

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

JANUARY 2020

Board of Directors Southeastern Water Association met for its monthly meeting, January, 9th 2020. Board members present: Joe D. Crawford, Dennis Faulkner, Wade Bumgardner, Ernest Stout, Jr., Dwight Faulkner, Grant Treado, Bobby Crow, Mark O. Davis. President Joe Crawford declared a quorum present. Others in attendance: Eddie Brown, Morris Vaughn, R.C. Ryan, Bruce Orwin, Barry Daulton. Visitors present: Mr. Campbell, John Vanhook and Kody Salem, V.P. Utiliworks

VISITORS CONCERNS

Mr. Campbell address the Board of Directors concerning moving the water main, at 519 McKenzie Rd., approximately 500 ft. President Joe Crawford informed Mr. Campbell, if he (Mr. Campbell) is willing to bare all the cost associated with a main line relocation, it might be possible to get the approval of the Board of Directors. Mr. Campbell was advised to consult an engineer for cost estimates.

John Vanhook addressed the Board of Directors requesting information on getting a fire hydrant installed on Hwy. 39 between 39/Pine Hill Rd. and Eden Baptist Church. After discussing the situation, Mr. Vanhook rescinded his request.

ACCOUNTANT'S REPORT

CPA Barry Daulton gave the monthly accountant's report. Motion made by Ernest Stout, Jr. seconded by Bobby Crow to accept the report as read and authorize the Accountant's office to pay the accounts payable. Motion passed without opposition.

ENGINEER'S REPORT

Eddie Brown, Kenviron's engineering firm, gave an update on the 192/1003 improvement project: The project is still on schedule even though the only bid received was \$600,000 over the projects cost. Eddie doesn't expect any glitches, even though the additional \$600,000.00 will be appropriated from Washington D.C. and not locally, because the Dept. of Agriculture, Division for Rural Development, have already disbursed all local funds. Weddle Enterprise, the only 192/1003 project bidder had agreed to extend their bid until April.

The relocation of the main line at 461/80 Ky. Dept. of Highways project: ready to start obtaining easements. The Ky Dept. of Highways will reimburse the Association for the cost of obtaining the easements, at a price of .22 per square foot.

Eddie was directed, by the consensus of the Board, to make the replacement of the Dixie Bend tank a priority over AMR (automatic meter reading)

D. Bruce Orwin, reported, he still hasn't received a signed encroachment agreement from Dollar General concerning the concrete parking lot at Dollar General's Tateville location. But Mr. Orwin thinks the Association is in good shape, as far as liability, should it be necessary to disturb the parking lot.

READING OF THE MINUTES

Minutes of December, 12th meeting was read with no additions, alterations, or corrections. Motion made by Grant Treado, seconded by Dwight Faulkner to accept minutes as read. Motion passed without opposition.

MANAGER'S REPORT

(Old Business)

Permits have been received from Kentucky Division of Water for the line installation on Good Hope Church rd.

(New Business)

Morris informed the Board, the 1" main on Old Bull Rd. between the Ball Park east to the Ben Alderdice farm, needs upgraded. A potential customer is wanting a meter set and there is not enough water volume to serve the customer without enlarging the line. Morris will measure the distance and get a cost estimate, for the Board's consideration at February's meeting.

Morris, on a request from a customer, asked about installing a water main on Robin Dr. in Dixie Bend. The customer has a long service line and recently sustained a large leak. He would like for the water source to be moved closer to his residence. No action taken by the Board.

Morris asked the Board to consider closing the office on Veteran's Day. Motion made by Dennis Faulkner, seconded by Mark Davis to close the Water Office on Veteran's Day. Motion passed without opposition.

PRESENTATIONS

Kody Salem, VP Utiliworks Consultants LLC, gave a presentation on AMR (automatic meter reading) AMI (advanced metering infrastructure) and how Utiliworks can assist utilities in the implementations of these systems.

UPDATES FOR THE 192/1003 PROJECT

Motion made by Grant Treado, seconded by Ernest Stout Jr. to update the Red Flag Rule Manual, aka Identity theft prevention Manual. Motion passed without opposition.

Motion made by Dwight Faulkner, seconded by Bobby Crow to update the Southeastern Water Association's Chain of Command. Motion passed without opposition.

Motion made by Bobby Crow, seconded by Grant Treado to update Southeastern Water Association's O&M Manual. Motion passed without opposition.

Motion made by Bobby Crow, seconded by Ernest Stout, Jr. to update Southeastern Water Association's Vulnerability Assessment and Emergency Response Plan. Motion passed without opposition.

EMPLOYEE'S ANNUAL PAY

Motion made by Grant Treado, seconded by Bobby Crow to go into executive session for the discussion of employee issues. Motion passed without opposition.

Motion made by Grant Treado, seconded by Bobby Crow to go back into regular session.

Motion made by Bobby Crow, seconded by Ernest Stout, Jr. to give all hourly employee's a \$1.00 per hour raise. Motion passed without opposition.

Motion made by Wade Bumgardner, seconded by Dennis Faulkner to give a \$2.00 per hour raise to R.C. Ryan, with a request he obtain his class #2 licenses by the end of 2020. Motion passed without opposition.

Motion made by Wade Bumgardner, seconded by Bobby Crow to raise Morris's salary to \$70,000 per year. Motion passed without opposition.

Motion made by Mark O. Davis, seconded by Dwight Faulkner to adjourn. Meeting adjourned approximately 7:46 pm.

