

**MINUTES OF THE
HARDIN COUNTY WATER DISTRICT NO. 2
BOARD OF COMMISSIONERS' MEETING
August 21, 2018**

The Board of Commissioners of Hardin County Water District No. 2 held its regular monthly meeting on August 21, 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, Vaughn Williams, and Monica Sumner. Chairman Bell declared that a quorum was present and called the meeting to order.

VISITORS

No Visitors were present.

SPECIAL RECOGNITION

Chairman Bell announced that General Manager Jeffries will be celebrating his 12th Anniversary as General Manager of the District on August 28, 2018.

MINUTES & FINANCIAL REPORT

The Minutes of the July 17, 2018 Regular meeting and the Minutes of the August 7, 2018 Special meeting were reviewed. Motion was made by Commissioner Davis and seconded by Commissioner Effinger to approve both sets of Minutes as prepared. Motion carried unanimously.

The Financial Report for the month of July was reviewed. Motion was made by Commissioner Miller and seconded by Commissioner Effinger 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.** Vaughn Williams presented the engineering report for water. Mark Sneve presented the engineering report for wastewater. Monica Sumner presented the Architectural Report.
 - A. **Engineering Reports – Water.** Vaughn Williams presented an update on the status of the White Mills WTP Rehab Project. He reported that the painting contractor has completed its work. He reported that most of the loading dock repairs have been completed on Contract 29. Kenvirons plans to present Final Adjusting Change Orders for consideration at the September Board meeting.
 - 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 32% of their work and Contract 4 is 49% complete. He reviewed several potential change orders that will reduce the contract amounts. He also reviewed the proposal from Norris Brothers to install Alternate Sewer Lines F, I, and J. By consensus, the Board authorized Strand to seek other proposals for installing the alternate sewer lines that were omitted from Contract 3.
 - C. **Architectural Report.** Monica Sumner with Brandstetter Carroll presented a status report on the 315 Ring Road Project. She presented a final site plan and layout of the office building interior. **(See New Business, Item 3 for Board Action)**
2. **Departmental Reports.** General Manager Jeffries presented the Departmental Reports.

OLD BUSINESS

1. **Downtown Water Storage Tank.** The Commissioners reviewed the Preliminary Engineering Report prepared by Kenvirons for the Downtown Tank Replacement Project. Motion was made by Commissioner Davis and seconded by Commissioner Effinger to accept the recommendation of Kenvirons for the proposed site of the Downtown Replacement Tank and to authorize Commissioner Tabb to negotiate with the property owner for the acquisition of the tank site. Motion

carried unanimously.

2. RD Bond De-Obligation. General Manager Jeffries announced that RD has accepted the District's request to reduce the size of the proposed RD Bond Issue from \$5.0 million to \$3.4 million.

NEW BUSINESS

1. Supplemental Bond Resolution. Commissioner Tabb introduced, caused to be read in full, and moved for the immediate adoption of a proposed Resolution identified by its title or caption as follows:

FIRST SUPPLEMENTAL BOND-AUTHORIZING RESOLUTION

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF HARDIN COUNTY WATER DISTRICT NO. 2 AMENDING AND SUPPLEMENTING THE BOND-AUTHORIZING RESOLUTION OF THE DISTRICT DATED MARCH 15, 2016 FOR THE PURPOSES OF (1) REDUCING THE AUTHORIZED AGGREGATE PAR AMOUNT OF THE SERIES 2016A BONDS AUTHORIZED THEREUNDER FROM \$5,000,000 TO \$3,400,000; (2) REVISING THE AMOUNT OF EACH ANNUAL PRINCIPAL MATURITY OF THE SERIES 2016A BONDS TO REFLECT THE REDUCTION IN THE AGGREGATE PRINCIPAL AMOUNT TO BE OUTSTANDING; (3) REVISING THE DESCRIPTION OF THE SOURCES OF FUNDS TO BE USED TO FINANCE THE RELATED PROJECT COSTS; (4) UPDATING THE IDENTIFICATION OF BONDS OF THE DISTRICT CURRENTLY OUTSTANDING TO BE SECURED ON A PARITY AS TO SECURITY AND SOURCE OF PAYMENT WITH THE SERIES 2016A BONDS; AND (5) TAKING OTHER RELATED ACTIONS

The motion for the adoption of the Resolution was seconded by Commissioner Davis. After full discussion, Chairman Bell put the question to vote, and the following voted:

Voting "Aye": All Commissioners present.
Voting "Nay": None.

