

Notes from meeting at Public Service Commission on August 26, 1999 to discuss Drought Demand Rates

PSC:

Helen Helton
Stephanie Bell
Sam Reid
Gerald Weutcher
Carryn Lee

AG:

David Spenard
Dennis Howard II

LFUCG:

Edward W. Gardner
Larry Homsby

KAWC:

Lindsey Ingram, Jr.
Herb Miller
Edward Grubb
Linda Bridwell
Coleman Bush

Our prepared outline for the meeting:

Meeting to discuss Drought Pricing when Rationing becomes necessary

Date:

Location:

Members: _____, _____, _____, _____,

_____, _____, _____, _____,

_____, _____, _____, _____,

_____, _____, _____, _____

Agenda:

- 3 Update on supply situation
- 3 Brief presentation by each group regarding ideas for pricing for rationing
- 3 Open discussion of remaining ideas
- 3 Set next meeting date

Questions to be considered:

- Base period? Fall/winter; calendar year?
- 3 Penalty for exceeding allotment?
- 3 Penalty varies by class?
- 3 Percentage reduction from base – how do we increase?

- 9 Discontinuance of service?
- 9 How do we handle new customers?
- Unusual circumstances appeals board?

Next meeting date:

Date _____; Time _____; Location _____

Meeting notes: Coleman opened the meeting by outlining what he hoped to accomplish: Collecting thoughts from each entity on general drought demand pricing followed by more specific ideas regarding the implementation of drought demand pricing.

DS: A customer can only see CCF on his or her bill. (It was agreed that any process would take a lot of education. CB will determine exactly what information can be included on the customer bill with programming as it now stands.)

DS: KAWC has bifurcated the alert phase on the demand management plan versus the ordinance.

DS: The Division of Water wants a penalty charge for excessive use during drought.

DS: In the emergency phase, there is a penalty in effect for non-essential water users (I think he was talking about the DOW plan).

The issue of flow reducers was discussed. In California, these have been used to reduce water use. LB will check into this.

When asked how the AG stood on the position of discontinuing water service for failure to comply with restrictions, DS responded that in theory, it was OK to do so.

HM queried, "What if a particular jurisdiction does not adopt the policy?" It was agreed that we needed a unified approach and it was suggested that we convene the county judges along with the LFUCG to get unanimous consent.

DS: Will we have penalty rates during the emergency phase? (There was significant discussion on when the higher rate should start with no particular agreement. It seemed that the group leaned toward announcement during the emergency phase with implementation in the rationing phase.)

CL said that she had about 40 drought demand management plans on file but she was not aware that any had been implemented.

There was a general consensus that the benchmark of **fall/winter** demand seemed better than 12 months of historical usage. The group acknowledged that a penalty by class per allotment would be a tough call.

LB suggested escalating penalties and GW suggested a multiplier for consistent violators.

CB and EG expressed the sentiment that as long as essential uses are met, the goal should be to preserve business.

DS: The rationale for the demand management plan is to preserve essential use.

KAWC will need to write a tariff for any rate and plan that is to be put into effect. That process will take a minimum of 20 days.

The group discussed the possibility of implementing the rate in stages – implement the rate for residential first and business second. There was no particular agreement on this point.

There was consensus that we should have the DOW and KRA involved.

It was suggested that our next meeting be on September 3 in the morning.

Meeting notes for drought rate discussion at PSC on September 3, 1999

Attending:

Coleman Bush

Edward Grubb

Stacy Barker

Sam Reid - PSC

Gerald Weutcher- PSC

Bill Bowker – PSC (New Deputy Executive Director)

Larry Hornsby – LFUCG

David Spenard – Attorney General

CB opened the meeting by passing out information from the USGS regarding Kentucky River flows. He then passed out and discussed the KAWC daily pumpage chart for August and September.

CB had prepared a discussion document (droughtpricingstudydocument_09031999.xls), which he passed out to the group.

CB explained that his choice for a baseline would be something derived from the fall/winter average for residential and annual average for non-residential.

CB also expressed the need for an appeals board.

Sam Reid spoke and said that the fall/winter average for residential seemed fair. He said that the PSC has about 50 plans on file, but he is not aware that any have been used.

For non-residential, he suggested that maybe we use same month prior year.

He felt that it would be up to KAWC to handle appeals, but that we should keep the LFUCG apprised.

Jerry Weutcher suggested that we need more class distinction than just non-residential. CB agreed that we should use each separate class.

Jerry asked about termination of service and the appropriate trigger. He asked about restrictors. I told him that Linda was looking into this and had not informed me of her findings.

We concluded that it might be best to start with flow restriction and then move to termination for gross offenders.

Jerry felt that the appeals process should be representative of the community. Pick representation from all areas to make sure the process is as fair as possible. In considering these rates, we need to expedite the appeals process as much as possible.

Regarding penalty rates, Jerry feels that we need a tracking mechanism for KAWC costs so we can offset against excess revenues (if any) generated by the drought management rates. He said, "I wouldn't refund (to my earlier comment that that would be one way we could avoid a windfall); maybe a special fund could be established for water conservation efforts.

Larry expressed concern about how a residential customer would know when they are at the limit.

Regarding the setting of a level for conservation, David Spenard said, "My concern is that if we look back at a prior month, there could be a lot of variance."

CB told the group that he was not a proponent of a single month – he agreed that there could be a lot of variance if we considered that approach.

DS asked LH if under a drought rate scenario there would still be citations issued. He feels that these two issues must be coordinated. He stated that the ordinance should address the rationing phase of the demand management plan.

Under collect and refund, DS said, "That would be a bad idea; there would be an equity problem. It's a penalty, not a rate – it should be segregated."

DS continued, "Your billing is chunky – it will be hard for people to know what they are using. I tend to believe you have to have other means to enforce the outdoor water ban. We want to see how the ordinance is worded before we sign off. We are anxious to see the LFUCG's recommended wording.

The group was pretty together on the idea that we should phase in punishment for repeat offenders, perhaps starting with a flow restrictor, then moving to shut-off, with ample warning in between.

We clarified that November through April is the fall/winter period. There seemed to be acceptance that this would be reasonable for residential customers.

Regarding the implementation of the drought rates, CB suggested that we publicize and educate in the emergency phase and implement in the rationing phase.

Implementation will not come easy. DS commented, "Without daily readings, how do you address people who say, 'I used all that water before the restrictions.'"

