

SOUTHEASTERN WATER ASSOCIATION, INC.  
BOARD OF DIRECTORS

MINUTES

JANUARY, 2018

Board of Directors of Southeastern Water Assoc. met for its regular monthly meeting, January 11, 2018. Board members present: Jr. Stout, Wade Bumgardner, Grant Treado, Dwight Faulkner, Bobby Crow, Joe Crawford and Harvey Phelps. Other present: Morris Vaughn, R.C. Ryan, Cami Meece, Eddie Brown.

Minutes from the December, 2017 Board meeting were read. Motion made by Bobby Crow and seconded by Grant Treado to accept the minutes as read. Motion passed without opposition.

Dwight Faulkner gave the Board a report on his meeting with Somerset Mayor Eddie Girdler, concerning the testing of Somerset's master meters. The Mayor and the representatives from the City's water dept. pledged their cooperation, in supplying the Association, with the documentation on the testing of the City's master meters. Morris stated, he has been contacted by the Somerset Water Dept. and informed, a 3<sup>rd</sup> party contractor, from Northern Kentucky, is scheduled to test Somerset's master meters on January, 26<sup>th</sup>.

R.C. Ryan updated the Board on the Herring Ln. project. The total line extension will be approx. 1750 ft. This includes an additional 400 ft., approximately, in order to reach the desired location.

Motioned made by Grant Treado, seconded by Dwight Faulkner to authorize the accountant to pay the 2018 health insurance premium, on a monthly basis, when the bill is received. Motion passed without opposition.

Morris reported, the County is wanting to widen the Dahl Rd. entrance, this will require the water main to be relocated. Joe Crawford informed the Board, he has spoken with Deputy Co. Judge Dan Price and explained to him the association's protocol on relocating water mains.

Cami Meece gave the monthly accountant's report, Motion made by Bobby Crow and seconded by Grant Treado to accept the report and authorize the accountant to pay the accounts payable. Motioned passed without opposition.

Morris advised, the Assoc. has recently paid Comtronics, the final quarterly payment, for telemetry support. Joe Crawford instructed the telemetry committee to finalize their research on a telemetry provider and be prepared to make a recommendation, to the Board, at February's meeting.

Morris informed the Board of the need to have electricity ran to the Dahl tank. Joe Crawford asked Morris to investigate the cost and means of getting electricity to the Dahl tank and report his findings to the Board.

Motioned made by Bobby Crow, seconded by Grant Treado to go into executive session for the purpose of discussing employees' raises.

Motioned made by Dwight Faulkner, seconded by Harvey Phelps to come out of executive session and

back into regular session.

Motion made by Grant Treado, seconded by Jr. Stout to give Morris Vaughn and R.C. Ryan a \$1227.00 annual raise and all other employees a 59 cent per hour raise. Motioned passed without opposition.

Motion made by Wade Bumgardner, seconded by Harvey Phelps to adjourn. Meeting adjourned at approximately 7:15 pm.

Respectfully submitted,

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION, INC.

BOARD OF DIRECTORS

MINUTES

FEBRUARY, 2018

Board of Directors of Southeastern Water Association met for its monthly meeting, 5:30 pm. February 8<sup>th</sup>, 2018. Board members present: Joe Crawford, Wade Bumgardner, Grant Treado, Dwight Faulkner, Harvey Phelps, Ernest Stout, Jr., Bobby Crow and Mark Davis. Others present: Cami Meece, Bruce Orwin, Brendon Welch, Eddie Brown and Morris Vaughn.

Minutes of January, 2018 meeting were read. Motion made by Bobby Crow and seconded by Wade Bumgardner to accept the minutes as read. Motion passed without opposition

Morris Vaughn advised he has contacted RECC concerning installing electric service to the Dahl tank.

Cami Meece gave the Accountant's report. Motion made by Mark Davis and seconded by Ernest Stout, Jr. to accept the report as read and authorize the accountant to pay the accounts payable. Motion passed without opposition.

Motion made by Wade Bumgardner and seconded by Mark Davis to make a 3% employer contribution to the employees retirement accounts. Motion passed without opposition.

Steve Bennett and Jerry Cravins of Wascon, Inc. gave a presentation on Wascon/Hightide's telemetry system.

Motion made by Bobby Crow and seconded by Grant Treado to hire Wascon, Inc. to install 22 Hightide telemetry system units at a cost of no more than \$6,500.00 per unit. Motion passed without opposition.

