



Carroll County Water District

**MEETING MINUTES**

**JANUARY 14, 2020, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Mike Kelley, Mike Lewis and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Gilbert England absent and Ron Courtney seat vacated at this time not filled. The others present were Manager Obe Cox.

Joe Raisor open the meeting with reading a gratitude card from Glenna Courtney and their family for our support during their loss as well as ours. RIP Ronald Lee "Ron" Courtney.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Jim Sapp and seconded by Commissioner Mike Kelley to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**IV. COVID-19 IMPACT / EMPLOYEE STATUS UPDATE -**

The health of the District's employees remains well with no positive COVID cases within our staff and extended families. Additional PPE supplies were ordered to continue to increase protection for our staff. Based on state reporting and local health department, cases of COVID are still inclining. A couple of different vaccination has been released and being distributed to certain groups of people and agencies. We submitted the number of employees to the health department through Ed Webb per request. At this time, have not heard of any information of when we would be able to receive the shots. It was shown in the local paper that the county health department has given shots to first line responders. The health department has not called the District to offer the employees as it was originally discussed that the certified operators and staff would be considered as first responders. As of this morning, it was reported to Obe from Ed Webb that CCWD is considered in the 1C group. They are currently administrating both 1A and 1B at the same time. (1B group is anyone over the age of 70.)

Phil's scheduled treatment exam has been cancelled due to Franklin county being considered "hot" and in the "Red" category of high number of reported COVID cases. He is now reschedule for March 16th in Frankfort at the Division of Water office.

On January 5th, Heath Hewitt had his 9th grandbaby being a healthy Kinslee Paige Maines. Her nickname is Kin-Kin.

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS –**

1. **FEMA Project** - Obe submitted everything on New Year's Eve, 12/31, that was required at that time to be considered to start the finalization of project and receive reimbursements except one pending amendment being the proof of purchase (POP) of the pay window. Obe reported that this project has been very aggravating. The fact of poor communication of FEMA staffing that continues to change often as well as their rules.

## CCWD#1 MEETING MINUTES (cont.)

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2. **Wheatley Tank Repair / Improvement:** Before the end of the year, CCWD received a check from the insurance company for the \$9,500. This reimbursement will be spent later in the year when weather permits the permanent repair on the vandalized tank. Mr. Wayne Barnes called to verify payment was received and instructed me to let him know when the tank is repaired and also to submit the cost of lost water. When the tank is taken out of service; it will require the water to be continuously pumped and dumped. This is required to be able to keep all the customers with potable water during the repair.

On January 6th, Mr. Wayne Barnes called again to report that the juveniles and families are being taken to court on January 15th. The insurance company has spoken with the county attorney that if the families pay the Water District the \$500 deductible cost that the utility endured; KACo would not press for the restitution of payment. The county attorney agreed and assured Mr. Barnes that he would get the \$500 for the District with hopes that the kids have learned a lesson.

3. **Administrative Office Building Improvement:** The drive-up window is near completion with the canopy on backorder. The electrical including the lighting has been cleared and placed in operation. Last week, the flooring was completed throughout the office. Once it was completed our staff installed the wood trim. Obe reported the he believes the entire staff has invested time into it that should result in even more of appreciation of the upgrades. The new heating and cooling has been recently installed and is in service for the admin office. The counter tops have been ordered that will go around the pay drawer. We are schedule to open the drive up service window on January 25th to give us some ample time to gain practice before the first of the month when traffic should pick up. It has been a lot of hard work going in but the result is remarkable. One of the things this project has accomplish is boosting the morale of our employees and allows our customers and our guest to recognize our attitude through our eye appeal. Hopefully, customers may have more confidence in the product we serve.

## VI. GENERAL BUSINESS

1. **System Update** – The unaccounted water loss for December was 18.73% which brings the current annual year loss and the end of year to an 11.6%. Of course, this results the past 12 months rolling water loss is the same (11.6%). I reported last month average was misleading as it was recorded 0.4% and figured it would bounce this month when it levels out as meter reading collections are middle of the month to month while our production is based on the first of the month to the end of month.

CCWD installed 38 new services for the year which is above average than the past ten years.

On Tuesday, January 12, 2021, CCWD disconnected 17 accounts for Carrollton Utilities request on delinquent sewer accounts. Also, on this date we disconnected five water services because of failures to fulfill their responsibility on their payment plan with CCWD. All other accounts will be analyzed and may be disconnected when we reread flagged meters from routine meter reading collection that is being collected today (1/14/2021). As of this morning, 12/17 (CU) and 5/6 (CCWD) has paid and service restored. Next week more turn offs are schedule to be done.

**CCWD#1 MEETING MINUTES (cont.)**  
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**Billing Stat Comparison:** January 2021 Bill statements for November 16th thru December 15th water sales; generated \$137,603 charges based on 22.6 MG. The previous month, water charges were \$152,610 (9.8% decrease) with 26 MG (13.2% decrease). The previous year being the same bill period, water charges was \$135,888 (1.2% increase) with a 22.5 MG water sold (0.4% increase).

2. **Board Status Update:** As of right now, Mr. Ron Courtney's seat remains vacant. Spoke with Judge Ryan Morris earlier this week, it is being processed and has assured me that he will make the appointment before the required time.
3. **Build American Bond (BAB) Rebate Update:** The second pay request of the BAB credit has been received within the 2020 year. The payment hit CCWD's account directly on December 22. This was requested back in the first week of July within the 45 day window of required timing of submittal. The dollar amount received was \$5,521. The request according to the schedule should have been \$5,675.  
The 45 day window to submit the first rebate of 2021 was submitted on January 8, 2021 by certified mail to the IRS, an office in Utah. According to the schedule, the payment should be received in the spring around March and April of this year.
4. **2020 Budget Amendment / 2021 Budget:** Last month we approved the budget which allowed the required action to be submitted prior to deadlines. The next day after the Board meeting, Obe went to the Kentucky DLG's portal to log in. Found it still under construction with no access. The gateway has been under construction since April of 2020. Had instruction that the amendment had to be attached and submitted by email. The 2021 budget required an email to request a several page registration to be filled and submitted thru email. After email submittal, you received an automatic reply that states to allow 24-48 hours for your email to have a response. Once the registration was acknowledge; then an email was supposed to be sent with a direct pay link because they will not allow you to properly submit the budget until you have paid the \$500 mandate fee. The email came back with no link. Obe sent another email stating the link was not within the email. They confirmed that they were also having problems with this so they sent in a different email with the link. This email came in with once again no link but they did send this time with a contingency plan with another email that attached another email to it. This allowed to gain access to the link; therefore Obe was able to proceed with payment. Once the payment was received; later he received an email with a form that allowed filling in the budget cover and resending the email back with the attachment. Obe did receive the last email, thanking us for the submittal with the receipt of it being received within the deadline. This was definitely a process of a lot of email chains that took a longer time to complete than normally.

**CCWD#1 MEETING MINUTES (cont.)**

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**5. Open Complaint / Concern Discussion** - No complaints or concerns at this time.

Misc. items discussed:

McDonalds has hired a consultant to perform a study for another remodeling project.

Obe stated that he has already had two firms discussing the upsized water meter size.

Illegal dumping at our dumpster was flagged a couple of months ago during deer season. An event of an illegal dump on Christmas Day of a high risk concern triggered a call to the person of interest to give a warning to not do it again. *(State law says an animal owner shall dispose of a carcass within 48 hours after it is found unless it is preserved in cold storage. The first violation of KRS 257.160 is punishable by a fine of \$100-\$500. Subsequent offenses are punishable by fines of \$500-\$1,000, up to 30 days in jail or both fines and jail time.)*

Obe reported that he submitted for a \$25,000 grant being of 100% forgiveness money to purchase Case equipment. The chance of receiving this fund is very slim.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24026 through # 24125 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Doug Terry and seconded by Commissioner Darrell Lykins to adjourn the meeting at 3:40 p.m. (ET) Motion passed.



  
Mike Lewis, Secretary-Treasurer



Carroll County Water District

**MEETING MINUTES**

**FEBRUARY 11, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Darrell Lykins, Doug Terry, Mike Kelley, Gilbert England, Mike Lewis and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Jim Sapp was absent. The others present were Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Doug Terry and seconded by Commissioner Mike Kelley to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**IV. COVID-19 IMPACT / EMPLOYEE STATUS UPDATE -**

The health of the District's employees and their families still remains well with no positive COVID cases. One of our employees did have some sickness and went to the doctor for some soreness in the top of the belly. He was tested for COVID, Flu and Strep. He came back positive for strep even though he did not have the common symptoms of that illness. He stayed home for the next two days.

At this time, we have not been notified by the local health department of the company's employees being called in for arrangements of receiving their vaccinations.

Obe has been notified about some of the vendors' employees coming down with COVID. His exposure has always been far away that did not require self-quarantine as CDC guidelines are still being upheld.

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS -**

1. **FEMA Project** - On January 18th, received an automatic alert that FEMA had made a comment on our project within the FEMA portal. The comment was stated as "ELIGIBILITY ISSUE: Contract cost in the amount of \$13,370 is pending eligibility review. Installing drive up bill pay device and cost of intercom system may be considered increased operating expense. Remaining \$3,063.31 is below minimum threshold."

Obe reached out to the new PDMG, Joyce Deutsch immediately to show concern and the explanation that these items are two different items as he was assured in the very beginning that the automatic door locking and audio system would be covered as COVID preventative measures. Even explained at that time when we were advised not to even touch the mail. At the time of the 'kick off' meeting, encouraged me to buy the staff meals as a safety measure. CCWD did not do this recommendation as it was obvious it did not help protect ourselves but the lobby door control from a far sure did. As he pushed this as hard as he could, they came back that he needed to write a justification letter for the need of the front lobby door to control traffic and speak thru an audio system. Obe thought for sure this would be straightened out but it appears this will not be acceptable based on the current guidelines. They admitted that FEMA's mindset has changed from the beginning that this was covered but not at this time. Obe reached out to previous PDMG to get recommendations. They all agreed that the guidelines have changed and the current PDMG was correct at the present based on the current procedures they are to follow on judgmental items.

## CCWD#1 MEETING MINUTES (cont.)

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2. **Gallatin Well Field:** On Saturday January 18th, Obe received a call from Heath Hewitt, the on call operator for the weekend. Heath reported the SCADA had called him on a loss of psi and tank level drop. Well was running but not pumping any water. Obe directed Heath to put Well 7 in operation and take Well 8 offline. Obe called Layne on the same day and had them schedule to pull Well 8 on the following Monday. CCWD were originally schedule to take Well 5 out of operation to clean but was instructed to move to Well 8 and not to touch Well 5 until Well 8 was back in operation. The shaft broke being approximately 20 feet from the bottom and snapped into. CCWD is scheduled to have all the components back around the last week of February. The cost of the emergency repair is around \$24,200.

3. **Administrative Office Building Improvement:** The new drive-up window was put into service on January 25<sup>th</sup>. CCWD did a mock drive by. The window seems to be a great addition to service our customers and especially during the pandemic crisis.

Last Friday, February 5<sup>th</sup>, the counter tops were rejected as they were shipped in wrong. It did not reflect the submitted drawing. It was one continuous counter top; instead of two pieces to go around the drawer box.

Late last month, Obe had an onsite meeting with Ateck and the subcontractor on the canopy. Ateck continues to have problems with a vendor on the canopy. The subcontractor that came is the contractor that has done CCWD's existing awnings both originally and the replacement a few years ago. The proposed canopy was discussed and the contractor is processing the build. It was caution that it may take additional 6-8 weeks for completion. CCWD has paid Ateck for the portion of project that is completed and held a 10% retainer until canopy is completed.

## VI. GENERAL BUSINESS

1. **System Update** – The unaccounted water loss for January and current annual is 17.8%. The past 12 month rolling water loss average is 11.5%. The historical water loss for the first period of a new year is always higher than normal. The majority of the explanation is for the Industrials to stop production during holidays which reflects the sales decline in the latter part of the previous month from the entire production of just the month of January. CCWD installed 1 new service for the previous month. (Earl Floyd Garage)  
On January 19, CCWD followed up with additional 30 disconnections on delinquent accounts and another one for Carrollton Utilities request on delinquent sewer accounts. Obe stated that he believes CCWD has done a good job of making a slow transition of progressing of getting customer's attention to pay their bill during these times.  
Last week, Carrollton made a request to execute their disconnection for this past Monday, February 9<sup>th</sup>. When Monday morning came, CU sent an email asking to postpone their disconnect request to the next day because of weather related. They gave us a preliminary list on Friday of 11 accounts to be shut off. Obe responded that Monday would be the best day, as by afternoon, it would be sunny and over 40 degrees and going into the week, the forecast to open lids would be much worse as the artic blast will hit our area. CU still didn't want to do them on this Monday. They eventually responded back that they would not be doing theirs this month because of bad weather.

**CCWD#1 MEETING MINUTES (cont.)**  
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Obe reported a few meter damages. One was actually thought they were frozen at the meter and torched and melted our meter, electronics and vault. (Exhibits)

On January 21, the billing system accessed late fees for the first time on all active customers since the mandate had been lifted. At this time, we had 691 accounts (23%) of our active customers owe us money. (Obe added a note of remembering the best paying customer that shall pay on the very first of the month already owes for approximately 15 days of services and product.) This created a \$2,813.58 of charges applied on these accounts.

On January 25, Obe received an email from the Department of Local governments informing that Governor Beshear announced up to \$38 million dollars will be available for utility assistance. Obe read the material and contacted all three county judges as they are the ones that must submit the application for funding. The local crisis center would be the administrators of the disbursements within that county to split all the funds amongst all other utilities within each county. Each county is subject up to \$200,000. The household to be eligible would receive up to \$250 per month for six consecutive months; if 1.) They live in a city or county approved for funding; 2.) have been financially impacted by COVID-19; 3.) struggling to pay water, sewer, electric, gas or other heating and cooling bills; and 4.) have received notice for disconnect between January 21, 2020 and present day and/or up to 2 months following.

If a household application is approved, the local non-profit community center would transfer funds directly to the utility.

On January 28, Obe emailed directly to the Director of the Northern Kentucky ADD office the dollar amount owed per county as directed as the ADD district is assisting the county judges to apply for these funds as the fiscal court are the applicants. At that time, the break down on past balances were:

<b>Carroll County</b>	\$31,486-	262 accounts	-	\$120.18 average/account
<b>Gallatin County</b>	\$5,945	62	-	\$95.89
<b>Owen County</b>	\$9,602	103	-	\$93.22

**Misc small items:**

The 2020 Annual Audit started on January 21 with Jerilyn Zapp being on site. (You all will be receiving or may already receive a questionnaire about ethical relations to the District. Obe stated he received his on Monday February 8<sup>th</sup> in my mailbox.)

The United States Postal Service (USPS) raised their rates on the bill card mailing to 1 cent per card.

**Monthly Billing Stat Comparison:** February 2021 bill statements for water sold from December 15<sup>th</sup> thru January 14<sup>th</sup>; generated \$142,762 charges based on 23.7 MG. The previous month, water charges were \$137,603 (3.8% increase) with 22.6 MG (4.9% increase). The previous year being the same bill period, water charges was \$128,521 (11.1% increase) with a 20.3 MG water sold (16.5% increase).

**CCWD#1 MEETING MINUTES (cont.)**

**FEBRUARY 11, 2021**

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2. **HB 272 (PSC-Water Districts/Associations):** Gary Larimore, the Director of Kentucky Rural Water, called Obe to update him on how their PSC meeting went over the subject of PSC policy change on making utilities remove late fees from their tariff once they are in front of them on a rate increase case. Mr. Gary Larimore said the PSC commissioner stated it was not just selected few utilities that it would make this recommendation/requirement on all utilities when they come forth to PSC. Obe reached out to our legislators that represent our jurisdiction. (Felicia Rabourn, State Rep; Paul Hornback, State Senator; and Adrienne Southworth, State Senator.) (Exhibit read.)
  
3. **Board Status Update:** Obe has spoken with Judge Ryan Morris and he told me that in their January fiscal court meeting that Barry Brown was appointed to fulfill Ron Courtney's term. Obe informed him that he would need something in writing on his letter head or copy of minutes. Judge Ryan said he would get it to Obe. Obe has checked for getting a copy of the January minutes but currently they are not published. After today, Obe will get a hold of Judge Ryan Morris and/or pull minutes of the appointment and then process with Kentucky PSC and will contact Mr. Barry Brown.
  
4. **Emergency Response Plans (KY Tier II / America's Water Infrastructure Act (AWIA):** On January 28, the required **Kentucky Tier II** emergency report was submitted prior to the deadline. This emergency response plan is more related to the water plants and chemical reporting.  
On October 23, 2018, **America's Water Infrastructure Act (AWIA)** was signed into law. This is a federal requirement. AWIA Section 2013 requires community (drinking) water systems serving more than 3,300 people to develop or update risk assessment and emergency response plan (ERPs). The law specifies the components that the risk assessment and ERPs must address and establishes deadlines by which water systems must certify to EPA completion of the risk assessment and ERP. There are two phases of this requirement. The first deadline is June 30th of this year. Then once you submit the first phase you have 6 months to complete the second part. The clock starts ticking as soon as you submit the first reporting packet. Obe participated in a briefing of this requirement. KRWA did negotiate a special pricing for the software that will assist in preparing this report in the required format. The SEMS software is discounted at 50% savings. Obe believed based on our size, we should be able to get software downloaded for \$350. At some point it will be an annual cost for software. In the future, this program will also have to be updated every 5 years once it is certified.



**CCWD#1 MEETING MINUTES (cont.)**

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5. **AMR Meter RMAs:** Just a crazy note of how meter RMA works. CCWD received one meter back with a reference RMA number. Obe quickly realized that it was a much lower number so as he went back to previous folder binders; he found this particular folder with a transmittal rotated upwards in his folder as it was marked incomplete. During the review, it was a pending RMA where CCWD sent in 18 meters in January 2019; received 17 back in December 2019. On January 27<sup>th</sup> of 2021, we received the last meter to complete this warranty exchange from 2019!

On Hersey (Mueller) received 31 new MiNets which are transceivers that attach to the water meter so it can broadcast to the receiver that is hooked to the laptop. When Obe reviewed this transaction, he discovered that CCWD had shipped 31 meter bodies and 31 hot rod type transmitters. The problem with the MiNets is they are designed not to talk to the "Street Machine" receiver that we currently have. Obe originally thought they shipped us the wrong product by mistake. Turns out, without any communication, they are now out of stock for warranty replacements and they stopped producing this product a couple of years ago. CCWD has a strategy to continue to read meters as efficient as possible. Obe is in talks with Mueller to discuss fairness and the fallout from their conduct.

6. **Open Complaint / Concern Discussion** - No complaints or concerns at this time.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24126 through # 24210 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Darrell Lykins and seconded by Commissioner Kim Ballard to adjourn the meeting at 4:05 p.m. (ET) Motion passed.



  
Mike Lewis, Secretary-Treasurer



Carroll County Water District

**BOARD OF COMMISSIONERS MONTHLY MEETING  
AGENDA (PRESENTATION)**

**THURSDAY, APRIL 8<sup>TH</sup> 2021 @ 3:00 PM**

**CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)**

- I. CALL TO ORDER / ROLL CALL**
- II. MINUTES FROM PREVIOUS MONTH'S MEETING**
- III. RECOGNITION OF GUESTS**
- IV. ANNUAL AUDIT PRESENTATION:**
- V. CONSTRUCTION/PROJECT PROGRESS REPORTS**

- 1. Ghent Well #5 Rehab
- 2. Nucor Projects
- 3. Meter Replacements

**VI. GENERAL BUSINESS**

- 1. System Update
- 2. Ky DOW Sanitary Survey Inspection
- 3. HB 272 (PSC-Water Districts/Associations)
- 4. Ky. DOW - Water Quality Sample Program
- 5. Customer Confidence Report (CCR)
- 6. Open Complaint / Concern Discussion

**VII. FINANCIAL REPORTS**

**VIII. ADJOURNMENT**

- *Once you replace negative thoughts with positive ones, you will start having positive results.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*

*United We Stand, Divided We Fall!*





Carroll County Water District

**MEETING MINUTES**

**MARCH 11, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Jim Sapp, Doug Terry, Mike Kelley, Gilbert England, Mike Lewis, Barry Brown and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Darrell Lykins was absent. The others present were Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Sapp and seconded by Commissioner Lewis to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**IV. COVID-19 IMPACT / EMPLOYEE STATUS UPDATE -**

The health of the District's employees and their families still remains well with no positive COVID cases. No employees have been ill with any type of common symptoms of Covid. At this time, we have **not** been notified by the local health department of the company's employees being called in for arrangements of receiving their vaccinations.

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS -**

1. **FEMA Project** – No activity from FEMA within the past 30 days. As discussed, prior month, more than likely CCWD will not receive any reimbursements as originally thought after the kick off meeting.

