

**DORSEY, GRAY, NORMENT & HOPGOOD**

**ATTORNEYS-AT-LAW**

**318 SECOND STREET**

**HENDERSON, KENTUCKY 42420**

**JOHN DORSEY (1920-1986)  
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**FEB 19 2014**

**PUBLIC SERVICE  
COMMISSION**

**February 10, 2014**

**Mr. Jeff DeRouen  
Kentucky Public Service Commission  
P.O. Box 215  
Frankfort, KY 40602-0615**

**Re Henderson County Water District  
Case No. 2013-00154**

**Dear Mr. DeRouen:**

**The Henderson County Water District in regards to the November 15, 2013, Order in Case Number 2013-00154 would like to file the following documents:**

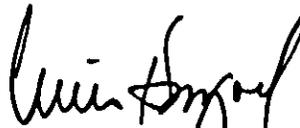
**For Item number eight (8) please find attached copies of the Resolution passed by the Henderson County Fiscal Court and the Order from the Webster County Fiscal Court approving the Henderson County Water District's Board of Commissioner's current salaries.**

**For Item number nine (9), please find attached a copy of the August 21, 2013 Board meeting minutes where the Henderson County Water District's Board of Commissioners approved the salaries and wages of the Henderson County Water District employees. The Henderson County Water District has implemented the internal control of having the Henderson County Water District Board of Commissioners review the salaries and wages of the Henderson County Water District employees on a semi-annual basis based on its fiscal year (the August Board meeting and six months later, by the February Board meeting).**

**For Item number seven (7), the District respectfully requests an additional 30 days to finalize. Henderson County Water District employees have implemented a new inventory system that is working in conjunction with the work order system. However, staff presented the Henderson County Water District Board of Commissioners with a Capitalization, Construction and Retirement of Utility Plant Asset policy. The Board of Commissioners has asked staff to strengthen this policy and return to the Board of Commissioners with it at the February 2014 Board meeting.**

If you have any questions, feel free to contact me or Pete Conrad, Superintendent of the Henderson County Water District at: [pconrad@hendersoncounty.ky.gov](mailto:pconrad@hendersoncounty.ky.gov).

Respectfully,

A handwritten signature in black ink, appearing to read "J. Christopher Hoggood". The signature is written in a cursive style with a large initial "J" and "H".

J. Christopher Hoggood  
Attorney for HCWD

Cc: Pete Conrad

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PUBLIC SERVICE  
COMMISSION

RESOLUTION

WHEREAS, the Henderson County Water District provides a vital service for the health and well-being of our citizens; and

WHEREAS, all important decisions and business of the Water District is conducted by its board of commissioners making their attendance imperative to the success and efficient operation of the Water District; and

WHEREAS, Henderson County Fiscal Court approves and supports the decision by the Henderson County Water District Board to pay each commissioner \$150.00 per meeting for attending the Henderson County Water District Board meetings; and

NOW THEREFORE, BE IT RESOLVED, that the County of Henderson, Kentucky supports and approves the payment of \$150.00 per meeting for each Water District Commissioner as compensation for attendance of the monthly meetings.

Motion was made by Magistrate Todd and seconded by Magistrate Wilkerson, to adopt the foregoing resolution.

Upon roll call, the vote stood:

Magistrate Puttman	Aye
Magistrate Alexander	Aye
Magistrate Warren	Aye
Magistrate Todd	Aye
Magistrate Wilkerson	Aye

SIGNED THIS 3rd day of September, 2013

Charles A. Olyaruk Pro Tem  
Henderson County Judge/Executive

ATTEST:

M. Sue Baker  
Fiscal Court Clerk

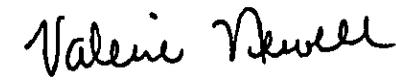
HENDERSON COUNTY WATER DISTRICT  
Order Setting Salaries

Pursuant to KRS 74.020, the Fiscal Court of Webster County hereby sets the salaries for the Henderson County Water District Commissioners. Henderson County Water District has five commissioners who shall be a monthly salary of \$ 150.00.

Done this 26<sup>th</sup> day of August, 2013 by the Webster County Fiscal Court.