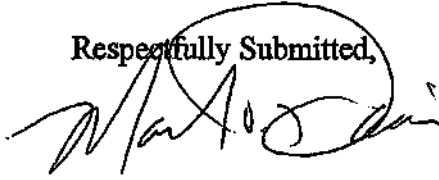
Motion made by Wade Bumgardner and seconded by Ernest Stout, Jr. to affirm that members of the Board of Directors service a 4 year term in office, with the terms of the current Board members expiring as follows: Motion passed without opposition.

Joe Crawford: 2019  
Dwight Faulkner: 2019  
Mark Davis: 2019  
Grant Treado: 2020  
Ernest Stout, Jr. 2020  
Harvey Phelps: 2020  
Bobby Crow: 2021  
Wade Bumgardner: 2021

Morris reported, Travis Smith, Jones Knob Rd., has had a meter set and now doesn't want to hook onto the meter for service and doesn't want to pay the required 12 month minimum bill. With the consensus of the Board of Directors, Morris was advised to follow the Association's tariffs, as filed with the Public Service Commission. When a meter is purchased and set, a minimum bill is required to be paid for a period of 12 months whether or not the meter is utilized.

Motion made by Dwight Faulkner and seconded by Wade Bungardner to adjourn. Meeting adjourned at 6:53 pm.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Mark O. Davis". The signature is written in a cursive style with a large, circular flourish at the end.

Mark O. Davis, Secretary

**SOUTHEASTERN WATER ASSOCIATION, INC.**

**BOARD OF DIRECTORS**

**MINUTES**

**MARCH, 2018**

Board of Directors of Southeast Water Association met for its monthly meeting, 5:30 pm, March, 8<sup>th</sup> 2018. Board members present: Joe Crawford, Wade Bumgardner, Ernest Stout, Jr., Harvey Phelps, Dwight Faulkner, Bobby Crow and Mark Davis. Others present: Morris Vaughn, R.C. Ryan, Eddie Brown, Bruce Orwin, and Cami Meece.

Darrel Corder, Matthew Meece Rd., addressed the Board asking for a water main extension on Matthew Meece Rd. According to Mr. Meece, if the Association could extend the main approx. 645', there are 4 to 6 additional customers that are willing to set a meter at the end of the main and run their own service line. He was instructed to have all the potential customers pay a tap on fee and then the Association might be willing to address this extension request.

Cami Meece gave the monthly Accountant's report. Motion made by Dwight Faulkner, seconded by Wade Bumgardner to accept the report as read and authorize the payment of accounts payable. Motion passed without opposition

She also gave a report, following a directive from the Board at the February meeting, on doing an analysis on the financial benefit, to the Association, of paying off some existing debt vs. leaving cash in CD's or other investment savings. As the way things stand currently, the Association would gain more by paying off some existing debt, plus increase monthly cash flow. This report will be taken under consideration and discussed at a later date.

Morris reported the completion of water main, in Burnside, where the tanker truck spilled 8,000 gallons of gasoline. Also, the Herring Ln. extension project has been completed.

Morris asked the opinion of the Board on storing customers records in a storage facility adjacent to the water office. Board Attorney Bruce Orwin advised this would be permissible, as long as due diligence is exercised in securing the facility. It was also recommended to see if the security cameras at the water office can be positioned to monitor the storage facility.

Morris informed the Board, the hoe ram is not operable, and asked the Board's guidance on whether to fix the current one or purchase a new hoe ram. Motion made by Harvey Phelps, seconded by Mark Davis to authorize Morris to check both options and exercise his judgement on which option is the most cost efficient. Motioned passed without opposition

Bobby Crow addressed the Board on behalf of Bruce and Gene Thorton on whether the Association will continue to permit them to cut hay from the property at 192/914. It was the consensus of the Board to permit the Thorton's to continue, however they need to submit a certificate of liability, from their farm owner's policy, to Southeastern Water Association.