2. **Gallatin Well Field / Well 5:** There was a delay on the repair of Well 7. Some new parts (bowl assembly) shipment was delayed and the arctic blast weather caused a delay from the original schedule of being replaced in the last week of February. On Thursday, March 4, Layne moved in to replace and flow test the new well pump assembly. Layne came back on Monday, March 8 to flow test Well 7 while another crew started to set up on Well 5 which is located on Fishing Street in Ghent. Well 5 has been taken offline to allow a thorough cleaning and inspection. It is schedule to take about seven days to complete this task. The performance of this well has been falling off as it has a history of manganese; more than other wells. Our schedule maintenance program has been tracking this. It was originally schedule to be done last year but postponed due to Covid and cost savings practices.

3. **Administrative Office Building Improvement:** Last month, it was reported that our new drive up transaction window was put in service on January 25 with the counter tops being rejected. In the third week of February, the countertops were received at the office directly from the manufacturer. Our staff installed the counter tops. The canopy was installed yesterday, March 10.

**CCWD#1 MEETING MINUTES (cont.)**

**MARCH 11, 2021**

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4. **Nucor Emergency Sprinkler System (Clinic Building):** This was a project that started out in design last year in March of 2020. The pandemic caused a major delay. Nucor's contractor reached out to let Obe know that Brown Sprinkler System has been given the notice to proceed. Obe advised him that the cost estimate back then has expired and would increase due to our labor and materials increasing. On February 11, Obe sent Mr. Josh Coale an email with the updated cost for \$20,808 and instructed him that he would need an agreement signed by Nucor of the cost and the understanding that this tap would be used only for emergency sprinkler use only; never to be allowed to extend off for normal domestic use and on an annual basis that Nucor would supply CCWD a copy of the backflow test. Early this morning, received an email with attachment that shows the agreement of future maintenance agreement of their vault and accessories; access into their vault at any time for inspection and the requirement that Nucor must notify the utility of any schedule exercise or reporting of any emergency events, annual backflow testing reports. They failed to submit the cost agreement. Obe has notified them in writing that they will need to submit the cost agreement before any materials will be ordered.

**VI. GENERAL BUSINESS**

1. **System Update** – The unaccounted water loss for February is 16.9% and current annual is 17.4%. The past 12 month rolling water loss average is 11.7%. Currently, our flow monitoring stations indicates that we have some leaks to find the exact location. We have spent some time hunting those leaks. Maintenance has repaired a few service line leaks that were leaking large amounts of water. The weather has not been kind with extreme cold weather, snow and now recent flooding. CCWD's operations will continue to fight back and get back to our normal bench marks in each zone.

CCWD has installed two more new water services. Both located on Hwy. 42 with build sites being on the north side; opposite side of road. CCWD upgraded a road crossing with a new water main to setup for the possibility eliminating the future failures of no encasement of copper service lines. This will also allow us to enhance better management of water loss since we do not have the equipment to replace the existing service lines as our road bore equipment will not allow us to reach from curb to curb in this area that the state highway widen some time ago. Furthermore, this area is sandy ground which will not allow water leaks to surface. This makes finding the exact leak location extremely difficult. As of today's, date, three new residential services have been installed.

CCWD or Carrollton Utilities could not do delinquent disconnects for the month February because of bad weather.

Last month, we processed 459 auto draft payment batch for a tally of \$16,434.29. With the pandemic this continues to be a popular program. CCWD continues to encourage the customers to sign up to process their payment instead of the handling of cash and or dealing with the USPS.

**CCWD#1 MEETING MINUTES (cont.)**

**MARCH 11, 2021**

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**Wheatley Tank Update:** Mr. Wayne Barnes of the insurance company called and reported that the juveniles did appear in court. The court's judgment was that the families will pay the portion of CCWD out of pocket cost which is the \$500 deductible on the vandalism event. The payment will come from the Owen County Circuit clerk to CCWD once the families pay restitution to the court.

**USDA Loan Withdrawal Error:** Within our Bond fund; it was schedule for USDA to make an automatic electronic payment withdrawal as normal routine of business. USDA withdrawals twice a year; one in March with interest only and September being P&I. The correct 3/1 schedule payment withdrawal should have been \$31,747.81. What USDA withdrew was exactly the same dollar amount of the fall payment being a total of \$70,427.18. CCWD made a call to the USDA's office and spoke with Greg Pridemore. CCWD was the first to report the issue as they did not know what had happen. After several days Mr. Pridemore called with an explanation. Obe requested the description of error to be placed in writing while they work on correcting the problem. Mr. Pridemore stated that this error hit approximately 290 accounts. USDA has made a written statement on a March 10, 2021 email.

2. **Distribution (Worthville) Improvement (Water Loss Enhancement):** One of the areas that we have been searching within is the township of Worthville. We have back fed water flows into the town and isolating the loop to determine the leak area within the valves. Unfortunately, all the existing deep sewers, it does not allow water leaks to come to the surface. Therefore, it is more feasible to install some more isolation valves to lessen the search area before cutting any roadways or sidewalks. This cost will be considered as a part of overall capital improvement project since these are devices that will allow reduction in water loss for the future operators of CCWD. This is in the Old Hwy. 227 Master Meter Zone.
3. **HB 272 (PSC-Water Districts/Associations):** HB 272 was scheduled for a hearing on Wednesday March 10, 2021 in the Natural Resource and Energy committee. The bill looked good since HB 272 had received 2 readings before it was even heard in committee. This is usually a good sign that the Senate leadership agrees with the bill and will move for its passage. Yesterday, the bill was tabled with one of the committee members stated, "Now was not the time to have a such bill." And another said that the mayors of their area were not in favorable of this bill that requires a penalty to be accessed. The bill still has a good chance to pass but the Lexington Herald is writing articles that do not favor this bill. Obe also stated, the governor may use veto powers as well but with House and Senate could both overrule the governor's veto powers.
4. **Board Status Update:** Obe received a copy of the Gallatin County Fiscal Court minutes for January 14<sup>th</sup>, 2021 which were officially approved in February. Obe contacted Barry Brown and welcomed him aboard. Mr. Brown will fulfill Mr. Ron Courtney's term which expires January 2, 2022. Mr. Brown was sworn in as a member of the Carroll County Water District #1. Obe is trying to reach Ky. PSC to understand the current

**CCWD#1 MEETING MINUTES (cont.)**

**MARCH 11, 2021**

**PAGE 4**

arrangements to have Mr. Brown attend the required PSC's training hours. At this time, Obe has not been able to get clarity. Under normal conditions, a new member would have 12 months to obtain the training directly from PSC but due to Covid 19 pandemic have not allowed those training events to occur.

5. **Customer Confidence Report:** The CCRs brochure has been created. The start of the distribution is being processed and therefore the finalization packet to submit to the Kentucky Division of Water for approval is evolving. This year, to reduce cost; instead of making a mass print production and postal mailing; the plan is to provide a digital copy like we normally do and post on our company website. Obe contacted Ky DOW to get approval for a slight modification on the bill statement broadcast. As the original required DOW statement was 156 characters and our bill statement allows for 149 characters. After a few modifications, it was agreed and approved to allow us to proceed. My first suggestion of revising the word "information" to "info" was rejected by them as they said not everyone would know what "info" stood for.
6. **Well Head Protection Program (WHPP):** On February 17<sup>th</sup>, received a letter from Ky. DOW with the stamped approved copy for our 5-year update of the Well Head Protection Program.
7. **Annual Audit Status:** The annual audit is still in process. The annual audit should be presented next month by Jerilyn Zapp. This is ahead of schedule compared to the recent prior years when GASB changed how the Kentucky Retirement System shifted the liabilities over to the member; being the employer instead of the state. The PSC Annual report is due March 31 and the audit should be completed to allow the report to be submitted before the deadline.
8. **Open Complaint / Concern Discussion** – Commissioner Sapp took this opportunity to announce that he felt that Carroll County Water District should look into changing the current water chemistry and start treating the water to soften the hardness; the nature of well water. Commissioner Mike Lewis quickly replied the concern of high cost impact. Commissioner Terry also added the concern of all the existing customers that have already invested in softener equipment to achieve exactly the softening levels that an individual wants at their tap. Obe stated that the most economical sense is to allow the customer to treat the softness as it is 100% cost effective. When you take in consideration of Industrial sales alone accounts for 43% of sales, with a common industry water loss in the distribution system of 15% that the cost impacts at a much greater operating cost ratio. Also, you will not stop the number of complaints as it will just transition of taste issue and not the right level of softness. Also, some civilians would not drink water as a health concern of heart disease or impacts on vegetation. Obe also stated he has not received any recent complaints about hardness other than calls to help them dial in the softener. Usually a customer that complains is because they have recently had an appliance failure which does not always necessary mean that the failure is due to the hard water. Obe said it has two water heaters at his residence and they have been replaced within 10 years; in which he has a water softener plumbed into protect those devices. Obe stated he would look further into the design, the ongoing operating cost and regulation requirements when he has the opportunity to do so.

**CCWD#1 MEETING MINUTES (cont.)**

**MARCH 11, 2021**

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**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24211 through # 24294 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Kelley and seconded by Commissioner Lewis to adjourn the meeting at 4:08 p.m. (ET) Motion passed.



  
Mike Lewis, Secretary-Treasurer



Carroll County Water District

## BOARD OF COMMISSIONERS MONTHLY MEETING

### AGENDA (MINUTES)

THURSDAY, APRIL 8<sup>TH</sup> 2021 @ 3:00 PM

CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)

- I. CALL TO ORDER / ROLL CALL
- II. MINUTES FROM PREVIOUS MONTH'S MEETING
- III. RECOGNITION OF GUESTS
- IV. ANNUAL AUDIT PRESENTATION:
- V. CONSTRUCTION/PROJECT PROGRESS REPORTS

1. Ghent Well #5 Rehab
2. Nucor Projects
3. Meter Replacements

#### VI. GENERAL BUSINESS

1. System Update
2. Ky DOW Sanitary Survey Inspection
3. HB 272 (PSC-Water Districts/Associations)
4. Ky. DOW - Water Quality Sample Program
5. Customer Confidence Report (CCR)
6. Open Complaint / Concern Discussion

#### VII. FINANCIAL REPORTS

#### VIII. ADJOURNMENT

- *Once you replace negative thoughts with positive ones, you will start having positive results.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*

*United We Stand, Divided We Fall!*



Carroll County Water District





Carroll County Water District

**MEETING MINUTES**

**APRIL 8, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Gilbert England, Barry Brown, Mike Lewis, and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Mike Kelley was absent. The others present were General Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Jim Sapp and seconded by Commissioner Mike Lewis to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

Jerilyn Zapp with Raisor, Zapp, & Woods CPA firm attended meeting to present the annual audit. No other guests at this monthly meeting.

**IV. ANNUAL AUDIT PRESENTATION**

Jerilyn Zapp of Raisor, Zapp, and Woods, CPA, presented the annual audit to the Board. Recently, the annual audit has been presented later in the year because the Kentucky Retirement System's liabilities have not been established until the middle of the year.

Mrs. Zapp stated the first section of the audit is the Management Discussion and Analysis (MDA) written by management (Obe Cox). Mrs. Zapp went through the rest of the audit report. The Governmental Accounting Standards Board (GASB) has required the liability numbers to be included in the utility's financial statements, therefore causes the audit process to be postponed until those numbers are released by the state. This year continues to deal with the GASB 75 and the GASB 68 that deals with both liabilities of the retirement pension and the retirement's health insurance portion. This is also known as OPEB (Other Post-Employment Benefits). In conclusion, CCWD as well with other utilities under the discretion of Kentucky Public Service are not sure of the future. The water rates are not allowed to be considered into billing rates to start banking a fund to cover these types of new liabilities that were originally the liability of the Commonwealth. These new liabilities will be a subject that will require continuous monitoring. This continues to make things very complicated and appears to create more confusion on the financial statements and not just a simple note within the report as the audit report consist of more required notes to this subject than anything else.

Obe Cox reported that all required reporting was submitted last week. Kentucky Department of Local Government web portal is still offline, but he emailed the required files in a (pdf) format to their general mailbox as directed. All electronic submissions have been acknowledged of being received.

V. **CONSTRUCTION/PROJECT PROGRESS REPORTS –**

1. **Ghent Well #5 Rehab:** Well #5 has been placed back in operation and is the lead well in running sequence. Prior to the pull, the well was flow tested to the atmosphere. The well at this time was producing around 375 gpm. Once the well was pulled, it allowed for a thorough cleaning and inspection. The impellers and 3 shaft segments were replaced. Another flow test resulted in over 600 gpm after the cleaning and replacements which matches design.

2. **Nucor Projects:** At this time, we have two projects with Nucor. The project that is under way is the "Nucor Emergency Sprinkler System" at their existing clinic building. Josh Coale with Brown Sprinkler signed the cost agreement to allow for a 6" tap connection to our water main. Nucor submitted the mutual agreement of understanding of the sprinkler system. This connection is only to be used in an emergency or testing for an emergency event. The ownership of backflow/emergency vault with CCWD having access to inspect at any time with also the commitment that Nucor will provide CCWD an annual certified report of the backflow preventer device. Material has been ordered and received on site. Our maintenance men are working on completing this task. Prior to start of exposing the pipeline, we exercised the newly installed KY 184 PRV/meter to back flow into from the west side to the project site when the water will need to be isolated to allow for connection. At this point we are installing a tripod of valves to allow flow in one direction, to allow self-clean flushing, and to reduce a smaller outage in case an emergency repair is required in the future.

The second project is the restart of the Hwy. 42 road relocation that will involve utility relocation for all utilities. CCWD has an 8-inch water main on the south side of Hwy. 42 along the Nucor properties. Nucor's consultant has set up a pre-design meeting on April 9th to be held with CU and CCWD to start the process up again. This was interrupted last March due to Covid. Recently, there was a press release about Nucor expanding another line and creating approximately 75 new jobs for a new tube factory.

Received an email from Nucor's Greg Mitchell about signing a "Confidentiality Agreement". You can tell this agreement was written by an attorney and for the purposes to another private corporation that are not under regulation requirements of the utility district. The agreement does not state what would be considered a secret, everyone including staff, management and Board would have to sign the agreement. We also would be exposed to open record and open meeting requests. This would hinder our capabilities of a gag order. Obe has emailed the proposed agreement to Ruth Baxter for legal advice. Currently, we do not entertain the idea of signing and allow for more time for both parties to understand the clarity of their intent and the understanding of our business. Yesterday, Amanda with Nucor called Obe for Greg Mitchell. Obe spoke his concerns and she completely understood the restriction and she will be getting back in touch.

**CCWD#1 MEETING MINUTES (cont.)**

**APRIL 8, 2021**

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3. **Meter Replacements:** On March 31, we shipped out 98 XTRs transmitters that will be replaced under warranty at no cost. Equal value of this exchange is \$10,300.

On another cost saving strategy maneuver and milking every ounce of warranty value, Obe proposed and was accepted by Ferguson and Master Meter last fall to set up a cross shipment of getting 496 meters and devices under warranty coverage exchange in advance. This would allow us to pull the defective meters from the ground with new product in hand to allow the replacement to be completed. Since a large number of meters were going to expire in November of 2020; and the accepted agreement date was prior to the expiration date of warranty, this allowed us to extend the warranty into 2021 since they couldn't get the product to us sooner. CCWD has received all the new product other than 50 XTR encoded wired transmitters. Therefore, we are on the clock to replace the old meters and ship them back within 90 days. The value of this product is estimated at \$124,000. Obe stated that our push for warranty exchange has saved the District extraordinary amount of dollars in meter replacement expense.

**VI. GENERAL BUSINESS**

1. **System Update** – The unaccounted water loss for March was 5.12% and the current annual is 13.44%. The past 12 month rolling water loss average is 10.95%. Field operation repaired several more service line leaks and a couple of these service lines were leaking large amounts of water.

Monthly Billing comparison stat sheet shows that we generated charges for the April bill cards which reflects the sales for the month of February 13th through March 15th, water charges of \$150,944 based on water usage of 25.7 million gallons of water sales. Previous period was \$140,510 (+7.4%) on the basis of 23.3 million gallons (+10.5%) of water sales. One year ago, for the same month, sales were more down with \$136,268 (+10.8%) based on 22.3 MG of water sales (+15.6%). The arctic blast probably contributed to some degree of larger sales in this cycle.

CCWD has installed two more new water services. As of today's date, six new residential services have been installed with another purchase pending.

Carrollton Utilities requested on March 31st, to disconnect nine water accounts for delinquent sewer status per the agreed inner local agreement order. All nine accounts have paid and been reconnected which is very unusual for all disconnects to be 100% restored.

On April 7th, CCWD operations disconnected 22 delinquent accounts. At this time, 14 accounts have been restored.

On Monday, March 22 after all over the weekend payments were posted, the billing software generated late charges on 659 accounts for a total of \$2,795.

The health of the District's employees and their families continues to be well with no positive COVID cases. Some staffing has recently received their vaccinations.

On March 16th, Phil Napier passed his Kentucky DOW 3B treatment license. He has been bumped \$1.00 on the hour raise for this accomplishment/certification.

**CCWD#1 MEETING MINUTES (cont.)**

**APRIL 8, 2021**

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**USDA Loan Withdrawal Error:** On March 19th, the USDA agency credited our Bond fund of a total \$38,679.37 to correct the error of over payment they withdrew. \$38,000 of it was on the principal amount that should have not been withdrawn at that time.

2. **Kentucky Division of Water - Sanitary Survey Inspection:** Last month, when coming out from our Board meeting, Obe received an email notification from the Florence and Frankfort branches of Division of Water that the three-year thorough inspection must be completed before the end of the month (March). With Covid pandemic, there were special instructions on how to proceed with the inspection. It appeared that they had a stricter distancing than the annual inspection that took place last Fall. The Florence branch officer said she could not enter the office building but would need to submit everything from the provided checklist and place within storage boxes for her to pick up. After the manuals and reports inspection then would require opening the plant buildings for her to enter solo. Obe gave her a list of sites with photos for her to collect water quality samples throughout the distribution system.

The Frankfort officer requested all items to be submitted in a digital format; and uploaded prior to an online video meeting. The Frankfort branch inspected the financial portions and record keeping package. This consisted of taking some binders apart to submit programs such as Safety, Well Head Protection, Cross-connection/Backflow preventer, distribution valve operation, well/pumps maintenance, leak logs, flush logs, water boil advisories, inspection reports of control station and tank sites. Also, all the records related to the laboratory water quality sample results. Operation and Maintenance manuals and schematic drawings had to be submitted.

3. **HB 272 (PSC-Water Districts/Associations):** On Monday March 29, 2021, both the state House and Senate voted to override Governor Andy Beshear's veto of House Bill 272. The House acted first with a 69-26 vote to override. The Senate followed up a few hours later by voting to override by a 24-12 tally.

The new law will go into effect in July. It will allow any water district or water association to assess a customer who fails to pay a bill for rendered services by the due date shown on the bill a late payment charge of ten percent (10%) of the amount billed. Therefore, there will be no changes of how CCWD currently operates.

4. **Ky. DOW - Water Quality Sample Program:** On March 23, Curtis Spears with the Watershed Management Branch of the Ky. Division of Water came in and collected raw water samples. Although, raw water samples are collected they are compared to the primary and secondary standards established by the USEPA for publicly supplied finished water. Approximately 360 different analysis will be executed at no cost since we volunteer for the program.

**CCWD#1 MEETING MINUTES (cont.)**

**APRIL 8, 2021**

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5. **Customer Confidence Report (CCR):** The CCR has been completed and the required documentation has been submitted to the Kentucky Division of Water for the conclusion of this requirement. The mandatory documents were uploaded through the Kentucky Online Gateway which is known as the "KOG". The certification receipt was received by CCWD to show evidence that this is now completed.
  
6. **Open Complaint / Concern Discussion** – At this time, no complaints, or concerns. Obe did report that there was interest of a development in Worthville of a Dollar General Store along Hwy. 227, across from Faith Street.  
Obe also read out loud a compliment statement from Cabot Corporation. Their management wanted to give praise to the professionalism of Mr. Tim Dietz on how he composed himself with offering troubleshooting steps to find the elusive leak and the manner of how CCWD excels in excellent customer relations policy procedure on the handling of high consumptions of their customers.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24295 through # 24377 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Darrell Lykins and seconded by Commissioner Barry Brown to adjourn the meeting at 4:20 p.m. (ET) Motion passed.