This was not discussed at the meeting, but in some of my research, I have found information relative to certain pricing plans:

Municipal Water Use And Water Rates Driven By Severe Drought: A Case Study by Hugo A. Loaiciga and Stephen Renehan

"More drought officers were hired to patrol the City and enforce the drought emergency measures. They were authorized to issue \$250 citations to violators for each offense. Water flow restrictors were installed in the water connections of two-time offenders."

"In March 1990, the block rate structure became much steeper. According to Figure 7 (not shown), in the period March 1990 to October 1990 a single-family residential customer using 20 HCF feet/month ($56.6 \text{ m}^3/\text{month}$) was paying $1.09 \times 4 + 3.27 \times 4 + 9.81 \times 6 + 29.43 \times 6 + 1.47 = \$253.35/\text{month}$. The later [sic] is almost 12 times the monthly bill that would have applied in 1986 for the same amount of water used by a single-family residential customer."

Emergency Rate Surcharges In Response To Drought Conditions by John Ghilarducci

"Enforcing Percentage Reduction in Usage. Under this method, varying surcharges are imposed upon utility customers according to their performance against conservation targets. The customers' previous usage patterns provide a baseline for evaluating their performance against the target(s). Those customers who do not meet reduced usage targets, based upon their own historical volumes, receive the highest surcharges."

"This method may effectively penalize those customers how have historically conserved water."

"Inverted Block Surcharge. This charge may be difficult to implement, administer, and understand depending upon the sophistication of the existing billing system, and the type of existing rate structure."

"The inverted block surcharge provides a strong conservation incentive."

"If one accepts the premise that the highest peaking customers should bear the burden of high usage during drought conditions, then this is an equitable charge. Due to the conservation incentive, this charge may be politically acceptable."

Water Rates And Revenue Impacts Of Severe Drought Response. City Of Santa Barbara, 1990-1993 by Stephen F. Mack, Bill Ferguson

"Rates increased by a multiple of 3 from one block to the next. Thus, while Block 1 remained at \$1.09, the Block 2 rate became \$3.27, Block 3 was \$9.81, and Block 4 was \$29.43. Also, the blocks were shortened such that Block 1 had only 4 units and Block 4 started at 17 units. Customers that had low water use before the drought (less than 5 units per month) saw no change to their bills, while those with higher usage had to drastically change their water use habits or see much higher water bills."

Notes from drought pricing meeting on September 17, 1999 at Public Service Commission Offices

Attendees:

Coleman Bush – KAWC
Larry Hornsby – LFUCG
Lindsey Ingram, Jr. – KAWC
Donna Taylor – KAWC
David Spenard – Attorney General
Sam Reid – PSC
Stacy Barker – KAWC
Chetan Talwalkar
Bob Wiseman – LFUCG

CB handed out the most recent **pumpage** report along with a copy of a suggested bill format that included a customer usage graph and also, copies of four articles on drought pricing.

CB reminded the group that the pricing strategy chosen would be subject to year round application.

We picked up where we left off last time. There was general agreement that **fall/winter** use is applicable as the baseline for residential use. DS said that he was interested in establishing a base line, below which there would be no penalty rate. CB agreed that he would look at the consolidated factor information (which shows the amount of use and number of customers who fall within the **first** and each succeeding 100 cubic feet of use). With that he can get some general idea of where to set the baseline.

According to CB, he intends to design the baseline for each other customer group (Commercial, Industrial, OPA and Resale) based on cost of service information included in our last case considering peak to average statistics. At Bob Wiseman's later suggestion, CB will attempt to reconcile the savings we are after with reductions for each class. The goal is to have this finished on Monday so it can be distributed to the members of the Drought Pricing Group.

CB explained that his conceptual pricing strategy would include two penalty blocks so customers could ease into this pricing formula. LWI suggested four blocks so that customers could also get the message, but more gradually. The majority of the group seemed to favor the two-block strategy. BW mentioned that Chesapeake, VA set rates at \$10 per hundred cubic feet. He said that Pennsylvania also had done quite a bit with drought pricing and suggested that they might have the model to follow.

The question of what to do with the money collected came up again for discussion. It was unanimous that it must show separately on the bill but there was no consensus on what to do with any penalty revenues generated except to say that everyone seemed in agreement that the penalties should offset any additional costs. It also seemed that there was universal sentiment that revenues from water sales and sewer charges might drop significantly and need to be offset. LWI suggested that the answer would have to come in the form of a subsequent PSC order and there was general agreement with that suggestion.

BW reminded the group that sewer billing in summer is **fall/winter** use or actual, whichever is less. We will need to consider that in designing the charge.

Regarding the rate to be charged it seemed that there was agreement that the first block should be roughly 5 times the current rate and the second block should be roughly 10 times the current rate. DS said that this appeared fair to him because it fit the information Carryn Lee had provided earlier for other water suppliers in the state, which had filed pricing plans with the PSC.

BW also mentioned that we would have to make the application flexible by tying the percentage reduction we are looking for in demand to a reduction in the allowed use, which may change as the drought continues. Again, CB intends to design a reconciliation, which will show the impact on demand of each reduction we seek.

Regarding other entities which should be consulted regarding the application of rates, these suggestions were offered:

- 9 Tony Martin (Central Kentucky Legal Services?) He lives on University Boulevard
- 9 Rich Seckel (Contact Chetan for the number or address)
- 9 Largest KAWC Users
- 9 UK
- 9 Apartment Owners Association
- 9 Chamber of Commerce

Regarding the penalty for non-compliance, the LFUCG told the group that the outdoor watering fine would stay in place.

When do we shut off service? It seemed to be unanimous that shut off was a last step. One suggestion was that for a customer who reached the second tier twice, a restrictor would be placed in the meter setting. Cut-off could follow if there is no reduction after that.

CB intends to implement the plan in two stages. The first step would be communication of the pricing plan when we reach the emergency phase. The pricing plan would be implemented in the rationing phase.

KAWC is considering what type of information piece to send its customers. Perhaps the first step would be to communicate past usage to educate customers on what to expect and how much water is used for various activities so that they can keep track of use.

There was a great deal of discussion on reading meters two times per month. It is estimated that this could cost as much as \$60,000 per month. This will be evaluated as we approach our programming for the drought rates.

