

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

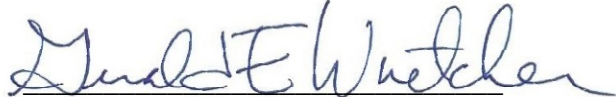
**ELECTRONIC APPLICATION OF )**  
**MCCREARY COUNTY WATER DISTRICT ) CASE NO. 2025-00135**  
**FOR AN ADJUSTMENT OF ITS SEWER )**  
**RATES PURSUANT TO 807 KAR 5:076 )**

**FIRST SUPPLEMENTAL RESPONSE OF MCCREARY COUNTY WATER DISTRICT  
TO COMMISSION STAFF’S FIRST REQUEST FOR INFORMATION, ITEM 1-9**

McCreary County Water District submits its First Supplemental Response to the Commission Staff’s First Request for Information, Item 1-9.

Dated: September 17, 2025

Respectfully submitted,

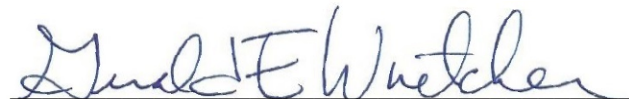


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*Counsel for McCreary County Water District*

**CERTIFICATE OF SERVICE**

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission’s Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on September 17, 2025 and that there is currently no party that the Public Service Commission has excused from participation by electronic means in this proceeding.



Gerald E. Wuetcher

**MCCREARY COUNTY WATER DISTRICT**

**First Supplemental Response to Commission Staff's First Request for Information  
Case No. 2025-00135**

Question No. 1-9

Responding Witness: Stephen Whitaker

- Q-1-9. Provide the minutes from McCreary District's Board of Commissioners' meetings for the 2023, 2024, and year to date 2025. Consider this a continuing request through the date of issuance of Commission Staff's Report.**
- a. Designate each action that authorizes hiring.**
  - b. Designate each action that authorizes adjustments to wage rates, any other compensation (including bonuses), or fringe benefit actions.**

A-1-9. See Attachment 1-9. Actions authorizing hiring or adjustments to compensation or fringe benefits have been bookmarked and highlighted. To ensure employee privacy, employee names have been redacted but the affected employees are identified in the bookmarks by the employee numbers used in Excel Workbook 1-6\_EmployeeInformation.xlsx and in the Rate Study.

Supplemental Response:

A-1-9. Attached as First Supplemental Attachment 1-9 are the minutes of the meetings of McCreary County Water District Board of Commissioners held on June 24, 2025 and July 29, 2025.

The references in the minutes of the July 29, 2025 meeting to employees hired to full-time positions are to Employee No. S11 and No. W34 as listed in McCreary County Water District's Responses to Request 1-6e. (Neither employee is listed in the Rate Study.) The reference to an injured employee is to the employee referred to as Employee No. 5 in the Rate Study and as Employee S5 in the Worksheet entitled "1-6\_2023 Employee Wage & Benefits" in the Excel Workbook 1-6\_EmployeeInformation.xlsx.



**JUNE 24, 2025**

Superintendent Stephen Whitaker called the meeting to order at 9:06 a.m. The following board members were present: Coy Taylor, Doug Sexton, Randy Kidd, and Raymond Taylor. Also attending were Stephen Whitaker, Superintendent; Derrick Taylor, Assistant Superintendent; Alan Robinson, Eclipse Engineering, PLLC; Gerald Wuetcher, Stoll Keenon Ogden PLLC and James Taylor, James Taylor Law Offices, PLLC participated by videoconference. Commissioner Mark Sumner was absent.

Raymond Taylor made a motion to approve the minutes of the May 27, 2025, regular board meeting. Coy Taylor seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Randy Kidd, and Raymond Taylor. Against: None. Absent: Mark Sumner

**307 DIGITAL**

Superintendent Whitaker reported that the District had received a payment of \$441,081.02 from 307 Digital for the purchase of the rights to locate the telecommunications equipment on the Meadows Grove Water Tower. The District's agreement with 307 Digital required a total payment of \$475,000 for such rights. It further provided that a payment of \$33,918.98 received from another entity under a lease agreement for telecommunications space would be credited towards the 307 Digital's total obligation.