UNRESOLVED BUSINESS OR ITEMS HELD OVER

192/1003 project

Dixie Bend Tank

461 Line relocation: Ky. Dept. Highways project

Old Bull Rd. replacing 1" line

Kody Salem w/Utiliworks

Chad's insurance reimbursement

Morris's raise

Update on hiring 2-person leak detection crew

Respectfully submitted,

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

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The relocation of the main line at 461/80 Ky. Dept. of Highways project: ready to start obtaining easements. The Ky Dept. of Highways will reimburse the Association for the cost of obtaining the easements, at a price of .20 per square foot.

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UNRESOLVED BUSINESS OR ITEMS HELD OVER

192/1003 project

Dixie Bend Tank

461 Line relocation: Ky. Dept. Highways project

Old Bull Rd. replacing 1" line

Kody Salem w/Utiliworks

Chad's insurance reimbursement

Morris's raise

Update on hiring 2-person leak detection crew

Respectfully submitted,

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

FEBRUARY 2020

Board of Directors Southeastern Water Association met for its monthly meeting, February, 13th 2020. Board Members present: Bobby Crow, Dwight Faulkner, Joe Crawford, Dennis Faulkner, Ernest Stout, Jr., Wade Bumgardner, Mark O. Davis. Others present: Brenden Welch, Morris Vaughn, R.C. Ryan, Barry Daulton. Visitors: Mr. & Mrs. Darrell Corder, Wes Hargis, Cody Trimble, Tony Omohundro.

VISITORS CONCERNS

Mr. Darrell Corder, addressed the Board concerning laying a water main on Matthew Meece Rd.

Wes Hargis, introduced himself to the Board and announced he will be running for a seat in the Kentucky House of Representatives in the 85th Legislative District.

ACCOUNTANT'S REPORT

Barry Daulton informed the Board he has only received 1 bid from an Accountant to perform the 2019 Audit through December 31st. Randall Turpin submitted a bid of \$14,500.00. Motion made by Bobby Crow, seconded by Dwight Faulkner to award the job to Randall Turpin. Motion passed without opposition.

Barry Daulton, presented the monthly financial report. He commented "everything financially is moving in the right direction". Motion made by Bobby Crow, seconded by Dwight Faulkner to accept the report as read and authorize the Accountant to pay the accounts payable. Motion passed without opposition.

PRESENTATIONS

Cody Trimble and Tony Omohundro of C.I. Thornburg gave a presentation on the Sensus I-pearl radio read meters and the many options they have with their AMR/AMI systems.

READING OF THE MINUTES

The minutes from the January, 2020 meeting were read. Motion made by Dennis Faulkner, seconded by Ernest Stout, Jr. to accept the minutes, with the correction on page 1. Note: "Correction made and entered into the official record". Motion passed without opposition.

ENGINEERING REPORT

Board President Joe Crawford has signed all the necessary documents with Clay McKnight, Agent with the United States Dept. of Agriculture, Division of Rural Development on the 192/1003 improvement project. Now the documents will be submitted to the Kentucky Public Service Commission for approval.

The \$610,000 short fall has been secured from Rural Development. 82% loan, 18% grant. Brenden Welch, informed the Board, at the end of the 30-day Ky. Public Service Commission approval period, then the pre-construction meeting will be held.

Brenden Welch is ready to submit the publications for qualifications with the Dixie Bend Tank replacement project.

Motion made by Dennis Faulkner, seconded by Ernest Stout, Jr. to pass a resolution that the Dixie Bend Tank Replacement, Engineering SOQ Score Sheet results will be posted on one score sheet. Motion passed without opposition.

Motion made by Wade Bumgardner, seconded by Dennis Faulkner to give Kenvirons Engineering Firm a score of 100% on the Dixie Bend Tank Replacement, Engineering SOQ Score Sheet. Motion passed without opposition. Original score sheet has been affixed to the official minutes.

MANAGER'S REPORT

(Old business)

Morris reported that the distance needed to upgrade the water main from a 1" to 3", on Old Bull Rd., is approximately 2,000 ft.

Almost all easements needed to install a water main on Good Hope Church Rd., have been obtained.

Chad has been reimbursed for his over payment of health insurance.

(New Business)

Motion made by Bobby Crow, seconded by Dennis Faulkner to authorize Board President Joe D. Crawford to appoint a committee responsible for gather information on meter vendors, AMR/AMI system providers & consulting firms. Motion passed without opposition.

Morris Vaughn, Dwight Faulkner, Grant Treado & Bobby Crow were appointed to the committee.

Motion made by Bobby Crow, seconded by Wade Bumgardner to go into executive session to discuss employee's raises. Motion passed without opposition

Motion made by Ernest Stout Jr., seconded by Wade Bumgardner to go back into regular secession. Motion passed without opposition.

Motion made by Ernest Stout, Jr., seconded by Wade Bumgardner to give Morris Vaughn a \$5,000.00 per year raise retroactive to 01/01/2020. Motion passed without opposition.

Motion made by Dennis Faulkner, seconded by Ernest Stout Jr., to rescind the motion, that passed by majority vote, at the October 2019 meeting, to hire a two-man leak detection crew. Motion to rescind passed without opposition.

Motion made by Bobby Crow, seconded by Dennis Faulkner to authorize Morris Vaughn to hire 1 (one) employee, at this time, to train for eventual leak detection. The newly hired employee's hourly rate of pay not to exceed \$16.00 per hour during the initial training phase. Motion passed without opposition.