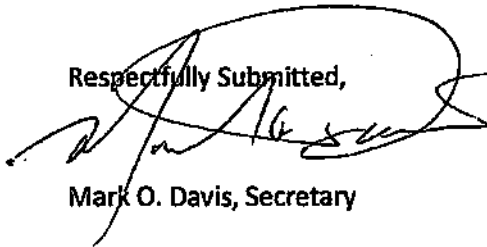
Minutes from February's Board meeting were read. Motion made by Dwight Faulkner, seconded by Harvey Phelps to accept the minutes as read. Motioned passed without opposition

Motion made by Mark Davis, seconded by Ernest Stout, Jr. to permit the Pulaski Co. Fire Commission to install a repeater antenna on the water tank at Haynes Knob. This motion is contingent that the installation meets the approval of Jay Hoffman, Wet & Dry Tanks, and he be present during the installation process. Motion passed without opposition

Eddie Brown reported, that an agreement has been reach with the property owner for the new site of the Sandy Gap pump station. All pump station sites have been secured.

Motion made by Mark Davis, seconded by Harvey Phelps to adjourn. Meeting adjourn at 6:45 pm.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Mark O. Davis', is written over the typed name below.

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION, INC.

BOARD OF DIRECTORS

MINUTES

APRIL, 2018

The Board of Directors of Southeastern Water Assoc. met for its monthly meeting, 5:30 pm. April 12, 2018. Board members present: Dwight Faulkner, Grant Treado, Joe Crawford, Wade Bumgardner, Ernest Stout, Jr., Harvey Phelps, Bobby Crow, Mark Davis. Other present: Cami Meece, Bruce Orwin, Morris Vaughn, R.C. Ryan and Eddie Brown.

Minutes of the March meeting were read. Motion made by Grant Treado, seconded by Ernest Stout, Jr. to accept the minutes as read. Motion passed without opposition

Cami Meece gave the monthly Accountant's report. Motion made by Harvey Phelps, seconded by Bobby Crow to accept the report and authorize the Accountant to pay the accounts payable. Motion passed without opposition

Motion made by Harvey Phelps, seconded by Ernest Stout, Jr. to authorize Mark Davis to open a special checking account, with Citizens National Bank, as required by the U.S. Dept. of Agriculture, Division of Rural Development, for the 192/1003 reinforcement project. Motion passed without opposition.

Wade Bumgardner gave a report on the situation of getting underground electric service to the Dahl tank. He informed the Board that, Max Harper, owner of the property, that accesses the tank, requests a meeting with Morris Vaughn and some representatives of the Board of Directors to discuss granting an easement. Mr. Bumgardner, Morris Vaughn and Harvey will attempt to meet with Mr. Harper next Monday, April 16<sup>th</sup>.

Morris reported, the pneumatic pump stations at Upper Line Creek and Dry Branch Rd. are in need of immediate repairs. It was the conscience of the Board to have Morris repair all pump station that are in need of repair.

Morris advised the Board, the Association's inspection from the Ky. Division of Water has been completed and no discrepancies were noted on the inspection report.

Motion made by Dwight Faulkner, seconded by Mark Davis to adjourn. Meeting adjourned 6:48 pm

Respectfully Submitted,

Mark O. Davis, Secretary

SOUTHEASTERN WATER ASSOCIATION, INC.

BOARD OF DIRECTORS

MINUTES

MAY, 2018

The Board of Directors of Southeastern Water Assoc. met for its monthly meeting, 5:30 pm, May 10, 2018. Board members present: Grant Treado, Mark Davis, Bobby Crow, Wade Bumgardner, Dwight Faulkner, Ernest Stout, Jr. Harvey Phelps. Others present: Bruce Orwin, Eddie Brown, Brendon Welch, Morris Vaughn, R.C. Ryan and Camie Meece.

Camie Meece gave the monthly Accountant's report. Motion made by Dwight Faulkner, seconded by Grant Treado to accept the report as read and authorize the Accountant the pay the accounts payable. Motioned passed without opposition.

Minutes of the April meeting were read. Motion made by Harvey Phelps, seconded by Ernest Stout, Jr. to accept the report with corrections. Note: corrections have been entered in the official record. Motioned passed without opposition.

Motion made by Mark Davis, seconded by Bobby Crow to authorize Mark Davis, Grant Treado, Bobby Crow, Joe Crawford, and Morris Vaughn as signers on the 192/1003 improvement project's bank account. This authorization includes all current and any future accounts with Citizens National Bank. Motion passed without opposition

Wade Bumgardner gave an update on the negotiations, on securing an easement from the property owners near Dahl tank for installation of underground electric lines. The representatives from the Board have met with two of the parties involved but still needs to touch bases with a couple of other individuals.

