

**MINUTES OF THE
HARDIN COUNTY WATER DISTRICT NO. 2
BOARD OF COMMISSIONERS' MEETING
June 19, 2018**

The Board of Commissioners of Hardin County Water District No. 2 held its regular monthly meeting on June 19, 2018 at 4:00 p.m. at the Reesor Customer Service Center, 360 Ring Road, Elizabethtown, Kentucky. Present were Commissioners Mike Bell, Tim Davis, John Effinger, Morris L. Miller, and Cordell Tabb. Also present were General Manager James R. Jeffries, Scott Clark, Amber Pike, Shaun Youravich, Damon Talley, Mark Sneve, Brandon Hamilton, Michael Carroll, Monica Sumner, and Brian Woosley. Chairman Bell declared that a quorum was present and called the meeting to order.

VISITORS

No Visitors were present.

MINUTES & FINANCIAL REPORT

The Minutes of the May 15, 2018 meeting were reviewed. Motion was made by Commissioner Miller and seconded by Commissioner Davis to approve the Minutes as prepared. Motion carried unanimously.

The Financial Report for the month of May was reviewed. Motion was made by Commissioner Miller and seconded by Commissioner Davis to accept the Financial Report as presented and to authorize payment of the bills that are due and payable at this time. Motion carried unanimously. The Commissioners also reviewed the status of the District's various investment accounts and the long-term debt payment requirements.

REPORTS

- 1. Engineering Reports.** Brandon Hamilton presented the engineering report for water. Mark Sneve presented the engineering report for wastewater. Michael Carroll and Monica Sumner presented the Architectural Report.

A. Engineering Reports – Water. Brandon Hamilton presented an update on the status of the White Mills WTP Rehab Project. He reported that the painting contractor is approximately 98% complete with its work. All three (3) ClariCones should be back online by June 22, 2018. He reported that the loading dock repairs are the only remaining items on Contract 29.

B. Engineering Reports – Wastewater – Nolin River Watershed. Mark Sneve presented a status report on the Nolin River Watershed Wastewater Project. The Project is still progressing smoothly. All contractors have performed at least 20% of their work.

C. Architectural Report. Michael Carroll and Monica Sumner with Brandstetter Carroll presented a status report on the 315 Ring Road Project. They presented an overview of the site plan and a program spacing diagram of the building interior.

2. Departmental Reports. General Manager Jeffries presented the Departmental Reports. It was noted that the District reached a milestone during the month of May. For the first time in its history, the District had over 28,000 active customers.

OLD BUSINESS

1. Appraisal of 360 Ring Road Property. General Manager Jeffries explained the possible need to engage the services of Rick Baumgardner to appraise the 360 Ring Road Property. By consensus, the Commissioners authorized General Manager Jeffries to contact Mr. Baumgardner and request that he be “on call” to appraise the 360 Ring Road Property upon notification from the District.

2. Wholesale Rate for District No. 1. Chairman Bell and General Manager Jeffries presented an update on the proposed wholesale rate for District No. 1. Apparently, District No. 1 will not need to purchase as much water from District No. 2 as it originally anticipated.

NEW BUSINESS

1. 2017 Audit. Brian Woosley of Stiles, Carter & Associates, PSC, the accounting firm which prepared the District's Audit, presented the Audit Report for the 2017 calendar year. The Audit Report contains an unmodified ("clean") opinion. Motion was made by Commissioner Tabb and seconded by Commissioner Davis to accept the 2017 Audit Report. Motion carried unanimously.

2. WTP Raw Water Pumps - Emergency. Shaun Youravich informed the Board of the urgent need to purchase two (2) large raw water replacement pumps utilizing the "emergency" provisions of KRS 424.260. Chairman Bell declared that an emergency exists with respect to the need to purchase two (2) large raw water replacement pumps (See Certificate of Emergency executed by Chairman Bell). Therefore, pursuant to the provisions of KRS 424.260(4), it will not be necessary for the District to advertise the purchase of the replacement pumps in the newspaper. Motion was made by Commissioner Tabb and seconded by Commissioner Effinger to accept the bid quote from Straeffer Pump & Supply, Inc. to provide two (2) raw water intake pumps in the amount of \$45,900 for each pump and to authorize the purchase of both pumps. Motion carried unanimously.

3. Langley Family Foundation Scholarships. Chairman Bell provided an update on the Langley Family Foundation Scholarship Program and presented the Scholarship Committee's Report. Motion was made by Commissioner Tabb and seconded by Commissioner Davis to accept the Scholarship Committee's Report and to award \$1,000 scholarships to each of the 32 persons recommended by the Scholarship Committee. Motion carried unanimously.

4. Executive Session. Motion was made by Commissioner Effinger and seconded by Commissioner Tabb to go into Executive Session to discuss real property acquisitions, potential litigation, and personnel matters involving one or more specific employees. Motion carried unanimously.

***** EXECUTIVE SESSION DISCUSSION *****

Motion was made by Commissioner Tabb and seconded by Commissioner Effinger to return to open session. Motion carried unanimously. Chairman Bell

announced that it would be necessary to take action concerning some of the matters discussed in Executive Session.

5. Wage Adjustments. Upon joint motion duly made, seconded and unanimously adopted, the Commissioners decided to take the following actions: (a) to make a COLA adjustment of \$0.38 per hour for all hourly employees; (b) to make a 2% merit matrix adjustment for full-time, hourly employees; (c) to adopt the proposed 2018 District Grade and Wage Scale table which was updated based on the comprehensive 2017 Wage Survey presented at the May Board meeting; (d) to provide a onetime “market adjustment” applied at the Manager’s discretion for all hourly employees as an application of the new 2018 District Grade and Wage Scale; (e) to increase the salaries of the salaried employees as recommended by General Manager Jeffries; (f) to increase the salary of General Manager Jeffries as noted in his personnel file; and (g) to make all adjustments effective with the first pay period in July.

ADJOURNMENT

There being no further business to come before the meeting, motion was made by Commissioner Miller and seconded by Commissioner Tabb to adjourn the meeting. Motion carried unanimously.

HARDIN COUNTY WATER DISTRICT NO. 2

BY: _____
Morris L. Miller, Secretary

Date Approved: _____

BY: _____
Michael L. Bell, Chairman