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Mike Lewis, Secretary-Treasurer





Carroll County Water District

**BOARD OF COMMISSIONERS MONTHLY MEETING  
AGENDA (PRESENTATION)**

**THURSDAY, JUNE 10<sup>TH</sup> 2021 @ 3:00 PM**

**CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)**

- I. CALL TO ORDER / ROLL CALL**
- II. MINUTES FROM PREVIOUS MONTH'S MEETING**
- III. RECOGNITION OF GUESTS**
- IV. COVID 19 PANDEMIC**
- V. CONSTRUCTION/PROJECT PROGRESS REPORTS**

- 1. KY 42 Nucor Project
- 2. KY DOT Hwy. 42 (Markland)
- 3. Wheatly Tank Repair Update
- 4. ARPA Funds / CCWD Projects
- 5. Worthville Distribution Improvement
- 6. Meter Replacements

**VI. GENERAL BUSINESS**

- 1. System Update
- 2. KY DOW Sanitary Inspection
- 3. AWIA Risk Assessment / Emergency Response Plan (EPA)
- 4. Annual Staff Evaluations
- 5. Open Compliant / Concern Discussion

**VII. FINANCIAL REPORTS**

**VIII. ADJOURNMENT**

- *Once you replace negative thoughts with positive ones, you will start having positive results.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*

*United We Stand, Divided We Fall!*



Carroll County Water District



Carroll County Water District

**MEETING MINUTES**

**MAY 13, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Barry Brown, Mike Kelley, and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Mike Lewis and Gilbert England were absent. The others present were General Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Ballard and seconded by Commissioner Lykins to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**IV. COVID-19 PANDEMIC - CCWD staff and family continues to be successful in avoiding the virus. At this time, everyone has been vaccinated except one employee.**

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS –**

**1. Nucor Projects:** The Nucor's Emergency Sprinkler tap project has been completed and paid in full. The cleanup and ground restore will soon follow to finalize this task in all aspects.

On other Nucor's developments, there have been several meetings with Nucor. First being the meeting held at Carrollton Utilities on April 9<sup>th</sup>. Currently, Nucor is respecting the fact that we are not signing a gag order and wishes both utilities to be respectful as they do not possess all desired properties. Recently, Obe has taken calls on meetings of Nucor's different departments that have individual projects, and it seems like the different bodies do not have an overall sense of the entire expansions of Nucor's developments. Obe has made statements that CCWD is a potable water supplier and if Nucor wants better emergency backup, then Nucor will need to assist in contributing and/or advocate to help find grant monies.

Last week, Mr. Michael Petroff came to the office and asked for some assistance in utilities in the area of the proposed site for the Nucor's Tubular Plant facility that will be located on the West of Montgomery Road which will be on the opposite side of existing water mains of 8" and 12". The 12" water main is a high pressure dedicated clear well transmission line before it flows into our distribution system. Obe asked him, at this time did he have an understanding of the future water demand of Nucor's expansion. His response was he did not. Obe told him that we were limited in emergency flows and worried about the impact on our existing storage that continues to take away from our distribution system. Obe told him that in the 1990's, CCWD built water lines quickly to support Gallatin Steel's domestic water demands as there really wasn't no commercial water supply in the area at that time. Since then, Nucor continues to expand and more recently, wants to depend more on CCWD's production and distribution to be part of their

## CCWD#1 MEETING MINUTES (cont.)

May 13, 2021

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operations. Also, every time Nucor expands, they are consuming more capacity of water storage in this area. Obe told him of the need of an Industrial tank along the Hwy. 42 corridor as we supply water to two of the largest steel mills but have no dedicated tank. Mr. Petroff asked if he could bring someone next week to meet with to discuss this concern. That meeting took place this past Monday at the CCWD's conference room. Mr. Keith Frazier seemed very understanding and said that this is not the first for Nucor and they have helped in the past other utilities to build infrastructure for other utilities. He even mentioned about looking into being able to donate the steel as they are a steel producer. Obe told him that if we start moving lines around in this area that we should consider all the developments that are being planned. CCWD could build a traditional ground storage clear well; keep water in the valley where 40% of water is being consumed and then build a traditional booster station to the existing 150K elevated tank that feeds onto Gallatin, Carroll and Owen counties.

**2. KY DOT Hwy. 42 (Markland):** Last week, received an email from Tony Blau of the Kentucky State Highway Department from District #6. It was a courtesy heads up that KYTC will open bids for the subject project on 5/21. He will let Obe know when a pre-con meeting is scheduled. It will probably be the middle of June and the contractor will start immediately thereafter. This assumes the bids come in within 10% of the engineers estimate. This project comes with a few geotechnical unknowns. So we will see but it looks like the project may finally happen. CCWD relocated the water main and actually changed the flow feed direction from Hillandale instead of Markland.

**3. Woodlawn Drive Upgrade:** This is in an area that we have future plans of making improvements as some of the water lines are undersized and equipped with no blow offs. Our field crew originally moved into area to fix a small water leak. When the leak was tracked to the exact location, it exposed a 2" dead cap plug with a corporation tap for water service under a driveway. With these findings, it was decided to extend the 2 inch water main further towards the houses to the end of the cul-de-sac and install a blow off. This increased the volume and allows maintenance crews to properly flush Forrest Court.

**4. Meter Replacements:** Last month, Obe reported that we are starting the process of a major change out of meters and had the warranty on hold date tied to a November 2020. The staff has done an amazing job of moving this along at a warp speed. There is a lot of work that goes on from the start of directing the change out in the field, bringing that data in right to the office, entering everything into billing, testing meter bodies, entering that into a data field, then also creating spreadsheets for that data to be filtered through a warranty status check. Furthermore, then plucking out the meters that fall into different categories. Being able to keep everything precise as it only takes 1 digit misfire to cause the new meter not to radio read, or a customer to get billed incorrectly, to losing the warranty information, etc. It is a large undertaking! We have batched this into rounds so we can move meters along in different phases. At this time, we have done 386-meter change outs. We have also tested 591-meter bodies for accuracies. This does not include our other standard warranty exchanges such as we just received 24 XTR transmitters which equals \$2,520 value in new product received.



**VI. GENERAL BUSINESS**

1. **System Update** – The unaccounted water loss for April was 4.63% and the current annual is 11.36%. The past 12 month rolling water loss average is 10.35%. Field operation continues to track water loss and make repairs which mostly consist of service line leaks.

Monthly Billing comparison report shows that we generated charges for the May bill cards which reflects the sales for the month of March 15th through April 15th, water charges of \$144,705 based on water usage of 24.6 million gallons of water sales.

Previous period was \$150,944 (-4.1%) on the basis of 25.7 million gallons (-4.3%) of water sales. One year ago, for the same month, sales were more down with \$131,905 (+9.7%) based on 21 MG of water sales (+17.3%). At this time, the current year trend compared to last year indicates that we are selling more water this year therefore generating more revenues.

CCWD has installed a total of 10 new residential services for the year with 1 pending at this time.

Carrollton Utilities requested on April 4th, to disconnect five water accounts for delinquent sewer status per the agreed inner local agreement order. Three of the five accounts have paid and been reconnected.

On the same date, CCWD operations disconnected twenty one delinquent accounts. At this time, seventeen accounts have been restored which is approximately 81% which is higher than the normal reconnect rates based on historical data.

On April 21, the billing software generated late charges on 669 accounts for a total of \$3,363.48.

Meter readings for billing were easily completed within one day. Actually, every reader was done within 6 hours that day. Outstanding but even more astonishing when taking the consideration of the spread-out service area. (3,045 active meters at this collection.)

On April 15<sup>th</sup>, we received notification from the state that we won the appeal of not having to pay the \$500 penalty fee in regards to missing the November 2020 State Sales tax payment that was apparently lost in postal mail.

Last month on April 15<sup>th</sup>, we processed 465 accounts for total of \$16,545.43 for direct payment from customer's banks to our bank.

We have received the \$500 reimbursement from the Owen County Clerk's office for the guilty parties involved of the Wheatley Tank vandalism.

**CCWD#1 MEETING MINUTES (cont.)**

**MAY 13, 2021**

**PAGE 4**

2. **Health Insurance Renewal:** It's the time of the year for our annual health insurance review. Obe has done the routine research on insurance benefits. On the health insurance, most of the local utilities and the local county government and the municipal is still covering 100% for employee and family. Just a reminder for everyone and Mr. Barry Brown, several years ago, we moved within in KACo group to save money on premiums. According to the research, CCWD is still paying less than other utilities. Our coverage and out of pocket expenses are similar to others but we are paying less on premiums.

Great news for this year renewal! KACo health insurance renewal only increases to a 0.6% increase! Our rates have actually decreased, and the only reason we have that small increase is because one of the employee age changed to a higher bracket.

Based on research information and with the current COVID impacts, it is recommended that CCWD stay with the current renewal plan which has only a 0.6% premium increase but no change in coverage. This is the "Renewal Plan - Anthem BCBS - KACo 2021 Option 22 Rx T1. (Exhibit)

A motion was made by Commissioner Jim Sapp and seconded by Commissioner Mike Kelley to select the Renewal Plan - Anthem BCBS - KACo 2021 Option 22 Rx T1 for the employee health insurance policy. Motion passed unanimously.

3. **Kentucky Work Task Group:** Obe has requested to be part of the Kentucky Department of Local Government (SPGE) task group to assist in developing a new budgetary form for utility districts. The group has had a couple of meetings working on the task. The goal to develop a simple form that ties back into the annual PSC report. This would be the form that would be used within their portal.

Also, the Kentucky Division of Water's Lead Work group that Obe was involved in a few years ago is starting back up. Mr. Gary Larimore requested that he stay on board and help out.

4. **Open Complaint / Concern Discussion** – At this time, no complaints, or concerns.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24378 through # 24476 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Darrell Lykins and seconded by Commissioner Barry Brown to adjourn the meeting at 4:00 p.m. (ET) Motion passed.

  
Mike Lewis, Secretary-Treasurer



Carroll County Water District

**MEETING MINUTES**

**JUNE 10, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Gilbert England, Barry Brown, Mike Kelley, and Mike Lewis present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Kim Ballard was absent. The others present were General Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Mike Kelley and seconded by Commissioner Mike Lewis to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**IV. COVID-19 PANDEMIC - Kentucky's mask mandate will largely end June 11, the same day that events and venues can return to 100% capacity following more than a year of restrictions due to the coronavirus pandemic. We will keep the door buzzer and audio active; push schedule appointments for contracts and handle walk ins as needed.**

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS –**

1. **KY 42 Nucor Project:** In the last 30 days it does not seem like much activity took place. Earlier this week, draft reimbursement cost agreements have been reviewed and noted of weakness material. Those revisions were submitted early last week and a quick meeting took place last Friday, June 4th. *(Reimbursements on additional professional services such as legal and third party engineer consultant, Nucor future capacity impact if they need to pay for larger water main on the north side of their facility, pay reimbursement processing within 45-60 days, inspection, meeting CCWD typical standards and specifications, etc., Clause that if Nucor drops project they are held for all related cost at that time., ETC)*

There have been survey crews on site, collecting field data. CCWD has marked all water meters and accessories for them to be shown on design plans.

2. **KY DOT Hwy. 42 (Markland):** The low bidder was Schnabel Foundation Company. The engineer's estimate was \$27.5M. Schnabel's bid was \$18M. With a \$9M bid under estimate, it leaves no doubt Schnabel will be the preferred contractor. Unless Schnabel has a qualification problem, they should award to Schnabel pretty quickly. A precon meeting is likely in about a month and work is likely to start immediately thereafter.

3. **Wheatly Tank Repair Update:** CCCWD has received the \$500 reimbursement for the deductible from our insurance; this was ordered by the court to require the juveniles to pay. Obe has reached out to the tank painter crew and schedule for final repairs in September.

**CCWD#1 MEETING MINUTES (cont.)**

**JUNE 10, 2021**

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4. **ARPA Funds / CCWD Projects:** Obe attended a virtual meeting on May 28, hosted by the Kentucky League of Cities and the Northern Kentucky Area Development District to learn about the different ARPA funds and how they would be administrated; what type of work is eligible for each fund. This was very educational, but the foundation of rules has been established but still some stuff within is still evolving.

A quick briefing, there are 3 major funds that qualify for available spending.

**First ARPA monies** is set for each county and city in the United States to receive 100% free grant monies. That means that every town in the USA will get monies if they go through the process. If you don't want the money then the applicant will have to fill out paper work to waive the funds that are meant for that applicant. These funds are based on population. Carroll, Gallatin and Owen Counties will receive monies in order of \$2.1 Million; \$1.7 million and \$2.1 million. Then each town is entitled for monies directly to them such as Carrollton will receive apx. \$708,000, Ghent apx.\$79,000, Sanders \$43,600, and Worthville \$34,600. This allotment can be spent per county judges and city mayors on 6 different categories...1.) Support public health response; 2.) Address the negative economic impacts of the public health emergency 3.) Target low-income communities; 4) Replace lost public sector revenue; 5) Provide premium pay for essential workers and 6.) Invest in water, sewer and broadband infrastructure. The money will be disbursed in two different fiscal years.

The **second ARPA** funds are dedicated for Water and Waste Water Projects only. Considered the "Cleaner Water Program for Water and Wastewater Infrastructure". This is also known as Senate Bill 36. There is a total of \$250 million dollars but split into 3 sections. The first \$150 million is broken down and signed to each county to be spent according to how the county judge breaks down for each project profile that has been established through the Kentucky WRIS portal. Carroll is going to receive approximately \$390,434; Gallatin County \$325,723 and Owen County \$400,350.

The second pot of these monies are broken down with \$50 million to be spent on areas that are "Unserved".

The third portion being the last \$50 million is to be used as a supplement to assist other under funded projects. These second and third portion of monies is to be process through KIA and approved by the regional management council.

The **third ARPA** pot which is also referenced as House Bill 320. This is a pot CCWD is not eligible to receive any funds. It is only for broadband utility and must provide internet services to the unserved or underserved areas. There are \$300 million dollars set aside for the pot.

Summary, the first pot is signed (allotment) for each county while the other monies are going to be disbursed through the normal process of rankings.

Obe has created several projects to create small to large projects with the help of Kerry Odle of HMB engineering. The creation of the additional project profiles are required for eligibility for funding and the ability to receive ARPA money. These funds will be administrated through other agencies as grant monies do not come directly to the utility as the applicant. We have large projects from \$4.6 million; medium projects and smaller projects as low as \$280,000.

1.) **CCWD Water Production/Distribution Improvements:** (The Cadillac project) Includes building a 750K gallon storage tank along Hwy 42; building a 60,000 gallon clear well tank, installing variable speed drive booster to fill tanks and operate as secondary feed rate into the valley, new chemical, electrical building, a traditional booster station with variable speeds to fill the existing Ridge tank. Project Cost: \$4,610,500

2.) **CCWD Water Production/Distribution Improvements Optimal #2:** This project slims down the Cadillac project to a "Toyota" project. Replace the existing Gallatin well field to low

**CCWD#1 MEETING MINUTES (cont.)**

**JUNE 10, 2021**

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pressure to dump into a new ground storage clearwell. Build a new chemical and electrical building, new variable speed pump station to pump to the existing Ridge tank and when full; the run low energy water into valley where approximately more than 40% sales take place. Also increasing emergency flow rates when needed. Project cost estimate: \$1,199,900

3.) **Industrial Water Storage Tank:** Proposed tank would be built along Hwy. 42 corridor. This does not do anything to increase low energy water. It would allow CCWD to have the required 24-hour storage in this particular zone which counts for more than 40% of sales. Project Cost: \$1.9 million.

4.) **Ghent Improvements:** Replaces all the original fragile 2" gray lines that are very weak which does not handle any pressures above 80# without failing. Would replace any original meter services that do not have check valves in the meter setters and allow for all existing lines that are capped at the end to be equipped with required flushing devices. Project Cost: \$489,300

5.) **Sanders Improvements:** Similar approach as Ghent Improvements. It removes all the old original undersize weak gray pipe and replaces with a 3" water main equipped with blow off devices and replaces any existing meter services that are not equipped with a check valve at the meter setter. Project Cost: \$283,100

6.) **Worthville Improvements:** Similar approach as Ghent and Sanders improvements. Does include adding additional 2" PRV and zone meter station to monitor water loss and improve emergency backup. Also, includes installing isolation valves around Eagle Creek water way in case of loss creek crossing then would be able to reroute water quickly to provide water service to all customers. Project Cost: \$279,100

Obe has a meeting with Judge Shorty and Bill Osborne to discuss funding. The theme that will continue to broadcast is CU could be receiving funds from the City of Carrollton. Broadband has a large pot of money dedicated to broadband only in the house bill. (Just be fair in the share program.)

5. **Worthville Distribution Improvement:** Due to the deep gravity sewers that impact the way water leaks do not come to the surface, CCWD continues to improve with the addition of isolation valves. This will allow for future field operation to search and find elusive leaks.

Another task we completed recently is eliminating the abandon 4 inch water main on Railroad Street. Sometime ago, there was a water line that crossed Eagle Creek. This line was abandon but only valved off from the distribution. Our crew came and removed the valve and the 6"x4" Tee fitting. This will reduce the liability of valve leaking through feeding an open abandon pipe.

6. **Meter Replacements:** On Tuesday, June 8th, Kyle Peterson with Ferguson Water Works came to the office to pick up all of Round 2 and 3 of the cross-shipment warranty exchange. Round 3 was delayed from pick up because Mr. Peterson had lost his father who resided in Florida. The cross-shipment is nearly complete.

Currently, we are working on testing all large meters that are required or need assurance of flow accuracy testing.

Also 37 Hersey meters are boxed and ready to ship out for warranty exchange. CCWD has figured out the issues with the new radio receiver to be able to read the new minets transceivers. It was a code issue in the billing system and equipment issue on the new insulator that exists between the receiver and the laptop to help filter the radio frequency. Now CCWD will be able to install the new meter style into one particular zone and move the older technology into the other dedicated zones.

**CCWD#1 MEETING MINUTES (cont.)**

**JUNE 10, 2021**

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**VI. GENERAL BUSINESS**

1. **System Update** – The unaccounted water loss for May was 13.1% and the current annual is 11.7%. The past 12 month rolling water loss average is 10.2%.

Monthly Billing comparison report shows that we generated charges for the June bill card mailings which reflects the sales for the month of April 15th through May 14th, water charges of \$145,288 based on water usage of 25.1 million gallons of water sales.

Previous period was \$144,705 (+0.4%) on the basis of 24.6 million gallons (+2.2%) of water sales. One year ago, for the same month, sales were down with \$134,321 (+8.1%) based on 21.1 MG of water sales (+19.4%). At this time, the current year trend compared to last year continues to trend that we are selling more water this year than the previous year.

CCWD has installed a total of 12 new residential services for the year with 2 pending at this time.

Carrollton Utilities requested on June 2, to disconnect 14 water accounts for delinquent sewer status. All 14 accounts have paid and been reconnected at this time.

On the same date, CCWD operations disconnected 24 delinquent accounts. At this time, 19 accounts have been restored. The reconnects are trending at higher rate than previous years.

On May 21, the billing software generated late charges on 655 accounts for a total of \$2,816 which is down compared to the previous month.

Meter readings for billing were easily completed within one day on a Friday, May 14th. This was the best performance ever in the history of reading meters with the largest active meters to be read. (3,079 active meters at this collection.)

On May 14<sup>th</sup>, processed 467 accounts for total of \$18,195.97 for direct payment from customer's banks to our bank. (Up 2 accounts from last month.) (This too is a record for most accounts and dollar amount processed as an auto draft payment format.)

**Security Deposits:** The start of the research of trying to find the method of returning the old deposits that we still possess that the rental checks were never cashed. This goes back to the days of Ernestine Sanders, from Day 1 of operation. Also returning deposits that are now considered low risk based on long time customers that trend with an average water bill and have a normal pattern of paying late such as every 2 months.

**Kentucky Retirement System:** Employer's contribution rate increases on July 1. The rate increases from 24.06% to 26.95% = 2.89% increase. This will result of a ballpark increase of \$15,000 in a 12-month cycle.

**Jon Perkins** 2-year employment anniversary is today and his pay will be increased to what is considered the base pay at field operation operator without any license. (\$23.66/hour)

**CCWD#1 MEETING MINUTES (cont.)**

**JUNE 10, 2021**

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**Treatment Chemical Cost Impact:** CCWD switched early this year to use Water Solutions to purchase our chemicals after receiving notification from Brenntag in March of an increase on cost. We were able to go to Water Solutions at the current rates and avoided any increase at this time. Received last night another increase from Brenntag for another increase effective in June. Brenntag's chemical increase cost on chlorine gas for just this year is already at a 30% increase. Obe did get notification from Water Solutions that there was an increase of purchasing wholesale on chlorine but since we were new customer that it would not change at this time. The proposed increase would have been less than Brenntag's aggressive rapid increases increments.

**Special Work Groups for the State:** On the Kentucky DLG budget form spreadsheet, the workgroup has submitted a draft to DLG. It seemed to be appreciated and go up the channel. They were very acceptable to the idea of moving the deadline date from March 1 to April 15th to allow annual audits and PSC annual reports to be completed by CPA so it can be used for actual end of year. The proposed form was created to be able to use the PSC annual report to feed the line items.