  
James R. Townsend  
Webster County Judge/Executive

Attest:

  
Valerie Newell  
Webster County Clerk

Henderson County Water District  
Board of Commissioners  
Board Meeting Minutes

August 21, 2013

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**PUBLIC SERVICE  
COMMISSION**

Members Present: David Spainhoward, Brian Pritchett, Bobby Yates, Kenny Rideout & Mike Skaggs

Absent:

Others Present: Jimmy Skaggs, Lisa Gish, Erin Schmidt, Mark Stephens and Pete Conrad

Motion was made by Skaggs and seconded by Yates to accept the July 31, 2013 Minutes and, agreed by all Members present, the Motion carried.

Motion was made by Skaggs and seconded by Yates to accept the bills paid after July 31, 2013 Board Meeting from the General and O&M Accounts and, agreed by all Members present, the Motion carried.

Financial report was accepted as presented.

**Bills Paid July 17 through August 15, 2013**

<b>Name</b>	<b>Memo</b>	<b>Account</b>	<b>PD</b>
Bryan Crafton	damaged invisible fence in yard setting neighbors meter	186-2 · Other Deferred Debits	-325 00
Kentucky State Treasure sales tax		236-3 · Sales Tax Payable	-834 89
Henderson Water Utility		236-9 · City Sewer Payable	-6,517.42
Kentucky State Treasurer (health In)	96643	240-0 · Payroll Liabilities	-86 66
G&C Supply Co., Inc.	ball valves	333-4 · Services	-109 01
G&C Supply Co., Inc.	corp stops	333-4 · Services	-205 70
Neptune Equipment Company	6" meter	334-4 · Meters & Meter Installation	-2,480 00
Utility Pipe Sales	parts to install hydrants at Sandy Watkins park	335-4 · Hydrants	-1,415 13
Kentucky State Treasurer (health In)	96643	605-8 · Medical Insurance	-10,963 26

Metlife Insurance		609-8 · Life &LTD Insurance	<u>-141 52</u>
City of Henderson		610-1 · Water Purchased	<u>-96,291 52</u>
Kenergy Corp.		615-1 · Utilities-Field	-1,822 88
Kenergy Corp.		615-1 · Utilities-Field	-548 53
Kentucky Utility Company		615-1 · Utilities-Field	-1,063 51
Webster Co Water District		615-1 · Utilities-Field	<u>-8 79</u>
			-3,443 71
A T&T		615-8 · Telephone/Office Utility	-3 65
AT&T Mobility		615-8 · Telephone/Office Utility	-280 81
City of Henderson		615-8 · Telephone/Office Utility	-494.37
PowerNet Global Communication		615-8 · Telephone/Office Utility	<u>-36 58</u>
			-815 41
Ken's Pump & Supply Co., Inc.	Pipe Wrench James Graves	620-6 · Materials-Supply-Transm	-27.80
Moss McGraw Enviromental Lab	21 Bac-T's	620-6 · Materials-Supply-Transm	-525 00
Mulzer Crushed Stone, Inc.		620-6 · Materials-Supply-Transm	-988 85
Norris Ace Home Center	Pump and shovel handle	620-6 · Materials-Supply-Transm	-23 98
T&A Locksmith	locks on break room	620-6 · Materials-Supply-Transm	-105 00
Blackburn MFG. CO.	Blue marking paint	620-6 · Materials-Supply-Transm	-154 43
G&C Supply Co., Inc.	repair clamps and velve box top sec. and lid	620-6 · Materials-Supply-Transm	-551.21
G&C Supply Co., Inc.	saddle	620-6 · Materials-Supply-Transm	-237 36
JeSIGN	Signs for Unit #1 (Pete)	620-6 · Materials-Supply-Transm	-50 00
Supply Source	wipe Pop up Box	620-6 · Materials-Supply-Transm	-69 33
Warren Supply Co., Inc.	TP And Towels	620-6 · Materials-Supply-Transm	-120 81
Park Machine & Supply Co., Inc.	shovel Jennie	620-6 · Materials-Supply-Transm	-17 89
Park Machine & Supply Co., Inc.	Jimmy batteries and flashlight	620-6 · Materials-Supply-Transm	-33 98
Park Machine & Supply Co., Inc.	Gatorade and trech shovel Mark	620-6 · Materials-Supply-Transm	-25 39
Park Machine & Supply Co., Inc.	stud bolt, hex nuts and pipe dope(mark)	620-6 · Materials-Supply-Transm	-15 83
Park Machine & Supply Co., Inc.	shovel James	620-6 · Materials-Supply-Transm	-17 89
KGS	clean up In July 2013	620-6 · Materials-Supply-Transm	-2,580 00
Sitex Corp.		620-6 · Materials-Supply-Transm	<u>-621 83</u>
			-6,166 58
Kubra Tennessee LLC		620-7 · Billing Expense-Labor & Supply	<u>-4,553 41</u>
David Credit Card	Battery & postage	620-8 · Office Supplies/Expenses	-52 63
Corpus Christi Clinic	drug screen and physical on Pete Conrad	620-8 · Office Supplies/Expenses	-90 00
Corpus Christi Clinic	DOT physical	620-8 · Office Supplies/Expenses	-55 00
Henderson Minor Outpatient	drug screen	620-8 · Office Supplies/Expenses	-37 00
Henderson County Water District		620-8 · Office Supplies/Expenses	-92 80
Postmaster Henderson, KY	postage	620-8 · Office Supplies/Expenses	<u>-92 00</u>
			-419 43
F Inc.		621-8 · Computer Expense	<u>-250 00</u>
Frank T. Knight		622-8 · Maintenance Of Gen Plant	-722 00