Large User Meeting – September 2, 1999

Attendees:

Larry Smart - GE KY Glass Plant - 606.425.1258
Jim Fritz - GE KY Glass Plant - 606.425.1240
Mark Stamper - Central Kentucky Processing - 606.266.2247
Glenn T. Smith - Jessamine South **Elkhorn** - 606.881.0589
Jeff Fuller – **LexMark** - 606.232.3378
Bob Gray – Aramark – 606.252.1756
Bob Nowacki – Aramark – 606.252.1756
Martin Lowry – Spears – 606.885.5859
Bill Reesor – University of Kentucky – 606.257.2726
Rufus Nickerson – Eastern State Hospital – **606.246.7401**
Orlie Wright – Eastern State Hospital – 606.246.7017
Max Basore – The Trane Company – 606.259.2560
Billy Jenkins – GMWSS – 502.863.7816
Gary Logsdon – Bluegrass Station – 606.293.4213
Barry Mattingly – Square D – 606.243.8465
Mark Roberts – Midway – 606.846.4413
Bruce Southworth – Midway – 606.846.4413
Roger Wallin – Toyota – 502.868.2539
Shoji Nakajima – Toyota – 502.868.2512
Bob Riddle – GMWSS – 502.863.7816
Larry Bums
Stacy Barker
Bill Buckner
Donna Taylor
Roy Mundy

There was a lot of obvious interest in issues related to the river. Roy answered questions for about a **half**-hour. I promised a follow-up meeting with KAWC participants (Roy, Nick, Linda, and Herb). I will send an invitation soon.

Barry Mattingly, of Square D, was particularly insistent that the problem be fixed. Of course, he is right. He said, "If there was a solution, we wouldn't be here. When will it be solved? What hasn't it been fixed?" Bill Reesor said, "If we understood things better, we could be more supportive."

Roy mentioned a chart that Linda had. We need to get a copy and send to all participants.

Drought pricing meeting – October 14, 1999
At KAWC

Attendees:

Coleman Bush
Herb Miller, Donna Taylor
Max Basore – Trane
Gary Logsdon – Bluegrass Station
Jim Fritz – GE Kentucky Glass Plant
Mark Stamper – Central Kentucky Processing
Julie Thome – Community Action
Larry Hornsby – LFUCG
Bill Reesor – UK
Jeff Fuller – LexMark
Bruce Crowley – Square D
Roger Wallin – Toyota
Kevin James – Toyota
Ned Sheehy – Lexington Chamber of Commerce

Many groups in the community had been invited so we could get varying viewpoints on the proposed structure.

CB opened by presenting the last 5 days of river flows showing the flashy nature of the river by explaining the increase in flows since the rain on Saturday.

CB had copies of his October 7, 1999 correspondence for those who did not bring theirs.

CB had copies available of the cumulative conservation appeal board decisions and the recent information of sod watering and the rollback of restrictions.

CB had copies available of the Urban County Council Water Supply Committee Schedule

CB had copies available of various industry articles on drought pricing.

CB opened by explaining the conceptual framework developed so far using the piece he had mailed. The basic ideas are: We will pick a baseline for residential below which there would be no penalty. A baseline would be established for each customer based on historical fall/winter usage. For use above a certain amount, the rate would be 5 times the normal rate. For use above a selected amount higher than the first hurdle, the rate would be 10 times the normal rate. If there are persistent offenders, mechanical restriction or cut-off may be in order. The LFUCG would keep its fines in place but KAWC would be responsible for cut-offs, etc.

For non-residential, the baseline is proposed to be the most recent non-drought annual average.

Let the discussion begin.

I have assumed throughout all of this that certain customers would be exempt such as hospitals. Max Basore recommended that we consider SIC code classifications such as during the energy crisis. He said that all should feel the pain, but industry may have to be treated as its nature dictates. "Rates will not shut us down," was the refrain of many in the room. The seasonal nature of industry needs to be considered.

Bill Reesor raised the issue of those who currently use much more water than necessary. "How do we deal with those?" As well as a minimum, there needs to be a maximum, above which the surcharge is always applied.

We reviewed the consolidated factor report. We are initially thinking of a base line use of 4ccf, at or below which no surcharge will be implemented.

Gary warned us to not oversimplify the process.

Jeff told the group that he thought it would all work better if we knew what we were facing. In other words, if we cut to this per day, how many days of water are left.

Jim Fritz pointed out something that should have been more obvious to me. Industrial is only about 7% of total use. Even if they cut back dramatically, the total would not be affected much.

The commercial category is the second largest category. How do we address the needs of this group? Its diverse nature makes it almost impossible to try to deal with various sub groups.

The cry of the industrial group is to not give them an impossible goal. In the end, if we have cut back use to where we need it, but punished industrial through penalty rates, we have not accomplished our goal.

We need to account for the seasonal nature of industry. The recommendation was to do it on a month to month basis. A quarterly look did not get much favorable response.

Bill Reesor had to leave early, but before he left he discussed the concept of once through A/C versus contained A/C.

In anything we do, we need to leave room for modification.

There was a lot of discussion about communication. "The public needs to hear what has been done by industry and by the other classes to combat the drought this year." This came from Mark Stamper.

Julia recommended a user-friendly appeals board.

Jeff recommended that the first target be residential. This is speaking from his perspective as a customer. All need to join in the effort, but the load needs to be carried where there is discretionary use.

We need to communicate. For example, "At 40 MGD, this is the water we have available."

We need to be able to make immediate corrections for use that has changed for other reasons such as adding x new jobs or a new process.

The question was asked, "How many people know how much they use?" Bruce had been reading his meter in Danville on a regular basis and did cut down to 40 GPD per person but not without effort. He said, "I would not want to do that for long."

Roger said that the price structure could prove to be contradictory if we reach our goal but find ourselves charging the surcharge for some classes. "With that," he said, "you would just be taking in money."

There is a lot of concern about what is going to happen to the money. A valid question that needs to be answered when this is rolled out.

Drought Tariff Discussions
June 16,2000

Meeting started at 10 a.m.
Started taking notes at 10:35 a.m.

Toyota It's all the frustration. We are all in this together and we need the PSC's help. They are very crucial to the decision that we make and they do have a tremendous amount of influence upon the legislators and everything else and they have proven that time after time but they try to make decisions that are appropriate for the industry. However, one of the concerns that I have is we are not getting this issue out in front of everybody else in the community. The people that are here infinitely understand the condition of the river. I understand why, five years ago, you guys didn't build additional treatment capacity because if the river doesn't get any better, if it dries up, it doesn't matter how much treatment capacity you've got if you've got nothing to put in the plant to get water out. I'm not going to spend money to build a manufacturing plant if I can't get raw materials to the plant to make cars.