**Lead Group:** The task group agrees that Biden's administration (EPA) is going to do whatever they feel fit so now this is a group to try to figure out how to help others meet requirements. Obe stated the requirements doesn't seem like it will be reachable or feasible. Our responsibility should stop at the meter base and be able to educate and communicate for homeowners to correct their plumbing if flagged.

On June 1, Obe came out of a meeting and played his voicemails. One of the calls from a WCPO news reporter stating he was wanting to speak to me about a records request on water quality records and Source water protection plan. Once he did some scouting to see if something was brewing in the water business along the river which could not find anything, he made the return call. The reporter stated it was about KU's ash ponds and communications between industrials and the public water supply and in the event of a breach of pond how it would impact the water aquifer? Obe started to explain that we had two well fields on the east and west side, and according to the hydrology study, the breach would not directly impact our water supply. He interrupted quickly saying he needed to jump off the call but would call right back. After an hour had passed, Obe started to think that he had heard enough that there was not a direct impact to the PWS. The reporter came into the lobby shortly afterwards. That was the first questions Obe had to him as he stepped into his office, "I thought you were going to call me back?". He gave me some sort of excuse that according to the website we closed at 3 so he was hoping to catch Obe.

After talking to him over an hour, he asked if he could come back Thursday with a camera crew to do an interview. Obe told him he would rather not but thinking he really did not have a choice. Obe was worried if he did not speak on the subject that it could appear as weakness. That evening after thinking there was no story and if CCWD did do an interview that it could lead to more of our customers being alarmed. So Obe composed an email statement of the following:

*"Upon reflection on our conversation from earlier today, I don't feel it's necessary for us to conduct an interview on Thursday. Carroll County Water District remains dedicated to serving our customers with the highest water quality, meeting all federal and state standards year in and year out. I feel that participating in this interview would send a*

**CCWD#1 MEETING MINUTES (cont.)**

**JUNE 10, 2021**

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*needlessly alarming message to our customers and create cause for concern where there is none.*

*You mentioned that KU has not responded back to any of your requests. You may try KU's Corporate Communication's Hotline being 502-627-2911.*

*Thank you for your time," His email response was, "Okay".*

2. **KY DOW Sanitary Inspection:** On May 12th, received an email from Jenna Hammond from the Division of Water. The email had attachments that showed the results of the recent 2021 detailed sanitary inspection that was performed in March. The inspection resulted in no violation. The report did have two recommendations with one requiring a written response within 90 days (August 10th). The Non-significant item is in regards to the builds of 1980's two water tanks in our system that the over flow pipe does not extend 10 feet from the wall of tank. (Even though one of these tanks, the ground elevation flows away and these are not requirements and are only recommendations of new builds.) Obe is waiting on having these two pipes extended so the debate is over and completed. CCWD is currently working on extending the pipes as the field operations have already moved in the prefabricated large concrete blocks to be used as the support and head wall of pipe outlet. Once it is completed prior to the deadline, will respond and close out all follow ups.

The second note was the Division of Water recommends that ensuring long-term needs are built into rate increases. Obe stated that the working with Alan Vilanes on getting all the data for rate increase study to cover inflation and depreciation has started back up as it was postponed last year due to Covid outbreak.

3. **AWIA Risk Assessment / Emergency Response Plan (EPA):** The June 30th deadline is approaching for the federal EPA mandate on the Risk Assessment portion. On May 18th, CCWD certified mailed the certification to Washington DC. At this time, still have not received the signed receipt. Obe was advised to certify mail the certification as some utilities were having issue with the email submittal. Within in the next week, Obe will resubmit thru email just to weigh on the safe side of having receipts of the certification to submit before the deadline. Obe will have approximately 6 months to submit the second part being the Emergency Response Plan. Obe stated since he has no clue when they actually received it but since it was originally submitted on May 18th then assuming the deadline will be around November 18th.
4. **ANNUAL STAFF EVALUATIONS:** The annual employee evaluations are completed. Obe will go back over with all employees individually to go over accomplishments, strengths, weakness and set future goals. As a whole, CCWD is still progressing in a positive way even through the pandemic. Of course, without the pandemic, we would have progressed more with some of our goals. 2020 was by far a strange year! In house capital improvement projects are continually to be completed. There are no conflicts within the staff. CCWD's reputation is good in the communities and within the government agencies. Obe informed the Board that he always manages with the basis of merit raises and to strive to have a team that works continuously together and make improvements on their weakness. And there is still no change in that philosophy even with the different culture we live in today where a lot of companies are experiencing finding workers.



**CCWD#1 MEETING MINUTES (cont.)**

**JUNE 10, 2021**

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- For FY 2021, the cost of living adjustment set by DLG is 1.4%

**Comparison Data:**

- Carrollton Utilities: 3% increase;
- Carroll County employees: "\$2 per hour pay rise for each employee instead of the three percent that has been the norm." Judge Shorty, "Apx. overall, 8% increase to budget".
- City of Carrollton: Overall 3% increase and there health insurance premiums increased 5%, according to the local paper article.
- Oldham County Water District: 1.3% (Follows Social Security Cost of Living)
- Bullock Pen Water District: Could not come to a clean percentage as they had a lot of turbulences in staffing. With a couple of retirees and a couple of employees leaving unannounced. They did change from insurance coverage of 100% so they off set that cost to increase the hourly wages which is a appalling because of the impacts of overtime wages trickle down versus a fixed cost.
- Madison County Utilities District: Overall 3% increase to salary
- Gallatin County Water District: Tammie stated it was approximately 3% increase at the first of the year as they do their annual at the first of the year. And they are currently looking at another increase due to some staff complaining of wages.
- Gallatin County Fiscal Court Employees: First of year, 2.1% Cost of Living increase for all staff WITH other employees getting additional merit increase. Unavailable to state the overall impact to operating labor. Experiencing short staff and not being able to fulfill open positions.

Ultimately, the goal is to be able to award everyone the same, as this would be the indicator that unity is being met. The Board reviewed the labor statistics and cost of living increase, and then went into a discussion. The conclusion was the Board approved a 3% increase in payroll for the incoming year to be given at the discretion of Manager Cox. A motion by Commissioner Barry Brown and second by Commissioner Jim Sapp and being a unanimous decision to increase payroll 3% to be effective on the first payroll in July.

**5. Open Complaint / Concern Discussion** – At this time, no complaints, or concerns.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24477 through # 24562 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Mike Kelley and seconded by Commissioner Barry Brown to adjourn the meeting at 4:45 p.m. (ET) Motion passed.

  
Mike Lewis, Secretary-Treasurer

**CCWD**  
Carroll County Water District



Carroll County Water District

**BOARD OF COMMISSIONERS MONTHLY MEETING  
AGENDA (MINUTES)**

**THURSDAY, AUGUST 12<sup>TH</sup> 2021 @ 3:00 PM**

**CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)**

- I. CALL TO ORDER / ROLL CALL**
- II. MINUTES FROM PREVIOUS MONTH'S MEETING**
- III. RECOGNITION OF GUESTS**
- IV. COVID 19 PANDEMIC**
- V. CONSTRUCTION/PROJECT PROGRESS REPORTS**
  1. KY 42 Nucor Project
  2. ARPA Funds / CCWD Projects
  3. Meter Replacement Program
  4. USGS Aquifer Study / Model Update
- VI. GENERAL BUSINESS**
  1. System Update
  2. KY DOW Sanitary Inspection
  3. KRWA - CEUs
  4. Debt Refinance Savings
  5. CPA Consultation
  6. Task Force / Work Groups
  7. Open Compliant / Concern Discussion
- VII. FINANCIAL REPORTS**
- VIII. ADJOURNMENT**

- *Management is focusing on getting someone to get a result. Leadership is producing a standard in someone that when you're gone, they will live by to produce higher-level results consistently.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*



Carroll County Water District



Carroll County Water District

**MEETING MINUTES**

**JULY 8, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Barry Brown, Mike Kelley, Mike Lewis and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Gilbert England was absent. The others present were General Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Mike Kelley and seconded by Commissioner Mike Lewis to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**IV. COVID-19 PANDEMIC / Staff Update** - Everyone is healthy and business as usual

with the addition of being more cautious of better hygiene of washing hands more often. Everyone reported during their evaluation that they love their job and the atmosphere of relations and conditions. Also, everyone was appreciated in the increase of their wages.

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS –**

1. **KY 42 Nucor Project:** There has been no activity on the Ky. Highway 42 road relocation project that involves Nucor.

Nucor Tubular Plant: They have moved in an office trailer for their site development on Montgomery Road which is on the west side development closer to KU property line. They made a request for help with obtaining potable water service. After a site assessment, it was determined to suggest to them to reach back to Nucor to allow for a feed line as Nucor has a supply outlet very close to this area which is supplied by a two inch water service back from Montgomery Road near the scale house.

2. **ARPA Funds / CCWD Projects** - Obe has received a verbal pledged from the Carroll County Judge Executive Shorty Tomlinson for the "CCWD Water Production/Distribution Improvement Project" being referred as the Toyota project. Judge Executive is splitting the Carroll County's allotment of \$390,434 portion that is only eligible for water and waste water projects. (Therefore, CCWD should receive approximately \$195,217 from Carroll County Fiscal Court). When Obe met with Judge Shorty, he stated he had a deadline with Jeff Burt with NKADD to make a commitment. Obe has called Judge Ellis (Owen) and Judge Morris (Gallatin) to let them know of the possible deadline. Obe reported he also called Jeff Burt to let him know of the intention of Judge Shorty's pledge and clarity of the other two judges' deadline. When Obe spoke with the other judges about this particular ARPA monies, they indicated that their intention is not to give the money to any one particular utility.

**CCWD#1 MEETING MINUTES (cont.)**

**JULY 8, 2021**

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3. **Meter Replacements:** The 37 Hersey meters have been processed for a warranty exchange and shipped to the factory.

We have two regular RMA exchanges that are being contested with Master Meter factory. Recently, CCWD received 12 new meters when we submitted 13 defectives. On the second warranty exchange, we received 36 XTRs transmitters and 2 IP 68 transmitters. In reality, we submitted 41 XTRs transmitters and zero IP transmitters.

For the first time, we are current with all required meter accuracy tests for all meter size categories.

**VI. GENERAL BUSINESS**

1. **System Update** – The unaccounted water loss for June was 0.8% and the current annual is 9.74%. The past 12 month rolling water loss average is 9.95%. Obe reported that we are not that tight but indicate this is a good sign that we are running very well. As it was stated last month, the higher loss was from timing of majority of pool filling & hot weather trend just after we read meters for billing purposes. The timing of reading meters is in the middle of the month based on our monthly operating report so this is common for a bounce from time to time.

Monthly Billing comparison report shows that we generated charges for the July bill card mailings which reflect the water sales for the date range of May 14th through June 14th, the water charges were \$165,386 based on water usage of 28.8 million gallons of water sold.

Billing Past Comparison Summary: Previous period was \$145,288 (+13.8%) on sales of 25.2 million gallons (+14.4%). One year ago, for the same month, sales were slightly down with \$162,938 (+1.5%) based on 26.4 MG of water sales (+9.0%).

CCWD has installed a total of 17 new residential service bases for the current year with one pending at this time.

On July 1, CCWD disconnected for Carrollton Utilities eleven water accounts because of delinquent sewer status. Seven accounts have paid and been reconnected at this time.

CCWD is schedule to run July disconnects next week. We sent out 135 disconnect notice letters.

On June 14th, CCWD processed 476 accounts of auto draft payments with the banks for a payment batch total of \$17,587.98.

On June 21, the billing software generated late charges on 714 accounts for a total of \$3,186 which is slightly up compared to the previous month.

Meter reading collections for billing were completed within one day on a Monday, June 14th. CCWD had several meters that stopped broadcasting the radio reading that were in dry vaults; therefore field operations went back to exchange those to attempt to stay on top of having meters broadcasting the meter reading so it can be collected without manual entry.

**CCWD#1 MEETING MINUTES (cont.)**

**JULY 8, 2021**

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**Office Building:** On June 15th, Drive-up window sensors were installed to allow staffing to automatically hear of anyone driving or walking up to the outside pay window.

**Maintenance Building:** Earlier this week, our maintenance crew painted the dark brown trim on our next door maintenance building.

**Hwy. 355 (Fairview Tank):** CCWD lost controls to this tank but did not hinder operations. The cause was from flooding of the underground control station. When this vault was put in, instead of installing a daylight drain, it was designed to use a sump pump. At the exit of the discharge hose at the wall, the fitting developed a crack. Apparently, the spray was directly towards the gfi electric outlet. This kicked out the power to the pump and therefore water from the control valve that dumps water off the top of diaphragm to the atmosphere was not discharging to the outside outlet. Even though this vault is inspected on a weekly basis, this did not allow us to catch this until the electrical cabinet was flooded. Most of the electrical components were able to be saved and reused once moisture was removed.

**Gallatin Well Field Plant Building:** Yesterday, it was schedule to expose the underneath of the plant building at the Gallatin Well Field. Back in the winter in the colder temperatures, CCWD had been tracking a concern on the 12" ductile iron pipe that is dedicated to be our clearwell detention line. It is also our high pressure line to pump water to the top of Montgomery Road and onto our 150K KU storage tank. After doing several operations to research and reduce the search area of the defective area; a crew was schedule to explore under the building during good weather conditions. Our exploration did find the leak at the 12" MJ 90° fitting at the top. It was not a bad leak and appears to be a gasket issue. The leak was not coming to the surface. Obe called in Layne to assist with making this type of repair as it is very challenging to break loose the megalugs fittings, etc. in this environment. This repair was much better than the one that occurred back in January of 2014 when the building actually was moving due to the piping coming apart causing an urgent response.

**Life Insurance:** On July 1, Obe received an email from Laura Medford in regards to our Life Insurance premiums. Attached was a letter from Hartford stating that in October 2021 when the premiums is adjusted that there will be no increase to the current premium and this will be locked in until 10/01/2023.

**Illegal activity in Ghent:** Obe stated that it may not come as a shock to some but there has been some documented illegal activity around our office and maintenance building. Deputy Sheriff Tony Stigers reached out to Obe to see if we had any video on a car being stolen on a Thursday, June 24th between the hours of 8:30 thru 10:00 p.m. As this resulted in several being arrested in Boone County after a police chase started in Gallatin County. Deputy reported that they had to blow out the tires and the boy ran from the vehicle. He was trying to determine who actually stole the vehicle. After the first review, did not really result in any findings as the request indicated the vehicle was reported directly in front of our admin front door. The only unusual activity during this time slot was across the street was four long hair females. After the deputy gave Obe more specifics then re-watching that particular activity; it appears this group is the one originally stole the car and then picked up some boy(s) prior to police chase and arrests.

**CCWD#1 MEETING MINUTES (cont.)**

**JULY 8, 2021**

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2. **KY DOW Sanitary Inspection:** This is just to update you all that the status of the 2021 Division of Water Sanitary Inspection where we noted to have two non-significant items First, the two 1980's tank builds that did not require overflow tank outlet to be a minimum of 10 feet from tank wall (foundation purposes). Second, Division of Water recommends that ensuring long-term needs are built into rate increases. The site work has been completed on both tank sites. Obe has pictures documented and schedule one day next week to submit in writing to Jenna Hammond, Division of Water our response and conclusion of the modification has been completed.
3. **AWIA Risk Assessment / Emergency Response Plan (EPA):** Last month reported since CCWD had not received any certified receipt of the required time sensitive material; Obe emailed information to their email domain as listed. Obe quickly received a notification that they had received the email with the attachment. A few days later, we also received the certified receipt as well. Schedule to submit the ERP in the near future prior to the November 18th deadline.
4. **Build American Bond (BAB):** On June 18th, the rebate request form was certified mailed to the IRS office in Ogden, Utah. CCWD should receive the rebate of \$5,675 in around the September 2021 being an electronic deposit into our account.
5. **Open Complaint / Concern Discussion** – At this time, no complaints, or concerns.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24563 through # 24648 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Kim Ballard and seconded by Commissioner Barry Brown to adjourn the meeting at 3:50 p.m. (ET) Motion passed.



  
\_\_\_\_\_  
Mike Lewis, Secretary-Treasurer



Carroll County Water District

## BOARD OF COMMISSIONERS MONTHLY MEETING

### AGENDA

THURSDAY, SEPTEMBER 9<sup>TH</sup> 2021 @ 3:00 PM

CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)

**I. CALL TO ORDER / ROLL CALL**

**II. MINUTES FROM PREVIOUS MONTH'S MEETING**

**III. RECOGNITION OF GUESTS**

**IV. COVID 19 PANDEMIC / STAFF UPDATES**

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS**

1. KY 42 Nucor Project
2. ARPA Funds
3. CCWD - City of Ghent Improvements / Capital Improvements
4. Wheatley Tank
5. Meter Program
6. USGS Aquifer Study / Water Quality Regulation (EPA UCMR5 & Lead/Copper)

**VI. GENERAL BUSINESS**

1. System Update
2. KRWA - CEUs
3. Debt Refinance Savings
4. CPA Consultation
5. Open Complaint / Concern Discussion

**VII. FINANCIAL REPORTS**

**VIII. ADJOURNMENT**

- *Management is focusing on getting someone to get a result. Leadership is producing a standard in someone that when you're gone, they will live by to produce higher-level results consistently.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*

*United We Stand, Divided We Fall!*



Carroll County Water District



Carroll County Water District

**MEETING MINUTES**

**AUGUST 12, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Gilbert England, Barry Brown, Mike Lewis and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Mike Kelley was absent. The others present were General Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Kim Ballard and seconded by Commissioner Darrell Lykins to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**COVID-19 PANDEMIC / Staff Update** - First, congratulations to Commissioner Darrell Lykins on becoming a grandfather to Hayden Darrell New and Madison Mae New. Staff continues to be in good health in aspect to Covid virus except one individual that appears to be having complication from the Johnson and Johnson covid vaccine shot (GBS syndrome). No effect in work performance capabilities. Recently, another employee's spouse has developed an issue that has caused an overnight stay in the hospital.

Two days ago August 10th, Gov. Andy Beshear said in response to the highly contagious COVID-19 delta variant and recent U.S. Centers for Disease Control and Prevention (CDC) guidance, that he will push out an executive order to make schools require mask worn at all times. Governor Bashear stated, "we are in the midst of the fastest surge that we have ever seen during COVID right now. This move is supported by medical organizations, local health department leaders, businesses, and education leaders. It is also supported by the Kentucky Chamber, representing 3,800 member businesses across the Commonwealth".

Repair material orders are being affected with long delays and cost of materials on the rise appears evident. Over the years, CCWD has built up their stock on repair materials. Obe stated that we are looking more into making sure our materials are topped off with established maximum amount in stock and comparing repair trends to try to carry extra surplus. Therefore ordering extra supplies in case the work force and economy weakens or fails. The forecasted concern is that with ARPA money coming out for large projects, the new Delta variant Covid virus beginning to rise could cause the low work force to deteriorate even more could cause large, massive delays in receiving materials. CCWD does not want to end up in a situation that we cannot make an emergency repair because of no repair parts.

**IV. CONSTRUCTION/PROJECT PROGRESS REPORTS –**

1. **KY 42 Nucor Project:** There has been no activity on the Ky. Highway 42 road relocation project that involves Nucor; same as previous month report.



**CCWD#1 MEETING MINUTES (cont.)**

**AUGUST 12, 2021**

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2. **ARPA Funds / CCWD Projects** - As reported last month, we received a verbal pledged from the Carroll County Judge Executive Shorty Tomlinson for the "CCWD Water Production/Distribution Improvement Project". Judge Executive is splitting the Carroll County's allotment of \$390,434 portion that is only eligible for water and wastewater projects. (Therefore, CCWD should receive approximately \$195,217 from Carroll County Fiscal Court). This is from the state SB36 funds.

Gallatin County Fiscal Court was schedule to hold an ARPA meeting on Tuesday, August 10th. Obe has reached out to Judge Ryan Morris but have not heard from him at this time with a current update.

Owen County Fiscal Court - Obe spoke with Judge Casey Ellis this morning about the SB 36 monies or any other ARPA funds. Judge Ellis said as of right now, he knows Carroll County Water will receive some funds but doesn't know the dollar amount at this time.

3. **Meter Replacements:** Additional nine more Hersey meters have been processed for additional warranty exchange and shipped to the factory to join the other pending 37 meters that are currently being processed and should be received soon under full warranty exchange.

The two contested regular warranty exchanges with Master Meter that were reported last month; have been corrected by Master Meter. On Friday August 6th, we received the five XTR encoded transmitters. Today, we received the one missing meter to complete the full warranty exchange. CCWD is very close in completing our large pre-cross shipment agreement with Master Meter. This approach has worked wonderful as we start the transition of the large number of meters being out of the warranty period.