**APPRECIATION LETTER FROM BURNSIDE MUNICIPAL WATER WORKS**

Superintendent Whitaker informed the Board of the District's receipt of a letter from Burnside Municipal Waterworks thanking the District for its assistance after a catastrophic tornado struck Pulaski County on May 17, 2025.

**MINI WATER TREATMENT PLANT DEMONSTRATION FOR WHITLEY CITY ELEMENTARY SCHOOL (MAY 29, 2025 & JUNE 23, 2025)**

Superintendent Whitaker reported to the Board that that District employees provided a demonstration of the District's water treatment process to Whitley City Elementary School students at programs conducted on May 29 and June 23.

**TOUCH-A-TRUCK EVENT FOR MCCREARY COUNTY READERS TO LEADERS STORY BOOK TRAIL GRAND OPENING, JUNE 21, 2025**

Superintendent Whitaker reported to the Board that the District made available a sewer truck to the Touch-A-Truck event, which marked the grand opening of the Readers to Leaders Story Book Trail situated at McCreary County Park.

**COMMISSIONER TRAINING JULY 22-23, 2025 IN OWENSBORO**

Superintendent Whitaker reminded the Board that Chairman Kidd and Secretary Mark Sumner are scheduled to participate in the Kentucky Public Service Commission water district management training to take place in Owensboro on July 22-23. He and James Taylor will also attend.

Commissioners Raymond Taylor, Doug Sexton, and Coy Taylor are registered for the water district management occurring training on October 21-22 at Pine Mountain State Park.

**KRWA 46<sup>TH</sup> ANNUAL BUSINESS MEETING NOTICE & VOTING CREDENTIALS (AUGUST 19, 2025)**

Superintendent Whitaker requested that the Board authorize him to vote on the District's behalf at the upcoming Kentucky Rural Water Association's (KRWA) 46<sup>th</sup> Annual Business Meeting. Raymond Taylor moved that the Board authorize Superintendent Whitaker to vote on the District's behalf at KRWA's upcoming 46<sup>th</sup> Annual Business Meeting. Coy Taylor seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Randy Kidd, and Raymond Taylor. Against: None. Absent: Mark Sumner.

**APPROVAL 5/8" x 3/4" NEW TAP FEE INCREASE (TFS2025-00266) TO \$1,550**

Superintendent Whitaker informed the Board Public Service Commission (PSC) approved, effective June 1, 2025, the District's proposed increase in its meter connection charge for 5/8" x 3/4" meter connections to \$1,550 from \$800 to \$1,550.

**PFAS PHASE I 3M SETTLEMENT ACCELERATED PAYMENT PROGRAM**

Superintendent Whitaker updated the Board regarding the PFAS Phase I 3M Settlement Accelerated Payment Program. At present, 3M payments are set to be distributed over a period exceeding 8 years, concluding in 2033. Rather than waiting for annual payments until 2033, the District has the option to receive a substantial lump-sum payment immediately. The Accelerated Payment Program is dependent on NS PR Law Services, LLC (Napoli Shkolnik Attorneys At Law) securing financing. The operation of the program is as follows: 65% of the total funds will be disbursed with no fees and will be allocated as planned (by September 2025), while the remaining 35% will be paid out in full with a nominal transaction fee. The illustrations provided by Napoli Shkolnik Attorneys via email included a comparison of the costs associated with waiting versus opting for lump-sum payments as opposed to annuity payments. To participate in the Accelerated Payment Program, the District must execute

a letter of intent before the end of June 2025. The letter of intent, however, is not legally binding on the District and the District retains the right to decline to participate in the program.

Coy Taylor made a motion to authorize the Superintendent to execute a Letter of Intent Regarding Monetization of Legal Fees. Doug Sexton seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Randy Kidd, and Raymond Taylor. Against: None. Absent: Mark Sumner.

### **NEW TRUCK**

Superintendent Whitaker advised the Board that the District is in urgent need of an additional truck. Currently, four trucks are in very poor condition, each having mileage exceeding 250,000 miles. The District has obtained a price quote of \$59,000 from Don Franklin for an automatic, gasoline-powered 3500 single wheel crew cab, 4 x 4, equipped with a service bed. Superintendent Whitaker requested authorization to publish a request for bids for such a vehicle.