Coleman I don't worry about the treatment plant. We've got 65MGD and we can get it to you, all we have to do is put restrictions on, including rain right now (?), and we'll be good. Obviously we won't have all the water we need.

Where do we take it from here? We've got to fix it. I don't know how much it costs but it can be done. Carl you got what a \$4 million (\$10MM) investment down there. Yes. You know, that's almost uncomfortable ? to think about that while we're sitting here talking but we are. Yet it's fixable but we cannot get together to get it fixed. It's not just KAWC. It's the state government, it's the local government. We don't send out _____ every time we get stopped worse than that, we're going to be facing reality on that. History does repeat. The 1930 drought will come back when school is out.

Linda Let's talk about what's going on in the river. KRA did get legislative approval for the design on the dams.
The requirement there is they all have to be redesigned

Now there are a couple of things here that will move that forward. If there is any opposition in the environmental study, the way the laws are set up right now nationally and federally, that process could be drawn out 10 years – if any opposition at all. Part of the way to get around that is for the community to get behind it and bulldog it through. That could possibly get construction to begin two years after that. That's going to be the first step

and I know that's not quick enough but that's going to have to be at the approach that we're taking right now.

Coleman So how do we go along with this. If that's not the question so Carl and I have had a lot of discussions and it's hard to and that's what we can do but once this is over, guess what? We go back to complacency. So how do we put together a brief ... process to get through.

Linda That's what we are going to have to start doing. How do we get together to make sure that anything that slows that process down, and let me tell you, I talked to the Corps of Engineers. It goes to the Corps of Engineers for a nationwide process and they are talking about their situation in South Carolina, Illinois, facing this situation year after year in drought and they have a small minority who can draw this process out for 10 years. That's what the people in Virginia Beach did – they basically pulled together and steamrolled the efforts of the minority. That doesn't mean that both sides wasn't hard –Virginia Beach went all the way to the Supreme Court twice but that was probably how they got the solution solved.

Coleman And that's what we lack – a solution of strength to bring the voluntary employment all during the national ? When I say we, that's what this solution lacks because it's not just a KAWC problem.

Nick And I think next week when Steve Reeder, who is the director of KRA, goes in front of the city council to explain where he is with repairing the dams. The frustrating thing for us is that that part of the negotiations on supply, we have no control over. Like Coleman says all we can do is to try to support and influence the legislators that have funding for us.

When is that meeting on the 20th? 1:30 p.m.

Coleman You know we say we have no control and that's just it – we have no control because we don't exercise control. Again I'm making light of this but I've been flying a lot and we know how it is and how frustrating it can get. I've even thought about coming up with something called Boycott.com where we can start to boycott these airlines but you know what, I run out of energy the minute I get home. And that's exactly what happens to us here – you know, get excited. I mean KAWC has not been sitting back, and if you believe that we are, you're sadly mistaken. We've been trying hard and we've taken more abuse than we think we need to take. And I know that's the reason why people are afraid to get into this fight because of what happens with the Herald-Leader. And they will take you on unless it is something they like. It is KAWC's problem because KAWC is the water supplier. We've been working very hard to solve it but we found that we can't do it without your help. People out there – without

the Toyotas, without the Tranes, without the University of Kentucky, what is this – the power to shut it down. Yes. So we need your help – we need serious help on that. Now how do we get that going – I hate to leave that subject without coming with something that's going to move toward a solution but I don't think we're going to find it in this room today. What is the step that we can possibly take and then get it on the right process.

Linda Don't get me wrong – the Chamber of Commerce has been very supportive of us through this whole process and I know that there is an industrial organization willing to take this on.

Toyota Who's the group, what authority, that needs to have pressure applied to make sure that we push this issue through.

Linda It needs to be first the KRA. I would say definitely the LFUCG and the Lexington area representatives in the legislature.

Coleman And keep the pressure on us. I mean, let's face it.

Linda We are very serious about our responsibility here.

Toyota The state legislature?

Linda The state legislature – because it was really kind of disappointing this year but after what we went through last year, it almost slipped through the cracks.

Toyota Who opposed or who is on the KRA? Who appoints those individuals?

Linda The Governor appoints the position.

Toyota So the Governor is the one who needs the pressure?

Linda Yes.

Herb I don't want to be the bad guy here but I don't want this to turn into a political meeting. We need to talk about this tariff and it's alright to get our frustrations out and we need some positive thinking but what we really need to do is get back to the tariff and how do we propose that and hear what the impact is on you guys. Can we tweak it anywhere we don't have to ...

Coleman Well we do need to get there but still I don't want to be sitting here and like you say, I know we can smile at you when you come in but when this really hits, there aren't going to be any smiles. So we're not suggesting that someone take up something that they're not interested in but we do

need to, and Herb is right, we've got to get off this and back to the drought pricing.

Trane Let's talk about the drought – the tariff. Several people submitted letters of concerns about the tariff pricing from the industry. Okay, we saw no changes based on what we submitted.

Coleman Right and that's the purpose of this meeting cause I told a lot of people who had talked to me and then sent them in, I said well we've got so many comments that we are going to get back together and go through it and hopefully there may not be any changes but we do need to hear some of the reasons. What I wanted to get out is where we are going to be when that happens. That is absolutely the last stage. Well we'll take that out – let's wrap up and have at least some type of conclusion on that other discussion. I mean I know the most formal gathering in trying to work this through is what we are doing at KAWC. We're trying to work this through methodically. Obviously it's not fast enough if something happens. But do we shave a year off it if we get involved and make the voices heard – maybe we do. Do we do a formal process, more formal than we have, I don't know what it's going to take at this point. But obviously we've got a lot at stake here, wherever you need to get your voice heard, I'll certainly get it heard. We've heard it but like your local representatives, or state representatives. And with that I understand. I understand how you feel because as close as you and I are, I can tell you how we feel. And not to bring Billy Jenkins into it but Billy knows how I feel. He's down at Georgetown and he has had a situation like that. Fortunately he was able to remedy the problem as I understand by going to Frankfort and getting a supply but guess what, even in that situation, Billy would admit that he is going to have problems too because Frankfort is on, guess what, the Kentucky River. So we're there and if we can, let's explore the drought pricing and the people who sent comments in. I know I got them from Square D, from Toyota, I think Max sent them in. Let's put ourselves in the protective that we're there. We're in that situation now where we've got restrictions – not just through voluntary, not just through outdoor, we've got restrictions and we have to go to rationing. That's the situation we'll be in. How's it not going to work? We'll work that situation. Max do you have a comment?