Pea Ridge Trash, Inc.	Aug Dumpster Service	622-8 · Maintenance Of Gen Plant	-60 50
Galloway Electric Supply	Lights for office	622-8 · Maintenance Of Gen Plant	-104 31
Cincinnati's First Aid & Safety		622-8 · Maintenance Of Gen Plant	-76 60
Ron H Melton		622-8 · Maintenance Of Gen Plant	-300 00
Sitex Corp.		622-8 · Maintenance Of Gen Plant	-266 49
			<u>-1,529 90</u>
Dorsey, King, Gray, Norment & Hopgood		633-8 · Legal Services	<u>-550 00</u>
BestOne Tire & Service	Unit 4- Brakes Oil change bearings, rear shoes, Rear drums Idle speed control motor	650-8 · Repairs & Maintenance-Equipment	-1,081.78
BestOne Tire & Service	unit 5 repair flat	650-8 · Repairs & Maintenance-Equipment	-15 00
BestOne Tire & Service	unit 7 new tires	650-8 · Repairs & Maintenance-Equipment	-2,006 08
BestOne Tire & Service	unit 6 new front rotors	650-8 · Repairs & Maintenance-Equipment	-191 90
Vaivoline Express Care	Wade	650-8 · Repairs & Maintenance-Equipment	-39 98
Vaivoline Express Care	James unit #2 oil change	650-8 · Repairs & Maintenance-Equipment	-39 98
B&B Collision & Repair, LLC	clean inside and out replace Ford signs fix gas cover	650-8 · Repairs & Maintenance-Equipment	-314 20
			<u>-3,688 90</u>
David Credit Card		651-8 · Gas & Oil-Equipment	-79 00
ComFuel	fuel	651-8 · Gas & Oil-Equipment	-1,121 29
Hess Oil Co., Inc.		651-8 · Gas & Oil-Equipment	-1,841 52
ComFuel		851-8 · Gas & Oil-Equipment	-784 81
			<u>-3,826 62</u>
Webster Co Water District	1/2 of cost for inter connect	657-8 · Insurance-General Liability	<u>-100 50</u>
Kentucky Rural Water Association, Inc	Conference David Spainhoward and Pete Conrad	675-8 · Miscellaneous expense	<u>-590 00</u>

The Board entered into executive secession at 7:26p.m. to discuss personnel matter and returned to regular meeting at 7:53p.m. with no action to be taken at this time.

Motion was made by Skaggs and seconded by Pritchett to pay request #5 to Twin States in the amount of \$56,724.08 upon approval by Pete and, agreed by all Members present, the Motion carried.

Motion was made by Pritchett and seconded by Skaggs to request that PSC allow the Water District to take 8% increase originally requested at this time and take the remainder of 13.5% increase in the following year and, agreed by all Members present, the Motion carried.