Doug Sexton moved that the District publish a request for bids for such vehicle in accordance with KRS 424.260. Coy Taylor seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Randy Kidd, and Raymond Taylor. Against: None. Absent: Mark Sumner.

### **HTT SCADA FOR ZONE METERING PROJECT**

Superintendent Whitaker discussed with the Board about the District's Zone Metering Project. The District's distribution system has been divided into zones to detect leaks more easily. The volume of water flowing into a zone is compared to the zone's actual customer usage to determine the existence of leaks. This approach has already proven effective in locating two (2) significant leaks in the northern part of the District. The District has installed six (6) zone meters, each of which must be manually read.

Superintendent Whitaker stated that the District has been using telemetry with water towers, booster pump stations, and similar infrastructure for over 20 years and recommended installing telemetry on each of these zone meters. The estimated cost to install telemetry on the six zone meters is \$46,800. He asserts that the investment will be recouped through the reduction of water loss. Currently, the District has an estimated water loss of about 13.7 percent.

Raymond Taylor made a motion to authorize the District to publish a request for bids in accordance with KRS 424.260 for the installation of telemetry on the six zone meters. Doug Sexton seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Randy Kidd, and Raymond Taylor. Against: None. Absent: Mark Sumner.

### **VOLUNTEER LANDFILL**

Superintendent Whitaker reported to the Board about the proposed Roberta Phase Two landfill and the violations of Tennessee regulations regarding runoff from the existing Volunteer landfill. He noted

that the District had never received any notice of the Volunteer Landfill's violations from any state agency. Upon learning of the violations and the substances in the landfill runoff and effluent, the District will begin testing for those substances in its raw water supply. It is especially concerned about contamination, as runoff or spills as its raw water is approximately 20 miles downstream from the existing Volunteer Landfill. Current water testing procedures, as required by the state of Kentucky, do not encompass all tests necessary to specifically detect arsenic, cobalt, barium and the different metals that are generated from leachate.

The District contacted the Kentucky Division of Water and Thermodyne Engineering to assess the leachate parameters and determined that raw water should be tested for various metals present in leachate. The District will test at three (3) distinct locations: upstream from the landfill, downstream from the landfill, and at the District's intake compliance sampling point. Superintendent Whitaker noted that while testing is costly and the dilution factor is considerable, not testing could result in significant financial losses, damage to District's reputation, and disruptions in operations.

Superintendent Whitaker reported on discussions with McCreary County officials and local Scott County, Tennessee officials regarding the violations and the proposed landfill expansion. The local officials have agreed to form the Scott and McCreary County Environmental Coalition. The coalition aims to address environmental and health concerns related to the existing Volunteer Landfill and the planned Roberta Phase Two Landfill expansion.

Superintendent Whitaker informed the Commissioners that if approached by the public, they should respond that the District is cognizant of the situation and has initiated testing and monitoring for contaminants at three (3) different locations, one of which is at the raw water intake.

#### **LATE FEE PENALTY**

Chairman Kidd expressed the desire to further explore the late fee penalty. He asked whether any commissioner had considered this issue since the last meeting. Commissioner Raymond Taylor responded that he was uncertain about potential solutions. Commissioner Sexton raised the possibility of waiving the fee for first-time offenders. Commissioner Raymond Taylor remarked that any concessions made for one customer must be extended to all customers, including the Prison, Job Corp, and others, which complicates matters due to the significant late fee imposed on the Prison.

Mr. Kidd asked if some customers could be treated differently classes. Mr. Wuetcher indicated that larger customers, such as Fibrotex, Job Corp, and the Prison, could be treated differently from residential customers and might be subject to a different penalty fee. The PSC has permitted some utilities to include provisions in their tariffs permitting the utility to waive of one late payment fee every 12 months for residential customers. Mr. Kidd questioned whether a smaller late payment penalty percentage could be assessed to residential customers. After reviewing information regarding the number of late fees incurred each month, Board members agreed that the current late fee penalty should not be changed at this time.

