

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

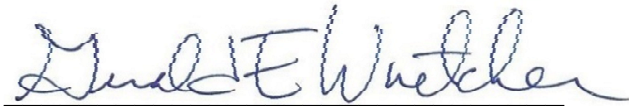
**ELECTRONIC INVESTIGATION INTO)
THE STATUS OF THE POTENTIAL)
EXPANSION OR REPLACEMENT OF) CASE NO. 2025-00259
THE BULLOCK PEN WATER)
DISTRICT TREATMENT PLANT)**

**RESPONSE OF BULLOCK PEN WATER DISTRICT
TO COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**

Bullock Pen Water District submits its Response to the Commission Staff's
First Request for Information.

Dated: September 24, 2025

Respectfully submitted,



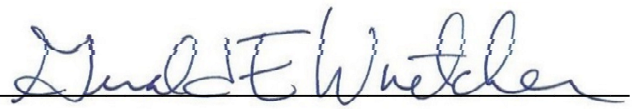
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Counsel for Bullock Pen Water District

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 24, 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

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THE STATUS OF THE POTENTIAL	)	
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THE BULLOCK PEN WATER	)	
DISTRICT TREATMENT PLANT	)	

RESPONSE OF BULLOCK PEN WATER DISTRICT
TO COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION

FILED: September 24, 2025

VERIFICATION

COMMONWEALTH OF KENTUCKY)

) SS:

COUNTY OF GRANT)

The undersigned, Paul Harp, being duly sworn, deposes and states that he is the General Manager of Bullock Pen Water District and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.



Paul Harp

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 24th day of September 2025.



(SEAL)
Notary Public

My Commission Expires: 2-6-2028

Notary ID: KYNP2160

BULLOCK PEN WATER DISTRICT

Response to Commission Staff's First Request for Information Case No. 2025-00259

Question No. 1-1

Responding Witness: Paul Harp

- Q 1-1. Provide an update on the status of Bullock Pen District's current plans regarding the potential expansion or replacement of its Water Treatment Plant (WTP) to adequately address its future need to provide service to its customers.**
- a. Provide copies of all studies and/or analyses prepared to review the expansion or replacement of the Water Treatment Plant.**
 - b. Provide copies of all cost estimates for Bullock Pen District's current plans.**

- A-1-1. A timeline of events regarding Bullock Pen Water District's ("the District") decision to construct a two million gallon per day ("MGD") water treatment plant to replace its current water treatment plant is attached Attachment 1-1.**

The District's current plant is a conventional mixed media water treatment plant with a rated capacity of 1.1 MGD. The plant was constructed in 1961 and was expanded in the late 1980s. Because of its age and present condition and current water quality standards, the current water treatment plant's average daily production is 0.40 MGD.

In 2021 HMB Professional Engineers, Inc. conducted a study of the District's existing water treatment plant and alternatives for addressing the District's water supply needs. It recommend that the District retire its existing water treatment plant and construct a new plant.

In 2023, the District acquired a 12.97 acre parcel of land adjacent to its existing water treatment plant as a site for the new plant at a cost of \$350,000. **No facilities have been constructed on the parcel or in connection with the proposed water treatment plant. The parcel has not been altered in any manner since its acquisition.** The only work on

the parcel has been geotechnical drillings to collect samples and to perform in-place tests to assess the property's subsurface soil, rock, and groundwater conditions. Such tests are necessary to determine the most technically feasible location for the plant on the property. This work was conducted in late May 2025.

The District has submitted proposed plans and specifications for the plant and other system improvements to the Kentucky Division of Water ("KDOW") for its review and approval. KDOW employees have reviewed and commented on the proposed plans, and the District has responded to those comments. The District is currently awaiting KDOW's reply to the District's response.

The Kentucky Department of Fish and Wildlife ("the Department") holds the deed to Bullock Pen Lake and acts as the steward for the Lake and surrounding public land, except for the water district property and local private landowners. The District currently is authorized to withdraw up to 850,000 gallons of water daily from the Lake in May through September and to withdraw 750,000 gallons of water at all other times. The District has sought the Department's approval to increase the volume of its daily withdrawals. The District and the Department have engaged in discussions for more than four years and have been negotiating a tentative memorandum of agreement that would permit increased withdrawals from Bullock Pen Lake but impose conditions on those withdrawals to ensure that the Lake remains at appropriate levels, compensate the Department should a decline in the Lake's water levels require the relocation or reconstruction of an existing boat ramp or the construction of new boat ramps, and safeguard recreational use activities.