Trane Yes. I'm asking how a company lost our standpoint. We do not interfere with you to settle _____

Coleman Yes

Trane Kind of a fitting, in 1999 we were asked to voluntarily cut

Coleman And you did

Trane I think we all responded roughly to voluntarily cut. General consensus anywhere you look. Later on Trane spent a couple five figures voluntarily for control of our water and rid of any waste. Anything that we could find. We had asked that any tariff be adjusted to the year 1999. If any tariff was put on the schedule to reduce and increase water reduction, that it not be as a revenue generator. The second thing we asked for was to adjust 1999 up to at least, not cut us 20%, 20%.

Nick That's your historical average is what you're saying Max.

Trane The second thing is our industrial buildings and many large commercial buildings were designed for air conditioning. You shut our air conditioning off and Toyota or Trane will approach 190 degrees at the plant. We'll have to shut down. It is absolutely necessary. These buildings were not designed for ventilation. Therefore our cooling towers, and cooling processes during the summer months, go way above average. They use a lot more in the summer than in the winter. You're terribly an infraction of ours. You built in revenue from the summer and we ask that you seasonalize a normal year for us and then reduce us accordingly like it would over last. The two things that I know of we asked you are not here; what you have here is only for revenue – pay or shut down. You're building in a penalty for us that would voluntarily – you're penalizing us for voluntarily being silent here- request of '99 and then you flatten out the year so you have in effect, built in a penalty on us that we're going to have to pay and then if we reduce water any more, we're just going to have to pay.

Toyota That also will impact us rather substantially because last year we were very, very aggressive in reducing water usage and I know Trane, Square D and everybody else does also. And if we go back and pat that 12 months' snapshot back now, we've already done some figuring and from the financial impact, it's been substantial to us and others as well. But from the standpoint of would we pay it to keep running, yes.

Coleman That's the matter, let me jump in again. The question is how much water are we really going to have. Is this really even going to be a tool?

Linda And that's what we're coming down to.

Toyota When we get down to this point, we're down to a political decision at this point. Do we build cars or do we let people have water to drink at home, you know that decision is going to be a whole lot different.

Coleman The drought tariff almost becomes cosmetic at that point rather than detailed tariff because is there any water to do it anyway.

Linda Our intent is not to build in revenues. The problem is, will there be water?

Trane This rate schedule won't save water. Don't show favoritism, and they'll survive. Treat residential and commercial alike. KAWC doesn't penalize people like we said we would. Residential is not doing enough. It's a question of fairness – don't make us pay and reduce water.

Coleman Advantage of averaging – 1999
Residential – small cushion of 10%

Linda On 2nd or 3rd page of tariff – restricted to 35 MGD.
% is very low – industrial/commercial

Toyota Industrials have been committed in the past – tariff doesn't take that into consideration. Voluntary – seasonal usage. You're setting us up for failure – this is just going to cost extra money – he'd like to see reductions.

Toyota Pay for reducing – needs incentives. It will cost money to fail – in terms of meeting level set (summer months) evaporation is \$150-200,000 additional a month

Trane Normal year \$75,000 for summer period

Lexmark \$170,000

Linda How do we get attention – not necessarily revenue?

Trane Across the board – penalty/reward

UK No place to go – 30% cooling tower
He understands – way over \$100,000 last spent year to help conserve.
They pay out and then we send bill. If money spent to conserve had been saved, that would pay their water bill. Now we're going to penalize – this is not right. They have over 26,000 visitors the first of August – not in July. Average over winter months when no one there. UK is not changing anything they do by what is said here today. Residential is not being penalized, so shut them down if they don't conserve.

Toyota PSC question – where do they stand?

PSC No idea. New issue to him – he's not been involved but will take the
Brent concerns back – to the attorney general as well.

KRA is the lead for the river. They are the protective force for customers.
Can get political.

Toyota Is BJ the one to talk to?

Coleman There will be hearings. There's not been much fanfare on other tariffs. Most very similar to ours – 5 times/10 times penalty

PSC Sheppardsville case – has economic penalties. 40% reductions
3500 - \$8 over 2100 gallons

Toyota We're going to be there. We all have to start cutting back or there will be no water to drink or otherwise.

Toyota Rationing – 30-40%. No problem with reduction.
% line across board – in order to get to say 20% cut across the board
Not all should be identical – use reasonable assumptions

UK Don't make me spend more

Lexmark They're experiencing their largest growth in the nation

Herb Perhaps summer average for baseline
'99 – add 3.3MGD additional
'98 – add 3.5MGD additional

Seasonal average individually – allocate additional more per day total

UK Take more from residential. Residentials aren't holding their end.

Trane Take poll from employees – no job or no water

Coleman 8% last year saved – he agrees won't be fair

Linda We'll go back to the drawing board. Make cuts at home or get on other end.

UK Seasonal needs can't be avoided – residentials can

Toyota Public not getting impact.
Media Blitz: we're running out of water. This is serious.
Problem in community – businesses shut down – river out of water –
message has to get out to public – whether done by KAWC or businesses
We realize KAWC didn't have enough support last year

Nick Fair plan

Attorney General

He appreciates getting input. An ounce of prevention is worth a pound of cure.

Suggestions are good and productive

Hearing what industries are paying out to reduce and then being penalized

Management doesn't want to hear payback problems

Rebate programs – industrial users – better management – could impact rates on revenue

Encouraged to file for – all bodies – demand management – revenue
Impact

Seasonal rate – residential – better use of load factors

KRA study – LFUCG

Want solution giving the lowest price of water

Since 1988, water is there

Dams are old – have to have KY River for water supply

Lowest cost on dollar – during drought - prices go up

Wants to see lowest price everyday

Conservation needs to be done year round – not only in a drought

Conservation should change the actual fair distance of water usage

He's studied water usage in this area since 1860

We see patterns where water usage will move up and then there will be some additional spikes

What we don't want to do – 20 years from now – is have a group of people sitting around the table again because some of the problems they could have avoided haven't been avoided because the notion of conservation and ethic conservation of all water users has not been utilized

One of the really innovative things that they should take a look at and talk further is the notion of rebates – work with the industrials like water companies work with residential – about the things that the money you spend to improve your load factors – the money you spend to actually have you manage your water

Coleman

Now on the bigger issue now that we're I think closer together than we've ever been on a solution, I think the Attorney General's office, KAWC, and all the parties, how do we jump start this thing? Because you know to get through this year, guess what, you get through next year. To get through next year, we're going to be sitting here next year. And it's so unproductive, how do we jump-start this initiative to get and I know we're working on it but how do we go beyond jump-starting. How do we accelerate the process that's happening now because we all know in 1930, what happened? You've been studying going back to 1860 – what happened when we had the problem. It just got done for the summer – laid a pipeline from here down the river in the summer. Okay that's what will happen but I don't think we can get anything done on the river in the summer. So how do we jump-start it now as a group – you, me all of us in here. How do we get it going? Can we get it going? Or the thing Linda

talked about, is that going to stop us from coming up with a solution because it's all going to take the impoundment of more water from somewhere and it's going to be the Kentucky River. How are we going to make that happen next year or the year after that. If we don't come up with that solution, ...