4. **USGS Aquifer Study / Model Update:** The USGS has performed extensive analysis of our Ohio River aquifer over the past 20 plus years and they maintain a database of water levels for wells in the area which CCWD and others provide to USGS a minimum of each Fall season. The first of two large projects were completed in 1999 which included the development of a hydraulic model for the aquifer. A second large project which updated all the data, and the actual computer program was conducted in 2010. The Carroll County Community Development Corporation (CCDC) has requested the USGS prepare a proposal for another large project to study the aquifer and present findings to our group. The study would be conducted this Fall. The total cost of the work is summarized in the-report of apx. \$182,915. The USGS is able to provide a 35% match (\$64,020 discount) on their services since the funding will utilize a government entity as the conduit for the study. Knowing the importance of the aquifer to our public, the CCDC has pledged \$20,000 toward the project. The balance to execute this USGS study is \$15,000 per local groundwater user.

The group includes: Carroll County Water District, Carrollton Utilities (committed, Certainteed (committed), DOW Chemical (committed), PMC (committed), Nucor (committed), and Steel Tech.

To support this share cost study, checks should be made to CCDC-Aquifer Study and mailed to PO BOX 269 Carrollton KY 41008. The action is needed quickly so

**CCWD#1 MEETING MINUTES (cont.)**

**AUGUST 12, 2021**

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USGS can reserve resources for the work.

A motion was made by Commissioner Barry Brown and second by Commissioner Jim Sapp to issue a check to CCCSC-Aquifer Study for \$15,000 for the USGS water source study. Motion passed unanimously.

**VI. GENERAL BUSINESS**

1. **System Update** – The unaccounted water loss for July was 6.5% and the current annual is 9.25%. The past 12 month rolling water loss average is 9.5%. We are tracking a small leak in the town of Worthville. As we make distribution system improvements, it is helping us narrow the search area of the elusive leak. More than likely, it is hitting the deep sewer lines and not coming to the surface.

Monthly Billing Comparison Report shows that we generated charges for the August bill card mailings that reflects the water sales for the date range of June 14th through July 15th, were \$164,015 based on water usage of 28.5 million gallons of water sold.

Billing Past Comparison Summary: Previous period was very similar with \$165,386 (-0.8%) on 28.8 million gallons sold (-0.9%). Previous year, for the same month, the previous sales were down with \$155,954 (+5.2%) based on 25.5 MG of water sales (+12%).

CCWD has installed a total of 21 new water service bases for the current year with 4 pending at this time. With 2 more industrial meters on the horizon. (KU and PriMetals.)

On August 1, CCWD disconnected for Carrollton Utilities 8 accounts because of delinquent sewer status. As of today's date, 5 accounts have paid and been reconnected at this time related to the sewer disconnects. On the same date, we disconnected additional 17 accounts for delinquent water accounts with 7 accounts being restored at this time.

On July 14th, CCWD processed 477 accounts of auto draft payments with the banks for a payment batch total of \$20,423.15.

On July 21, the billing software generated late charges on 724 accounts for a total of \$3,424.29 which again, is slightly up compared to the previous two month.

Meter reading collections for billing were completed within one day on Thursday, July 15th.

2. **KY DOW Sanitary Inspection:** On July 9th, Obe attempted to submit in writing the follow up action on the findings of the sanitary inspection by email shown on their packet. The email was rejected every time on all attempts. Obe copied Joseph Uliasz with DOW in the emails as well. On Monday morning July 12th, Mr. Uliasz emailed back with acceptance of the submittal and noted that Jenna Hammond had left her position.

**CCWD#1 MEETING MINUTES (cont.)**

**AUGUST 12, 2021**

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3. **KRWA - CEUs:** As of right now, the Kentucky Rural Water Association is planning to have their annual conference with opportunity of obtaining training to collect continuing education units towards the state license of water treatment and distribution. We have registered Napier, O'Neal and Cox to hopefully get 12 hours of CEUs towards their license. This will allow for the three and operator Hewitt to get additional 12 more hours prior to the deadline of July 1 of 2022 for license renewal.

Obe presented the Board a letter from KRWA requesting Obe Cox to attend the KRWA Annual Business meeting on Tuesday August 24 in Louisville, Kentucky at 10:00 a.m. EDT.

A motion was made by Commissioner Mike Lewis and second by Commissioner Kim Ballard to nominate Obe Cox as the voting delegate to represent Carroll County Water District at the KRWA Annual Conference. Motion passed unanimously.

4. **Debt Refinance Savings:** CCWD has an opportunity to restructure some of their loans at a lower interest rate similar what we did back in March 2012 and save a significant amount of monies. CCWD can take the original loan amount of \$3,785,000 with Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2012B. Current debt is around \$2,715,000 and on schedule of being paid off in the year 2040. If refinance based on current rates, could yield a net savings of \$375,785.

CCWD has two other USA Rural Development loans that could produce savings but will be a little more border line. It is strongly advised to leave at least one Rural Development loan because it creates a federal legal defense of not allowing another utility to invade CCWD's service area such as a Kentucky American Water Company.

CCWD will start the application with Kentucky Public Service Commission. Carroll County Water District reserves the right to stop sale of bonds if not lucrative.

A motion was made by Commissioner Darrell Lykins and second by Commissioner Mike Lewis to sign the resolution to proceed with refinancing current debt to obtain savings. Motion passed unanimously.

5. **CPA Consultation:** On June 29th, Lisa and Obe met with Stephanie Furnish, Certified Public Accountant (CPA), to discuss establishing a working relationship. The goal is to have an accountant learn our normal operation as well as us to learn from a CPA. CCWD wants to have a professional contact that total understands our business and create a routine of inspection to make any necessary adjustments within the current year. The first task of professional assistance is to address the weakness in our annual audit. Those current items are not a major concern but still we stride to make the District as perfect as possible and have those notes eliminated from our annual audit. This will allow CCWD to always focus on any new requirements and eliminate weakness as they may rise. The other is to work on how to process some of the unclaimed funds from our rental accounts to the state which is noted in the annual audit.

**CCWD#1 MEETING MINUTES (cont.)**

**AUGUST 12, 2021**

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CCWD is able to retain Mrs. Furnish professional service with paying at a rate of \$50 per hour when working on a CCWD's task. Mrs. Furnish is doing something similar for Carrollton Utilities. Both parties seem to be enjoying their arrangements.

A motion was made by Commissioner Barry Brown and second by Commissioner Jim Sapp to sign the engagement letter for retaining Mrs. Furnish for CPA consultant services. Motion passed unanimously.

6. **Task Force / Work Groups:** A couple more invites from entities that requested input on their objectives. Elizabeth Danks of the state Division of Water asked Obe to meet with her to go over a proposed method of entering data such as MORs, lab results, etc. She set up a Teams meeting to go demonstrate the APP platform and methods of entry. Obe addressed several things that he felt were a weakness.

The second group was joining a group with KRWA apprenticeship program and Kentucky Community & Technical College System. The goal is to try to develop a new curriculum/program that KCTCS can offer a course in water and wastewater treatment.

7. **Open Complaint / Concern Discussion** – Discussion of concern on the rapid inflation rate increase; appears expenses are rising in all aspects.

Obe is currently working with Aline Valines on a rate study. Obe reported that Mr. Vilanes has given CCWD good compliments on how well the data packet was submitted and how it was formatted. Also, he has done many rate studies throughout the state and this District is very detailed and doing a great job. Also, noted was a recent press release of Hardin County Water District plans on raising their water rates 41.2%.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24649 through # 24754 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Mike Lewis and seconded by Commissioner Kim Ballard to adjourn the meeting at 4:02 p.m. (ET) Motion passed.

  
Mike Lewis, Secretary-Treasurer



## RESOLUTION

### RESOLUTION OF THE CARROLL COUNTY WATER DISTRICT NO. 1 APPROVING AND AUTHORIZING AN ASSISTANCE AGREEMENT WITH THE KENTUCKY RURAL WATER FINANCE CORPORATION TO REFUND CERTAIN OBLIGATIONS OF THE DISTRICT.

**WHEREAS**, the Board of Commissioners (“Governing Authority”) of the Carroll County Water District No. 1 (the “District”) has previously determined that it is in the public interest to refinance and currently refund the following debt (collectively, the “Prior Bonds”):

- a. Carroll County Water District No. 1 Waterworks Revenue Bonds, Series 2005A, dated February 2, 2006, in the original authorized principal amount of \$592,000; and
- b. Loan in the amount of \$3,785,000, dated March 28, 2012, to the Carroll County Water District No. 1 from the Kentucky Rural Water Finance Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2012B;

in order for the District to obtain substantial interest cost savings, which Prior Bonds were issued by the District to make improvements and extensions to the District’s waterworks system (the “System”); and

**WHEREAS**, the District desires the Kentucky Rural Water Finance Corporation (the “Corporation”) to act as its agency and instrumentality for the purpose of providing monies to refinance and currently refund the outstanding Prior Bonds and has made an application to the Corporation therefore; and

**WHEREAS**, in order to obtain such monies, the District is required to enter into an Assistance Agreement with the Corporation;

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Authority of the Carroll County Water District No. 1 as follows:

**1. Authorization of Assistance Agreement and the Loan Thereunder.** To pay the costs, not otherwise provided, to refinance and currently refund the Prior Bonds, the District hereby authorizes and approves the issuance of a loan pursuant to an Assistance Agreement in the principal amount of \$3,200,000 (subject to adjustment plus ten percent (10%) or minus by any amount) (which aggregate principal amount may be adjusted downward in the event that the Chairman determines it is in the District’s best interest to not refund one of the Prior Bonds) [the “Loan”], which amount as adjusted shall be the maximum amount of such Loan to be outstanding at any one time under the Assistance Agreement, issued as a fully registered Loan, in said maturities and terms as more fully provided for in the Assistance Agreement. The Loan shall bear interest at such rates and shall be payable in such amounts and at such times as specified in the Assistance Agreement, all as agreed upon by the District and the Corporation.

**2. Approval and Authorization of Execution of Assistance Agreement.** The Assistance Agreement by and between the District and the Corporation in such form as shall be approved by the Chairman, is hereby approved, subject to such minor changes, changes of dates, insertions or omissions as may be approved by the Chairman, such approval to be conclusively evidenced by the execution of said Assistance Agreement, in order to effectuate the purposes of this Resolution; and the Chairman, or any other officer of the District, is hereby authorized to execute and acknowledge same for and on behalf of the District; and the Secretary is authorized to attest same and to affix thereto the corporate seal of the District. The Assistance Agreement is hereby ordered to be filed in the office of the Secretary with this Resolution in the official records of the District.

**3. Disbursement of Proceeds of Loan.** The District's officers, employees and agents are authorized to carry out the procedures specified in the Assistance Agreement for the refinancing and current refunding of the Prior Bonds and for the payment from time to time of the costs and related expenses associated therewith.

**4. Revenues of the System.** The revenues of the System are determined to be sufficient to pay the principal of and interest on the Loan, as the same becomes due and payable; and said revenues, pursuant to the terms of the Assistance Agreement, are hereby pledged to secure all such payments, and in addition, for such other purposes as are more fully specified in the Assistance Agreement.

**5. Chairman and Other District Officials to Take Any Other Necessary Action.** Pursuant to the Constitution and Laws of the Commonwealth of Kentucky, the Chairman, Treasurer, Secretary and all other appropriate officials of the District are hereby authorized and directed to file any and all applications necessary to obtain approval of the issuance of the Loan from the Kentucky Public Service Commission and to take any and all further action and to execute and deliver all other documents as may be reasonably necessary to effect the issuance and delivery of the Loan and the Assistance Agreement.

**6. Severability Clause.** If any section, paragraph, clause or provision of this Resolution shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

**7. Captions of Clauses.** The captions of this Resolution are for convenience only and are not to be construed as part of this Resolution nor as defining or limiting in any way the scope or intent of the provisions hereof.

**8. Provisions in Conflict Repealed.** All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed.

**9. Effective Date of Resolution.** This Resolution shall take effect from and after its adoption and approval.

*[Signature Page Follows]*

Adopted on August 12, 2021.

CARROLL COUNTY WATER DISTRICT  
NO. 1

By   
Chairman

Attest:

By   
Secretary

**CERTIFICATE**

I, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the District; that the foregoing is a full, true and correct copy of a Resolution adopted by the Governing Authority of the District at a meeting duly held on August 12, 2021; that said official action appears as a matter of public record in the official records or journal of the Governing Authority; that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.823; that a quorum was present at said meeting; that said official action has not been modified, amended, revoked or repealed and is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this August 12, 2021.

  
Secretary



Carroll County Water District

**BOARD OF COMMISSIONERS MONTHLY MEETING  
AGENDA (PRESENTATION)**

**THURSDAY, OCTOBER 14<sup>TH</sup> 2021 @ 3:00 PM**

**CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)**

- I. CALL TO ORDER / ROLL CALL**
- II. MINUTES FROM PREVIOUS MONTH'S MEETING**
- III. RECOGNITION OF GUESTS**
- IV. COVID 19 PANDEMIC / STAFF UPDATES**
- V. CONSTRUCTION/PROJECT PROGRESS REPORTS**

- 1. KY 42 Nucor Projects (Montgomery Road)
- 2. ARPA Funding Projects
- 3. Wheatley Tank
- 4. Hwy. 355 (Fairview) Tank Improvements
- 5. Meter Program
- 6. AWIA Emergency Response Plan
- 7. Office Procedure Improvement

**VI. GENERAL BUSINESS**

- 1. System Update
- 2. Training / CEUs
- 3. Debt Refinance Savings
- 4. KY PSC Rate Case Study
- 5. General Manager Annual Eval
- 6. Open Complaint / Concern Discussion

**VII. FINANCIAL REPORTS**

**VIII. ADJOURNMENT**

- *Management is focusing on getting someone to get a result. Leadership is producing a standard in someone that when you're gone, they will live by to produce higher-level results consistently.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*

*United We Stand, Divided We Fall!*



Carroll County Water District





Carroll County Water District

**MEETING MINUTES**

**SEPTEMBER 9, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Gilbert England, Barry Brown, Mike Kelley, Mike Lewis and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. All Commissioners present. The others present were General Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Mike Kelley and seconded by Commissioner Barry Brown to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**COVID-19 PANDEMIC / Staff Update** - All employees' health is stable and doing well. Last month CCWD had three employees with work anniversaries. (Poland 15 years of service; Hewitt - 13 years and Evans - 3 years.) No work anniversaries or birthdays to report for the month of September.

Due to Covid and the weak labor force, restocking materials are more challenging than ever. The trend seems to be getting worse and not better. CCWD is currently purchasing meter vaults by buying culvert pipe and cutting into meter vaults. New services are slightly progressing at a higher rate than in years past and continuation to rehab old meter bases as well.

**IV. CONSTRUCTION/PROJECT PROGRESS REPORTS –**

1. **KY 42 Nucor Project:** Again, there has been no activity on the Ky. Highway 42 road relocation project that involves Nucor; same as previous two months report.

2. **ARPA Funds / CCWD Projects** - In the last 30 days, there have been no activity or any new pledges about funds for Carroll County Water District. Also, there has not been any movement of funds being assigned to any other utilities. As of right now, CCWD only has the verbal pledge from Carroll County Judge Executive of approximately \$195,217 to invest in improving our water system with the Production/Distribution project. *(The next item on the agenda addresses an approach to continue of making capital improvements of stock material and allowing an applicant like City of Ghent to contribute their ARPA funds to water improvement project.*

**CCWD#1 MEETING MINUTES (cont.)**

**SEPTEMBER 9, 2021**

**PAGE 2**

3. **CCWD - City of Ghent Improvements / (Capital Improvements):** Obe is working on obtaining a portion of material for the capital improvement project. The intent is to do a few things; more or less, it is to create a stock reserve of materials during as an emergency crisis of materials. If the City of Ghent is willing to contribute towards the project that makes improvements for the residents of the city, then the applicant will be able to reimburse the District of these materials. If they are not reimbursed, then the materials will be used for the entire distribution system when making our ongoing capital improvements replacing outdated, fatigued infrastructure. This project has been an ongoing project within the District for several years now. Lastly, if our repair material is depleted due to the issue of vendors not being able to supply materials in a routine normal fashion, then this will be used as an emergency basis with all materials borrowed will be restocked immediately as materials are received.

4. **Wheatley Tank:** The Wheatley tank has been scheduled to be taken out of service on Tuesday, September 14th. We will take the day before to drain it and have it ready for repair and paint crew to start preparing for the interior and exterior painting. Last week, the crew practiced the outage by installing our pop off hydrant valve. This will allow our field crew to be prepared to repeat the process without any surprises on Day 1 of the schedule outage and not cause any unnecessary postponements. CCWD will have to throttle the Ghent Eagle pump station and set the pop off valve on a hydrant to avoid damaging the pipeline. Operations will have to dump/flush water to the atmosphere to avoid over pressure on the lines. Eagle Creek crossing which is already a high-pressure zone is a high risk area; therefore system alarms are monitored by our telemetry to allow for quick response, if needed. Based on the trial run, will require on average a dump rate of a minimum of 40 gallons per minute. The area is slightly complicated because of all types of system demands (slack to peak) because CCWD sales water to another utility and supports a campground and water park. The insurance adjuster has stated that we will be reimbursed at a wholesale rate for this revenue loss. (\$2.26/1,000 gallons). It was very beneficial to run a test so we could explore the piping configuration near the tank lot as it was not remotely close to what was shown on the record drawings. Those drawings have been updated to reflect the piping that lays underground.

5. **Meter Program:** CCWD operations continue to push warranty exchanges as it has been done for several years now which have resulted in a large amount of savings. It has also consumed a lot of labor as well. Back in November 2010, CCWD purchased 1,006 AMR meters. Obe was able to create a locked in date on a schedule preshipment of new product to allow the (then) warranty meters to be pulled from the ground. Therefore, allowing the many meters to be replaced after the ten-year expiration date. This alone is 33% of the meter inventory. As of today, we owe Master Meter 25- 3G wireless meters and 1- Acculinx meter type. We are waiting for another meter reading cycle to collect more faulty meters. (Currently, approximately 37% of our meters are out of full warranty.) As of right now, meter readings are 100% radio reading with only 9 meters falling off last month from the previous reading. These have been replaced within the same day of findings.

Zone meters, CCWD experienced two failures on the register (only) of the Sensus Omni meter. Those replacements have been ordered as they are out of warranty as well.

## CCWD#1 MEETING MINUTES (cont.)

SEPTEMBER 9, 2021

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### VI. GENERAL BUSINESS

1. **System Update** – The unaccounted water loss for August was 12.3% and the current annual is 9.7%. The past 12 month rolling water loss average is 9.6%. CCWD continues to track a leak in the town of Worthville. Field operations has found several leaks in the area and made those repairs, but SCADA would indicate those are fresh pop-up leaks and not the elusive leak that is being hunted as we are trying to get back to our prior benchmark. CCWD operation is continuing to add isolation valves. Also, we have eliminated some long, unneeded, outdated service lines while we continue to narrow the search area and to be conservative before cutting expensive asphalt roadways.

**Monthly Billing Comparison Report** shows that CCWD generated charges for the July bill card mailings that reflect the water sales for the date range of July 15th through Friday, August 13th, were \$155,401 based on water usage of 26.1 million gallons of water sold.

Previous month was slightly higher at \$164,015 (-5.3%) on 28.5 million gallons sold (-8.6%). One of the reasons for the decline is reading collection started a little early (29 days of sales) because the 15th fell on a Sunday. Previous year of the same month, the previous sales were down with \$151,730 (+2.4%) based on 24.4 MG of water sales (+6.8%).

CCWD has installed a total of 28 new water service bases for the current year with two pending at this time (Dollar General Store, one for irrigation and the other for domestic use). There are another two more-meter bases for industrial meters on the horizon. KU and PriMetals. Primetals has committed for a 2" inch water service and the vault is being fabricated now. CCWD could have had to wait until 12-16 weeks to get the 2" setter, but we had it in stock to allow for build to start.

On September 1, CCWD disconnected 18 services due to delinquent status. At this time, 14 of the 18 has been restored (78%). Carrollton Utilities has not made a request for sewer disconnects because they are experiencing staffing issues because of Covid. There is a chance of performing those disconnects next week.

On August 13th, CCWD processed 478(+1) accounts of auto draft payments with the banks for a payment batch total of \$20,192.94.

On Monday, August 23, the billing software generated late charges on 668 accounts for a total charge of \$3,057 which is slightly down compared to the previous two months.

Meter reading collections for billing were completed within one day (maximum 6 hours/reader; with one reader on vacation) on Friday, August 13th. Total man hours spent on meter reading collection was 22 hours. All AMR readings are at 100% broadcasting; nine meters fell off this cycle but those have been replaced. Will need to purchase meters to be able to stay at 100% based on the age of meters.

New field crew uniforms. Cintas stopped carrying the denim long sleeves shirts. The shirts are a gray and navy-blue button down for winter wear that has safety reflective markings.

