

**SOUTHERN WATER & SEWER DISTRICT
REGULAR MONTHLY BOARD MEETING**

January 24, 2022 @5:30

ATTENDANCE

**Jeff Prater, Chairperson
Steve Dawson, Treasurer
Bob Shepherd, Commissioner
Donnie Daniels, Commissioner
Rick Roberts, Secretary**

**Randy Conley, UMG
Grondall Potter, UMG
Paula Burke, Staff
Shawn Hicks, EDC
Steven Bailey, Attorney**

A. AGENDA ITEM

**MEETING CALLED TO ORDER AND PRAYER GIVEN BY CHAIRMAN JEFF PRATER AT 5:36 P.M.
WITH ALL COMMISSIONERS PRESENT**

B. AGENDA ITEM

NO VISITORS PRESENT

C. AGENDA ITEM

MINK BRANCH PROJECT IS CLOSED OUT

**FEMA--PRESENTLY THERE ARE 32 SITES INCLUDING DRIFT, PITTS FORK & RT. 850, ANYTHING
UNDER \$3500 WILL NOT BE PAID BUT CAN BE GROUPED TOGETHER**

**SHAWN HICKS REPORTED ON THE WAYLAND TO LACKEY PROJECT-FINALLY RECEIVED
APPROVAL TO PUT OUT BID SPECS IN LOCAL NEWSPAPER IN HOPES OF OBTAINING SOMEONE
LOCAL. THE PROCESS TAKES A MONTH TO COMPLETE WHICH INCLUDES ADVERTISING,
BONDS, SUPPLIES AND EVALUATION BY THE BOARD.**

D. AGENDA ITEM

**MOTION TO APPROVE DECEMBER 2021 MEETING MINUTES WAS MADE BY MR. DANIELS AND
SECONDED BY MR. DAWSON, ALL MEMBERS WERE IN FAVOR**

E. AGENDA ITEM

**MOTION TO APPROVE DECEMBER FINANCES WAS MADE BY MR. ROBERTS, SECONDED BY
MR. DAWSON AFTER THE FOLLOWING POINTS AND QUESTIONS WERE DISCUSSED:
DEFICIT FOR ALLOWANCE FOR BAD DEBT, GETTING INFORMATION PREPARED TO SEND TO
ALAN VILINES FOR THE RATE STUDY, AEP BILLS HAVE INCREASED BY \$15,000 IN ONE MONTH,
AND MR. ROBERTS ASKED QUESTIONS ABOUT WHY THE GENERAL ACCOUNT HAD AN
OVERDRAFT WHICH WAS EXPLAINED BY JEFF REED IN THAT WHEN ALL THE MONTHLY CHECKS
ARE PAID ITS ALMOST IMPOSSIBLE TO ALWAYS KEEP UP WITH THE DEBITS AND CREDITS
ESPECIALLY AT THE FIRST OF THE MONTH.**

F. AGENDA ITEM

LEGAL-APRIL 1ST IS THE ALTERNATE RATE FILING WHICH WILL COST \$10,000 TO BE PAID \$5000 BY THE DISTRICT AND \$5000 PAID BY THE ARC GRANT

**STEVEN HAS TO SUBMIT A DATA REQUEST TO PSC ON THE NEW IT CONTRACT WITH TPM
MOTION MADE TO AUTHORIZE STEVEN BAILEY TO FILE A MOTION TO DISMISS THE XACT
COMMUNICATIONS LAWSUIT BY MR. DANIELS, SECONDED BY MR. ROBERTS ALL
COMMISSIONERS AGREED**

G. AGENDA ITEM

**MASTER METER BIDS HAVE BEEN SENT OUT TO NEWSPAPERS-RANDY CONLEY WILL FIND OUT
WHO OWNS DYNO NOBEL FOR EASEMENT AND ORDER A NEW MASTER METER FOR THE
PLANT**

**STEVEN BAILEY WAS DIRECTED BY THE BOARD TO SET UP AN EMAIL ADDRESS FOR
CUSTOMERS TO REPORT THEFT OF WATER SERVICES AND TO DRAFT AND PUBLISH A
FACEBOOK POST ADDRESSING SAID EMAIL ADDRESS**

