gov)</u> and <u>View Case Filings for: 2020-00154 (ky.gov)</u>.

Thank you for your interest in this matter.

From: PSC Public Information Officer <PSC.Info@ky.gov>

Sent: Friday, September 17, 2021 1:59 PM **To:** PSC Executive Director <PSCED@ky.gov>

Cc: Bridwell, Linda C (PSC) < linda.bridwell@ky.gov>

Subject: FW: Martin County Water District (2020-00154 and 2021-00154)

From: Nina McCoy < > Sent: Monday, September 13, 2021 4:27 PM

To: PSC Public Information Officer < PSC.Info@ky.gov>

cc: ; Lisa Stayton <

Subject: Martin County Water District (2020-00154 and 2021-00154)

Sent from Outlook

To: Kentucky Public Service Commission (psc.info@ky.gov)

From: Nina McCoy P.O. Box 922 Inez, KY 41224

Re: Martin County Water District (2020-00154) and (2021-00154

I am writing to the PSC regarding a recent crisis for customers of the Martin County Water District. However, if one did not see the dates, with the years attached, these might well be complaints from 2017 when another group of commissioners sat in your seats, another group sat on the local water board of commissioners and another manager oversaw the operations at the plant.

In 2017 the water district often shut down water to various parts of the county with little or no explanation. School was often called off due to these shutoffs because even though the water district said it would have water back on by the time school started it often took too long and the cooks could not prepare meals and the schools could not be assured that the bathrooms would have running water.

I am not sure if you can imagine the feeling of hopelessness and helplessness this type of déjà vu has on our shell-shocked community after 4 long years of vigilance and scrutiny from the Martin County Concerned Citizens with the constant help of Appalachian Citizens Law Center, the Martin County Water Warriors, the Mountain Citizen, and from the paying customers at large.

While a little over 8 million dollars has been appropriated for the district only about 2 million has been used. Of that 2 million over half a million was spent to build 2 raw water intake pumps. One of those (the 2 million gallon per day pump) was flooded in January and had to be sent back to the manufacturer. Unfortunately, for the citizens, the money that had been appropriated to pull it out of the flood zone was overbid. The second (the 4 million gallon per day) pump could not be used until the electrical system was upgraded at the river, but that was also overbid at the time.

The very thought that one of the few things our public water system had been granted was ruined by negligence or inability to bring it out of the flood plain (which is flooded every single year) is enough to bring tears to anyone's eyes out of frustration if not sheer sorrow. But the most harmful part of this particular replay of events- four years later - is the continuation of the lack of honesty from those who are in charge, leading to even more distrust and despair from our poor citizens.

In 2019 the PSC required this district to hire an outside management company and I for one was very hopeful that this would bring some expertise and accountability to the system. But we now find ourselves back in the exact same position we were in four years ago, just as we did in the 2002 PSC investigation and again in the 2006 PSC investigation where the citizens are being disregarded and disrespected, while the district is being coddled.

The proposal of the PSC staff that our rates be raised by 24.31% instead of the 11.7% rate increase proposed by Alliance flies in the face of the continued water loss rate (65-70%) and Alliance's lack of respect for customer complaints and concerns. To add insult to injury the July 9 PSC order (page 16) included a slur on the local paper, the Mountain Citizen, claiming that they had lied when, in fact, both allegations are true.

I am hoping in reading the following events with the photos attached as evidence from this one example (among the others that have been reported to you) that the Commissioners

will gain a better understanding of the vexations and frustrations of a customer base that finds itself again not being heard and unable to trust the system.

September 7, 2021 – I, Nina McCoy went to the Crum Reservoir for a sample collection of the source water for a UK- NIEHS grant regarding DBP's in drinking water. I was alarmed at how much lower the water level was than in the two previous sample collections. This is the lowest I have ever seen the reservoir. Below I am including two pictures of the reservoir. The first I took on September 7, 2021. The second I took on July 21, 2021. I want you to see how much the reservoir levels dropped during those 7 weeks (about 1 and a half months):



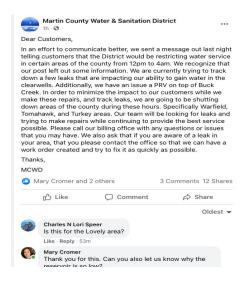


As you can see from the July 21 photo, the reservoir had already been low for some time, as evidenced by the grass growing on what should be covered if the reservoir was "full." Also, if you could zoom in, the rock directly across has always been our guide since it is worn more (lighter) below the normal water level.