Chairman Bell then announced that the motion was carried and the Resolution was duly adopted.

2. Geotechnical Services. The Commissioners reviewed the 13 proposals received for performing the Geotechnical Services required for the 315 Ring Road Project. Upon recommendation by Brandstetter Carroll, motion was made by Commissioner Davis and seconded by Commissioner Tabb to take the following actions: (a) to declare the proposal submitted by Building and Earth Sciences, Inc. in the amount of \$3,880.00 to be the lowest and best bid for Geotechnical Services; (b) to accept the proposal submitted by Building and Earth Sciences, Inc.; (c) to award the Geotechnical Services contract to Building and Earth Sciences, Inc.; and (d) to authorize General Manager Jeffries or other appropriate personnel to execute the necessary documents with Building and Earth Sciences, Inc. Motion carried unanimously.

3. 315 Ring Road Project. Motion was made by Commissioner Miller and seconded by Commissioner Effinger to authorize Brandstetter Carroll to proceed with Final Design and preparation of the plans and specifications for the 315 Ring Road Project. Motion carried unanimously.

4. Mid-year Status Review of Healthcare Plan. Amber Pike presented an excellent and comprehensive mid-year review of the District's Healthcare Plan. Commissioner Davis, in his capacity as Chairman of the Insurance Committee, recommended that the District amend the Pharmacy Benefits of its Healthcare Plan and adopt a variable deductible on prescription drugs for Tier III. All other co-pays, deductibles, and out-of-pocket limits will remain unchanged for the 2019 Healthcare Plan. Motion was made by Commissioner Davis and seconded by Commissioner Tabb to adopt the recommended change. Motion carried unanimously.

5. Harassment Policy Revision. Amber Pike informed the Commissioners that all District employees have recently undergone Harassment

Training. As part of that process, Stoll Keenon Ogden PLLC reviewed the existing Harassment Policies and recommended certain changes. Motion was made by Commissioner Miller and seconded by Commissioner Tabb to adopt the recommended changes to the District's Harassment Policy (See attached copy). Motion carried unanimously.

6. Employee Handbook Review. Amber Pike informed the Commissioners that District Staff has commenced reviewing the entire Employee Handbook. Once the review has been completed, the proposed changes to the Employee Handbook will be reviewed by legal counsel and then presented to the Board for final action.

7. Treatment of Confidential Information. General Manager Jeffries discussed the importance of keeping Personal Identifying Information (PII) of customers and employees confidential. The Commissioners discussed the most appropriate methods for ensuring that current and new District employees do not disclose PII or violate the privacy protections of HIPPA. This matter will be addressed during the review of the Employee Handbook.

8. Request to Bid P&L Insurance Services. Commissioner Davis, in his capacity as Chairman of the Insurance Committee, noted that the District's Property and Casualty Insurance policies expire on December 31, 2018. The Insurance Committee recommended that the District solicit proposals for Property and Casualty Insurance Services. Motion was made by Commissioner Davis and seconded by Commissioner Effinger to accept the Insurance Committee's recommendation and authorize District Staff to solicit proposals for Property and Casualty Insurance Services. Motion carried unanimously.

9. 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 not be necessary to take any action concerning the matters discussed in Executive Session.

ADJOURNMENT

There being no further business to come before the meeting, motion was made by Commissioner Davis and seconded by Commissioner Effinger 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