Motion made by Dennis Faulkner, seconded by Mark O. Davis to authorize Morris Vaughn to hire a Tank Inspector. Motion passed without opposition.

Motion made by Dennis Faulkner, seconded by Ernest Stout Jr. to purchase a \$250,000 CD from Monticello Banking Company. Authorized signers are: Joe D. Crawford, Grant Treado and Mark O. Davis. At least two of the authorized signers must sign if there's a change in the terms. Mark O. Davis is authorized to renew the CD according to the Monticello Banking Company's regulations. Motion passed without opposition.

BUSINESS STILL PENDING OR HELD OVER

192/1003 project

Dixie Bend Tank replacement

Committee's report on AMR/AMI vendors & Utiliworks consulting firm.

Easements for 461 Highway Dept. project

Line upgrade on Old Bull Rd.

Line installation on Good Hope Church Rd.

Hiring new employee for training in leak detection.

Respectfully Submitted,

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

MARCH 2020

Board of Directors, Southeastern Water Association, met for its monthly meeting, March, 12th 2020. Board Members present: Bobby Crow, Dwight Faulkner, Wade Bumgardner, Joe Crawford, Grant Treado, Mark O. Davis. Others present: Eddie Brown, Morris Vaughn, R.C. Ryan, Barry Daulton, Bruce Orwin. Visitors: Eddie Brewer, Marty Harris, Austin?

VISITORS CONCERNS

Raz Hoskins, Buck Creek Hideaway, recently had a leak and now he requests the Association move his meter. Mr. Hoskins will get the standard leak adjustment but his meter will not be moved at Association's expense.

PRESENTATIONS

Eddie Brewer and Austin with Mueller Water Products gave a presentation on what they have to offer in the area of AMI (advance metering infrastructure) and AMR (automated meter reading).

ACCOUNTANT'S REPORT

Barry Daulton, CPA presented the monthly financial report. Motion made by Grant Treado, seconded by Bobby Crow to accept the report as read and authorize the Accountant to pay the accounts payable. Motion passed without opposition.

READING OF THE MINUTES

The minutes from the March, 2020 meeting were read. Motion made by Dwight Faulkner, seconded by Bobby Crow to accept the minutes as read; with a correction in the February minutes that stated "the Association's funding on the 192/1003 project: 78% Loan 22% grant" corrected to 82% Loan 18% Grant. The official February minutes have been corrected.

ENGINEER'S REPORT

According to Brenden Welch, Kenvirons Engineering Firm, all documents for the 192/1003 have been submitted to the PSC (Public Service Commission) on February 21st. The PSC has 30 days to provide the Public Convenience and necessity letter. Should receive the letter from PSC approximately March, 23rd, need to get the award letter to Weddle Enterprise by April 1, 2020. When these items are completed a pre-construction meeting can be scheduled.

OLD BUSINESS

Morris informed the Board all easements for the 192/1003 improvement project have been received. Morris recommended to the Board that the funds for purchasing easements should now be released. Motion made by Bobby Crow, seconded by Grant Treado to release the payments to the individuals that signed easements and to seek reimbursement from the Kentucky Dept. of Highways. Motion passed without opposition.

Morris reported only one easement has been signed for the main line relocation on Old Bull Rd.

President Joe Crawford asked for a report from the committee researching the AMI/AMR, in general and Utiliworks in particular. Director Dwight Faulkner reported to the Board; he received no negative feedback about Utiliworks. Of the several utilities he spoke with, 100% lauded Utiliworks in areas such as: ease of working with, prompt attention when responding to the utility's emergency, impressive level of expertise from Utiliworks staff.

Association Attorney, Bruce Orwin, will be contacting Attorneys Gerald Wuetcher and/or Damon Talley to get their feedback and opinion on the Association's effort to revise/update the by-laws.

Morris informed the Board a new employee, Lester Moore, has been hired at rate of \$14.50 per hour. When Mr. Moore has completed the 3 months probationary period, a decision will be made, by the Manager, as to whether or not Mr. Moore will be permitted to take a company truck home.

Morris advised, per his conversation with Jay Hoffman, Wet-Dry Tank Inspectors will be inspecting storage tanks next week.

Morris gave a cost update on the purchase of portable generators. Tateville Tank: \$47,691.45, Eagles Nest: \$39,689.75. Wascon advised against having portable generators. In inclement weather it can be very difficult to get the generators to where they need to be. The two mentioned estimates are for permanent, not portable. This item is tabled until next meeting.

NEW BUSINESS

Motion made by Mark O. Davis, seconded by Bobby Crow to authorize Morris Vaughn to negotiate with Nex check about a 1-800 number to provide a telephone pay option for customers.

President Joe Crawford advised the Board there were some glitches in the reading of some of the customer's meters this past payment period. This error resulted in some customers getting a bill for only two weeks of water usage. But the next billing cycle those same customers received a bill for 6 weeks of water usage. Morris and the office staff are working with these customers to give the appropriate credit. This was determined to be a Manager's decision so no action was needed or taken by the Board of Directors.

Motion made by Dwight Faulkner, seconded by Mark O. Davis to adjourn. Meeting adjourned with peace and harmony at 7:55 pm.

Respectfully Submitted,

Mark O. Davis, Secretary

BUSINESS STILL PENDING OR HELD OVER

192/1003 PROJECT

Line upgrade on Old Bull Rd.