**6. USGS Aquifer Study / Water Quality Regulation (EPA UCMR5 & Lead/Copper:**  
Last month approval to continue to be part of the local USGS Aquifer study as the \$15,000 payment was submitted the very next day of business. Obe reported that he wanted to share the value of being a part of this kind of information. On August 17th, Obe received an email from Craig Cheatham of WCPO news. Small brief email stated, "Obe, Does CCWD test for lithium? I don't see it listed on your report."

Obe replied the next day with, *"Good morning Craig! Hope all is well with you. Currently, CCWD does not test for lithium as it is not currently regulated by the SDWA. If I understand correctly, it will be monitored in the UCMR5 (29 PFAS contaminants and Lithium) beginning in 2023-2025. (At this time, EPA hasn't set the schedules). Based on current information, we believe that we do not have an issue based on the USGS report of our aquifer is made of carbonate rock and the location of our existing wells.*

*Have any concerns, please let me know. Thanks and take care. Best regards,"*

He replied back with a "Thanks!" Then later that day, he requested a copy of our source water protection plan. Obe then replied back to that email that he was out of the office but he thought Mr. Cheatham already had this and told him so. But also told him that if he cannot find it; it is located on our company website.

Then he replied back, *"I forgot. Sorry about that."*

Research showed Obe that he must have read some articles, USGS SURVEY REPORT SHOWS HIGH LEVELS OF LITHIUM IN 45% OF PUBLIC -SUPPLY WELLS. These articles were printed out and on display.

(So that is one front.) The rest of this agenda item relates to Federal EPA future regulation impacts. It does appear at some point CCWD will have to start sampling for Lithium and PFAs in our water.

Also, another water quality program that is pending and if no changes occur, it will go into effect at the end of the year which is the new Lead and Copper rule. It appears that the biggest challenge for CCWD, it is going to require us to know the existing service line is between the main and meter and also the customer's service line. EPA calls it an inventory assessment. If we don't know what it is, then it will default to a "Lead" category. Therefore, CCWD would be accepting more responsibilities such as giving a customer water filter pitchers and filter replacements until the lines are verified to be something different. CCWD's strategy is to get in front of this, as we are collecting GPS field data on all meters to be imported into our GIS model. Obe is going to create a new data dictionary file that has the category of Inlet Service Line and Outlet Service Line.

(Darrell Lykins reported 235 meters were originally installed in the creation of the District where these are probably the high risk areas of finding metal pipes. Also noted that he has witnessed many replacements while being employed by the District and also knows since then that many more has been replaced.)

**CCWD#1 MEETING MINUTES (cont.)**

**SEPTEMBER 9, 2021**

**PAGE 5**

Earlier today, Mr. Chad Dawson with the state dental program performed fluoride inspection for both plants. Inspection went well.

The business CDs at Farmers Bank of Milton renewed at a 0.5% for next 12 months. It was originally forecasted at 0.35%.

Telemetry Damage from a lightning strike occurred on Monday, August 30th, with a moderate storm event that only produced 25 ground hits in our entire service area of three counties but unfortunately one direct hit at our Kentucky American Wholesale meter station. It destroyed the telemetry panel and damaged the flow meter electronics. KACo is processing the first check of \$7,166 minus the \$500 deductible for the telemetry parts and will be submitting a second check for the meter register replacement of \$350.

The 2018 Chevy 1500 service truck was rear ended on September 2nd as Mr. Hewitt was leaving the Eagle Creek Resort. Obe has reported the incident to our KACo insurance for them to be aware of the accident. If there are any issues from the other subject's insurance company on making the proper repairs, our insurance company will be up to date of the situation. KACo will call back within 30 days to check with Obe on the progress of the repair.

2. **KRWA - CEUs:** Marvin, Phil and Obe were able to successfully attend the KRWA conference training and gain twelve hours of CEUs towards maintaining their plant treatment and distribution certifications. Obe reported he has arranged for some certified training to be hosted on site for everyone and will invite other neighboring utilities if the pandemic status will allow for larger gatherings. This leaves the four operators all needing additional 12 hours to get recertified by July 1st of next year.

Obe stated he is working on setting up to receive additional CPR training this fall but could be postponed as a cautionary measure due to the pandemic.

3. **Debt Refinance Savings:** Last month, it was approved to move forward with refinancing most of current loans to produce a conservative forecast net savings around \$375,785. As of right now, the market has not changed much so it is looking very promising. Application was submitted to the Kentucky PSC to start the approval process from them. PSC quickly established a PSC Case on Friday August 13th. The PSC case number is 2021-00323. The finance application data has been submitted to Raymond James firm to move things quickly when we receive approval from PSC. Obe reported that he thinks CCWD should expect the approval from PSC one day next week.

**CCWD#1 MEETING MINUTES (cont.)**

**SEPTEMBER 9, 2021**

**PAGE 6**

4. **CPA Consultation:** Last month, the executed agreement to obtain professional services with Stephanie Furnish was sent back to her. She acknowledged receiving the agreement. As of right now, she has not performed any work due to her workload and that CCWD is not requesting any immediate services at this time.
  
5. **Open Complaint / Concern Discussion** – No complaints or concerns at this time.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24755 through # 24839 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Darrell Lykins and seconded by Commissioner Barry Brown to adjourn the meeting at 4:12 p.m. (EST) Motion passed.



  
Mike Lewis, Secretary-Treasurer



Carroll County Water District

## BOARD OF COMMISSIONERS MONTHLY MEETING

### AGENDA (MINUTES)

**THURSDAY, OCTOBER 14<sup>TH</sup> 2021 @ 3:00 PM**

**CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)**

- I. CALL TO ORDER / ROLL CALL**
- II. MINUTES FROM PREVIOUS MONTH'S MEETING**
- III. RECOGNITION OF GUESTS**
- IV. COVID 19 PANDEMIC / STAFF UPDATES**
- V. CONSTRUCTION/PROJECT PROGRESS REPORTS**

- 1. KY 42 Nucor Projects (Montgomery Road)
- 2. ARPA Funding Projects
- 3. Wheatley Tank
- 4. Hwy. 355 (Fairview) Tank Improvements
- 5. Meter Program
- 6. AWIA Emergency Response Plan
- 7. Office Procedure Improvement

#### **VI. GENERAL BUSINESS**

- 1. System Update
- 2. Training / CEUs
- 3. Debt Refinance Savings
- 4. KY PSC Rate Case Study
- 5. General Manager Annual Eval
- 6. Open Complaint / Concern Discussion

#### **VII. FINANCIAL REPORTS**

#### **VIII. ADJOURNMENT**

- *Management is focusing on getting someone to get a result. Leadership is producing a standard in someone that when you're gone, they will live by to produce higher-level results consistently.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*

*United We Stand, Divided We Fall!*



Carroll County Water District



Carroll County Water District

## BOARD OF COMMISSIONERS MONTHLY MEETING

### AGENDA (PRESENTATION)

THURSDAY, NOVEMBER 11<sup>TH</sup> 2021 @ 3:00 PM

CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)

- I. CALL TO ORDER / ROLL CALL
- II. MINUTES FROM PREVIOUS MONTH'S MEETING
- III. RECOGNITION OF GUESTS
- IV. COVID 19 PANDEMIC / STAFF - BOARD UPDATES
- V. CONSTRUCTION/PROJECT PROGRESS REPORTS

1. KY 42 Nucor Projects (Montgomery Road)
2. ARPA Funding Projects
3. Meter Program
4. KY 42 (Markland) DOT Road Slip Repair
5. Meter Program

#### VI. GENERAL BUSINESS

1. System Update
2. Training / CEUs
3. 2022 Service Equipment Order
4. Debt Refinance Savings
5. KY PSC Rate Case Study
6. 2021 Annual Audit
7. EOY Staff / Board Convention
8. Open Complaint / Concern Discussion

#### VII. FINANCIAL REPORTS

#### VIII. ADJOURNMENT

- *Management is focusing on getting someone to get a result. Leadership is producing a standard in someone that when you're gone, they will live by to produce higher-level results consistently.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*

*United We Stand, Divided We Fall!*



Carroll County Water District





Carroll County Water District

**MEETING MINUTES**

**OCTOBER 14, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor, with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Gilbert England, Barry Brown, Mike Kelley, Mike Lewis and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Mike Lewis was absent from the meeting but is schedule to come into the office at a later time. The others present were General Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Mike Kelley and seconded by Commissioner Jim Sapp to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**IV. COVID-19 PANDEMIC / Staff Update** - All employees' health continues to be stable and doing well. We celebrated Marvin O'Neal's birthday on October 7th. Operator Heath Hewitt and Lisa Poland will have birthdays on October 28th and October 29th. No work anniversary of this month. Recently, Board Member Mike Lewis had his birthday on October 4th.

We need to keep Stephanie Furnish and her family in our thoughts. We have been informed that her family has been enduring the Covid virus.

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS –**

1. **KY 42 Nucor Project (Montgomery Road):** It appears that Nucor has changed their Montgomery Road relocation to a higher priority over the Hwy. 42 relocation. On October 5th, Obe received an email from HDR engineer consultant that Nucor has started moving forward with this particular project and the Hwy. 42 is a lower priority. They stated that they have an estimated construction start date of late Spring of 2022, at the earliest. According to preliminary road drawings there will be conflicts with the existing water mains. Obe requested a meeting to discuss all concerns of this project with more detailed drawings and coordination of other proposed projects. This meeting is scheduled to take place the week of October 25th.

2. **ARPA Funding Projects** - At this time, there have not been any updates on pledges of monies from the county judges of Gallatin and Owen counties. (These particular pledges are related to the state SB36 funds.) It has been reported by the local state ADD office that the deadline for these pledges are set for a November 17th date. Commissioner Gilbert England noted that Owen County has pledged approximately \$50,000 to another water utility in Owen County in the southern area of the county.

On October 12, Obe had an onsite meeting with HMB Engineering consulting firm to discuss some funding strategy and to go over the coordination of multiple projects. Obe is inviting one of the engineers to attend with him the 10/25 Nucor meeting with their consultants since it conflicts with the Production/Distribution Project and would be very wise if these projects are coordinated and designed accordingly.

**CCWD#1 MEETING MINUTES (cont.)**

**OCTOBER 14, 2021**

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3. **Wheatley Tank:** The Wheatley tank is back in service after comprehensive repairs and interior and exterior painting. The project took a little longer due to a few days of rainy weather and the consultant's recommendation of a 7 day cure time. There were no other surprises in the proposed work. Obe reported that an opportunity to replace our telemetry antenna cable and the bracket mounts of the antenna was changed out. The prior cost agreement was held true at the \$29,500 with the \$9,500 portion being reimbursed from our insurance from the vandalism event. Kentucky American did call one early morning asking about their tank overflow problem, not realizing that they have their own controls to their tank. After discussion and follow up with their water operator, he reported back that their control valve had failed in the open position. (Exhibits)

4. **Hwy. 355 (Fairview) Tank Improvements:** Improvements were completed to the Hwy. 355 tank to make some additional improvements to avoid possible future costly repairs and to enhance controls as well. First of all, a flood switch in the underground control station was installed and tied into our telemetry panel. We added a call out feature to the SCADA central. Therefore, if this alarm is tripped and has not been acknowledged, it will call the on-call operator(s). The 4-inch main control valve body was replaced. Thus, to allow better efficient performance and to match with the rest of our uniformed control valves. (Exhibit)

5. **Meter Program:** The current automatic meter reading collection is performing efficiently and has allowed a new inspection protocol to start. The inspection is focusing on the zero usage to be performed with an expectation of approximately every 6 months. Part of the inspection is to flow water to the sites that look vacant by flowing water through the meter to verify mechanical portion is working as well as the radio broadcast matching the register.

The process of changing our end points of the larger meters to a cellular broadcast is getting closer. This will create an expedited process when production suddenly picks up, we will be able to review data through the portal to verify if consumption has picked up overnight or if a leak search is required. Therefore, this will enable us to find the water loss in a much quicker response time and avoid the waste of man hours manually reading large meters before the leak hunt starts. The current end points can be reused to other encoded AMR meters as electronics are the most problematic of a water meter.

6. **AWIA Emergency Response Plan:** The emergency response plan has been completed and submitted to the Federal EPA. This was submitted September 24th electronically. Obe carbon copied himself in the email to have a receipt of submittal as this is time sensitive. If Obe hasn't heard from them prior to November 1, he will try to contact them to confirm of receiving the certification.

Also to note, Obe has completed the task of creating a new data collection feature to add the inventory of the material type of the inlet and outlet of the service line.

**7. Office Procedure Improvement:** (Digital Filing, Payroll and CCWD standard specs. update.) Recently, Lisa and Obe wrapped up the past scanning of a few documents being what we have on file from CCWD deeds and right of ways. Then a test of the system to illustrate how it works to locate the exhibit was performed. This is the foundation of something that we will continue to build to make it an easier working tool for the future staff of CCWD.

We have moved the end of the weekly pay period from Thursday at midnight to Wednesday at midnight. The 24 hour adjustment creates more time to complete payroll in case of an unexpected conflict issue such as printer, software or illness. This is also part of potentially phases as we adjust to more options of direct deposit payroll procedures and creating a better workflow for bookkeeping.

CCWD Standard Specs book has been modified and the table of contents reflects the correct pages from the fall out of the change of the type of meter lids to allow a better path for the radio frequency to be received and lower the theft of cast iron when scrap prices is high. (Exhibit)

## **VI. GENERAL BUSINESS**

1. **System Update** – The unaccounted water loss for September was 7.8% and the current annual is 9.4%. The past 12 month rolling water loss average stayed the same at 9.6%. The water that was dumped from the Wheatley tank was shown as a flush dump as we were flushing this water out to maintain hydraulic head pressure to serve everyone through a hydrant. Currently, operations are tracking an elusive leak in the zones of Hwy. 1112 and the Hwy. 227. Now that the Wheatley tank is in service, we will perform a back swing of flows to reduce the large search area as it also could be down Hwy. 355 corridor.

**Monthly Billing Comparison Report** shows that CCWD generated charges for the October billing for the water sales for the date range of August 13th through September 15th, were \$162,972 based on water usage of 27.5 million gallons of water sold. Previous month was lower at \$155,401 (+4.9%) on 26.1 million gallons sold (+5.7%). Previous year of the same month, the previous sales were down with \$150,978 (+7.9%) based on 25 MG of water sales (+10.1%).

CCWD has installed a total of 31 new water services for the current year with five pending. Dollar General Store, one for irrigation and the other for domestic use has been temporary on hold until the final grade has been completed. Operations have tapped water main and crossed the roadway. This portion of work had to sub out to Carrollton Utilities for directional drilling as our operations could not successfully get the mole missile completely through to the other side. The other three status are locating the existing water main in Hillandale; large meter pit being fabricated; the last one is in Hunters Ridge which just came in.

**CCWD#1 MEETING MINUTES (cont.)**

**OCTOBER 14, 2021**

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On October 5th, CCWD disconnected 24 services due to delinquent status. At this time, 14 of the 24 have been restored (58%). Carrollton Utilities requested the day before for sewer related disconnects being 10 accounts. 7 of those have been restored. They did request in the middle of September for eight disconnections with all being restored. Also, they had some payment plans that failed so they asked for four more disconnects this morning. Originally, CU requested five accounts but one of these was already off from CCWD's 10/05 run of water delinquent disconnect accounts.

On September 15th, CCWD processed 481(+3) accounts of auto draft payments with the banks for a payment batch total of \$20,030.94.

On September 21, the billing software generated late charges on 661 (-7) accounts for a total charge of \$3,132.93 (PM\$3,057) which is slightly down in numbers but slightly higher charges when compared to the previous month. Admin postal mailed out 127 disconnect notices with balances of total owed of \$15,320.

Telemetry Damage from a lightning strike occurred on August 30th, at our Kentucky American Wholesale meter station, KACo has reimbursed us from the damages minus the \$500 deductible.

The 2018 Chevy 1500 service truck has been repaired and back in service. The Progressive insurance has paid for all the repairs and Enterprise has reimbursed us for the \$50 security deposit on the rental truck that they furnished while our truck was being repaired.

2. **Training / CEUs:** Recently, Obe attended seminar training events virtually to obtain twelve more hours towards his state certification (CEU). Also, the other operators have obtained six more hours a piece which only allows them needing additional six more hours before end of June 2022. These seminars were hosted by Kentucky Rural Water and funded by Kentucky PRIDE (Personal Responsibility in a Desirable Environment) using USDA grant monies. There was no cost to the District.

Barry Brown and Obe are registered to attend the Ky. PSC training event for new Board appointments. Mr. Brown is required to obtain 12 hours of training from Ky PSC within the first year of appointment. The event is held on December 8 & 9th which creates a conflict of the routine Board meeting. The recommendation of moving the date of the Board meeting to the following Thursday, December 16th at the regular time was agreed. The routine end of the year company retreat dinner will take place on the second Thursday of the last month at the Harry's Stone Grill in Madison unless the pandemic impacts the event in some manner.

## CCWD#1 MEETING MINUTES (cont.)

OCTOBER 14, 2021

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- 3. Debt Refinance Savings:** The sale yielded a better savings than predicted. The debt service savings shows a \$610,602 but in reality it is a net benefit savings of \$499,561. This creates a savings of approximately \$24,163 per year. (Exhibits)

### Summary

- The refunding refinanced the water district's existing KY Rural Water Finance Corporation's 2012 B loan, as well as the water district's Rural Development Series 2005 A bonds. Similar to refinancing a mortgage, the refunding took higher rate bonds and refinanced them with lower rate bonds. The new loan is the Kentucky Rural Water Finance (KRWFC) Corporation Public Projects Refunding Revenue Bonds (Flexible Term Program), Series 2021D
- The bonds for the refunding sold by competitive bid on 9/28/21 and will close on 10/19/21. Rates are locked in as of 9/28.
- The total net savings of the refunding was \$499,561. The average annual savings is \$24,163. All savings are net of all costs.
- As of the closing date, the water district had \$130,153.72 on deposit at Regions Bank. \$113,714.17 of that amount was monthly sinking funds that had to be applied to reduce the size of the new debt per tax law. The remaining \$16,439.55 represents interest earnings on the sinking funds of the KRWFC 2012 B loan earned over time – this amount will be used to offset upcoming sinking fund payments on the new debt.
- The Series 2021 D bonds cannot be pre-paid until 8/1/29, after that date, they can be prepaid without penalty at any time.
- The KRWFC Flexible Term Program has a program level debt service reserve (borrowed by KRWFC, not the water district). The depreciation reserve requirement is at the discretion of the water district. USDA-RD requires a depreciation and maintenance reserve equal to one year's annual debt service. Since KRWFC doesn't require a debt service reserve, the water district can reduce the amount of the restricted funds for USDA-RD's required reserve amount by the annual debt service of the 2005 A bonds.

### Rate Structure Statement Conclusion

- With rates as low as they have been, the bonds were priced with a really high premium, which reduces the size of the loan (for example the size of the loan is \$2,880,000 and the payoff itself is \$3,241,033.37). Bonds can be priced with either a reoffering premium, original issue discount, or at par – in the end the net result is roughly the same. Basically an underwriter will price bonds to be as palatable to resell to investors as they can be. Right now, that results in really high coupons (the interest rate paying) until the date the bonds can be prepaid. The yield column is where the market should be. Since the underwriter is pricing the coupons at a higher than market rate, they have to compensate CCWD by giving cash up front that is used as a source of funds and reduces the size of the loan. In this case, the cash difference between the coupon and the yield is \$343,318. The net result of a premium or par is essentially equal because of that upfront payment.

A motion was made by Commissioner Barry Brown and second by Commissioner Jim Sapp to proceed with the closing of refinancing and execute closing paperwork to obtain the savings. Motion passed unanimously.

After getting Kentucky PSC approval to refinance for savings gain, PSC has ordered CCWD to submit a rate study before them. This is what PSC is doing very often now is creating orders on water districts and water associations. PSC approved the refinancing and commended CCWD for having a low water loss and the objective to refinance to gain large savings. But within the order, they have required us to present to them within 9 months for a rate study because we have not been in front of them for an ARF for more than 11 years and fully covering the annual depreciation that is calculated. (CCWD already has a rate study being performed and is nearly completed.)

**CCWD#1 MEETING MINUTES (cont.)**

**OCTOBER 14, 2021**

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4. **KY PSC Rate Case Study:** PSC has given us 9 months to present a rate study before them. The study should be ready next month to present. The study is not complete at this time but has been in the works for some time now. It appears, CCWD will need around a 15% overall increase. The increase is a modest increase. It has been eleven years since raising water sale rates. If considering just normal inflation, this would be expected but since we have encountered many storms of the "No Lead" rule which impacted the cost of brass to soar in 2014, the increase of the retirement cost and the additional liabilities that have been placed on the utility. It is actually something to be proud of and not shamed as we have made many strategic maneuvers to fight overall cost. (*Examples: Warranties exchange programs, restructure debt in 2012, competitive purchasing and negotiating agreements, reduced overtime rates and power agreement arrangements.*) Before the restructure of refinancing the calculation would have been around 16.4% overall increase.
  