## PROJECT DISCUSSION

Engineer Robinson indicated that there are currently five (5) projects underway.

The **Cumberland Falls Sewer Extension Project** appears to be gaining momentum, with monthly meetings on the project with the State Parks Department beginning today.

Mr. Robinson mentioned that the **AC Waterline Project** is anticipated to receive funding next spring through the KYWWATERS program, which consists of both a grant and a loan. The design phase is 90% complete.

Efforts are still ongoing for the **Flatrock Waterline and BPS Replacement Project** in getting the Preliminary Engineering Report (PER) and all the design ready.

The **Various Improvements Project** is in the process of finalizing quotes.

The **WTP A – Expansion Project** is making gradual progress on the design.

He noted that a potential future project to consider could be a carbon initiative at WTP B, particularly considering the ongoing issues with the landfill.

## LEGAL

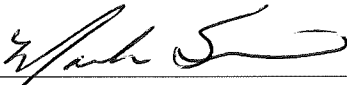
Mr. Wuetcher reported that the PSC has released a procedural schedule for the rate cases and has ordered the District to respond to PSC Staff's initial request for information no later than July 17. A supplemental request for information is likely. PSC Staff's report on the proposed rate adjustments is scheduled to be released by October 2. A final decision on the rate applications is likely before the end of the year.

Mr. Taylor also mentioned that he had not received any communication from Zion Marine regarding the invoice related to the work at the intake. It was agreed that no action would be taken at this time and that the District would wait for them to reach out.

With no further discussion, Coy Taylor made a motion to adjourn. Raymond Taylor seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Randy Kidd, and Raymond Taylor. Against: None.

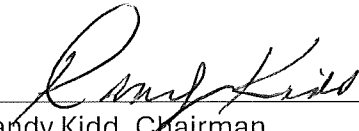
Meeting adjourned at 10:35 a.m.

Respectfully submitted,



\_\_\_\_\_  
Mark Sumner, Secretary

Date Approved: 07/29/2025

BY: \_\_\_\_\_  
Randy Kidd, Chairman



**JULY 29, 2025**

Superintendent Stephen Whitaker called the meeting to order at 9:01 a.m. The following board members were present: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Raymond Taylor. Also attending were Stephen Whitaker, Superintendent; Derrick Taylor, Assistant Superintendent; Alan Robinson, Eclipse Engineering, PLLC; and James Taylor, James Taylor Law Offices, PLLC. Tina Frederick, Stoll Keenon Ogden PLLC, participated by videoconference.

Raymond Taylor made a motion to approve the minutes of the June 24, 2025 regular board meeting. Coy Taylor seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Raymond Taylor. Against: None.

#### **KRWA 46<sup>TH</sup> ANNUAL CONFERENCE AUGUST 18-20, 2025**

Superintendent Whitaker reminded the Board that the upcoming KRWA Annual Conference will take place in Louisville on August 18-20. The District will register any Board member for the conference who wishes to attend.

#### **PROCUREMENT POLICY (REVISION)**

Superintendent Whitaker advised the Board about proposed revisions to the District's procurement policy. The District adopted a Purchasing and Contracts Policy in December 2020 that incorporated the requirements of KRS 424.260. The General Assembly in 2023 amended KRS 424.260 to increase the minimum requirement for the newspaper advertisement for bids for the purchase of goods and services from \$30,000 to \$40,000. The proposed revision revises the District's Purchasing and Contracts Policy to reflect this statutory change.

The Superintendent also brought to the Board's attention a provision in the Policy's Small Purchase Procedures section that permits the Superintendent to make the purchasing decision for any purchase that \$10,000 or less, provided the expenditure is set forth in the budget or the funds are available for the purchase, and recommended that the limit on this purchasing authority be increased.

After discussion on both proposed revisions, Coy Taylor made a motion to revise the District's Procurement Policy to (1) increase the Superintendent's authority to make purchases without Board approval to purchases no greater than \$30,000 provided the funds are available; and (2) require the newspaper publication of a request for bids for any purchase of goods and services that exceeds

\$40,000. Mark Sumner seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Raymond Taylor. Against: None.