H. AGENDA ITEM

**RANDY CONLEY'S MANAGER REPORT CONSISTED OF INFORMING THE BOARD OF THE 61%
WATER LOSS, 159 DELINQUENT ACCOUNTS.**

I. AGENDA ITEM

**MOTION TO ENTER INTO EXECUTIVE SESSION AT 7:12 PM
MOTION TO EXIT EXECUTIVE SESSION AT 7:22 PM.**

- 68.810 (1) (c) Daniel Harris lawsuit

MADE BY MR. DAWSON, SECONDED BY MR. DANIELS, ALL WERE IN FAVOR

**AML GRANTS FOR 2022 INCLUDES: WATER PLANT, WAYLAND TO LACKEY-1.4 MILLION (Hal
Rogers) BETTER CHANCE AT BEING FUNDED FOR ECONOMIC GROWTH WITH ASHLEY TACKETT
LAFFERTY'S CLEAN WATER FUNDING**

J. AGENDA ITEM

**COMMISSIONERS COMMENTS INCLUDED RICK ROBERTS REITERATING THE MASTER METER
AT THE PLANT AND BOB SHEPHERD MENTIONED THE PUMP FOR MINK BRANCH**

**MOTION WAS MADE TO ADJOURN AT 7:29 PM BY MR. DANIELS, SECONDED BY MR.
SHEPHERD, ALL APPROVED.**

**WITH THERE BEING NO FURTHER BUSINESS TO DISCUSS THE MEETING WAS ADJOURNED AT
7:30 pm. PASSED BY THE SOUTHERN WATER & SEWER COMMISSIONERS ON THIS
24TH DAY OF JANUARY, 2022**

APPROVED BY:



Jeff Prater, Chairman

ATTESTED BY

A handwritten signature in black ink, appearing to read "Rick Roberts". The signature is written in a cursive style with a large, stylized initial "R".

Rick Roberts, Secretary

Southern Water & Sewer District
PO Box 610
McDowell, Ky. 41647

Regular Called Meeting February 28, 2022

5:30 pm

ATTENDANCE

Jeff Prater, Chairperson

Steve Dawson, Treasurer

Rick Roberts, Secretary

Donnie Daniels, Commissioner

Bob Shepherd, Commissioner

Randy Conley, UMG

Paula Burke, SWSD

Steven Bailey, SWSD Attorney

Grondall Potter, UMG

Jeff Reed, CPA

Tim Campoy, EDC

A. AGENDA ITEM

MEETING CALLED TO ORDER AND PRAYER GIVEN BY CHAIRMAN JEFF PRATER AT 5:36 P.M.

B. AGENDA ITEM

Visitor-Chris Adkins-Employee

C. AGENDA ITEM

TIM CAMPOY UPDATED ON THE WAYLAND TO LACKEY PROJECT BY SAYING THAT THEY WERE PREPARING CHANGES TO THE DRAWING TO PUT THE CREEK CROSSING IN BECAUSE THEY WERE TOLD IT WOULD BE DETRIMENTAL TO THE HABITAT OF THE CRAWDADS.

D. AGENDA ITEM

MOTION MADE BY MR. DANIELS, SECONDED BY DR. DAWSON TO APPROVE THE JANUARY 24, 2022, MEETING MINUTES, ALL IN AGREEMENT

E. AGENDA ITEM

MOTION TO APPROVE JANUARY FINANCIALS GIVEN BY JEFF REED WAS MADE BY MR. DANIELS, SECONDED BY MR. DAWSON AFTER THE FOLLOWING QUESTIONS WERE ANSWERED, ALL IN FAVOR.

- ❖ MR. PRATER ASKED HOW MUCH THE POWER BILLS WENT DOWN?**
- ❖ CAN THE CHEMICALS BE STOCKPILED? NO BECAUSE THEY LOSE STRENGTH**

F. AGENDA ITEM

STEVEN BAILEY UPDATED ON THE MASTER METER'S. THE BID IS FINISHED AND THE ONLY RESPONSE RECEIVED WAS FROM WASCON. MR. ROBERTS MADE THE MOTION TO ACCEPT THE BID FOR 10 MASTER METERS TO BE USED FOR LEAK DETECTION. MR DAWSON SECONDED IT BY SAYING THAT THIS IS DECENT PRICE AND A GOOD PRODUCT. THE PLAN IS TO GET 1 A MONTH ONLINE. THE FIRST PRIORITY IS TOLER CREEK. ALL WERE IN FAVOR WITH GRONDALL SAYING HE WILL ASK FOR THE PRICE TO BE GOOD FOR 180 DAYS.