5. **General Manager Annual Eval:** The Board did their annual evaluation for General Manager Cox. Based on the conclusion of the process, the Board decided to increase his salary by 4.0%. Chairman Raisor requested that it be noted within the minutes that from the collective review that the history/forecast worksheet and the Kentucky League of Cities COLA adjustments as part of the process to determine the action of the Board. The COLA set by the Kentucky DLG for 2021 was 1.4% increase as shown on their website. In summary, the following conclusion from the Board review was stated by the Chairperson; "after evaluation and the consideration of the following; competitive wages in the local vicinity and the basis of not only of the required skill set of the general manager position. Obe continues to save the District money each year as being the lead in the company and managing many departments that normally would be hired out by other facilities. He wears many hats in this District related to the operation of the utility such as engineering, legal (to avoid the need of), human resources, public relations, Kentucky certified water treatment, and distribution operator and computer information technology. He wears these hats to lower the cost of outside assistance from the sources listed above. Obe is dedicated and passionate about his job and takes ownership of his position which launches him ahead of the other managers in his field. He also requires a disciplined, productive, and motivated staff. He represents the District in operations and in the communities as a positive image. Obe continues to uphold the policies while working respectfully with all bodies such as government entities, customers, commercial, industrial, and political fronts. Obe plans ahead and always plays possible setback scenarios which allow the company to be prepared for the unexpected. He continues to track and cash in on warranties by using his creation of management assets. The system continues to get stronger and has a very respectable reputation in our service area and abroad. In summary, he saves the District money and is indispensable. Obe does not just maintain the utility like other utility districts; his goal is to strive to be the best water system in the state and across the country.

**CCWD#1 MEETING MINUTES (cont.)**

**OCTOBER 14, 2021**

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CCWD is operating well and continues to improve infrastructure all while having no violations over his eleven year tenure. Even though Covid pandemic continues to cause some turbulences in operations and projection of a needed rate increase is on the horizon. It has been over eleven years before the District has increased the water sale rate tables, the efficiencies improvements has extended the time of not needing such an increase. Obe has done internal energy audits on pump motors without the assistance of professional engineer firms. There are too many improvement items to list.

A motion made by Commissioner Barry Brown and seconded by Commissioner Mike Kelley to pay Manager Cox an additional 4% of his base salary. The Board discussed unanimously that they were very extremely proud of the performance of the manager and how the District continuously advances in structure and technology. As every year has resulted in no violations, no need of any costly public notices and a lot of praise from other agencies in regards to Carroll County Water District #1. Motion passed unanimously.

6. **Open Complaint / Concern Discussion** – No complaints or concerns at this time.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24840 through # 24953 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Gilbert England and seconded by Commissioner Kim Ballard to adjourn the meeting at 4:55 p.m. (EST) Motion passed.

**CCWD**  
Carroll County Water District

  
Mike Lewis, Secretary-Treasurer



Carroll County Water District

## BOARD OF COMMISSIONERS MONTHLY MEETING

### AGENDA (PRESENTATION)

**THURSDAY, DECEMBER 16<sup>TH</sup> 2021 @ 3:00 PM**

**CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)**

**I. CALL TO ORDER / ROLL CALL**

**II. MINUTES FROM PREVIOUS MONTH'S MEETING**

**III. RECOGNITION OF GUESTS**

**IV. COVID 19 PANDEMIC / STAFF - BOARD UPDATES**

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS**

1. KY 42 Nucor Projects (Montgomery Road)
2. ARPA Funding Projects
3. KY 42 (Markland) DOT Road Slip Repair
4. Meter Program

**VI. GENERAL BUSINESS**

1. System Update
2. Training / CEUs / Reappointments
3. KY Department of Local Government Work Taskforce Group
4. Debt Refinance Savings
5. KY PSC Rate Case Study
6. EOY Budget Amendment / 2022 Annual Budget
7. EOY Staff / Board Convention
8. Open Complaint / Concern Discussion

**VII. FINANCIAL REPORTS**

**VIII. ADJOURNMENT**

- *Management is focusing on getting someone to get a result. Leadership is producing a standard in someone that when you're gone, they will live by to produce higher-level results consistently.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*

*United We Stand, Divided We Fall!*



Carroll County Water District





Carroll County Water District

**MEETING PRESENTATION**

**NOVEMBER 11, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor being absent, Secretary Mike Lewis with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Barry Brown, and Mike Kelley present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Gilbert England and Kim Ballard were absent from the meeting but is schedule to come into the office at a later time. The others present were General Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Mike Kelley and seconded by Commissioner Barry Brown to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting other than Teresa Lewis with RZ&W being a notary to deliver the original engagement letter and to witness any required signatures.

**IV. COVID-19 PANDEMIC / Staff - Board Update - All employees' health continues to be**

stable and doing well. We did have a couple concerns. With one being with an employee taking off to take his mother to get prepared for surgery. Part of the process is to test for Covid. Her results showed she had Covid with no symptoms. Therefore, this employee worked in "isolation detail" until he was able to take a covid test the following morning. His results came back clean. The mother tested again after the employee to also get a clean covid test too.

The following week, had an employee call in sick due to ill symptoms. Before coming back to work, employee took a rapid covid test which test results came back clean. It appeared to be more like a 24 hour food poisoning or stomach virus.

No birthdates or work anniversary to report. CCWD does have five Board members term expiring in January 2022. (Gilbert England, Kim Ballard 1/12/2022; Jim Sapp 1/6/2022; and Doug Terry and Barry Brown 01/02/2022.) Obe will contact all Judges for reappointment requests.

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS –**

1. **KY 42 Nucor Project (Montgomery Road):** Obe attended a 10/25 meeting to discuss all concerns of this project and the coordination of other proposed projects. At the beginning of the meeting, Nucor addressed the existing Montgomery Road will still be open to the public but will not provide a road route for residents to have a reason to pass through as it will be a dead-end in the area. Obe brought up the access road to the existing PRV control stations and as of right now, this is a daily check and part of our production process as it is the end of the clearwell detention time. As things progressed, Nucor came back to entertain the idea of relocation of the proposed distribution pump station on the new Montgomery Road, building a pull off from the new road to have

**CCWD#1 MEETING MINUTES (cont.)**  
**NOVEMBER 11, 2021**  
**PAGE 2**

access to the existing control stations, installing a new water line to abandon the existing 8-inch water main that comes off the hill along the proposed new Montgomery Road. Cost estimates are to be calculated once CCWD potholes the exact location of the upper section where the new road will tie into the upper section of Montgomery Road and the water line that runs to the bottom of the hill towards the KU property.

Nucor stated in the meeting that they do not see any issue of giving us any grounds to construct the ground storage tank and new building. They also said that since the project appears to be a green project that they would be interested in contributing to the project as they want to be helpful in cleaner environment and help the community.

The original engineer drawing showed approximately 640 feet being relocated, but Obe pointed out that he did not believe in the over lay as part of CCWD's water main had been relocated from a hillside many years ago. Also, addressed the areas of any existing water mains being located downstream of a large culvert will require being relocated with pipe and concrete encasement as the high velocity run off will cause a pipe exposure and eventually a pipeline break.

**2. ARPA Funding Projects -** At this time, there have not been any updates on pledges of monies from the county judges of Gallatin and Owen counties. (These particular pledges are related to the state SB36 funds.) It has been reported that we are approaching the deadline set by the local state ADD office November 17th date. Obe asked the ADD office to contact the county judges to get their pledges on these funds.

On October 21, Obe sent an email directly to the City of Ghent a letter addressing the Ghent Improvement project that qualifies for the SB 36 funds that have been allocated to the county and city governments to verify if they have any intent to invest in water improvements. This letter was moved to the agenda of the City meeting on November 9th 2021. (EXHIBIT - LETTER) Obe read the submitted letter out loud. At this time, CCWD has not heard of any intent.

Obe also stated that we need to accept the invite from KIA on the opportunity of getting the special loan offer prior to November 25th. This does not make any commitments at this time other than CCWD is interested at this time. Once accepted then CCWD will have to file the loan application prior to January 02, 2022.

**3. KY 42 (Markland) DOT Road Slip Repair:** Last week, Obe requested our field operations to send an operator out to this project site as the road was recently closed to public safety to verify no damage and to mark heavily to protect our lines and accessories. The trip to heavily mark was already too late. Even with two existing above ground markers, the subcontractor destroyed the markers, broke meter pvc meter box, two cast iron lids and cast iron valve boxes. CCWD has billed the main road contractor being Schnabel Contractor after reporting the state highway department. It was also noted that the existing water line is shallow in some areas due to subsoil being removed from the water line and warned the contractor when moving heavy equipment back and forth on the water line path with ground condition being saturated. In hopes to avoid any water main breaks. The Repair Recover Cost Statement charges were \$928.

This water line was relocated long time ago for the purpose of repairing the highway and the hill slip. It does appear that the land owner might be trying to work out a deal to take fill from road contractor to give contractor a place to get rid of waste.

## CCWD#1 MEETING MINUTES (cont.)

NOVEMBER 11, 2021

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4. **Meter Program:** The major pre-shipment (RMA # 135428) that locked in the November 2010 warranty start date of 496 meter devices being exchanged has been completed with all defective material sent back to factory.

On other warranty exchanges, CCWD received 35 brand new Hersey meters with nicor plug. As of right now, the 35 radio transmitters have not been received yet.

October meter reading was completed within one day with a total of 27 man hours.

CCWD also received from Master Meter, 24 radio transmitters; 1 acculinx meter with the transmitter under a full warranty exchange.

CCWD has submitted several other warranty exchanges after a filtration process is completed on the defectives that to determine if meter is covered by warranty. The RMAs have been submitted to be processed are 36- 3G UG; 6 Acculinx registers; and 2 MM brass bodies that failed under low flow testing.

Metron-Farnier - Smart Water Meters & Systems ordered 35 retro fits electronics to build some of the Master Meter new brass meter bodies that do not have any electronics on them. This will come with 10 year web portal that will be on the same platform of the large meter collections. As we have to replace meters as they fail to obtain successful accurate meter reading collection.

## VI. GENERAL BUSINESS

1. **System Update** – The unaccounted water loss for October was 8.63% and the current annual is 9.34%. The past 12 month rolling water loss average stayed the same at 9.4%. Currently, operations are still tracking some small leaks in on the Hwy. 227 zone meter which is the lower pressure feed line as CCWD has dual mains on this corridor. CCWD did find the ongoing leak on Hwy. 1112 zone meter that feeds down Whites Run, Hwy. 227 and down Hwy. 355. The find was a one inch tap that was done by the original pipeline contractor when they did the pressure and disinfectant process. Once it was repaired; a new bench mark on Hwy. 1112 was documented. This zone meter is a 10 gallon resolution so during slack period, it bounces between 10-20 gallons per minute. The best before was a straight-line of 20 gpm. This does not indicate the entire slack period is a CCWD's leaks as it is partially customer's plumbing leaks as well.

**Monthly Billing Comparison Report** shows that CCWD generated charges for the November billing for the water sales for the date range of September 15th through October 15th, were \$148,714 based on water usage of 25.2 million gallons of water sold. Previous month was lower at \$162,972 (-8.8%) on 27.5 million gallons sold (-8.6%). One year ago, the previous sales were down with \$146,074 (+1.8%) based on 24.1 MG of water sales (+4.3%). Summary, normal seasonal decline as pools and watering is ended with trending better than the previous year in sales.

CCWD has installed a total of 36 new water services for the current year with two pending.

On November 3rd, CCWD disconnected 19 services due to delinquent status. At this time, 12 of the 19 have been restored (63%). Carrollton Utilities requested the same day for sewer related disconnects being 17 accounts. 10 of those have been restored (59%).

Out of all 36 accounts, only 1 account was disconnected for both water and sewer which is one of the accounts that has not been restored or paid of any portion towards either utility debt.

On October 15th, CCWD processed 481(NC) accounts of auto draft payments with the banks for a payment batch total of \$20,817.04. (Slight increase approx. \$800)

**CCWD#1 MEETING MINUTES (cont.)**

**NOVEMBER 11, 2021**

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On October 21, the billing software generated late charges on 714 (+53) accounts for a total charge of \$3,536.98 {PMS\$3,132.93 (+403)} which is up in numbers compared to previous month. Admin postal mailed out 137 disconnect notices (+10 PM) with balances of total owed of \$16,060.

The America Water Infrastructure Act (AWIA) has acknowledged our Emergency Response Report certification being received.

Brenntag, a chemical supply company has sent another notification of price increase. This is the 4th within this year with an overall increase of 38% from the beginning one.

On October 21, the day after one of our routine sample collection for lab analysis, Obe received a notification from the state and lab that one of our samples came back with a coli form positive but e-coli negative. CCWD were able to go back to the original site, and grab three samples. Upstream, original and downstream samples all came back clean after incubation period was completed.

After sending an experienced operator to witness the collection from the lesser experience operator; an in-house deficiency step was noted. The operator did not sterilize the outlet of faucet prior to flushing water out. This all has been documented in case another event and especially if another similar event occurs within 12 months then CCWD will have to do a self assessment and report the findings to the state.

(Internet and Office Phones). CCWD received a notification letter from Spectrum Business that they will be changing their invoice name to Charter Communications with a new billing address and assigning CCWD with a new account number. Also, CCWD changed the internet package from 200 Down / 10 Up to the middle package of 600 Down / 35 Up data load speeds. The additional security cameras, hosting and/or attending video remote session with web based billing software caused drag and disconnection issues. This did result in a modem/router equipment change on the Spectrum side.

2. **Training / CEUs:** On October 28, Obe attended an utility law training event hosted by SKO law firm and KRWA. (This was a state continue education units approved.) Also, Obe had set up Heath Hewitt to obtain free mechanic repair training on our Hammerhead mole as it has become very weak forward movement. Obe had it approved to have Heath be able to watch the repair of changing out the internal valve which appeared to be leaking off and replacing the striker plates. Once arriving to Louisville on the schedule date for the repair and training; found out that the specific type we have which is called a Catamount, cannot be opened with standardized routine tools. It had to be shipped to the Columbus shop. (The cost of repair is estimated of \$721.) CCWD received the mole back earlier today.

**CCWD#1 MEETING MINUTES (cont.)**

**NOVEMBER 11, 2021**

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- 2022 Service Equipment Order:** The 2014 Ford 150 service truck has not been performing very well for some time with more service repairs than normal and a history of electrical issue and an engine that is knocking. The electrical issue causes the vehicle not to be allowed during meter reading as it has damaged costly reading receivers. Also it goes through batteries as well. With the current crisis of receiving goods therefore, Obe purposed that CCWD place an order now to be able to purchase the service truck in year 2022. It was going to be a budget item anyways to get rid of the high maintenance and unreliable service truck. Obe contacted the state sales contract for pricing of the Ford 150 crew cab truck similar to previous specified truck. The contract price is \$40,270. (The current expectancy of arrival is 28-32 weeks being 7 - 8 months out.)

A motion was made by Commissioner Jim Sapp and second by Commissioner Barry Brown to order the new service truck for purchase. Motion passed unanimously.

- Debt Refinance Savings:** The closing is completed. After several days passed; Obe reached out to Randy Jones of Rubin & Hays, attorney at law office, to check on the status of the follow up with Ky PSC. After the second request of status with acknowledgement that everything has been completed; Mr. Jones filed the closing update with KY PSC. Reminder, PSC has given us nine months to present a rate study before them because part of the approval to refinance to create savings, they required CCWD to prepare rate increase study. (The PSC Case No. 2021-00323 "Refinancing" is completed.) Obe has been trying to reach Raymond & James, Kristen Mallard and Inna Culp with Regions Bank to request an explanation of what he sees is missing funds because the account shows a balance of zero. At this time, Obe has not being given that explanation but will continue to press until clarity is given.
- KY PSC Rate Case Study:** Back in September 2020, CCWD hired Kentucky Rural Water Association's (Alan Vilines) rate study expert to do a rate study analysis and to file the Kentucky PSC application. This was agreed to proceed prior to the Coronavirus 19 world pandemic. Now more commonly known as Covid. Now, with the closing of the strategy to lower cost by restructure our debt to lower cost, PSC has ordered a rate study to be completed within nine months from their approval on the restructure.  
*(Discussion from the Study Report review session. No one wanted to raise the current rates as it apparent of impacts to lower income dwellings but the cost of operations over eleven years has impacted cost to operate and supply the rate payers with potable water.)*  
The study indicates that CCWD needs to adjust rates to gain approximately \$252,034 which is a lower amount after the finance restructure. This equates to be an overall 15% increase. The study was completed to cover the cost of service which makes the rate table change for the larger meter consumption based on commodity cost such as materials.

A motion made by Commissioner Jim Sapp and seconded by Commissioner Mike Kelley to sign the proposed resolution that states Carroll County Water District No.1 is proposing adjustments to its water rates and charges and authorizing its Chairman to file an application with the PSC seeking their approval of the Proposed Rate Adjustment. Motion passed unanimously.

## CCWD#1 MEETING MINUTES (cont.)

NOVEMBER 11, 2021

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- 2021 Annual Audit:** It's the time of year to engage into an agreement for a CPA firm to do our routine annual audit. Obe stated he usually gets pricing from other firms that do SPGE annual audits. At this time it is very difficult to find a CPA firm that is taking new accounts in regards to the audits. Obe reached out to Damon Tally, attorney at law that specializes in utility law to see if he could give me a referral and recommendations. His reply was, "Funny that you would ask." He has two other clients that are having to get new auditors because their previous auditors have cut back on the number of audits they are doing or have stop doing audits altogether. He asked about our auditor and said he has heard of good things about them and are referring these two particular utilities over to RZW, CPA firm. Mr. Tally said the firm he would have recommended is located in E-Town but they are cutting back because their senior auditor has serious health issues. This is one of the firms that Obe usually gets pricing from.

Obe spoke with Jerilyn Zapp to request pricing. She is still working full time and has had to postpone her retirement because of some internal staffing issue within her firm. She has given us an engagement letter to be approved to start the preparedness of the 2021 audit. A fee increase is only to be expected as wage rates nationally have dramatically increased and with new recent rules that are currently just now going into affect for our audit season will impact CCWD. With that said, the proposal shows a very modest increase of only \$600 from the previous proposal being not to exceed \$12,300 for annual audit.

A motion made by Commissioner Mike Kelley and seconded by Commissioner Darrell Lykins to select Raisor, Zapp and Woods, CPA to perform the annual audit for the District. Motion passed unanimously.

- EOY Staff / Board Convention:** This is the time when a discussion is needed to determine how we want to approach with our Board and staff convention. Previous meeting it was spoken briefly about the conflict of the PSC training event with the routine board meeting next December which will be moved to the following Thursday, December 16th. Usually an end of year dinner is desirable to allow time for Board members and staff to come together to bond and discuss the mood and the movement of the utility. Also, to confer with what has been encountered in the past year and look forward to conquering the next stage. Last year, this arrangement was cancelled and at that time, was hoping that an early Spring dinner would be accomplish for the conference atmosphere. Unfortunately, the Spring season passed with still the uncertainty environment of the world (Covid) pandemic was still ongoing. Noted that in the Spring of this year, the vaccine was just being released.

CCWD has an ongoing annual dinner reservation at the Harry's Stone Grill on the second Thursday of December. Obe has spoken with the Manager of Harry's Stone Grill and they have us reserved in the large isolated dining room. If the decision to proceed with the dinner gathering, we will plan on having hand sanitizer available at all the tables with as much separation as possible. The Board and manager agreed to host the routine annual convention unless a major change occurs up to the date of meeting.

**CCWD#1 MEETING MINUTES (cont.)**

**NOVEMBER 11, 2021**

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This is also the time of year where consideration of the performance of all operations and the status of morale. Obe stated that this is the eleventh month, which may be a little premature to consider the final compensation of how the employees have performed for the year and especially within the last five months.

This topic will be tabled for next month.

8. **Open Complaint / Concern Discussion** – No complaints or concerns at this time.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 24954 through # 25044 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Darrell Lykins and seconded by Commissioner Barry Brown to adjourn the meeting at 4:55 p.m. (EST) Motion passed.