The Superintendent suggested that a formal, written resolution be presented to the Board at its next meeting to evidence these revisions in writing. All board members agreed with the suggestion.

**MCCREARY COUNTY MUSEUM SPONSORSHIP**

Superintendent Whitaker advised that the McCreary County Heritage Foundation has requested a donation for the sponsorship of the McCreary County Museum. While noting that the District had previously made donations to support physical improvements to the Museum in conjunction with McCreary County Fiscal Court, he stated that Fiscal Court had not requested that the District make any contribution this year and recommended that no donation be made. Chairman Kidd agreed. No additional action was taken on the request.

**WATER & SEWER RATE APPLICATIONS**

Superintendent Whitaker advised the Board on the status of the District's applications to the Public Service Commission for adjustments in its rates for water and sewer service. The District had filed responses to the Commission Staff's First Request for Information and a second request was expected to be issued early next month. Ms. Frederick described the procedure that the Public Service Commission would follow to review the District's applications. She anticipated the Commission issuing its final decision of the applications no later than early January 2026. She foresees a final order in the rate case in December or early January 2026.

**LATE PAYMENT PENALTY CHART FOR 2023 & 2024**

In response to an inquiry and request from Chairman Kidd in a prior Board meeting, Superintendent Whitaker presented a chart showing the assessment of late payment penalties in 2023 and 2024. In 2023, the District assessed late payment fees totaling \$93,793.89 for 8,618 delinquent bills. In 2024 it assessed late payment penalties totaling \$123,752.26 for 13,955 delinquent bills. Mr. Whitaker explained that increase in the assessment of late payment penalties in 2024 was due to the implementation of the District's new billing system in 2023. The District did not assess any penalties in June or July 2023 because of the problems with the new billing system. It also elected not to assess any penalties for late payment in September and October 2023 because of problems with the implementation of a new online billing platform. Because of these problems, the late payment penalties could not be fairly and uniformly assessed, and the District wished to avoid arbitrary assessment of penalties.

**PSC PERIODIC WASTEWATER COMPLIANCE INSPECTION**

Superintendent Whitaker informed the Board that the Public Service Commission performed a Compliance Inspection on the District's wastewater facilities on June 30, 2025. The Public Service

Commission found no deficiencies in the facilities, made no recommendations for improving operations, and commended the District for the current state of its facilities.

#### **VAC TRUCK DEMO AUGUST 5, 2025**

Stephen Whitaker advised the Board of his discussions with other water utility officials about hydro-excavation. He noted that hydro-excavating is a safer method of repairing water leaks, installing water lines, and performing any excavation due to its ability to safely remove dirt and debris by exposing potential underground electrical, water, cable, telephone lines without damaging them. He provided instances in which the District could have avoided damage to facilities and property of customers and other parties through the use of hydro-excavating technology.

Superintendent Whitaker has contacted 502 Equipment and scheduled the delivery of a vac truck to the District on August 5, 2025, for demonstration purposes. The District will be charged a rental fee for one month's usage but will have an option to purchase. A vac truck is a truck-mounted tank that is non-invasive and uses a powerful vacuum pump to vacuum up liquids, sludges, and solids from various locations for transportation to a treatment or disposal site. It can be used for a range of tasks, including cleaning sewers, clearing sites of debris, and safely excavating around underground utilities. It works by creating a vacuum, generating suction, and then collecting, transporting, and disposing of materials. It uses high-pressure water to loosen the soil, which is then suctioned up along with the water and debris, often to safely expose underground utilities.

The demonstration model has a mileage of 3,000 miles and one hundred hours of usage. Its purchase cost is \$379,855.63, which includes a one-year warranty. Assistant Superintendent Taylor shared a YouTube video of the vac truck and its uses with the Board. Superintendent Whitaker suggested that funding for the purchase of the truck could be obtained through the Kentucky Infrastructure Authority ("KIA") (Fund C) at an interest rate of two percent. The District would have to apply to KIA and receive its approval for such loan. Prior to making any purchase, the District would be required to publish a request for bids to provide a vac truck. Any financing arrangement would likely require authorization from the Public Service Commission.