Line Installation on Good Hope Church Rd. still lack 1 easement

GPS Valve Mapping

New Building: floor plan & excavating

Purchasing AMI/AMR system

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

JUNE 2020

Board of Directors, Southeastern Water Association met for its monthly meeting, June, 11th 2020. Board members present: Bobby Crow, Joe Crawford, Dennis Faulkner, Wade Bumgardner, Ernest Stout Jr. Grant Treado, Dwight Faulkner, Mark O. Davis. Others present: Brenden Welch, Eddie Brown, Morris Vaughn, R.C. Ryan, Barry Daulton, Jay Hoffman.

VISITORS

Jay Hoffman, Wet and Dry Tank Inspections, presented the Board with the recent evaluations of each storage tank in the Association's system and a 5-year maintenance plan. Motion made by Grant Treado, seconded by Dwight Faulkner to authorize Jay Hoffman to obtain bids on having the Sandy Gap, 192, Tateville, and Dahl tanks painted. Sandy Gap and 192 tanks will be painted this year, Tateville and Dahl painted in 2021. Motion passed without opposition.

ACCOUNTANT'S REPORT

CPA Barry Daulton gave the financial report for March, April, and May 2020. Motion made by Grant Treado, seconded by Ernest Stout, Jr. to accept financial report as read and authorize the Accountant's office to pay the accounts payable. Motion passed without opposition.

ENGINEER'S REPORT

Eddie Brown presented the Board with current updates on the 192/1003 project. Motion made by Wade Bumgardner, seconded by Grant Treado to authorize Eddie Brown of Kenviron's Engineering Firm to begin preparing plans for the next project and present the Board with recommendations. Motion passed without opposition.

MANAGER'S REPORT

(OLD BUSINESS)

Morris addressed the Board on behalf of Gerald Corder, Matthew Meece Rd. The folks on Matthew Meece Rd. are still wanting water main to be installed.

Dwight Faulkner gave a report on behalf of the committee that was appointed to research Utiliworks. All the utilities, that the committee contacted in their research of Utiliworks, had nothing negative to say and gave Utiliworks an excellent rating.

On a recommendation from President Crawford and with consensus from the Board, Morris will contact Kamstrup Inc, and ascertain if they can attend the July meeting and make a presentation to the Board on the Kamstrup meters.

Morris will contact 64 seconds, Inc. and see if they can have a representative attend the August Board meeting and give a presentation on their GPS systems.

NEW BUSINESS

The Board discussed, as a result the covid-19, updating the Association's procedural manual. Morris will seek a recommendation from the Kentucky Rural Water Association on how to update the association's procedural manual.

Discussed the need to trade the Dump Truck for two new utility trucks. Motion made by Ernest Stout, Jr. seconded by Bobby Crow to authorize Grant Treado to gather information on trading the dump truck for two new utility trucks and report his findings to the Board. Motion passed without opposition.

Morris discussed the need of hiring a cleaning company to clean the office. Morris will gather information and bring it before the Board at the July Board Meeting.

Dwight Faulkner addressed the Board of Directors and asked that the Board consider having an additional inspector, during the construction of the 1003/192 upgrade project, that will specifically answer to the Association.

UNRESOLVED BUSINESS OR ITEMS HELD OVER

Updating the procedural manual

Trading the dump truck for two utility trucks

Hiring a cleaning agency for the office

192/1003 improvement project

Purchasing radio read meters

Having an additional inspector for the 192/1003 improvement project

64 seconds give a presentation, at the August meeting, for GPS mapping

Preparing plans for the next project (Kenviron's)

Painting water storage tanks Sandy Gap/192 tanks 2020

Painting Tateville/Dahl 2021

New water storage tank @ Dixie Bend

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION, INC.

BOARD OF DIRECTORS

MINUTES

JULY 2020

Board of Directors, Southeastern Water Association met for its monthly meeting, July 9th, 2020. Board Members present: Bobby Crow, Grant Treado, Dwight Faulkner, Joe Crawford, Dennis Faulkner, Ernest Stout Jr., Mark O. Davis, Wade Bumgardner. Others present: Rich Gardner of Kamstrup Meters. Brad Guess of Allied Utilities, the distributor for Kamstrup Meters Inc., Brenden Welch, Eddie Brown, Morris Vaughn, R.C. Ryan, Barry Daulton, Bruce Orwin.

VISITORS

Rich Gardner, Kamstrup Corps. and the distributor for Kamstrup meters, Brad Guess of Allied Utilities gave a presentation on the Kamstrup Smart Meters.

ACCOUNTANT'S REPORT

Barry Daulton, CPA gave the monthly financial report. Motion made by Grant Treado, seconded by Bobby Crow to accept the report as read and authorize the Accountant to pay the accounts payable. Motion passed without opposition.

ENGINEER'S REPORT

Brenden Welch reported, he spoke with Eric Weddle of Weddle Enterprise. Weddle's will begin construction on the 192/1003 upgrade in two to three weeks. The Dixie Bend tank replacement project is ready to be submitted to the U.S. Dept. of Agriculture, Division of Rural Development for funding. The Bid opening for the 461 water line relocation project will be before the next meeting. Probable cost for the Sandy Gap transmission main and pressure improvements in the Mt. Victory area is 5.3 million. The Tateville & Rush Branch pump station replacements is \$500,000.00.