Motion made by Grant Treado, seconded by Harvey Phelps to segregate/designate \$1,000,000 of cash from our current investments, for the construction project of the new office location near the 192/914 intersection. Motioned passed without opposition.

Motioned made by Bobby Crow, seconded by Wade Bumgardner to pay Wescon, Inc. 50% of the total cost of the installation of the telemetry system; since the project is 50% complete. Motioned passed without opposition.

Eddie Brown, gave an update on the 192/1003 improvement project. No rate increase will be needed.

Motion made by Harvey Phelps, seconded by Bobby Crow to adjourn. Meeting adjourn at 6:50.

Respectful Submitted,

Mark O. Davis, Secretary



**SOUTHEASTERN WATER ASSOCIATION**

**BOARD OF DIRECTORS**

**MINUTE**

**JUNE, 2018**

The Board of Directors of Southeastern Water Assoc. met for its monthly meeting, 5:30 pm, June 14, 2018. Board members present: Bobby Crow, Joe Crawford, Dwight Faulkner, Earnest Stout, Jr., Grant Treado, Mark Davis and Wade Bumgardner. Others present: Eddie Brown, Morris Vaughn, R.C. Ryan, Bruce Orwin and Cami Meece.

Dr. Dennis Faulkner addressed the Board concerning running a water main out McKenzie road. Morris was advised to determine the distance and report back to the Board at the next meeting.

Morris informed the Board, as of this date, the association hasn't received reimbursement for the cost of repairing and installing new ductile iron pipe in Burnside, as a result of gasoline spill. Bruce Orwin is going to send a letter to the insurance company of the trucking firm.

Wade Bumgardner informed the Board, the owners of the property, leading to the Dahl tank, will not give the Association an easement to install an underground electric line.

Minutes of the May meeting were read. Motion made by Ernest Stout, Jr., seconded by Bobby Crow to accept the minutes as read. Motion passed without opposition.

Cami Meece gave the monthly accountant's report. Motion made by Ernest Stout, Jr., seconded by Wade Bumgardner to accept the report as read and authorize the accountant to pay the accounts payable. Motion passed without opposition.

Wade Bumgardner addressed the board concerning installing water at Upper Line Creek. He presented the Board with a list of names, of individuals, that are interested in obtaining water service. After a discussion, it was the conscience of the Board to address this on a future project.

The Board discussed the need for GPS mapping of the Association's infrastructure. Eddie Brown will attempt to contact some engineers, that can attend a future Board meeting, to discuss GPS mapping.

Motion made by Mark Davis, seconded by Grant Treado to pay \$1,000.00 to the owners of the properties at Sandy Gap and 192 for granting easements to build new pump stations. Motion passed without opposition.

Motion made by Wade Bumgardner, seconded by Bobby Crow to pay Kenvirons Engineering Firm for engineering services, on the current 192/1003 project, up to 50% of the costs of the project, upon receipt of Rural Development's "letter of conditions". Motion passed without opposition.

Motion made Mark Davis, seconded by Ernest Stout, Jr., to adjourn. Meeting adjourned at 7:52 pm

Respectfully Submitted,

Mark O. Davis, Secretary

**SOUTHEASTERN WATER ASSOCIATION**

**BOARD OF DIRECTORS**

**MINUTES**

**JULY, 2018**

The Board of Directors of Southeastern Water Assoc. met for its monthly meeting, 5:30 pm, July 12<sup>th</sup>, 2018. Board members present: Bobby Crow, Dwight Faulkner, Joe Crawford, Wade Bumgardner, Ernest Stout, Jr., Harvey Phelps and Mark Davis. Others present: Brendon Welch, Eddie Brown, Morris Vaughn, R.C. Ryan, Bruce Orwin, and Cami Meece.

Dennis Faulkner addressed the Board concerning relocation a water main on McKenzie Rd. The total length of the new main will be 2300 ft. He was advised, by President Joe Crawford, the Board of Directors will determine plan of action, whether this is something that can be done in house or if it would need to be included on a future project.

Darrell Corder addressed the Board, as he has done on several occasions, concerning installing a water main on Matthew Meece Rd. He was advised, by President Joe Crawford, to check back in a week or two, after the Board has had enough time to develop a plan of action.

Eric Muncy, Precision Products, gave a presentation to the Board, on invitation from Eddie Brown, concerning providing GPS Mapping of the Associations infrastructure. He will return at a future date and give a demonstration and discuss a proposal.