  
Mike Lewis, Secretary-Treasurer



Carroll County Water District

## BOARD OF COMMISSIONERS MONTHLY MEETING

### AGENDA (MINUTES)

THURSDAY, DECEMBER 16<sup>TH</sup> 2021 @ 3:00 PM

CCWD #1 CONFERENCE ROOM / REMOTE (RING CENTRAL)

**I. CALL TO ORDER / ROLL CALL**

**II. MINUTES FROM PREVIOUS MONTH'S MEETING**

**III. RECOGNITION OF GUESTS**

**IV. COVID 19 PANDEMIC / STAFF - BOARD UPDATES**

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS**

1. KY 42 Nucor Projects (Montgomery Road)
2. ARPA Funding Projects
3. KY 42 (Markland) DOT Road Slip Repair
4. Meter Program

**VI. GENERAL BUSINESS**

1. System Update
2. Training / CEUs / Reappointments
3. KY Department of Local Government Work Taskforce Group
4. Debt Refinance Savings
5. KY PSC Rate Case Study
6. EOY Budget Amendment / 2022 Annual Budget
7. EOY Staff / Board Convention
8. Open Complaint / Concern Discussion

**VII. FINANCIAL REPORTS**

**VIII. ADJOURNMENT**

- *Management is focusing on getting someone to get a result. Leadership is producing a standard in someone that when you're gone, they will live by to produce higher-level results consistently.*
- *CFO asks CEO: "What happens if we invest in developing our people and then they leave us?"  
CEO: "What happens if we don't, and they stay?"*

*United We Stand, Divided We Fall!*



Carroll County Water District





Carroll County Water District

**MEETING MINUTES**

**DECEMBER 16, 2021, 3:00 P.M.**

**I. CALL TO ORDER**

Chairperson Joe Raisor with Commissioners Jim Sapp, Darrell Lykins, Doug Terry, Gilbert England, Barry Brown, Mike Kelley and Kim Ballard present, called the regular monthly meeting of the Carroll County Water District # 1 to order. Commissioner Mike Lewis was absent from the meeting but schedule to come in later. The others present were General Manager Obe Cox.

**II. MINUTES FROM PREVIOUS MEETING**

A motion was made by Commissioner Mike Kelley and seconded by Commissioner Jim Sapp to accept the minutes as written from the previous month's meeting. Motion passed unanimously.

**III. RECOGNITION OF GUESTS**

No other guests at this monthly meeting.

**IV. COVID-19 PANDEMIC / Staff - Board Update** - All employees' health continues to be stable and doing well.

Happy birthday to Gilbert England and Kim Ballard. Gilbert's falls on December 22nd and Kim's December 23rd.

CCWD does have five Board members term expiring in January 2022. Obe received a letter from Judge Shorty Tomlinson's office on Jim Sapp's 4 year reappointment. Spoke with the other judges and they indicated they would be honored to reappoint all board members. Obe checked in with Judge Morris and Ellis and they both stated that they did make the reappointments and will be sending me the documents for our file soon. (Gilbert England, Kim Ballard 1/12/2022; Jim Sapp 1/6/2022; and Doug Terry and Barry Brown 01/02/2022.)

**V. CONSTRUCTION/PROJECT PROGRESS REPORTS –**

1. **KY 42 Nucor Project (Montgomery Road):** There have been several discussions going back and forth on the matrix of the cost options and the details of the specifics of the impacted areas on the proposed Montgomery roadway. This is being built by Nucor to claim the existing Montgomery Road to a private road but with an open access to public and all utilities. Last Friday, with another virtual meeting with HDR's consultants, Obe proposed relocation out of the proposed roadway after he pointed out some impact areas that would require the water main to be relocated at a higher standard to eliminate additional fittings, a longer encasement pipe in an existing marsh area. Also, the concern of the existing water main below a proposed large culvert pipe. After looking at the matrix, Obe proposed to scope out a new path area of a new water main to go straight across from Montgomery Road, below a proposed distribution pump station (other proposed project) to stay in flat area. HDR's utility designer liked this approach as well. Recently a cost analysis and revised cost estimate on the direct impacted area per CCWD's standards. A meeting is scheduled for tomorrow, Friday, December 17th. It is hopeful that the approach can be coordinated with the consideration of both projects.

**CCWD#1 MEETING MINUTES (cont.)**

**DECEMBER 16, 2021**

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Also, Obe caught the road access of the control station being left off the design so that was a subject to circle back on to address this being done since this is part of a daily check being a part of the water being produced. **(Overhead Display)**

2. **ARPA Funding Projects** - At this time, there have not been any new updates from anyone other than informal meeting from Sandy Beall in regards to the City of Ghent's intention of their ARPA money. She stated most of the first phase money has been spent on addressing drainage issue within the City. She said that they appreciated the letter and if they have any monies left over from the second phase that they could possibly contribute towards materials.

3. **KY 42 (Markland) DOT Road Slip Repair:** The repair cost of approximately \$928 that was billed to road contractor from previous damages around the end of line blow off areas has been received and paid in full.

There has been a lot of dialogue with contractor(s) and the state. As it appears that the contractor has trapped themselves with the local property owner on an agreement to be able to dump waste material on their property. There have been several attempts to find a reason why the relocated water main is in harm's way. Dudley Construction has approached CCWD to install a water isolation valve to take a portion of the water main out of service that doesn't feed any active customers. Obe has told them that the state has to be involved to some degree and a signed agreement between all parties that CCWD will have the water main back in service to CCWD's standard specification at a normal depth to maintain in the future and understanding with the property owner realizing that the water will not be available until the contractor will restore it prior to the end of road construction. Last Friday, the state set up a meeting with the state officials and Obe to discuss that there does seem like there is a conflict as it appears there has been road design change from the original relocation based on the older design. The state is looking more into the specifics to determine if all the existing water main on the north side needs to be relocated or if there will be a cost share between the road contractor and the state highway department.

4. **Meter Program:** Last month, Obe reported that CCWD has received 35 brand new Hersey meters with nicor plugs but missing the 35 radio transmitters. CCWD still has not received the transmitters. Therefore, the warranty exchange has not been closed out and will not until all products are received. Earlier in the month, CCWD received 7 of 9 Hersey meters with no end points. Obe broadcasted an email and later a voice call to request update of the status so that all parties knew that the exchange is not complete. Last week, CCWD did receive two more meters but still no radio transmitters. Therefore CCWD will be tracking these warranty exchanges open in our files until all 44 radio transceivers are received. Mueller says it is related to the shortage of the computer chip.

November meter reading was completed within one day but the number of manuals increased as CCWD's stock has not been able to have product to exchange out the meters that are not broadcasting.

**CCWD#1 MEETING MINUTES (cont.)**

**DECEMBER 16, 2021**

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CCWD is currently working on changing the resolution on some of the newer style meters that are coming in to make the collection and transfer into billing interface work without any glitches while also setting up the cellular meter collection too.

**VI. GENERAL BUSINESS**

1. **System Update** – The unaccounted water loss for November was 8.42% and the current annual is 9.27% very similar to the previous month. The past 12 month rolling water loss average stayed the same at 10%. Field operation started tracking a leak that was beginning to strengthen more recently in the Montgomery Road zone. It was eventually located in Gallatin County being close to the Drury Chapel and Knox Lillard Road.

**Monthly Billing Comparison Report** shows that CCWD generated charges for the December bill cards for the water sales for the date range of October 15th through November 15th, were \$147,961 based on water usage of 24.8 million gallons of water sold.

Previous month was very similar at \$148,714 (-0.5%) on 25.1 million gallons sold (-1.2%). One year ago, same month of sales were up with \$152,611 (-3.0%) based on 26 MG of water sales (-4.7%).

CCWD has installed a total of 41 new water services for the current year.

On December 3rd, CCWD disconnected 13 services due to delinquent status for Carrollton Utilities, sewer related. At this time, 9 of the 13 accounts have been restored (69%). Carroll County Water on December 8th, disconnected 12 more accounts related to our own delinquent accounts. At this time, 8 has been restored being at 67% reconnected.

Obe told a quick story from the fall out of running disconnects.

A couple of weeks ago, Lisa informed Obe of a verbal beating from one of our customers that resides in Eagle Creek Resort. He called and told her to shut up; he was going to do all the talking. He wasn't going to pay a damn penny on his bill and he wanted the water turned back on because he has full house of kids. If he didn't get his water back on, he would fill the meter pit up with concrete. Now, note this customer has been a new customer since March of this year. He blew up the phones on day one because he came into office one day to establish service but thought he should have water on the same day. Our normal operation is to process the account in billing and generate a work order so it is schedule the next business day for service orders to be executed. We had to warn him that if he didn't stop cussing and calling back-to-back that the law enforcement will be contacted for he was being a nuisance in a manner that we could not wait on other customers as he was tying up a phone line and a service representative. That was back then but noted on account.

Later that week being on a Friday, Obe took a call from the state AG office. In attempt to make a long story shorter, Obe told Heather with the AG office "it had been a while". She said she was going to ask how the water business was going but since it has been a while, that must mean it was all good. Obe said, well "not really". As the last time, you called, just yesterday; we have put it in motion to remove a water service on an account holder that she was trying to help then as he had stolen water twice within three months.

**CCWD#1 MEETING MINUTES (cont.)**

**DECEMBER 16, 2021**

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Back to the current resident that called the state AG office. She asked if CCWD could reconnect the water service immediately as it is a "confirm" that the state will have funds to pay on this account plus pay in addition of two months in advance. Obe told her that was good because, it would be a boomerang event as the customer has no history of making any routine payment. Also Obe informed her that she would need to contact Carrollton Utilities too as this account was flagged as delinquent on the wastewater utility too. Obe told her that he would not be able to satisfy her request as it wouldn't be doing justice for my staff or CCWD's rate payers. She said she respected my denial and she had no authority to make me do anything. Obe asked her to please tell the subject to not do anything stupid such as filling the meter pit up with concrete as he has threaten. (She said she could do that.) She did call back after 15 minutes to tell me that she had me on speaker and she had a witness in the office as she had one when speaking to customer. She said he stated that he was going to fill the meter up with concrete and not going to pay a damn penny.

Anyways, she did not care as much for the customer and asked if we could lock him out of the meter pit. Then 30 minutes later, the Northern Ky Crisis Center called. (More for the same) Then a little later, the inactive customer called to say he was sorry that he has a bad temper that he can't control. Obe ended the reporting that it is beginning to become apparent that there seems to be an incline of people not wanting to pay routinely but to wait until a bill inflates to appoint that requires repetitive assistance is needed. Water is still the cheaper bill but less respected as people believe they are entitled instead of being responsible. In this case, this subject appears he will eventually be awarded with additional \$300 credit on his account to cover his future water bills.

On Monday, November 22, the billing software generated late charges on 715 (+1) accounts for a total charge of \$3,067.47 {PM\$3,536.98 (+470)} which is similar on number accounts but a decline of 13.3% charges compared to previous month. The office postal mailed out 110 disconnect notices (-27 PM) with balances of total owed of \$14,875.

Carrollton Office Supply - Obe received an email on Friday December 10th, making an announcement of the COS was closing the office supply portion of business on December 31, 2021. CCWD was already in transition of starting an online ordering account with Staples as pricing and services have been documented as a weakness and concern. CCWD have been purchasing certain supplies through other outlets such as Sam's. Obe created a Staples account some time ago to set up the state sales exempt but really have not used it since the store closed in Madison, Indiana. But several months ago, Obe ran a cost analysis to the products that were purchased and at least was creating more buying options for CCWD as supply chain has not been restored in our country. Staples are doing a much better job on all aspects of receiving goods. As of Tuesday night, of this week, Obe was informed through email that she (COS) had nothing to ship for December 15th deadline from an 11/23 order.

**Low Income Home Water Assistance Program (LIHWAP) Vendor Agreement:** A couple of weeks ago, Obe received a generic looking fax with the proposed new agreement because of special assistant funds being available for the crisis centers across the state. After a quick review, Obe marked through some concerns and mainly that if the utility takes any of these types of funds that the utility would not be able to turn off

**CCWD#1 MEETING MINUTES (cont.)**

**DECEMBER 16, 2021**

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any services for a minimum of 90 days. Obe kicked this over to Damon Talley, who specializes in utility law. Mr. Talley told Obe that none of his clients had brought this to his attention but he will check in to it but advised not to sign the agreement for time being. One day last week, Obe received a call, letting him know that the Kentucky PSC got involved with the state to change some of the language to make it fair for the utility. The 90 days was changed to 30 days.

**McDonalds of Carrollton:** McDonalds has now reopened and taking water consumption. Their reopening date was November 24th. That is the day Obe took a call from their plumber about low pressure. After discussion, Obe told him that the information he was given does not sound right as the system pressure is 70-80 psi. He was reporting a 53 psi. Obe asked if the water was flowing or static. He first said yes that they were using water but he said he would have everyone stop. The phone conversation continued as he yelled to tell everyone to stop using water then it was hard to believe because later on is when Obe found out that the restaurant was already open. Obe thought they were doing a final inspection prior to opening. He states the pressure stayed the same at 53 psi. He said the main problem was a specific toilet in the female bathroom. Obe asked about the accuracy of the gauge, etc. and it sounded like if he had special vacuum type toilet then it was on them to design it to work as the size of the meter is not the issue; it was a volume issue like restriction of a clog from not flushing out prior to making a connection or they have an unknown pressure control device that is malfunction. Obe told him he would send someone to verify the pressure at the meter but it sounded like he had more of a restriction of the plumbing. He said he was going to document in his reports as he had trouble here before on the first remodeling that they needed a 2" water meter. Obe told him before he states that he may consider that the operation of McDonalds history indicates while open, they never complained about having low pressure and only requested help was when lines were sheared and they needed assistance to make a temporary shut off while the new building was settling. All other restaurants have 1" water meter and smaller. Once CCWD technician was on site, they indicated that the water service couldn't be turned off to get a quick pressure reading. Our technician did witness the 53# on their gauge but failed to check a nearby vault to get a distribution reading but however, downstream of a telemetry site showed system pressure being normal. However, when Obe spoke to the plumber, Obe asked once he found his problem, to let CCWD know. The following Monday, Obe requested our technician to follow up and obtain a pressure reading at the meter. It came back at 72 psi. On December 7th, McDonalds' plumber called and reported that they found debris at all the toilet valves and everything is good now!

**Glenwood Hall Fiber Cable Installation (Spectrum) Project:** CCWD received a locate request from National OnDemand, Inc., a contractor for Spectrum that wanted all lines to be marked in the Glenwood Hall community. When meeting on site, they wanted everything marked because they said they would be working at night, weekends and planning to get 10,000 feet of cable in. (Reminder: CCWD took this system over and has no real asbuilt data and it also has water mains up to 12" in diameter in size and service lines made of rigid plastic.) CCWD operations instructed them that this cannot be accomplished within a day. Obe emailed (Joshua Parkhurst) representative to Spectrum, told them that CCWD was not notified during design. There are conflicts, cable can be

**CCWD#1 MEETING MINUTES (cont.)**

**DECEMBER 16, 2021**

**PAGE 6**

easily moved to avoid some conflicts and that CCWD is willing to expose lines with their crews to avoid damages in those tight areas. As if they were reckless than they would be billed for all damages and public notices. The Spectrum gentleman was professional which is not always the case. He stated he would work with CCWD and would inform his contractor that they would be responsible to hand dig to verify the marks we put on the ground. Also, what CCWD operations later found out, from the map that he sent Obe, and the contractor's marks of install did not match. CCWD has sent two operators to pot hole several unknowns while placing temporary markers for GPS data collection and placing permanent markers on line direction changes. This is a quick summary and does not indicate all the aggressive approach from the fiber contractor. In summary, it's a clear situation of contractor behind a large corporation almost monopoly type atmosphere, that trying to come in bully on site with no black and white laws to prevent contractor leaving us in a hardship for future emergency repairs or able to tap our water mains for new services or installing components. In this case, the Spectrum contact did respond in a manner to control his contractor. At the end of the day, CCWD will have more helpful field data for our GIS model, updated paper map and removed old plastic service lines if damaged. Also, trying to accomplish that Spectrum provides us an asbuilt map that shows their cables location and depths as there will be crossings that will cause caution to dig out and undercut the water main to get water to runoff and away but not hit cable below. History will indicate that we will not get any record drawings from anyone. We have been informed that they are moving in to Eagle Creek Resort to install fiber cable. They emailed Obe a kid drawn map. The system is broken as there is no design phase to coordinate with the roadway department or other utilities! (Display on monitor)

2. **Training / CEUs / Reappointments:** Barry Brown and Obe Cox attended remotely the Kentucky PSC training event that also allowed new appointed commissioners to get their required 12 hours of training. They attended virtually from CCWD's conference room.

Obe received a letter dated November 23rd that Jim Sapp has been reappointed to a 4-year term that will start January 7th, 2022.

Obe spoke earlier this week to check on the status of Barry Brown, Doug Terry, Kim Ballard and Gilbert England to verify their reappointment since Obe had not heard back from the judges. As they both stated a few weeks ago, that they would be happy to reappoint all commissioners. They both stated that they did make the reappointments earlier in the month and will get the letter and make sure it is in their minutes.

3. **KY Department of Local Government Work Taskforce Group:** Earlier in the year, Obe was asked to help with Kentucky DLG to create a better simple process to satisfy the legislative law that requires the utility districts and association to submit their budgets to the state. The portal is now been created so they asked the Kentucky Rural Water Association's Executive Director and Attorney and three other utilities to join web meeting and gain access to the system before putting in operation. The task group did catch a few glitches that they were going back to reprogram. The portal will be able to actual pay directly online as this function never worked before.

**CCWD#1 MEETING MINUTES (cont.)**

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- 4. Debt Refinance Savings:** As reported last month the closing is completed but all the dollars were not accounted for on the transition closing to open of new debt. One of the things is that Regions Bank did not send us the bank statements for the new 2021D account where the \$20,355.36 balance from the old 2012B was transferred over as the amount that was available to be held for future payments. After a review of an auditor to assist in making sure all transfers were accounted for, it appears that loan restructure is now completed.

Obe addressed the flows of funds structure and the monthly transfers and the calculated end of year transfer. It was agreed to transfer \$637,000 from the "Revenue/ Operation Expense" account to the Operation Depreciation Reserves account. This money can still be expensed on depreciated items that have expired such as meter replacement, trucks, equipments, etc. Therefore lowers our O&M account and leaves a new threshold of near \$500,000 going forward.

A motion made by Commissioner Barry Brown and seconded by Commissioner Jim Sapp to agree to transfer this amount from existing Revenue/O&M account to the Operation Reserve account. Motion passed unanimously.

- 5. KY PSC Rate Case Study:** As discussed last month, CCWD is preparing to advertise the proposed rate study and submit the (ARF) application to the Kentucky Public Service. The advertisement will show the proposed rates in the local mainstream paper for our customers. The advertisement date is to be published at the very first of the year and will be ran for three consecutive weeks. The PSC packet will be submitted electronically in the first of the year but scheduled to notify PSC tomorrow of the intent to file electronically.

Chairman Joe Raisor signed the application (ARF) form to continue the process and submit the entire PSC packet. (Exhibit of advertisement.)

- 6. EOY Budget Amendment / 2022 Annual Budget:** The budgets were in all the Board members packets. Presentation of the budgets were presented and reviewed. Once the budgets are approved, Obe will submit these for the District. Also, the current year budget had to be amended prior to December 31.

A motion made by Commissioner Mike Kelley and seconded by Commissioner Barry Brown to approve the 2021 Budget Amendment as presented for the District. Motion passed unanimously.

A motion made by Commissioner Kim Ballard and seconded by Commissioner Barry Brown to approve the 2022 Budget as shown for the District. Motion passed unanimously.

- 7. EOY Staff / Board Convention:** Last week, Obe stated it was very nice to get our entire CCWD associates together since it had been such a long period of not seeing everyone in a gathering. Obe also stated he thought this was good for morale and also to witness the morale and employees' mood. Obe also stated he believed it was done in a safe open atmosphere and allowed us all to be able to show our appreciation to everyone involved that serves the public needs at every minute of the year.

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The subject of analyzing the annual performance of our staff was tabled last month. It was noted that during the outing indicated the staff's morale is well and they all respect each other. Obe stated that it needs to be considered of what everyone has encountered in the past two years with Covid and the tone of the new work ethic culture within addition of how other employment have introduced more incentives pay to either keep or hire new employees. The U.S. labor force is very weak and fragile right now. For the most part everyone has worked well and showed up to work and not been the types of individuals to seek an alternative to avoid their work responsibility. (Obe said he has addressed some of the weakness during our end of year evaluation and he also had every employee sign a pledge that stresses honesty, acceptance, accountability, equality, and loyalty.) Obe reported of course we have plenty of room to improve but we are doing a hell of a job for everything that has been dealt within the past two years.

A motion made by Commissioner Jim Sapp and seconded by Commissioner Kim Ballard to authorize a merit bonus for a Net \$600 for the staff. Motion passed unanimously.

8. **Open Complaint / Concern Discussion:** No complaints or concerns at this time.

**VII. FINANCIAL REPORTS**

Orders of the Treasurer and Rental Deposit forms were reviewed and signed. The financial statements were distributed and reviewed. The Commissioners accepted checks # 25045 through # 25143 for payment.

**VIII. ADJOURNMENT:**

With no further business, a motion was made by Commissioner Mike Kelley and seconded by Commissioner Barry Brown to adjourn the meeting at 4:47 p.m. (EST) Motion passed.



  
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Mike Lewis, Secretary-Treasurer