Motion made by Wade Bumgardner, seconded by Dennis Faulkner to authorize Kenviron's Engineering Firm to move forward planning the replacements of the Tateville and Rush Branch Pump Stations. The financing for these pump stations will come from the Association's Reserve Funds and not from any lending agencies including Rural Development loan/grant funding. Motion passed without opposition.

READING OF THE MINUTES

Minutes of the June meeting were read. Motion made by Dennis Faulkner, seconded by Grant Treado to accept the minutes as read.

Mark O. Davis, Secretary

MANAGER'S REPORT

(OLD BUSINESS)

Grant Treado presented, to the Board, the prices for a new ½ ton 4x4 pickup truck. The lowest price was \$29,338.00 plus tax, for a Dodge, ½ ton, 4x4, crew cab P/U from Don Franklin Chrysler of Somerset. Motion made by Bobby Crow, seconded by Dennis Faulkner to purchase two (2) of the aforementioned trucks at the cost of \$29,338.00 plus applicable taxes. Motion passed without opposition.

Morris updated the Board on the hiring of a cleaning agency to clean the Association's Office. South Central Janitorial, Inc. has submitted a price of \$550.00 per month, which includes labor, supplies, and cleaning the entire office once per week.

On the subject of changing the Association's protocol manual in regards to Covid-19. Morris solicited the opinion of the Ky. Rural Water Association. The KRWA has no recommendations, at this time, until they (KRWA) has some feedback from PSC.

R.C. Ryan will be an onsite inspector, for the Association, during the 192/1003 improvement project. President Joe Crawford, considering this a managerial decision, no motion and second is necessary.

(NEW BUSINESS)

Motion made by Bobby Crow, seconded by Wade Bumgardner, to accept sealed bids on the 2001 International Dump Truck. Motion passed without opposition

Motion made by Dwight Faulkner, seconded by Wade Bumgardner to ratify all action taken, by the Board or management, from the March, 12th, Monthly Board Meeting to the June, 11th Monthly Board Meeting, such as: payment of bills, 2020 Annual Association Meeting.

Motion made by Grant Treado, seconded by Dennis Faulkner to earmark \$1,000,000.00 to be applied to the Associations debt. This authorizes President Joe Crawford and Secretary Mark O. Davis, in consultation with the Association's Accountant Barry Daulton, to analyze which paid off loans are the most advantageous to the Association.

Motion made by Bobby Crow, seconded by Wade Bumgardner to earmark \$1,000,000.00 to be paid toward purchasing meter AMI (Advanced Metering Infrastructure) . Motion passed without opposition.

Morris reported, the Good Hope Rd. line installation is completed, however the property owners are not ready, at this time, to run their own water lines.

Motion made Bobby Crow, seconded by Mark O. Davis to contribute an additional 5% to the 3% that has already been contributed to the employee's retirement account. This will result in a total contribution, for this year, of 8%. Motion passed without opposition.

Motion made by Bobby Crow, seconded by Dennis Faulkner to adjourn. Meeting adjourned at 8:48 pm.

Respectfully Submitted,

Mark O. Davis, Secretary

BUSINESS STILL PENDING OR HELD OVER

Update protocol manual when KRWA has some feedback from PSC

Update 192/1003 improvement project

Purchasing AMR/AMI

Painting Sandy Gap/192 tanks 2020

Painting Tateville/Dahl tanks 2021

Update on new Dixie Bend tank

Update Goodhope Rd. are customers ready to install their service lines?

Open Sealed Bids on dump truck

Update on replacing Tateville and Rush Branch pump stations

Update on line relocation 461 for State Highway Dept.

Update on line upgrade on Old Bull Rd.

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

AUGUST 2020

Board of Directors, Southeastern Water Association, met for its monthly meeting, August 13, 2020. Board members present: Bobby Crow, Dwight Faulkner, Joe D. Crawford, Dennis Faulkner, Grant Treado, Mark O. Davis, and Ernest Stout Jr. Others present: Morris Vaughn, R.C. Ryan, Eddie Brown, Bruce Orwin, Melody Rhodus, Jay Hoffman and Jeff Murman.

VISITORS

Jay Hoffman, Wet & Dry Tank Inspections, Inc. presented the bids received for painting & repairs of five (5) Association's Tanks. 2020: Sandy Gap, 192 & Keno. 2021: Dahl and Tateville. C&S Services bid \$335,946.00. Sam Estes bid \$428,195.00. Motion made by Bobby Crow, seconded by Dennis Faulkner to accept the bid and award C&S Services the contract to paint and repair tanks.

Jeff Murman with 64 Seconds Inc. gave a presentation.

MINUTES OF JULY MEETING READ

Minutes of the July meeting were read. Motion made by Grant Treado, seconded by Bobby Crow to accept minutes as read. Motion passed without opposition.

ACCOUNTANT'S REPORT

Mel Rhodus with Barry Daulton CPA, gave the monthly financial report. Motion made by Dwight Faulkner, seconded by Dennis Faulkner to accept report as read and authorize the Accountant to pay the accounts payable. Motion passed without opposition.

Motion made by Dennis Faulkner, seconded by Grant Treado to purchase two additional trucks from Don Franklin Chrysler, in addition to the two the Board has already approved the purchase of, to replace two of the highest mileage trucks. Motion passed without opposition.

ENGINEER'S REPORT

Eddie Brown gave an update on the Dixie Bend Tank Replacement project. He is waiting on the completion of the Association's yearly audit before submitting the project to the Department of Agriculture, Division of Rural Development, for funding.