Square D How do you attract new industry when you're having major problems with water? How do you attract them. I mean where are your local people that want growth? Don't they see this as a problem.

Coleman Tell them about your council meeting.

Nick Somebody on the council suggested that we just shut down new houses' taps and that's another battle. It's a social decision that a water utility can't make - that's a community decision and you're right on Barry. Lexington United, the new president Terry Berkhart, is my neighbor and he just moved here. His job is to bring new industry to town. He was sitting in the audience that night and he came up to the podium and said well guys, you've given me a pretty good welcome. You've got a water supply problem and you want me to attract new business - that's pretty tough.

Coleman Regardless, 1930 is the baseline and look what's happened since 1930 and this was just a little cow town and look it today. How do we kick it in the butt and get it going.

Toyota I guess I'd like to take some of David's (AG) comments here so that maybe you can add this to your piece to take back. You're right one of your things is to make sure you look at serving the customers to make sure that one of it is cost of service for getting water there. Obviously one of the big impacts that's going to come along here from Toyota is that our official stance is that we don't care where our water comes from, we just want the water.

Square D And you're going to pay what it costs to get it - really to a certain extent.

Toyota Ok. But from a standpoint of looking at the cost of service, once we resolve the problem with the impoundment of water to be able to meet our needs here in the community, we have the second issue that KAWC bumped up again yesterday which is the actual delivery of that water to everybody out in the community. As the community grows, they are obviously at some point in time going to have to add treatment capacity. That is by no means a fast proposition or a cheap proposition. Those types of capital enhancements go immediately into rate base that all consumers have to pick up and pay where if somebody has excess treatment capacity that you can draw off of and only buy the raw finished

product then obviously that's substantially cheaper than having to build new treatment capacity. In any case, the same goes for us. If I have a place I can draw electricity from, or water, or steam that I can get at cheaper rather than build the capital improvements myself, that's the way I'm going to look at it because that capital money is very, very expensive to come by. Where the operation of supplies is incrementally small to absorb, so I'd like to ask that when you guys go back and look at that you look at the long-term impact not the very short impact. If we fix the water situation, which was I think in the 20-30 or 35 million dollar range and fix the dams and impound more water, we may have resolved the issue of supply but now we've got another issue of delivery. These guys getting it to us – then suddenly we're talking probably \$30 or \$40 million for a new treatment plant and three or four years to get it built before it can deliver water to us. Now you add those two costs together and that may not necessarily be the lowest cost option that we have to deliver service to all the customers around and from that particular standpoint, may be some additional points to add.

Attorney
General

Sure and we want the lowest cost solution.

Toyota

I do too – as much water as we use, I want to get as much as I need.

Coleman

One solution whether we want to..

UK

This may not be possible, but you say where do we go? You say we are now trying to deal with water and last year no one was standing behind you. You've got to remember where you guys were last year – you were running a pipeline to Louisville. It was really hard to get a lot of people to line up. It was not a real popular decision and some people felt like it was more of a revenue situation, but not me obviously. But some people felt running the pipeline was more of a revenue situation for KAWC; some people felt KAWC spent a lot of money PR-wise trying to support that decision; some people feel like since the decision was made not to go that way that KAWC kind of backed off on the problem of water and they're not putting the effort into supporting the current solutions. Maybe if they did put a little more effort in the current solutions, when they got down to the council meeting, they might see more faces behind them. It's hard for us to all go in the same direction when we're all thinking differently and we all say alright we're going to fix this river – it's the cheapest, the best solution but we're also needing to fix our treatment capacity and we all need to get together and push for that – I think we'll see more support in that direction. But who needs to be the leader – it's you. This is not us. It's not the Attorney General. You all know the problem, you all know the solution. It's got to be mandated what the solution is going to be cause we're not moving very fast forward.

Coleman Well we can't do it without your help and obviously I disagree with some of the comments about the pipeline but we're past that. We're past the pipeline – we're pro-river solution. But just like you when you have to get things done, you don't get it done on your own. You call on all of your support – everybody at the University of Kentucky – those are your supporters. You're not going to do it without them. You can decide on great programs, all the things you want to do, you can decide what you want to do with the football stadiums, skyboxes, but if you don't have the support, guess what, it doesn't happen. We need your support. Yes we're the leaders in this and it's our job to supply water. The PSC will tell you we're obligated to supply water. I don't know what will happen when we get down and can't supply water. I know in 1930 the people that worked here were threatened with jail because they weren't supplying water. Personally jail wouldn't be good enough for us. But we're going to need your support and to say we're not running the path right now is a little unfair because we certainly are. We're trying to be the leaders but we do not unfortunately control what goes on in the Kentucky River. That is not our river. The pipeline was going to be our pipeline – we can do that – but we cannot single-handedly fix the river. We're going to need your support. Obviously the Kentucky River, they've got a vested interest in it, but not the interests that sits in this room because this is the lifeblood of this community and when Ed Garver was in the meetings, but in Frankfort, he feels the same way that I do. If we don't save the business, same way you do, if we don't save the business, this community - none of this is going to matter. If we don't save the University, Toyota, Trane and Square D. So we can't do it alone and we're continuing – but it's just not happening everyday. How do we get the change that's going to make it go faster. I mean, we don't have another – we just came off the last set of action that won't happen again for two years – are we going to wait another 2 years to take more action. Things are moving now but it's going to take more – it's going to take a lot more. The fact is that there's still a drought.