Superintendent Whitaker requested authorization to investigate financing options for the purchase of a vac truck, to include the submission of a project profile and application to KIA.

Doug Sexton made a motion to authorize Superintendent Whitaker to investigate options to finance the purchase of a vac truck or similar equipment, and to create and submit to KIA a project profile for such purchase. Mark Sumner seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Raymond Taylor. Against: None.

**BID OPENING FOR NEW TRUCK**

Superintendent Whitaker announced the bid opening for the new service truck with a utility service bed, 4x4, and crew cab. There were two (2) bidders. Buster Miles Chevrolet submitted a bid to provide the following vehicle type at a unit cost of \$63,000: Ford F-250, single wheel, panel truck, crew cab, 4x4 with automatic transmission. Don Franklin Somerset Chevrolet, Buick, and GMC (“Don Franklin”) submitted a bid to provide the following vehicle type at a unit cost of \$62,995: Dodge 3500 single wheel, panel truck, crew cab, 4x4, and automatic transmission. Both trucks are gasoline powered.

Noting that the Dodge 3500 model was larger than the Ford F-250 model, Superintendent Whitaker recommended the Board accept Don Franklin’s bid and purchase two (2) trucks for \$62,995 each, one (1) for the water division and one (1) for the sewer division. Raymond Taylor made a motion to accept the Don Franklin bid and authorize the District’s purchase two (2) Dodge 3500 6.4 gasoline powered HEMI trucks at \$62,995 each. Mark Sumner seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Taylor. Against: None.

**BID OPENING FOR SCADA SYSTEM FOR ZONE METERING PROJECT**

Superintendent Whitaker announced the bid opening for six Solar Kit Cellular Units to be installed with the High Tide Technologies Scada System the District currently uses. Wascon was the only bidder. It offered to sell to the District three (3) Gen 2 Solar Kit Cellular Units at a per unit cost of \$8,800, or a total of \$26,400. These kits include: RemotePro 17W Cont Remote Power Systems; 85W Solar Panels with mount – 100Ah Battery Bank; 10”x12” Enclosures; 24V DC Surge Suppressor with analog inputs; 12V 20A PWM Solar Controllers; 0-300 PSI NPT Transducers; Recurring Comms Plan/Cellular/2 min Reporting; first year comms included / \$420 per year thereafter. Its bid also included an offer to sell to the District three (3) Gen 2 Solar Kit Cellular Units at a per unit cost of \$7,550, or a total of \$22,650. These kits include: RemotePro 17W Cont Remote Power Systems; 100Ah Battery Bank (does not include panels); 10”x12” Enclosures; 24V DC Surge Suppressor with analog inputs; 12V 20A PWM Solar Controllers; 0-300 PSI NPT Transducers; Recurring Comms Plan/Cellular/2 min Reporting; first year comms included / \$420 per year thereafter. The total amount of Wascon’s offer was \$49,050. Coy Taylor made a motion to accept Wascon’s bid and to authorize the District’s purchase of the six (6) Gen 2 Solar Kit Cellular Units at a total cost of \$49,050. Raymond Taylor seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Raymond Taylor. Against: None.

**EMPLOYEE DISCUSSION ( [REDACTED] )**

Superintendent Whitaker stated that [REDACTED] has not been able to work since January 10, 2025. He was involved in a motor vehicle accident involving his personal vehicle during non-work hours on January 11, 2025. [REDACTED] has exhausted his short-term disability insurance coverage and will be invoking his long-term disability coverage. Superintendent Whitaker advised the Board that the

District would seek legal advice from Attorney Elizabeth Muyskens on how to address [REDACTED]'s situation.

**EMPLOYEE DISCUSSION ([REDACTED])**

Superintendent Whitaker recommended to the Board that the District hire [REDACTED] for a full-time position in light of [REDACTED] absence.

Doug Sexton made a motion that the District hire [REDACTED] to a full-time position with benefits. Mark Sumner seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Raymond Taylor. Against: None.

**EMPLOYEE DISCUSSION ([REDACTED])**

Superintendent Whitaker recommended to the Board that the District hire [REDACTED] to a full-time position.

Raymond Taylor made a motion that the District hire [REDACTED] to a full-time position with benefits. Mark Sumner seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Raymond Taylor. Against: None.