Eddie Brown gave an update on the Tateville/Rush Branch pump station replacement project. Eddie advised he needs to personally revisit both pump station sites to determine if there is enough room for the construction of the above ground pump stations. Weddle Enterprise will begin, next week, working on the 192/1003 improvement project.

OLD BUSINESS

Contract with Damon Tally to pursue an exemption, from the PSC, so the Association can purchase solid state meters without having to replace 10% of the meters each year. Motion passed without opposition.

Motion made by Bobby Crow, seconded by Dwight Faulkner to authorize Morris Vaughn to contact Damon Tally for guidance on responding to the PSC's request the Association submit a costly traditional rate case. Motion passed without opposition.

NEW BUSINESS

Seven (7) bids were received on the dump truck. Wilson & Roy had the highest bid.

Carson Atwood: \$6,200.00

Jim Goldson: \$3,500.00

J.C. Caine: \$5,001.00

Wilson & Roy: \$8,250.00

J.R. Jackson \$5,868.68

Ryan Price: \$7,599.00

Carl South \$3,865.00

PRESENTATIONS

Jeff Murman, with 64 Seconds, Inc. gave a presentation on what they can offer in modern utility asset management, e.g. leak detection services, Mobile GIS (geographic information services) such as GPS mapping of infrastructure.

Motion made by Mark Davis, seconded by Bobby Crow to adjourn. Meeting adjourned at 8:04 pm.

Respectfully Submitted,

Mark O. Davis

BUSINESS STILL PENDING OR HELD OVER

Purchasing AMR/AMI (automatic meter reading/advanced metering infrastructure)

Taking out meter from Steve Wall's Dairy Farm

Whether or not the Board needs to bid or negotiate the purchase of solid-state meters

Update Dixie Bend Tank replacement (note: this project is seeking R.D. funding)

Update on replacing Tateville and Rush Branch Pump Stations

Utility Asset Management: GPS mapping, GIS

Update Old Bull Rd. In-house line replacement

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

September, 2020

Board of Directors, Southeastern Water Assoc. met for its monthly meeting Sept. 10, 2020. Board members present: Dwight Faulkner, Grant Treado, Dennis Faulkner, Mark O. Davis, Wade Bumgardner, Joe Crawford. Others present: Morris Vaughn, Barry Daulton, Eddie Brown, Brenden Welch, Randall Turpin.

AUDIT REPORT

Randal Turpin, CPA presented, to the Board, the 2019 Audit. Mr. Turpin reported, there were no discrepancies and it is considered a satisfactory Audit. Motion made by Mark Davis, seconded by Bobby Crow to accept the Audit as read. Motioned passed without opposition

ACCOUNTANT'S REPORT

Barry Daulton gave the August financial report. Motion made by Dennis Faulkner, seconded by Wade Bumgardner to accept the Financial Report as read and pay the bills. Motion passed without opposition.

Motion made by Dennis Faulkner, seconded by Wade Bumgardner to authorize Barry Daulton, CPA to check on the following Rural Development loans; and if there is not a pre-payment penalty, pay off the loans. Total amount to be paid off: \$461,650 in the following amounts: \$150,720, \$95,972, \$73,902, \$141,056. These loans originated in 1995 and 1997 Motion passed without opposition.

ENGINEER'S REPORT

Eddie Brown reported, Weddle Enterprise will start clearing right of way on the 192/1003 project next week.

The amount of property the Association owns at the current pump station sites in Tateville and Rush Branch are not adequate enough to build new pump stations without purchasing more property.

The 461-relocation project is scheduled to start on Sept. 21st it is a 120 days project with a completion date Jan. 18th 2021.

The Dixie Bend Tank Replacement Project: There will be a public meeting on Sept. 30th @10:00 am. After the meeting the project should be ready to submit to Rural Development for funding.

The Engineers are going to analyze feeding the Blaze Valley Rd. off of the 192 Tank instead of the Cannonball Tank. If this is hydraulically possible it might bring the cost of supplying water to the Blaze Valley Rd. within budget constraints.

READING OF THE MINUTES

Minutes of the August, 2020 meeting were read. Motion made by Dwight Faulkner, seconded by Wade Bumgardner to accept the minutes as read. Motion passed without opposition.

CONFERENCE CALL WITH DAMON TALLEY

Purchasing Kamstrup meters

The Board had a conference call with Damon Talley concerning the Board's desire to purchase AMR-AMI Kamstrup meters. Mr. Talley advised, the Association will need the PSC approval, by submitting a certificate of Public Convenience and Necessity, to the Ky. Public Service Commission, if the purchase exceeds \$500,000 in a single year. Also, Mr. Talley advised it would be prudent, to competitively bid the project.

PSC mandated rate study

Mr. Talley advised, on the PSC Order of Rate Adjustment summons, page 6 item 16, states SEWA "Shall", file for an adjustment of rates. It is Mr. Talley's opinion; the Association will have to submit a rate study to the PSC. He suggested, within the next couple of months, to have Kenviron's and (or) the Ky. Rural Water Assoc. to give the Board a cost estimate on doing a rate review before submitting a rate case

New office building

According to Mr. Talley the Ky. Public Service Commission will require the Association to file a certificate of Public Convenience and Necessity if the cost of the New Office and Maintenance Shop exceeds \$500,000. The Association will need to have the plans and bids on hand before filing the application.

OLD BUSINESS

Motion made by Dennis Faulkner, seconded by Mark Davis to authorize Joe Crawford and (or) Morris Vaughn to gather the information needed to compile bid specifications for the AMR/AMI meters. Motion passed without opposition.