Georgetown Water I've been listening to everybody. Of course in 1988, we had the same problems. It was a struggle against our city leaders to go to Frankfort, a big struggle. We had the Elkhorn, but the Elkhorn runs just like the river. We didn't have the source of it – we had it but couldn't get it out, couldn't raise the dams because of the flow, we had no where else. It was a low flow. We elected to go to Frankfort. We worked a deal with Frankfort to bring in such an amount of gallons per day needed and that was pretty good for a short period of time but the growth spurt came along. We've had a real good working relationship with Toyota – same as KAWC – on some ends we get it trucked in – but they have caused that growth in Georgetown. From that growth we are extending waterlines, my goodness, probably 30 miles away from our source and our source was

Frankfort and Georgetown. So at that point, we had no choice but to go to another source which was KAWC. From that point I think it's still a struggle because we still have a 10% growth or even more and we're probably going to be looking at more growth including lines. It's going to affect us and we're looking at probably a 5-year plan and I want to tell Bill (and I will when he gets back) we have been working with Linda, you, Nick and it hasn't been just a dead issue for years on our water source. I think Linda knows we're working on a monthly basis trying to figure out where the water's coming from cause we're still in a struggle. We're talking about 5-6 maybe 7 years down the line to build us a reservoir but we know that is not just an end project if that ever happens. We're in the same situation, we've got to build a plant. Now I think the bottom line is it is not a pipeline to Louisville – you're collecting revenue on the bills. It's KRA going to collect the revenues for the customers. So the customers are going to pay for it – it's just a matter of who are they going to pay for it. Are they going to pay the KRA or are they going to pay KAWC or Georgetown or some other water consortium group in Kentucky. The customers are going to pay for it.

Coleman It doesn't matter who it is – the water is not there in the Kentucky River until we do something about it.

Georgetown Right and from our standpoint, we are. I guess you label us as sales and resales and we've got a maximum amount we can buy from you, of course you've got a minimum amount. And I'd like to find out where we are standing on that because in those areas when we are buying, you are our sole source and money wise it's kind of a fixed thing or substance kind of a fixed thing and we are probably going to break that peak amount this year because we're adding another 25-30 miles of line. So it's going to work on me the same way but they're residential, not industry.

Toyota Probably the biggest majority of those people buying those homes needing those lines work at our plant or Johnson Controls.

Georgetown That's right. So we're going to have the same effect and of course whatever you do we are going to have to meet that same type of restrictions based on the water we purchase from you. We have no choice.

Coleman Linda, what's going on right now. I heard David talk about it. Right now we have the KRA studying the dams. Okay they study the dams, they decide yeah we can do something with this. How long does that take to fix the dams. Is it five years, 20, 30 or what?

Linda Well you can probably about 2 years for environmental study, takes about a year for the Corps process to go through – construction 1 to 2 years.

Coleman All we can do is get rid of obstacles then. It's pretty bad.

Linda I guess it comes back to our drought tariff, what I'm hearing is that we go back to the drawing board and come back with something else. Make adjustments because early next week we are going to be in front of the LFUCG on Tuesday as part of a presentation with Steve on the new ordinance that references the drought tariff but not specifically identify a drought tariff because we recognize that that's between us and the Commission. I'm sure they are going to ask what is this drought tariff. We can make some adjustments.

Coleman We've had representation from the Community Action Council and we have met with them. As far as getting a residential group, we have not specifically done that. But I agree with David, a little bit of prevention is a lot better than the pain to go through even though you sat in this meeting before, and we have heard you. That's the reason I told a lot of you we would get back one more time. We've floated this thing again. You're right Max, it is changing a lot – but different opinions. So we will take it back. We will get one more out, we'll get it filed and then there will be a more formal process through the PSC.

? I was just curious – what is the authority other than raising tariffs is.

Coleman What we feel our authority is?

? Do you have any alternatives other than a tariff – for taking action to release water? We can include in the tariff to discontinue water for repeat offenders, we can include in the tariff, I suppose, to put in flow restrictors, we can do those things and we talked some about it.

Toyota I think it might be good to have some of those drastic steps included in the tariff – that need to be taken because when it comes down to drinking water – you can't live without it. You can go 7 or 8 days without food but a day or so without water I thought we had some of those in there –

Linda Well we talked about it.

Coleman Some communities use that.

Bluegrass Station I've got a general comment about the tariffs. I've been struck about how simplified the system for developing the baseline is. I don't see why it has to be so simple for last year's annual average. If we're talking about

specific industries, it wouldn't be that much to have a spreadsheet of a five-year average of this month from 1993 to 1998 or maybe not that specific idea but I don't see why such an important issue as this, which is going to cost a lot of money, has to be summarized in a 2-page tariff.

Linda I'll tell you the fact that in trying to understand how it is going to impact everybody across the board in filing the tariff is not specifically just this situation. Obviously we've got a 2-year, we had this in place with the drought last year. The impact might be a little bit less. Part of the reason we didn't go back 2 or 3 years or 5-year average is just the case of any industry sitting here that's done a major expansion in the last 2 or 3 years is suddenly going to say, wait, now you're penalizing me for expansion.

BG Station But on those same lines of the simplicity of it, you can figure in issues like that too. Weighted averages figure in. There's no reason you have to have a system that requires no thought – that we don't have to go back and really calculate and figure it out. It seems to me in the grand scheme of things that putting extra manpower to figure out a more complex system would be worth it. I'm mean we're not talking about a lot of money compared to the money that this whole process will take.

Coleman You're talking about larger users I assume.

BG Station Yeah. I'm not talking about residential. More complex system for the larger users and a simple baseline for residential. Another item I'd like to bring up and I don't know if this will affect or help any other of the big users, but at BG Station which is basically an industrial business park, our usage is very spotted from month to month but not on a seasonal pattern really. We're not sure exactly – I know we have a lot of leaks out there in the winter months that we fix as they arise. Unfortunately in the summer months, we do have to flush a lot of times to keep the water quality up for certain parts of the base. When we talk about an annual average and compare it to a baseline on a monthly basis, that would really kill us on certain months like if we did it last year on kind of an arbitrary matter, some months we're high, some months we're low. We were suggesting maybe taking an entire drought period after the fact and take a monthly average for the entire drought period. I don't know if that would help benefit any other big users but our thinking is the money that's going to come from this tariff that doesn't go to your operating expenses you know so there's no problem to pay a fee after the fact.

Coleman Based on that, if we did something with the larger customers, just for example, as opposed to the fall/winter average we would use for the residential, just use summer average. Does that get more Rob of what you're talking about – the summer use and ignore the baseline of the whole year.

UK It really boils down to the same date and time more than anything. It's not as much summer use as we're closed this week, we're not doing anything. But August, we'll have 50 million.

Coleman I understand what you're saying. It's all in the daily thing for some.

UK I think the thing that affects us more than anything is probably cooling the three days. (?)