**KLC INSURANCE CLAIM FROM MARCH'S WINDSTORM DAMAGE TO PRISON PUMPS (\$47,950)**

Superintendent Whitaker advised the Board that on June 20, 2025, the Kentucky League of Cities issued a payment of \$47,950 to the District in response to its claim (Claim #732114) for damage to the Prison pumps caused by a March 2025 windstorm.

**CINTAS WORKPLACE SOLUTIONS COOPERATIVE ACCEPTANCE AGREEMENT**

Superintendent Whitaker presented to the Board a proposed agreement with Cintas Corporation No. 2 ("Cintas") for uniform rental products and services, including uniforms, shop towels, rugs, and other weekly maintenance items. The agreement extends to the District such products and services under the same terms as provided under a master cooperative purchase agreement executed between the University of Nebraska and Cintas and requires the District to be bound by the terms of that master cooperative purchase agreement. Under the terms of the agreement, the District may terminate the agreement after 24 months.

After discussion of the agreement's terms, Doug Sexton made a motion to authorize the District's entry into the Cintas Cooperative Acceptance Agreement with the understanding that the agreement's operation will be reviewed by the Board prior to end of the 24-month period to determine if the District should terminate the Agreement. Mark Sumner seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Raymond Taylor. Against: None.

### **BOIL WATER ADVISORY FOR 7.27.2025**

Superintendent Whitaker informed the Board that the District had to issue a Boil Water Advisory yesterday for the Holly Hill area to the Whitley County line, including the 3-C Loop Road and all side roads.

### **MONTHLY FINANCIAL STATEMENTS**

Superintendent Whitaker advised the Board that the financial statements presented to the Board for this meeting do not reflect the \$225,000 that the U.S. Bureau of Prisons currently owes the District for utility service.

### **PROJECT DISCUSSION**

Engineer Robinson stated Eclipse Engineering is working on the **Cumberland Falls Sewer Project**, but the project remains dependent upon receiving additional funding which will be considered by the Kentucky General Assembly at its next legislative session.

The District is applying for the second round of funding through the KY WWATERS Program for the **Phase I AC Waterline Replacement Project**.

The **Flatrock Waterline and BPS Replacement Project** is in design.

The **Water Treatment Plant A-Expansion Project** is still in progress.

The **Various Improvements Project** is ready for a reimbursement draw to close it out.

### **LEGAL**

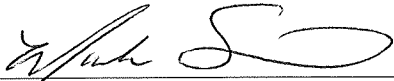
Superintendent Whitaker advised the Board of dispute with Unifirst over an alleged contract executed in May 2024. He stated that in May 2024 a Unifirst representative presented Assistant Superintendent Derrick Taylor with a one-sided, single page document that was represented as a revised pricing schedule and requested that he sign the document to acknowledge the District's receipt of the schedule. Subsequently, Unifirst presented the document as a double-sided document with terms and conditions indicating the document was a written agreement obligating the District to obtain uniform rental products and services for five years. The District has disputed Unifirst's claims that the document is a legally enforceable contract. In a written response to Unifirst's legal counsel, Mr. Wuetcher asserted several legal defenses, including that the alleged contract was procured through misrepresentation, that Mr. Taylor lacked the legal authority to execute any contract without Board authorization, and that no agreement could have been made without first a newspaper publication of a request for bids. Ms. Frederick advised the Board that Unifirst had not responded to Mr. Wuetcher's response.

**OTHER**

With no further discussion, Coy Taylor made a motion to adjourn. Mark Sumner seconded the motion. Voting in favor: Coy Taylor, Doug Sexton, Mark Sumner, Randy Kidd, and Raymond Taylor. Against: None.

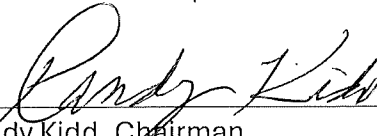
Meeting adjourned at 10:28 a.m.

Respectfully submitted,



\_\_\_\_\_  
Mark Sumner, Secretary

Date Approved: 8/27/2025

BY:   
\_\_\_\_\_  
Randy Kidd, Chairman