On the removal of a meter base and yoke at Steve Wall's residence: The Board took no action. This was determined to be an issue within the scope of the Manager's discretion.

On the GPS/GIS mapping: Jeff Murman of 64 seconds will be setting up a 30-day trial period so the Board will have the opportunity to see how well it will perform.

NEW BUSINESS

Motion made by Grant Treado, seconded by Dennis Faulkner to renew the Association's liability & workers compensation insurance with Reed Brothers Insurance Agency. Motion passed without opposition. For the record, President Joe Crawford recused himself from any discussion or vote.

Motion made by Dwight Faulkner, seconded by Wade Bumgardner to purchase a new backhoe at the Manager's discretion. Motion passed without opposition.

Motion made by Dwight Faulkner, seconded by Mark Davis to Adjourn. Meeting adjourned at 8:07 pm

Respectfully submitted,

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION, INC.

BOARD OF DIRECTORS

MINUTES

OCTOBER 2020

Board of Directors, Southeastern Water Association, met for its monthly meeting, October 8th, 2020. Board members present: Bobby Crow, Dwight Faulkner, Joe Crawford, Grant Treado, Mark Davis, Dennis Faulkner. Others present: Brenden Welch, Eddie Brown, Morris Vaughn, Bruce Orwin, Barry Daulton, Benton Fudge.

ENGINEER'S REPORT

Brenden Welch addressed the Board. Today there was a progress meeting with Weddle Enterprise on the 192/1003 project. Weddle's has been in construction for approximately 2 ½ weeks and the next progress meeting is scheduled for Nov. 12th at 1400 hrs.

A crossing at Grundy Rd. will be added to the 192/1003 project. Weddle's will begin construction on the line relocation on 461 for the Kentucky Dept. of Highways cloverleaf project. They will begin with the 350 ft. road bore between Babe Blvd. and Todd Truss.

On the Dixie Bend tank: Everything should be completed and the project submitted to the U.S. Dept. of Agriculture, Division of Rural Development for funding in approximately 2 weeks.

The Tateville Pump Station: According to the calculations, a pressure reducer can be installed on the old 6" main line. This will reduce the pressure approximately 30-40 lb. Looking to secure a site on the East side of 27 for the new pump station.

ACCOUNTANT'S REPORT

Barry Daulton presented the monthly financial report. Motion made by Bobby Crow, seconded by Dennis Faulkner to accept the report as read, and authorize the paying of the bills. Motion passed without opposition.

ARCHITECT'S REPORT

Benton Fudge presented to the board, updated plans on the new office building, including: floor plans, drainage system, and garages.

READING OF THE MINUTES

Minutes of the Sept. 2020 meeting were read. Motion made by Bobby Crow, seconded by Dennis Faulkner to accept the minutes as read. Motion passed without opposition

NEW BUSINESS

The KRWA gave a bid on preparing a rate study, as directed by the PSC, for the Association. The projected cost to the Association: 0 dollars with a proposed grant. Motion made by Mark Davis, seconded by Dwight Faulkner to accept the bid. Motion passed without opposition.

Morris reported, a Mr. Brooks wants the water line that Jessie Kidd installed, at the end of John Hyden rd., moved off of his land. The line in question is on Jessie Kidd's side of the meter, therefore it is a matter to be resolved between Mr. Brooks and Mr. Kidd. During the board meeting, Bruce Orwin called Mr. Brooks' attorney Ryan Davis, and discussed the Board position on the matter.

Keith Rogers wants a leak adjustment. He had an adjustment in Dec. 2019 so, according to the Association by-laws of only one leak adjustment per 12 month period, he does not qualify.

Morris informed the Board; Steve Wall still has not hooked up to the new meter he had installed a few years ago. Morris is going to have the meter removed per the Board instructions at the Sept. meeting.

The Board discussed how to handle the delinquent bills. The consensus of the Board was to: send all delinquents a red bill on Oct. 13th and see how many will respond about signing a payment agreement. There will be no cutoffs until after the first of the year.

Morris advised the Board, George McMackins, Jessie Sears Rd., notified the Association his basement flooded as a result of his water meter busting.

The Painting Contractors will start painting the Sandy Gap tank this Tuesday, 10/13/2020.

OLD BUSINESS

Morris reported, the 4 new Dodge trucks the Association recently purchased are in and utility racks are being built for installation in two of the Dodge truck beds and one rack for installation in the GMC truck.

Motion made by Grant Treado, seconded by Mark O. Davis to liquidate two of the older, high milage trucks, and two of the Ford trucks that the manager deems necessary to liquidate.

Motion passed without opposition.

Motion made by Dennis Faulkner, seconded by Bobby Crow to purchase jackets and caps for all employees and members of the Board of Directors.

Motion made by Dennis Faulkner, seconded by Bobby Crow to adjourn. Meeting adjourn 8:42 pm.

Respectfully Submitted,

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

NOVEMBER 2020

Board of Directors, Southeastern Water Association, met for its monthly meeting, November 12th, 2020. Board Members present: Bobby Crow, Wade Bumgardner, Dwight Faulkner, Joe Crawford, Grant Treado, Ernest Stout Jr., Dennis Faulkner and Mark O. Davis. Other present: Bruce Orwin, Barry Daulton, R.C. Ryan, Brenden Welch, Eddie Brown, Burnside Mayor Robert Lawson, Burnside Utilities Supervisor Richard Troxtell, Rich Gardner of Kamstrup Meters, Brad Guess of Allied Utilities.