XACT LAWSUIT-ATTORNEY'S OFFICE WANTS TO KNOW IF WE'RE IN A POSITION TO PAY THEM ANYTHING—NO OFFER FROM BOARD DUE TO THE CIRCUMSTANCES THAT THIS CONTRACT WAS ENTERED INTO

DANIEL HARRIS IS REPRESENTING HIMSELF AND RAY JONES IS REPRESENTING US.

G. AGENDA ITEM

RANDY'S MANAGER REPORT CONSISTED OF HIM STATING THAT CHRIS ADKINS IS THE FIRST EMPLOYEE TO HAVE A MERIT EVALUATION.

MOTION TO MOVE INTO EXECUTIVE SESSION AT 6:11 PM TO DISCUSS PERSONNEL ISSUE FOR CHRIS ADKINS MADE BY MR. DAWSON, SECONDED BY MR. SHEPHERD.

MOTION TO EXIT EXECUTIVE SESSION AT 6:24 PM WAS MADE BY MR. DAWSON AND SECONDED BY MR SHEPHERD, ALL AGREED.

A DECISION WAS MADE TO GIVE HIM A MERIT RAISE FROM \$14.80 TO \$15.83 TO START 2 WEEKS FROM NOW

RANDY MENTIONED THAT HE'S BEEN WORKING ON THE SANITARY SURVEY AND THE OPERATIONS MANUAL MUST BE UPDATED AND GRONDALL IS DOING SO NOW. HE ALSO THINKS THAT A LETTER SHOULD BE DRAFTED STATING THAT ANYONE THAT IS HIRED THEY MUST WORK A YEAR OR PAY THE COMPANY BACK FOR THE FEES PAID OUT FOR SCHOOLING.

H. AGENDA ITEM

MOTION MADE TO ADJOURN AT 7:00 PM MADE BY MR. DANIELS, SECONDED BY MR. DAWSON, ALL IN FAVOR

WITH THERE BEING NO FURTHER BUSINESS TO DISCUSS THE MEETING WAS ADJOURNED AT 7:00 pm.

PASSED BY THE SOUTHERN WATER & SEWER COMMISSIONERS ON THIS

28nd DAY OF FEBRUARY 2022

APPROVED BY:



Jeff Prater, Chairman

ATTESTED BY



Rick Roberts, Secretary

**SOUTHERN WATER & SEWER DISTRICT
SPECIAL CALLED BOARD MEETING
MARCH 16, 2022 @5:30 PM**

ATTENDANCE

Jeff Prater, Chairperson
Steve Dawson, Treasurer
Bob Shepherd, Commissioner **Paula Burke, Staff**
Donnie Daniels, Commissioner
Rick Roberts, Secretary

A. AGENDA ITEM

MEETING CALLED TO ORDER AND PRAYER GIVEN BY COMMISSIONER JEFF PRATER AT 5:35 P.M. WITH ALL COMMISSIONERS PRESENT

B. AGENDA ITEM

SOUTHERN IS UNDER A PUBLIC SERVICE COMMISSION ORDER NO. 2019-00131 TO FILE AN ALTERNATIVE RATE FILING BY APRIL 1, 2022

THE PRELIMINARY RATE STUDY REPORT FROM MR. ALAN VILINES, OF KWRA, WAS DISCUSSED BY CHAIRMAN PRATER AND ALL BOARD MEMBERS

AFTER REVIEWING ALL THE INFORMATION, THE BOARD DECIDED:

WE DO NOT PROPOSE TO ADJUST OUR CURRENT RATE FOR THE FOLLOWING REASONS:

- SOUTHERN CURRENTLY HAS ACCEPTABLE CASH FLOW TO CONTINUE OPERATIONS**
- MORE PROGRESS IN REDUCING WATER LOSS WILL BE REALIZED BY LACKEY TO WAYLAND PROJECT AND OTHER PROJECTS APPROVED**
- CUSTOMERS ARE ECONOMICALLY DISTRESSED**
- SOUTHERN WILL REDUCE DEBT OVER THE NEXT 3 YEARS**
- PROPOSE TO PSC THAT SOUTHERN WILL FILE ALTERNATIVE RATE FILING IN JUNE 2024**

MR. DANIELS MENTIONED THAT IF NEEDED SOUTHERN COULD FILE FOR RATE ADJUSTMENT BEFORE JUNE 2024, HE ALSO WONDERS IF THE PSC WILL ALLOW US TO NOT DO A RATE INCREASE AT THIS TIME. HE ALSO REITERATED THE FACT THAT THE WATER LOSS ISSUE NEEDS TO BE DEALT WITH

MR. SHEPHERD SAID THAT SOUTHERN DOESN'T HAVE ANY BIG PROJECTS TO DO THAT COMES FROM OUR FUNDS AND CUSTOMERS ARE ALREADY STRUGGLING.

C. AGENDA ITEM

MOTION TO SIGN THE RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SOUTHERN WATER & SEWER DISTRICT AUTHORIZING ITS CHAIRMAN TO FILE AN APPLICATION WITH THE PSC STATING THAT WE DO NOT PROPOSE TO ADJUST ITS MONTHLY WATER RATES AND

CHARGES WITH THE SUBJECT APPLICATION. MOTION WAS MADE BY MR. ROBERTS, SECONDED BY MR. DAWSON AND ALL WERE IN FAVOR.

D. AGENDA ITEM

MOTION TO APPROVE THE BILLING POLICIES AND PROCUREMENT CODE TO ESTABLISH A THRESHOLD DOLLAR AMOUNT FOR PURCHASING PRODUCTS/SERVICES WHICH WILL REQUIRE SOUTHERN TO ENTER INTO A FORMAL BIDDING PROCESS IN THE AMOUNT OF \$10,000 WAS MADE BY MR. DANIELS, SECONDED BY MR. SHEPHERD, ALL AGREED. STEVEN BAILEY IS AUTHORIZED TO FILE PROCUREMENT POLICY WITH PSC.

E. AGENDA ITEM

DISCUSSION ABOUT THE POSSIBILITY OF OUTSOURCING OUR BILLING CONSISTED OF THE COMMISSIONERS WANTING THE FOLLOWING QUESTIONS ANSWERED BEFORE CONSIDERATION:

- ❖ **Term of contract**
- ❖ **Postal rate**
- ❖ **Can the other services that we bill for also be included on the bill?**

F. AGENDA ITEM

MOTION MADE TO ADJOURN AT 6:52 BY MR. DANIELS, SECONDED BY MR. DAWSON ALL WERE IN FAVOR

**WITH THERE BEING NO FURTHER BUSINESS TO DISCUSS THE MEETING WAS ADJOURNED AT 6:53 pm. PASSED BY THE SOUTHERN WATER & SEWER COMMISSIONERS ON THIS
16TH DAY OF MARCH 2022**

APPROVED BY:



Jeff Prater, Chairman

ATTESTED BY



Rick Roberts, Secretary

Southern Water & Sewer District
PO Box 610
McDowell, Ky. 41647

Regular Called Meeting March 28, 2022
5:30 pm

ATTENDANCE

Jeff Prater, Chairperson	Randy Conley, UMG
Steve Dawson, Treasurer	Paula Burke, SWSD
Rick Roberts, Secretary	Steven Bailey, SWSD Attorney
Donnie Daniels, Commissioner	Grondall Potter, UMG
Bob Shepherd, Commissioner	Jeff Reed, CPA
Tim Campoy, EDC	
Greg May, UMG	
Eric Ratliff, Pike County Fiscal Court	

A. AGENDA ITEM

MEETING CALLED TO ORDER AND PRAYER GIVEN BY CHAIRMAN JEFF PRATER AT 5:30 P.M.

B. AGENDA ITEM

NO VISITORS PRESENT

C. AGENDA ITEM

TIM CAMPOY UPDATED ON THE WAYLAND TO LACKEY PROJECT BY SAYING THAT THEY ARE WAITING FOR APPROVAL OF REDESIGN, WHICH IS IN THE HANDS OF OSM IN WASHINGTON, THE DIRECTIONAL BORE HAS TO BE APPROVED.