Coleman We've seen that. We've certainly seen that.

UK Our water consumption during the summer months is over 30% cooling tower water. And we put those in to be friendly with the environment now, not the other way.

Coleman I understand. One thing I would like to dispel is everybody seems to think this is going to be a huge revenue producer but you realize what we're talking about. For the period of time doing this is when we're going to be in a place we've never been before with restrictions. We're going to be in rationing water. And I'm not so sure there's going to be enough extra revenue generated and I'm not looking for poor pitiful me but we need to pay our bills if it gets to that, even with this. You know I've heard an extra \$150,000 here, \$170,000 there, believe me – when we drop our baseline usage down 15 to 20 MGD, it's not going to take long to use that up.

UK I think I can speak for all of us here – you drop us down to this level, we're going to meet that level if there's anyway possible. It doesn't have anything to do with the dollar. Charges on the dollar is kind of like a slap in the face when we've done everything we can do.

Toyota Have there been any other additional creative solutions to this problem and I guess one of the things I'm going to throw out and one of the things that we're working with GMWSS right now is taking effluent from the plant and looking at reusing it back in our facility. Now the uplift _____ from the sanitation plants right now and it's not dumped into our pool of intake water. There's no more water in this world today than there was in any other time so other than that little bit that the spacecraft did take into space. It's basically the same that we have so why can't we not take that water and dump it back into the pool. Now obviously it's not all going to make it back up but it's going to be pretty close to what we're taking in and it's going to come back somewhere.

UK What pool do you go to now?

Toyota We go downstream – 3 & 7. Elkhorn. The Hickman Plant goes into 7, at least from Lexington, and then Town Branch goes into 3.

UK There are no takeoffs past Frankfort.

Linda Right and the problem with getting that amount of water from Town Branch back into 9. It's difficult with the infrastructure ? It might be able to be accomplished and that's something we're looking at. We've had conversations.

Toyota Yeah nobody takes off down stream from pool 9 but we're sending all the water out way past it. Why not put it back in up stream.

UK That was one of the things you guy looked at trying to bring it back up and that got way out of hand real quick.

Georgetown Yeah that was water for drinking but we're working at using water for cooling towers. It's not for drinking water. That's the public side there.

Toyota But that's just it – everybody's got to get off of that. You drink the same water hundreds of times already. Okay. That's a fact.

UK Don't remind me of that.

Toyota We've got to get creative and reuse what we have.

Nick We ought to tell our customers to drink what they flushed some time ago huh. But it's a fact.

? Any timeline on when to get this tariff filed with the PSC?

Nick Well we're going to need some more input now.

Linda Herb and I were just sitting here talking that it probably will have to be _____ with the Urban County Government and the Commission.

Coleman I would say 30 days.

Will we have a chance to review that Coleman?

Coleman Yes. We'll send it back out to you one more time before we file it. You may have disagreement with it and we may not make the changes but ...

Toyota Somebody sitting here is not going to be happy with the way it comes out.

Coleman Exactly.

Toyota What's good for me may not be good for UK or Trane or whoever the case. And what's good for them may not be good for me. Somebody is going to have hard feelings.

PSC Once it is filed, it will have to go through us.

Nick Input from everybody. Community Action Council, residents, ...

PSC Everyone including the attorney general.

Nick Volunteers needed for input – anyone from this group
Toyota
We'll take input from anybody that has the time.

Coleman Yes we don't want to leave anybody out. Essentially I want to add we have the attorney general well we don't want the idea that this is going to be an industry-driven tariff though because eventually everybody's got to be represented.

Have you looked at the likelihood that this will go into effect this year? I mean, 90%, 80%?

Linda Predicting the weather. Everybody that we have been talking to right now is indicating that this summer the weather patterns will be as bad if not worse than last summer but because we're already behind, my personal feelings right now are, unless something changes dramatically in the next couple of weeks – some serious rain – that we may have to. Even if we hold out and don't get into it in the next couple of months, the problem is then we're suddenly in August, September and October which is really our driest time of the year – hardly any rain at all in those months, it's minimal. At that point, it doesn't really matter what we do. Right now the only thing is we are going to need a gulf hurricane that hits Texas and Alabama and stays that way for us to get anything.

? Once that happens and it goes up ahead of us, it's gone. It's the same because the river comes from the underneath patterns and the deep ground water. That's what runs out of the river.

UK I don't see how you're going to build this anyway because the odds are we're going to be running on a monthly basis whenever we do this. I would be interested in the way you are going to be calculating that.

Coleman Well we'll be reading meters a lot more often.

UK It's not going to get it though, you know that. I mean you're not going to come along and say today is the work day we're going to read every meter in town. It's not going to happen.

Coleman We can't do it. It is going to have to be done gradually.

UK You're going to have to say they used 500 two months every day this month, we're going to bill them for half of it or something. You need to tell us how you're going to do that.

Coleman Well we'll take that. Obviously it's a psychological impact. But you do have to have an administrative way to handle that. If you tell people okay why we start using today. It's going to cost you \$10,000 a month so you go up this month. That's going to go obviously just to get that psychological impact breakdown and we do have to have a mechanism in place. We would put on people and read the meters, I would say, probably within a few days. We pull all our people in, we add temporaries, to get that baseline and I would see reading a lot of customers weekly, some perhaps twice a month, but then the schedule would get a lot more drastic obviously. We'll build in as much of that as we can. A lot of course we're not going to know until it hits.

But there really are two issues and the fundamental issue on why we are here in the first place and you can look at it two ways: if you have a problem, you fix it. If you're not willing to fix it, you're almost acknowledging you don't have a problem so you just sit and ignore it. I don't think we can do that. So where do we take it. It sounds like there's not great mechanisms in place to jump start this thing and go but obviously to the extent you can talk to the people you talk to that can make this thing happen – do that. Talk to us.

Then we've got the other issue of a very specific issue we're here for and that's the tariff. I don't think we can just take a representative and go with it. We need volunteers. Consumer Advisory Council, Toyota, etc.

AG He'll get it some thought and will e-mail Herb if he or anyone in his office if available. Possibly Bob Wiseman.

Max Industry codes for input

Goal – 2 weeks drafted

Max Governor, Mayor, LFUCG
Industry in Lexington is driving
Expansion plans in 5 years – this situation is detrimental
Infrastructure is first thing looked at

Self-defeating to draw in new industry – we need water

Coleman Get river fixed

Linda Like in Virginia Beach – has to be a commitment from community and then stick to it, no matter what