The next day, September 8, 2021, the water district posted this Facebook message at



Naturally, this was unsatisfactory since it did not tell where water was being shut off or why. After much consternation from Facebook readers and a letter from Mary Cromer to Alliance employees, Craig Miller and Tony Sneed, a new Facebook post was put up on Sept. 8, 2021, at 3:25 pm:



As you might imagine, this was still not acceptable to the customers since, as one reader pointed out it would be impossible to find leaks when a.) the water is off and b.) it is dark between 12pm and 4 am.

During this period the Mountain Citizen, our local newspaper was trying to find out what was going on. I reported to them that the water levels were extremely low at the reservoir, and they sent a reporter to the reservoir. The Mountain Citizen reporter videoed Alliance employees installing a diesel pump to pump water from the reservoir because the water level was below the gravity feed pipes on the evening of Sept. 8. The Mountain Citizen posted the video to Facebook. The next day on Sept. 9, 2021, the Mountain Citizen posted these photos:



Finally, a third post was put up by the water district on September 11, at 1:39 pm:



Obviously, this is closer to an honest explanation than we had gotten thus far. However, the previous attempts should serve as a red flag to the customers, the water district, Alliance Water Resources, and the PSC concerning the ability of this system to develop a positive relationship with a customer base that needs, more than anything, to be heard and respected.

In a rural community and a small-town word gets around well beyond Facebook and Instagram. If the water district and the water commissioners would ever try to develop a trust with the community and actually listen to and make a serious effort to log the complaints and leak reports of the people who call Martin County home and then respond with honesty and integrity, they might get a real handle on what is going on. This adversarial relationship and dishonesty are toxic.

For the current PSC commissioners, I want you to be aware and to beware of how previous iterations of your entity (PSC case 2002-00116 and PSC case 2006-00303) as well as

other well-meaning groups have let this system rot from the inside while barely scraping the surface of the problem before moving on. An assessment by Judith Hansen, an expert brought here by Eastern Kentucky University

(https://martincounty.eku.edu/sites/martincounty.eku.edu/files/Ind_eval_MCWD_Feb06.pdf) should show you why we in Martin County feel like we are living in a warped version of "Groundhog Day." Here is an excerpt from page 6:

Joe Hammond was recently hired as General Manager of the MCWD

- He has the life experience and temperament to meet the challenges inherent
 in running the MCWD and has the requisite operational and technical
 expertise. In addition, he appears to use a common sense approach to
 problem solving and has the managerial and business skills needed to be
 effective. He appears to be uniquely qualified to steward the utility at this
 juncture in its development.
- He seems to care deeply about the community and the utility and is well aware of the problems and challenges he faces. Among his frustrations is seeing so many areas that need attention that he does not know what to tackle next.
- Joe understands the need to re-instill confidence in the customers of the MCWD and he has made it his mission to handle customer issues and complaints personally. As a life-long member of the community, he understands his customers and is able to gain their trust and resolve outstanding issues without compromising the position of the MCWD. **Emphasized by Nina McCoy
- Joe seems to have the attention and respect of his Board.

And from page 9:

A formal system to track and categorize complaints should be instituted. Joe and his
office staff are well aware of the nature and relative amounts of these calls on an
anecdotal basis and respond to all inquiries promptly. However, tracking these calls
in a database would allow more detailed analysis of these issues to be performed.

The 2nd PSC investigation (2006-00303) was started 3 months later. I worked with EKU and met with Judith Hansen during her visit. I know Joe Hammond, who was still manager when the 2016-00142 investigation began and our local paper, The Mountain Citizen reported honestly on each and every iteration of this water district and the investigations. If the current PSC does NOT require attention to customer complaints, customer relations, honesty and integrity, then all the money that the citizens of Martin County might ever have will never be enough to fix this water district.

*Martin County Water District 387 East Main Street, Suite 140 Inez, KY 41224

*Craig Miller Martin County Water District c/o Alliance Water Resources, Inc. 1402 East Main Street Inez, KY 41224

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