D. AGENDA ITEM

MOTION MADE BY MR. ROBERTS, SECONDED BY MR. SHEPHERD TO APPROVE THE MARCH 16, 2022, SPECIAL MEETING MINUTES, ALL IN AGREEMENT

MOTION MADE BY MR. DANIELS, SECONDED BY MR. DAWSON TO APPROVE THE FEBRUARY 28, 2022, MEETING MINUTES, ALL AGREED

E. AGENDA ITEM

MOTION TO APPROVE THE MARCH FINANCIALS GIVEN BY JEFF REED WAS MADE BY MR. DANIELS, SECONDED BY MR. DAWSON AFTER THE FOLLOWING QUESTIONS WERE ANSWERED, ALL IN FAVOR.

- ❖ **MR. PRATER ASKED QUESTIONS ABOUT PAGE 5-CASH EQUIVALENT**
- ❖ **MR. ROBERTS MENTIONED THAT HE LIKED THE WAY THE CASH FLOW STATEMENT READS**
- ❖ **MR. DANIELS ASKED ABOUT THE ENTRY ON FUEL—NET INCOME**
- ❖ **ALSO, THE LACK OF A BAD DEBT WRITEOFF MAY BE A BAD THING**

F. AGENDA ITEM

STEVEN BAILEY- LEGAL-HE WILL BE SUBMITTING THE FOLLOWING FILINGS

- ❖ **ANNUAL REPORT REGARDING SURCHARGE**
- ❖ **MASTER METERS**

ALAN VILINES WILL FILE THE RATE CASE APRIL 1, 2022, HE ALSO HAS WRITTEN AN APPLICATION COVER LETTER OUTLINE TO GO WITH THE ARF AND MENTIONED THAT THE ABILITY TO REDUCE OUR DEBT WILL HELP US SIGNIFICATELY ON OUR RATES

G. AGENDA ITEM

ERIC RATLIFF REPORTED ON THE TELEMTRY GRANT THE DISTRICT IS GETTING AWARDED FOR \$325,000.000 IN WHICH HE IS THE ADMIN. MOTION TO ACCEPT THE AWARD WAS MADE BY MR. ROBERTS, SECONDED BY MR. DAWSON AND ALL AGREED TO HAVE CHAIRMAN PRATER SIGN ALL RELATED DOCUMENTS.

GENERATOR GRANT- MOTION TO AUTHORIZE ERIC TO SUBMIT A MITIGATION ACTION FORM FOR SWSD GENERATOR PROJECT TO KENTUCKY EMERGENCY MANAGEMENT FOR FUNDING FROM FEMA'S HAZARD MITIGATION GRANT PROGRAM WAS MADE BY MR. DAWSON, SECONDED BY MR. ROBERTS AND ALL WERE IN FAVOR.

AT 6:17 PM A MOOTION WAS MADE TO ENTER INTO EXECUTIVE SESSION-KRS 61.810 (1)

(g) DISCUSSION OF UMG CONTRACT WITH SOUTHERN AND GREG MAY WAS MADE BY MR. ROBERTS, SECONDED BY MR. SHEPHERD, ALL IN-FAVOR.

MOTION TO EXIT EXECUTIVE SESSION AT 7:00 PM WAS MADE BY MR. DANIELS, SECONDED BY MR. DAWSON AND ALL AGREED.

H. AGENDA ITEM

RANDY'S MANAGER REPORT CONSISTED OF HIM STATING THAT WE PRODUCED 7,000,000 GALLONS OF WATER MORE INSTEAD OF BUYING FROM KNOTT COUNTY WHICH SHOULD SOON GO TO ZERO. ALSO, THE TANK AT BRUSH CREEK HAS A BAD FOUNDATION WHICH IS CAUSING THE TANK TO PULL APART. KY. RESTORATION CAN INJECT CONCRETE FOR STABILIZATION, THIS HAS TO BE DONE BECAUSE WERE LOSING 40 GALLONS OF WATER PER MINUTE. RANDY WILL SPEAK TO SCUBA DIVERS ABOUT REPLACING WITH A GLASS LINED TANK.