Motion was made by Pritchett and seconded by Skaggs to authorize Pete to implement a work order system and, agreed by all Members present, the Motion carried.

Motion was made by Skaggs and seconded by Pritchett to approve bonuses according to document provided at the beginning of 2013-2014 fiscal year and, agreed by all Members present, the Motion carried.

Motion was made by Pritchett and seconded by Yates to adopt the Resolution to borrow \$300,000.00 in Rural Development Funds with Chairman Spainhoward to sign and, agreed by all Members present, the Motion carried.

Motion was made by Pritchett and seconded by Skaggs to add Pete Conrad to all signature cards at the banking institution where the Water District has accounts and CD's with Kenny Rideout and Lisa Gish to also remain on said signature cards and, agreed by all Members present, the Motion carried.

Motion was made by Skaggs and seconded by Yates to accept the overall pay increase of 3% with Pete, Jimmy and Lisa calculating the employee raise percentage. The raises will go into effect September 1, 2013 and, agreed by all Members present, the Motion carried.

Motion was made by Pritchett and seconded by Skaggs to authorize Jimmy to purchase a 120lb ice machine if it is energy star rated and, agreed by all Members present, the Motion carried.

Motion was made by Skaggs and seconded by Yates to purchase ten 1 inch water meters and, agreed by all Members present, the Motion carried.

Motion was made by Skaggs and seconded by Rideout to purchase 400ft of 3/4" copper line and 200ft of 1" copper line and, agreed by all Members present, the Motion carried.

Motion was made by Skaggs and seconded by Yates to pay Jimmy and Lisa a one time performance bonus of \$500 for extra duties during the absence of a Superintendent and, agreed by all Members present, the Motion carried.

Motion was made by Pritchett and seconded by Skaggs to have 5 fire hydrants installed by contractor after verifying the lowest bid and to revisit the cost of installation before installing the remaining hydrants and, agreed by all Members present, the Motion carried.

#### **Other Discussion:**

The board agreed that all Superintendent responsibilities be relinquished by Jimmy and Lisa and turned over to Pete as of August 21, 2013.

Pete asked that a recycling bin be placed at the Water District for customer and work use. The Board asked if Pete would check with Tri County Recycling to see if labels could be placed on bin so that everyone would know what was allowed to be taken.

The Board requested that wages be presented every six months for Board review.

Mark Stephens updated the Board on 60 E project. Cleanup work at Keyway and Country Club has been addressed. The line has now been bored under the Texas Gas line and sampling and testing should take place Friday. Project should be complete week of August 30, 2013 with cleanup of area remaining.

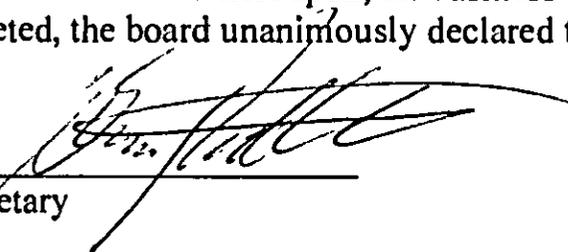
The 2014 Budget was presented and the Board asked that changes be made and the Budget be re-submitted at the September Board Meeting.

The Board agreed to allow Pete to purchase thumb print time clock as long as cost remained under \$2000.00 with no other authorization needed.

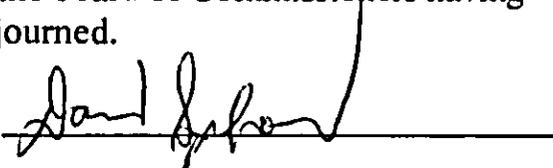
The Board reviewed the Staff Report from PSC. This included the Staff recommendation to develop and adopt a work order system, the Board has directed Pete to implement said system. Additionally, the Board directed that all salaries and raises be presented to the Board and noted in all future Board Minutes. The Board directed the staff to contact Henderson and Webster Counties Fiscal courts to obtain approval of pay rates of Henderson County Water Districts Board Members. Chairman Spainhoward and Pete will prepare a response to the PSC Staff Report by August 29, 2013.

Whereupon, all business coming before the board of Commissioners having been completed, the board unanimously declared the Meeting adjourned.

Attest:

  
Secretary

Chairman:

  
\_\_\_\_\_