Cami Meece gave the monthly Accountant's financial report. Motion made by Mark Davis, seconded by Ernest Stout, Jr. to accept report as read and authorize the Accountant to pay the accounts payable. Motion passed without opposition.

Minutes of the June Board meeting were read. Motion made by Bobby Crow, seconded by Ernest Stout, Jr. to accept the report as read.

Morris reported, the Association hasn't received payment from the insurance company of the trucking firm, for the cost of installing ductile iron water line, in Burnside, at the site of the gasoline spill.

Motion made by Harvey Phelps, seconded by Wade Bumgardner to pay Weddle Enterprise for installing ductile iron water line at the site of gasoline spill in Burnside. Motion passed without opposition

Motion made by Wade Bumgardner, seconded by Bobby Crow to correct the next to last item in the minutes of the June 14<sup>th</sup> Board Meeting, to read as follows: The Association will pay Kenvirons Engineering Firm for engineering services, on the current 192/1003 upgrade project, up to 50% of the cost of the design portion of engineering fee, upon receipt of Rural Development's "Letter of conditions". Motion passed without opposition

Motion made by Bobby Crow, seconded by Ernest Stout, Jr. to have an appraisal and inspection on the Pulaski Co. School System Annex building and property that is located on East Somerset Church Rd., Motion passed without opposition

Motioned made by Mark Davis, seconded by Harvey Phelps. Meeting adjourned at 7:08 pm.

Respectfully submitted,

Mark O. Davis, Secretary

BOARD OF DIRECTORS

MINUTES

AUGUST, 2018

The Board of Directors of Southeastern Water Assoc. met for its monthly meeting, 5:30 pm, August 9<sup>th</sup>, 2018. Board members present: Bobby Crow, Harvey Phelps, Joe Crawford, Wade Bumgardner, Ernest Stout, Jr., Grant Treado, Dwight Faulkner and Mark Davis. Other present: Brendon Welch, Morris Vaughn, Cami Meece and Bruce Orwin.

Motioned made by Harvey Phelps, seconded by Ernest Stout, Jr. to accept the loan resolution agreement from the U.S. Department of Agriculture division of Rural Development, on the 192/1003 improvement project. Motion passed without opposition with 8 voting yes, 0 voting no.

Motioned made by Ernest Stout, Jr., seconded by Wade Bumgardner. To authorize Joe Crawford, Grant Treado and Bobby Crow as authorized signers for all documents related to the Rural Development loan on the 192/1003 improvement project. Motioned passed without opposition with 8 voting yes, 0 voting no.

Cami Meece gave the monthly accountant's report. Motioned made by Bobby Crow, seconded by Grant Treado to accept the report as read and pay the accounts payable. Motioned passed with out opposition.

Minutes from July's meeting were read. Motioned made by Harvey Phelps, seconded by Ernest Stout, Jr. to accept minutes as read. Motion passed without opposition.

The Board discussed installing a water main on Matthew Meece Rd. It was the consensus of the Board to include this on a future project.

The Board discussed relocating the water main on McKenzie Rd. Motion made by Wade Bumgardner, seconded by Mark Davis to get a cost estimate on the relocation and to determine if McKenzie Rd. is in the County road system. Motion passed without opposition.

Motioned made to go into executive session.

Motioned made to go out of executive session.

The Association hasn't received a reimbursement payment from the Insurance carrier of the Trucking Co. involved in the gasoline spill in Burnside. Motion made by Bobby Crow, seconded by Harvey Phelps: If the Association hasn't received the \$25,000.00 reimbursement by August 17<sup>th</sup>, Board Attorney Bruce Orwin is authorized to send a letter to the Insurance company, stating: If the Association does not receive a payment within 14 days, from the receipt of this letter, the Association will begin the litigation process. Motioned passed without opposition.

Morris reported, the blacktop to the entrance of the property on 914 is completed. Total cost \$47,000 or \$47,500.

Morris address the board concerning a request from Chad's wife. She has recently received an acceptance of disability from the Social Security Administration and will qualify for Medicare. Bill Neikirk, the Association's employee's health insurance agent, had advised her to contact the Board and ascertain if the Association will be paying for her a Medicare supplement. Board President Joe Crawford, informed the Board, according to insurance law: Anytime a person is qualified under another health insurance plan, such as an employee's health plan, that insurance is to be the primary payor and Medicare the secondary payor. It was the consensus of the Board: the association will continue to carry her under the employee's family plan and Medicare will be the secondary payor. However, if she desires to drop the family plan offered by the association and have Medicare as her primary insurance, the Association will not purchase a Medicare supplement.

