

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

June 20, 2017

Chairman William Gossett called the meeting to order at 11:34 A.M. with Commissioners John Tindall, Ron Hockman, Jim Shelton, and Howard Williams in attendance. Staff present included Jim Bruce, General Manager; Brett Pyles, Fort Knox Systems Manager; Daniel Clifford, Engineering Manager; Scott Schmuck, Finance & Accounting Manager; John Hutcherson, GIS Specialist; Andrea Palmer, Executive Assistant; and David Wilson, Attorney. Ms. Janice Shisler was the only guest present. Lunch was provided for the Board, staff and guest.

An invocation was given by Secretary Hockman. 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. Mr. Clifford introduced Mr. John Hutcherson as the new GIS Specialist and gave a brief history of his background and hobbies. The Board introduced themselves and welcomed him. Mr. Hutcherson left the room at this time.

Executive Recruiting Consultant Introduction: Chairman Gossett asked for and gained consensus to move agenda item 9 to the top of the agenda. Mr. Pyles exited the room at this time. Mr. Bruce introduced Ms. Shisler, who gave a brief introduction of herself and her business and thanked the Board for the opportunity. She then made a slide presentation regarding the recruitment of the General Manager in Training and answered all Board questions. She referenced the material that she had distributed and there was brief discussion regarding confidentiality. After discussing timeline and process, the Board thanked Ms. Shisler and she exited the meeting and Mr. Pyles re-entered the meeting at this time.

Chairman Gossett asked for a motion to accept the minutes presented. Commissioner Williams made a motion to accept the minutes from the May 20th regular meeting. The motion was seconded by Treasurer Tindall and the motion passed.

Mr. Schmuck presented the Treasurer's report and noted that three of the five funds reflect a net loss for the month and gave the Board an explanation of why. He noted that even though Fort Knox Sewer is reflecting a net loss, it was actually budgeted that way so it was expected. He pointed out highlights for each fund and answered multiple Board questions to their satisfaction. Commissioner Williams made a motion to accept the Treasurer's report. The motion was seconded by Commissioner Shelton and passed.

Board Monitoring Reports: Mr. Bruce presented the General Manager's Report and offered to answer any questions. Discussion ensued regarding personnel and staffing for the Fort Knox Sewer System. Mr. Bruce briefed the Board on a proposal that the District made to Ft. Knox officials to operate the sewer treatment plant with one twelve hour shift as opposed to three shifts per day which staff estimated could save over 6 million on the remaining contract years. He noted that the Government asked to leave the 3 shift schedule in place, but may revisit that in the future again.

Mr. Pyles presented the Operations Manager's Report and offered to answer any questions. Chairman Gossett commended staff on a lowered water loss percentage, and Mr. Pyles noted that the District had located several leaks. Treasurer Tindall had some questions regarding pipe cleaning for the sewer systems and Mr. Pyles answered them to his satisfaction.

Mr. Clifford presented the Engineering Manager's Report and answered questions regarding the District's participation in the Quiggins Storm Water Basin project that the City is conducting. There was brief discussion regarding the District's satisfaction with the timely performance in the Whispering Hills Tank painting project, and Mr. Clifford answered questions regarding the Veterans Nursing Home (RVANH) and their water flow rate. Mr. Pyles also reviewed his recent conversations with the RVANH manager and found they were satisfied with the water flow and pressure.

Mr. Bruce informed the Board that the District had been contacted by a pump vendor who had not been paid by the contractor on a recent District project at the Ft. Knox Wastewater Treatment Plant. Mr. Bruce stated that the District had paid the contractor and asked Mr. Wilson to follow up.

Closed Session: Mr. Wilson noted that he would need to leave the meeting early and stated that there was a need for a closed session to discuss litigation. Treasurer Tindall made a motion to enter into closed session in order to discuss a litigation matter, as prescribed in KRS 61.810.1.c. The motion was seconded by Commissioner Shelton and passed. Chairman Gossett reconvened open session at 1:15 P.M. Mr. Wilson exited the meeting at this time.

Consent Agenda: Commissioner Williams made a motion to approve the consent agenda. Commissioner Shelton seconded the motion and motion passed. (Award the bid for a Closed Circuit Television Inspection system to the low bidder, Jack Doheny Supply, and award a bid for the Jetter Cleaner Trailer to Technology International, with both items being for

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the Ft. Knox sewer operations / Authorize staff to award a contract for sludge hauling to Red River for both wastewater Treatment plants for 1 year with an option for a 2nd year, in the amount of the lowest bid amount / Authorize payment of up to \$1,100 for lift station signs as part of the Ft. Knox Sewer start-up expense / Authorize staff to award the contract to Phillips Brothers Construction for \$19,767 for revisions to the Park Road Storm Drainage project at the Ft. Knox storm water system / Declare a 2000 Timberline Cargo Trailer as surplus and authorize staff to accept a high bid of \$1,100, plus 6% Kentucky sales tax if applicable, from Teresa Sanders, for the sale of this item.)

Small Business Program Management Services Proposal: Mr. Bruce presented the item. Treasurer Tindall asked about the termination clause in a future contract, which Mr. Bruce answered. Treasurer Tindall made a motion to authorize staff to enter into an agreement with MMN Consulting, LLC to provide Small Business Program Management services for the Ft. Knox Water and Sewer contracts, with the intent of increasing future small business contracts for utility projects related to Ft. Knox. Commissioner Shelton seconded the motion and motion passed.

Sewer Credit - Pool Filling: Mr. Bruce presented the item and answered all Board questions. Secretary Hockman made a motion to direct staff to finalize a tariff change to allow a residential sewer credit for filling of a residential swimming pool, and include the staff's recommended rules, with changes as directed, and to bring back final tariff language for Board approval before filing with the Public Service Commission. The motion was seconded by Treasurer Tindall and passed.

Millpond Tank Geotechnical Report: Mr. Bruce presented the item and offered to answer questions. Discussion ensued regarding the deed for the land and the funding for the tank construction. Mr. Bruce proposed that staff write a letter to the Mayor of Radcliff inquiring about the deed transfer and the Board concurred.

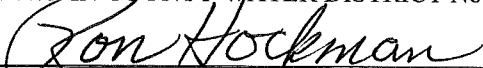
Adjourn: Being no further business before the Board, Secretary Hockman made a motion to adjourn at 1:45 P.M. Motion was seconded by Treasurer Tindall and motion passed.

(Minutes submitted by Andrea Palmer, Executive Assistant)

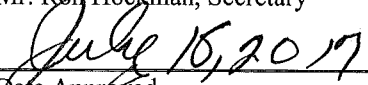
APPROVAL OF MINUTES

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