

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

March 21, 2017

Chairman William Gossett called the meeting to order at 11:31 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; Andrea Palmer, Executive Assistant; and David Wilson, Attorney. 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 asked for a motion to accept the minutes presented. Commissioner Williams made a motion to accept the minutes from the February 21 regular meeting with changes as noted. The motion was seconded by Treasurer Tindall and the motion passed.

Mr. Schmuck presented the treasurer's report and noted that year to date revenue shows a decrease due to a decrease in total gallons of water sold. He added that advertising expense for the month shows an increase due to recruiting efforts for the Human Resource Specialist. He mentioned that Radcliff Sewer revenues show an increase of roughly 2.3% and explained that the credit balance in the maintenance and repair account is due to an insurance claim for storm damage. Lastly, he explained that the Fort Knox Water revenues are decreased due to discontinuance of funding for the Muldraugh Water Plant operations. Mr. Bruce explained this further.

There was discussion regarding the delay in opening the Radcliff VA Nursing Home located in Radcliff. Staff explained that the private infrastructure inside the nursing home is constricting water flow. Mr. Pyles stated that the State had requested a larger meter which had been ordered and will install it upon request from the nursing home officials, but he added that the District can only do what the officials ask for or designed. District staff has looked at the equipment and tested pressures, but has nothing to do with the flow issues that the Nursing Home is experiencing. Treasurer Tindall asked if the District should have a statement ready explaining this situation, and Mr. Bruce volunteered to draft one.

Board Monitoring Reports: Mr. Bruce presented the General Manager's Report and offered to answer questions. Secretary Hockman noted that he saw in the News Enterprise that Hardin County Water District No. 1 was working with Airview Estates. He asked Mr. Bruce to explain. Mr. Bruce answered that it was a typo, and should have read Hardin County Water District No. 2.

Commissioner Williams had questions about the Human Resource Specialist position, and Mr. Bruce answered. He noted that the District had received 52 completed applications and had begun the second phase of the selection process. He answered all Board follow up questions regarding the hiring process for this position.

Mr. Bruce then briefed the Board on the meeting that was held on March 2nd between District staff, Meade County, City of Brandenburg officials including both Hardin and Meade County Judge Executives regarding the water supply to MCWD. There were discussions regarding service to Brandenburg in an emergency situation, and Mr. Bruce answered that the District had never studied that possibility. There were further discussions regarding other wholesale customers including the cities of West Point and Vine Grove.

Mr. Pyles presented the Operations Manager's Report and noted that the water loss percentage is 11.8% for the year. He noted that he believes a large leak found on Congress Dr. had been leaking for a long period and had been previously driving the water loss percentage up. Commissioner Williams asked for an update on a homeowner that had water in their basement in relation to that leak, and Mr. Pyles answered that the homeowner was very pleased with the District's reaction time and effort in resolving the situation. Treasurer Tindall noted that he had also spoken to the homeowner and that he was very complimentary of staff.

Mr. Clifford presented the Engineering Manager's Report and gave an update on the 1882/144 Transmission Main Rural Development project. He notified the Board that Cumberland Pipeline would not agree to honor their per unit bid prices for the second phase of the project, therefore the District had initiated the bid process and would be advertising in the upcoming weekend. He updated the Board on the Louisville Water Interconnect project, commenting that the pump station had been installed successfully and the 24" line was being installed in the following week. In reference to the Quiggins pump station project, Treasurer Tindall asked if the District would be able to use some of the fill dirt that had been removed from the site

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to complete their project and Mr. Clifford answered that they were planning to. Mr. Clifford answered Board questions regarding pipe lining by Insituform and the suitability of the Millpond Tank Site.

Consent Agenda: Treasurer Tindall made a motion to approve Change Order No. 4 to Cleary Construction for the LWC Interconnect Project for changes to the alignment of the 24 inch DIP main in Jefferson County. Secretary Hockman seconded the motion and motion passed.

Follow-up to KRDA Support: Mr. Bruce presented the item and asked Mr. Wilson for an update. Mr. Wilson presented a conversation that he had with Mr. David Spenard at the Public Service Commission, who suggested that the District send a letter to the PSC for a staff opinion. There was discussion regarding the need to send the letter to the Attorney General as well, after which the Board instructed Mr. Wilson to send the letter to the PSC only and bring their response back to a future meeting.

Life Insurance & Long Term Disability Renewal: Mr. Bruce presented the item and gave a brief history on the topic. Secretary Hockman asked that staff inquire about coverage for the Board Members. Secretary Hockman then made a motion to approve changing Life, AD&D and Long-Term Disability insurance to Anthem with C&H as the District's broker and begin offering Voluntary Life and AD&D coverage through Anthem at the cost to the employee and authorize staff and the agent to proceed with any changes needed to the plan, including making C&H the District's Agent of Record for Life and AD&D policies. Commissioner Williams seconded the motion and motion passed.

New Business: Mr. Bruce explained that a lawnmower had been approved for replacement in the budget and now that the new one had been received, the District was ready to deem the old mower surplus and sell it. He presented the bids that had been received on the mower to the Board. Treasurer Tindall asked if the old mower could be used longer and avoid buying a replacement. Mr. Bruce answered that the new mower had already been approved by the Board with the 2017 Budget and had already been purchased. Mr. Pyles also gave his opinion of the condition of the old mower. Commissioner Williams made a motion to declare the Grasshopper mower as surplus and authorize staff to sell and deliver to the highest bidder subject to the terms of the bid forms. Commissioner Shelton seconded the motion and motion passed.

Closed Session: Mr. Bruce noted the need for a closed session to discuss litigation. Secretary Hockman made a motion to enter into closed session in order to discuss litigation in accordance with KRS.61.810.1.c. Commissioner Williams seconded the motion and the motion passed. Chairman Gossett reconvened open session at 1:15 P.M.

Adjourn: Being no further business before the Board, Secretary Hockman made a motion to adjourn at 1:15 P.M. Motion was seconded by Commissioner Williams and motion passed.

(Minutes submitted by Andrea Palmer, Executive Assistant)

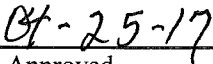
APPROVAL OF MINUTES

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