Motioned made by Bobby Crow, seconded by Ernest Stout, Jr. to adjourn. Meeting adjourned approximately 6:50 pm.

Respectfully submitted,

Mark O. Davis, Secretary

## BOARD OF DIRECTORS

### MINUTES

SEPTEMBER, 2018

The Board of Directors of the Southeastern Water Assoc. met for its monthly meeting, 5:30 pm, Sept. 13, 2018: Board Members present: Harvey Phelps, Dwight Faulkner, Bobby Crow, Joe Crawford, Mark Davis. Others present: Eddie Brown, Morris Vaughn, R.C. Ryan, Barry Daulton, Randall Turpin.

Kasey Ping address the Board with a request to have the water main on Doolin School Rd. extended approximately 100 ft., in order to reach her property. Mrs. Ping was advised, the quickest means of her obtaining water would be set a meter at the end of the current water main, obtain an easement and run her own line.

Nick Bradley, Eagle's Nest, address the Board concerning damage to his automobile. The damage was allegedly cause by a defect in the road caused by the Association repairing a water main break. Board Attorney Bruce Orwin advised Mr. Bradley to start a claim with Mr. Bradley's insurance and it might be possible for the Association to pay his deductible.

The Board, for the 3<sup>rd</sup> meeting, discussed the water main extension on McKenzie Rd. as has been requested by Dennis Faulkner. An estimated cost of \$100,850.00, for the extension, was presented to the Board. After a rather lengthy discussion, the consensus of the Board was to advise Mr. Faulkner this extension will be considered on a future project. If he, Dennis Faulkner, is willing to share the cost with the Association, this matter can possibly be reconsidered.

Randall Turpin, CPA, presented the Board with the 2017 audit. Mr. Turpin reported a clear audit with no deficiencies.:

Barry Daulton, CPA, gave the monthly Accountant's report. Motioned made by Mark Davis, seconded by Bobby Crow to accept the report and authorize the Accountant to pay the accounts payable. Motioned passed without opposition.

Motioned made by Bobby Crow, seconded by Harvey Phelps to accept the liability, property and worker's compensation insurance renewal proposal from Reed Brothers Insurance agency. Motioned passed without opposition. Note: Joe Crawford abstained from voting on this matter.

The health insurance for Chad's wife was discussed. President Joe Crawford informed the Board there has been changes in the Health Insurance Laws: With the amount of employees the Association has, Chad's wife does not have to retain the Employee's Health Insurance as primary payor and Medicare as secondary payor. She can drop the Employee's Health Insurance plan, offered by the Association, and enroll in Medicare as primary payor and the Association can purchase her a Medicare supplement. This would result in approximately \$300.00 per month saving to the Association.

Morris informed the Board, the Association's Insurance Carrier, Reed Bro., has informed him the Association needs to adopt a policy requiring credit checks, background checks and random drug test for all employees.

Morris presented the results of a recent Ky. Division of Water inspection. The report was clear with no violations.

Motioned made by Dwight Faulkner, seconded by Harvey Phelps to adjourn. Meeting adjourned approximately 7:45 pm.

Respectfully submitted,

Mark O. Davis, Secretary

## BOARD OF DIRECTORS

### MINUTES

OCTOBER, 2018

The Board of Directors of Southeastern Water Assoc. met for its monthly meeting, 5:30 pm, October, 11<sup>th</sup>, 2018. Board members present: Dwight Faulkner, Joe Crawford, Grant Treado, Mark Davis, Bobby Crow. Others present: R.C. Ryan, Morris Vaughn, Bruce Orwin, Cami Meece.

Darrell Corder addressed the Board concerning installing a water main on Matthew Meece Rd. He was informed, the Board of Directors will consider this on a future project. The location and terrain is much too difficult to be done inhouse.

Dylan Jones, Grove Mill Rd., inquired where he can have a meter installed in relation to the location of the water main. Morris is going to have the line located so Mr. Jones can determine the best location for his meter.

Board President Joe Crawford addressed the Board on behalf of Dennis Faulkner. If Mr. Faulkner will pay for the cost of the pipe, will the Association relocate the water main on McKenzie Rd.? It was the consensus of the Board, following established precedent, if Mr. Faulkner will pay for the cost of the pipe, engineering cost and cost installing the line, the Association will takeover the line if it's properly engineered, installed and inspected.

