

**Hardin County Water District No. 1  
Minutes of Special Meeting  
of the Board of Commissioners**

**January 3, 2017**

Chairman William Gossett called the meeting to order at 11:25 A.M. with Commissioners John Tindall, Jim Shelton, Howard Williams and Ron Hockman in attendance. Staff present included Jim Bruce, General Manager; Brett Pyles, Operations Manager; Daniel Clifford, Engineering Manager; Scott Schmuck, Finance & Accounting Manager; Justin Metz, Radcliff Sewer Utility Supervisor; Richard Stranahan, Fort Knox Distribution Supervisor; Mandy Spalding, Pirtle Spring Water Treatment Plant Supervisor; Cameron Cochran, Water Treatment Plant Operator Trainee; Andrea Palmer, Executive Assistant; and David Wilson and Dustin Humphrey, Attorneys. Lunch was provided for the Board and staff.

An invocation was given by Commissioner Williams. Chairman Gossett opened the floor for public comment. There were no public comments offered and the floor was closed to public comment.

Chairman Gossett noted that there was a new employee present. Ms. Spalding introduced Cameron Cochran as the new Water Treatment Plant Operator Trainee at Pirtle Sprint Water Treatment Plant and gave his brief history. The Board welcomed him. Ms. Spalding and Mr. Cochran exited the meeting at this time.

Chairman Gossett noted that there is only one item on the Agenda for today. Secretary Hockman asked to provide a statement or explanation at this time. Secretary Hockman stated that he has a family member that currently works for Veolia and due to that potential conflict of interest, he would recuse himself from any discussion or vote pertaining to the agenda item. He reviewed materials he had received at previous Public Service Commission Board member training, which included presenters from the PSC, Attorney General and KRWA. In that training, their suggested response for Board members in a meeting where they may have a conflict of interest would be that the Commissioner should announce it to the Chairman, recuse himself from the vote, and leave the room before any discussion takes place. Chairman Gossett answered that the Board respects Secretary Hockman's decision, and Secretary Hockman exited the meeting at this time.

**Ft. Knox Sewer - Self Operations Comparison:** Mr. Bruce presented the item, noting the executive summary and explained why Mr. Stranahan and Mr. Metz were both present. Commissioner Williams had a question regarding a potential meeting with Fort Knox officials regarding operation changes, and discussion ensued. Commissioner Williams and Treasurer Tindall offered to attend the meeting in order to show solidarity of the Board in this decision. Mr. Bruce thanked them and said that Treasurer Tindall might be his suggested person as he has prior experience with Ft. Knox contracting officials and the contracting process. Treasurer Tindall said he would be glad to attend and support the staff.

Chairman Gossett asked Mr. Wilson if he had any concerns regarding the contract documentation, and discussion ensued regarding the contract between the District and Veolia. Mr. Wilson noted the Veolia termination clause did refer to a FAR 52.249-2, however he was not sure that even applied as the Government was not terminating the District's contract for convenience.

There was brief discussion about the operation plan proposed, including staffing, before Commissioner Williams made a motion to authorize the General Manager to proceed with all planning, purchasing, hiring and bidding for all resources needed to begin operations effective July 1, 2017 and to notify the Government and Veolia of this intent. Commissioner Shelton seconded the motion and motion passed.

Mr. Bruce thanked Mr. Pyles, Mr. Schmuck, Mr. Stranahan and Mr. Metz for their work on this matter. The Board thanked them as well.

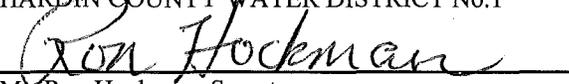
**Adjourn:** Being no further business before the Board, Treasurer Tindall made a motion to adjourn at 12:25 P.M. Motion was seconded by Commissioner Shelton and motion passed.

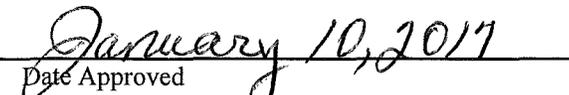
(Minutes submitted by Andrea Palmer, Executive Assistant)

**APPROVAL OF MINUTES**

I hereby certify that the foregoing minutes were duly approved by the Board of Commissioners of the Hardin County Water District No. 1 at a meeting held on the date shown below:

HARDIN COUNTY WATER DISTRICT No.1

  
Mr. Ron Hockman, Secretary

  
Date Approved