I. AGENDA ITEM

NO COMMISSIONER COMMENTS

J. AGENDA ITEM

MOTION TO ADJOURN AT 7:14 PM WAS MADE BY MR. DANIELS, SECONDED BY MR. SHEPHERD, ALL AGREED.

WITH THERE BEING NO FURTHER BUSINESS TO DISCUSS THE MEETING WAS ADJOURNED AT 7:14 PM. PASSED BY THE SOUTHERN WATER & SEWER COMMISSIONERS ON THIS 28th DAY OF MARCH 2022.

APPROVED BY:



Jeff Prater, Chairman

ATTESTED BY



Rick Roberts, Secretary

Southern Water & Sewer District
PO Box 610
McDowell, Ky. 41647
Regular Called Meeting APRIL 25, 2022
5:30 pm
ATTENDANCE

Jeff Prater, Chairperson	Randy Conley, UMG
Steve Dawson, Treasurer	Paula Burke, SWSD
Rick Roberts, Secretary	Steven Bailey, SWSD Attorney
Bob Shepherd, Commissioner	Grondall Potter, UMG
Jeff Reed, CPA	
Eric Ratliff, Pike County Fiscal Court	
Karen Smith, KLC Insurance	

A. AGENDA ITEM

MEETING CALLED TO ORDER AND PRAYER GIVEN BY COMMISSIONER SHEPHERD AT 5:40 P.M.

B. AGENDA ITEM

VISITORS-NONE PRESENT

C. AGENDA ITEM

THE UPDATE ON LACKEY TO WAYLAND, STILL WAITING ON OSM TO APPROVE THE REDESIGNED CREEK CROSSINGS.

D. AGENDA ITEM

MOTION MADE TO APPROVE REALLOCATION OF CLEANER WATER PROGRAM FUNDS FROM TELEMETRY GRANT TO BE COMBINED WITH A POSSIBLE MATCHING GRANT FOR 1.4 MILLION DOLLAR WATER TREATMENT PLANT UPGRADES.

MOTION BY MR. DAWSON, SECONDED BY MR. SHEPHERD AND ALL AGREED.

E. AGENDA ITEM

KAREN SMITH, OUR REPRESENTATIVE WITH KLC INSURANCE WAS PRESENT TO INFORM THE BOARD OF THE JULY 1ST RENEWAL AND THERE'S GOING TO BE A

STEVEN UPDATED ON LEGAL ISSUES BY SAYING THAT THE MASTER METER WAS ORDERED BUT NOT ARRIVED YET. THE RATE CASE HAS BEEN FILED WITH THE PSC BUT THERE'S ONLY ONE ACTIVE COMMISSIONER AT THE PUBLIC SERVICE COMMISSION AT THE MOMENT. SO, IT COULD TAKE AWHILE TO HEAR BACK.

L. AGENDA ITEM

RANDY'S MANAGER REPORT CONSISTED OF HIM STATING THAT HE STILL WORRIES ABOUT LOSING WORKERS AT THE WATER PLANT WITH THERE BEING NOONE TO REPLACE THE 2 THAT HAVE LICENSES. ALSO, THE BRUSH CREEK TANK LOCATED AT RT. 850 IN DAVID IS IN DESPERATE NEED OF REPAIR BUT IT MAY TAKE UP TO 9 MONTHS TO RECEIVE A SKID PUMP TO USE AS A TEMPORARY REPLACEMENT SO RANDY WILL GET IN TOUCH WITH THE SCUBA DIVERS AND SEE IF THEY CAN REPAIR IT FOR THE TIME BEING.

M. AGENDA ITEM

MOTION MADE TO ADJOURN AT 8:14 PM BY MR. SHEPHERD, SECONDED BY MR. ROBERTS, ALL IN FAVOR

WITH THERE BEING NO FURTHER BUSINESS TO DISCUSS THE MEETING WAS ADJOURNED AT 8:14 pm.

PASSED BY THE SOUTHERN WATER & SEWER COMMISSIONERS ON THIS

25nd DAY OF APRIL 2022

APPROVED BY:



Jeff Prater, Chairman

ATTESTED BY



Rick Roberts, Secretary