Cami Meece gave the monthly Accountant's report. Motioned 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

Morris informed the Board, the insurance carrier for the Trucking Company that was responsible for the 8,000 gallons of gasoline leaking on the water main between Burnside and Tateville, has not paid any of the \$25,000 in restitution. Board Attorney Bruce Orwin was instructed to initiate the litigation process.

Morris Vaughn informed the Board, the ductile iron line between Sloans Valley and Alpine needs immediate attention due to line sliding over the embankment. Motion made by Dwight Faulkner, seconded by Mark Davis to authorize Morris Vaughn to exercise his best judgement and get this fixed ASAP. Motioned passed without opposition.

Motion made by Bobby Crow, seconded by Grant Treado to change vendors for the employee's uniforms and the rugs and mats in the office. Motioned passed without opposition.

Motion made by Dwight Faulkner, seconded Grant Treado to purchase a new backhoe at a cost of \$88,373 minus the \$12,000 trade in. Motion passed without opposition.

Minutes from the August meeting were read, as they were not read at the September meeting. Motion made by Bobby Crow, seconded by Grant Treado to accept the minutes, with the word "our" corrected to "out". Motioned passed without opposition. Note: correction was made and filed with the official report.

Minutes from the September meeting were read. Motion made by Grant Treado, seconded by Dwight Faulkner to accept minutes as read. Motion passed without opposition.

Motion made by Mark Davis, seconded by Dwight Faulkner to place a bid, including commission, of \$350,000.00 on the Pulaski Co. School System annex building. This motion also includes placing a maximum bid, including commission, of \$200,000.00 on the two lots that are being auctioned separately from the Annex building. Motion passed without opposition. Motioned made by Mark Davis, seconded by Bobby Crow to sell the Association's property at 192/914 to Mike Patel for \$225,000.00 contingent on the Association purchasing the Pulaski Co. School System's property. Motioned passed without opposition.

Motioned made by Grant Treado, seconded by Bobby Crow to adjourn. Meeting adjourned at approximately 8:00 pm.

Respectfully Submitted,

Mark O. Davis, Secretary



**BOARD OF DIRECTORS**

**MINUTES**

**OCTOBER, 16<sup>TH</sup> 2018**

The Board of Directors of the Southeastern Water Assoc. met for a special called meeting, 6:00 pm Oct. 16<sup>th</sup>, 2018. Board members present: Bobby Crow, Joe Crawford, Dwight Faulkner, Ernest Stout, Jr., Grant Treado and Mark Davis.

The Board of Directors met to discuss if it is in the best interest of the Association to proceed with the bidding process on the Pulaski Co. School System Annex building and the two lots that are adjacent to the Association's property at 147 E. Church Rd. Somerset, Ky.

Motioned made by Mark Davis, seconded by Dwight Faulkner to rescind item number 12 in the minutes of the October, 11<sup>th</sup>, 2018 Board meeting. Which read: "to make a maximum bid, including commission, of up to \$350,000 for the building owned by the Pulaski Co. School System. Also rescind the bid of up to \$200,000 for the land adjacent to the annex building. Motioned passed without opposition."

Motioned made by Mark Davis, seconded by Grant Treado to rescind item number 13 in the minutes of the October 11<sup>th</sup>, 2018 Board meeting. Which read: "to sell the Association's property at 192/914 to Mike Patel for a sum of \$225,000. Motioned passed without opposition.

This being a special called meeting where the only matters that can be discussed are those for which the meeting was convened; Motion made by Grant Treado, seconded by Bobby Crow to adjourn. Meeting adjourned at 6:30 pm.

Respectfully submitted,

Mark O. Davis, Secretary

BOARD OF DIRECTORS

MINUTES

NOVEMBER, 2018

The Board of Directors of the Southeastern Water Association met for its monthly meeting, 5:30 pm, November 8, 2018. Board Members present: Dwight Faulkner, Joe Crawford, Bobby Crow, Wade Bumgardner, Grant Treado, and Ernest Stout, Jr. Others present: Morris Vaughn, Barry Daulton, Bruce Orwin, R.C. Ryan

Will Bingham addressed the Board and expressed an interest in filling the vacant Director's position on the Board of Directors. Attorney Bruce Orwin will review the by-laws and if there's no conflict of interest, Mr. Bingham's name will be given to the nominations committee for consideration. The position will likely not be filled until after the 1<sup>st</sup> of the year.