ACCOUNTANT'S REPORT

Barry Daulton, gave the monthly financial report. He reported the Association paid off 4 loans with the U.S. Dept. of Agriculture, Division of Rural Development on October, 28th 2020. Motion made by Ernest Stout, Jr., seconded by Dennis Faulkner to accept report as read and authorize the Accountant to pay the accounts payable. Motion passed without opposition.

VISTOR'S CONCERNS

Robert Lawson, Mayor of Burnside, addressed the Board. He requested the Board consider allowing the City of Burnside to install a metered connection to the Association's Water main in Burnside. According to Mayor Lawson, this will only be used in the event of an emergency where the City of Burnside loses its current supply network. Board President Joe Crawford suggested, Burnside have their engineer design a connection and if it meets the Association's engineer's approval, then the Association and Burnside can engage in further discussions.

Rich Gardner of Kamstrup Meters and Brad Guess of Allied Utilities gave a presentation on the Kamstrup AMR/AMI system.

OFFICE REPORT

Melinda Elder advised the Board, there will be no delinquent bills sent out this month. There was a problem with a particular meter reader this month; several meters were incorrectly read. There will be no water loss report this month.

ENGINEER'S REPORT

Brenden Welch gave an update on the current ongoing projects. The 192 project has slowed recently due to encountering rock. The 461 relocation: Weddle's has approximately ½ of the 6", on Hwy. 80, complete and should have all the 5" line completed by the end of November.

The application to Rural Development for the new Dixie Bend Tank will be ready to submit next week.

MINUTES

The minutes of the last meeting were read. Motion made by Grant Treado, seconded by Ernest Stout, Jr. Motion passed without opposition

Dennis Faulkner made a motion, seconded by Ernest Stout Jr. to pay Morris and Patrice Vaughn until they return to the office, with a negative COVID -19 test, on Nov. 30th. Motion passed without opposition.

ASSISTANT MANAGER'S REPORT

R.C. Ryan, asked the Board's consideration on the following change orders: On the 461-line relocation project; extending the 6" main, 380 ft. to eliminate an existing 3" line. On the 192/1003 improvement project, do an additional 70' road bore under 192 @ 192/Grundy Rd. Estimated cost \$21,000. Motion made by Wade Bumgardner, seconded by Dwight Faulkner, to approve both change orders. Motion passed without opposition.

Motion made by Dwight Faulkner, seconded by Bobby Crow to give all Employees a \$100.00 net, Christmas bonus. Motion passed without opposition.

Mark O. Davis, informed the Board of receiving a phone call from Pulaski Co. Judge-Executive Steve Kelly, asking the Board of Directors to consider extending the water main on the Buren Turner Rd.

Motion made by Wade Bumgardner, seconded by Dwight Faulkner to adjourn. Meeting adjourn at 7:20 pm.

Respectfully Submitted,

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION, INC

BOARD OF DIRECTORS

DECEMBER 2020

Board of Directors, Southeastern Water Association, met for its monthly meeting on December 10th, 2020. Board members present: Bobby Crow, Joe Crawford, Dennis Faulkner, Ernest Stout, Jr. Dwight Faulkner. Others present: Morris Vaughn, R.C. Ryan, and Bruce Orwin.

No Minutes for the November, 2020 Board Meeting. Minutes will be read at the January 2021, Board meeting.

Joe Crawford gave an update on the design plans for new office: The architects are checking to see the feasibility of using propane and (or) solar energy as a heating source. The project is on target to advertise for bids before the end of 2020.

RAISES FOR EMPLOYEES

The board discussed raises for each employee. The 2021 raises will be performance based and are as follows: Lester Moore raised from \$16.50 to \$18.00 per hour, Ricky Acey raised from \$18.00 to \$19.00 per hour, Dale Ball raised from \$17.50 to \$19.00 per hour, Doug Branscum raised from \$18.00 to \$20.00 per hour, Melynda Eider raised from \$17.50 to \$18.50 per hour, Gordon Gentry raised from \$18.00 to \$19.50 per hour, Chad Keith raised from \$18.00 to \$19.00 per hour, Tyler Mofield raised from \$17.50 to \$19.00 per hour, Remona Taylor raised from \$17.50 to \$18.50 per hour, Patrice Vaughn raised from \$17.50 to \$18.50 per hour. Motion made and seconded to go into executive session to discuss raises for Morris Vaughn and R.C. Ryan. Morris raised from \$74,980 to \$80,000 per year, R.C. Ryan raised from \$47,965. to \$55,000. per year. Motion made by Bobby Crow, seconded by Dennis Faulkner to approve the raises as outlined above. Motion passed without opposition.

MANAGER'S REPORT

Morris informed the Board the office is in need of a new copier. The consensus of the Board was this matter is at Manager's discretion.

Morris informed the Board there are two individuals wanting water. One of the individuals lives on Mayfield Hollow Rd., and Doug Hail on Hail/Meece Rd. Mr. Meece is willing to contribute, to the Association, what it will cost him to run his own line, approximately \$8,000.00

All the tanks, that were slated to be painted, have been completed.

Motion made and seconded to adjourn. Meeting adjourned 6:46 pm.

AMI / AMR METERS

461 LINE RELOCATION PROJECT

192/1003 IMPROVEMENT

Respectfully Submitted,

Mark O. Davis, Secretary