Representatives from Consolidated Pipe gave the Board a presentation on radio read meters.

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

Minutes for the October meeting were read. Motion made by Bobby Crow, seconded by Ernest Stout Jr. to accept minutes as read. Motion passed without opposition

Minutes for a special called meeting on 10/16/18 were read. Motion made by Ernest Stout, Jr., seconded by Dwight Faulkner to accept the minutes with a correction in item number 4 to read \$225,000 not \$250.00. Motioned passed without opposition.

.Morris Vaughn reported that the \$25,000.00 has been paid on the gasoline spill in Burnside.

Morris Vaughn advised the Board he has been in contact with the State Highway Department concerning the ductile iron pipe that is slipping over the hill between Sloans Valley and Alpine. The State will have a contractor, in the next couple of weeks, looking at reinforcing in the area where the road is also slipping over the hill. Morris will have these contractors give an estimate on securing the water main.

Morris Vaughn informed the Board that the tank at Dixie Bend is still leaking. Jay Hoffman will be inspecting the Dixie Bend tank and the Keno tank in the near future to determine what is going on.

Eddie Brown gave a status report on the 192/1003. The State Highway Dept. may allow some use of their right of way. This could possibly reduce the number of private easements ended.

Dwight Faulkner addressed Board with his concern of clearing some thickets and brush where the association has lines, shutoff valves, etc.

The Board discussed the proper procedure for replacing a Director. After some discussion and research of the by-laws, it was determined: The Board of Directors has the authority to appoint a new Director to fill the remainder of the term of the old Director.

Meeting adjourned at approximately 7:02 pm.

Respectfully Submitted,

Mark O. Davis, Secretary

**BOARD OF DIRECTORS**

**MINUTES**

**DECEMBER, 13 2018**

The Board of Directors of Southeastern Water Association, met for its monthly meeting, 5:30 pm, December 13, 2018. Board Members present: Joe Crawford, Wade Bumgardner, Dwight Faulkner, Grant Treado, Mark Davis and Bobby Crow. Others present: Morris Vaughn, R.C. Ryan, Brenden Welch, Eddie Brown, Todd Williams (Map Sync Service), Camie Meece CPA.

Visitor Doris Arnold asked the Board about getting water on Poplarville Rd. She was advised, this could be a possibility on a future project.

Todd Williams addressed the Board on CIS, GPS mapping of the association's infrastructure for asset management. He will address the Board at a future date to discuss the associated cost.

Bill Neikirk, the Association's health insurance agent discussed the new premium increase from last year to this year. Even though there was an increase in cost, the Association will pay less with the renewed policy because Morris and Chad's wife are on Medicare. Motion made by Mark Davis, seconded by Grant Treado to renew the Association Health insurance with Bill Neikirk. Motion passed without opposition.

Morris reported, he has not received any information on when the Kentucky Dept. of Highways will be addressing the issue in Alpine where the road is slipping over the embankment. Morris will contact Maybrier Contracting before next meeting and attempt to get a quote on shoring up the water line.

Eddie Brown gave a progress report on the 192/1003: finishing up the designs on the pump stations, obtaining easements, but still have some to get. The State Highway Dept. has stated we may be able to get easements from them if it becomes necessary.

Motion made by Bobby Crow, seconded by Dwight Faulkner to go into executive session to discuss employees cost of living adjustment. Motion passed without opposition.

Motion made by Wade Bumgardner, seconded by Grant Treado to, come out of executive session.

Motion made by Dwight Faulkner, seconded by Bobby Crow to give the employees a 50 cent per hour raise across the board. Camie Meece had previously given the Board three detailed scenarios of how the budget will be affected with a 25, 50 and 75 cents per hour. At the time this matter was voted on, the Board didn't exactly know the amounts of Camie's report but voted for the middle option of which later was learned to be 50 cents. Motion passed without opposition

Motion made by Grant Treado, seconded by Wade Bumgardner to give each employee a one-time payment of \$25.00 as a Christmas bonus. Motion passed without opposition.

Motion made by Dwight Faulkner, seconded by Bobby Crow to adjourn, meeting ended at 8:05 pm.

Respectfully submitted,

Mark O. Davis, Secretary