In August 2021, the Department advised the District that it could permit the District to withdraw water from the Lake at a rate of 1.5 MGD until the Lake lowered to an elevation of 759 feet, at which time the allowable withdrawal rate would be reduced to 0.5 MGD until the Lake rose above 759 feet. See Attachment 1-2. Such permission, however, was conditioned upon the District providing maintenance to the Lake's boat ramp and parking area. It was further conditioned upon the District providing up to \$50,000 for the construction of an additional boat ramp lane at the Lake to permit public access to deeper water. The District's obligation to provide these funds would be triggered when water levels at the Lake declined to a level rendering the existing boat ramp unusable for two consecutive weeks.

The District agreed to these conditions, and a draft memorandum of agreement (“MOA”) was prepared but has yet to be executed. A copy of the draft MOA is attached as Attachment 1-3. In 2025 the District requested that the Department consider revising the withdrawal rates to 1.7 MGD until the Lake lowered to an elevation of 759 feet, at which time the allowable withdrawal rate would be reduced to 0.7 MGD until the Lake rose above 759 feet. The parties have yet to agree on a final version.

On July 15, 2025, the Department and the District hosted a public meeting at the Grant County Public Library concerning the District’s proposed plan for a new water treatment plant.

The estimated total cost of the water treatment plant, along with some additional distribution system improvements, is \$19,782,000. The District proposes to finance the cost of the proposed water treatment plant with loans from the Drinking Water State Revolving Fund (“DWSRF”) and Rural Development and previously awarded Cleaner Water Program Grants. The District has applied to the Kentucky Infrastructure Authority (“KIA”) for a DWSRF loan. On July 31, 2025, KDOW certified that the District is eligible to receive \$15,208,119 from the DWSRF. KIA Staff has recommended approval of the loan application. At its August 7, 2025 meeting, the KIA Board considered the application and deferred action on the loan until a completed project feasibility study is provided.

The District is currently preparing an application to Rural Development (“RD”) for a loan of \$4,269,417. It has discussed the proposed loan with RD representatives and expects to submit its application to RD within the next 90 days.

The District also intends to use approximately \$304,464 in Cleaner Water Program grants which were awarded in 2021 and 2022 towards the cost of replacement water treatment plant.

The District recently retained Kentucky Rural Water Association to perform an analysis of the costs of the two most feasible options for replacing the District’s existing water treatment plant: (1) the construction of a new water treatment plant; and (2) the purchase of all water requirements from neighboring water utilities. A copy of this analysis will be provided to the Commission upon its completion.

- a. See Attachment 1-4 and Attachment 1-5. Attachment 1-4 compares the cost of purchasing the District's total water requirements with the cost of constructing a new treatment plant over a thirty-year period. The comparison considers the total cost of the new infrastructure necessary to permit the District to purchase its total water requirements at three levels: \$5,000,000, \$7,000,000, and \$10,000,000.

Attachment 1-5 shows a comparison of the thirty-year cost of constructing a new water treatment plant with the cost of purchasing the District's total water requirements. The purchased water alternative uses a weighted average purchased water rate that reflects additional purchases from the Boone-Florence Water Commission and the estimated cost of infrastructure improvements to purchase a greater volume of water from the Boone-Florence Water Commission (either directly or through the Boone County Water District).

Excel spreadsheet versions of each attachment are embedded in this Response as Attachment 1-4.xlsx and Attachment 1-5.xlsx. and can be accessed using Adobe Acrobat Reader or similar PDF reader.

- b. See Attachment 1-6 for a preliminary project cost estimate that Kentucky Engineering Group prepared in December 2024.

ATTACHMENT 1-1

TIMELINE

Date	Event
04/16/1997	Bullock Pen Water District is issued a revised Permit to Withdraw Public Water from Bullock Pen Lake (850,000 GPD maximum for months of May through September; 750,000 GPD maximum for all other months)
06/24/2021	HMB Professional Engineers, Inc. issues Water Treatment Plant Feasibility Study in which it recommends construction of a new water treatment plant
08/30/2021	Department of Fish and Wildlife advises Bullock Pen Water District by letter that it could permit the District to withdraw water from Bullock Pen Lake at a rate of 1.5 MGD until the Lake lowered to an elevation of 759 feet, at which time the allowable withdrawal rate would be reduced to 0.5 MGD until the Lake rose above 759 feet
10/01/2021	Repairs to Bullock Pen Lake Dam completed
09/16/2023	Bullock Pen Water District applies to Public Service Commission for a declaratory order that no certificate of public convenience and necessity is required for the purchase of Catlett property
10/06/2023	Public Service Commission issues declaratory order that no certificate of public convenience and necessity is required for the purchase of Catlett property
08/21/2024	Bullock Pen Water District Board of Commissioners declines to apply for funding from KY WWATERS program for water treatment plant
09/19/2024	Bullock Pen Water District Board of Commissioners authorizes application to Kentucky Infrastructure Authority for a loan of approximately \$15,000,000 from the Drinking Water State Revolving Fund for water treatment plant project
11/21/2024	Bullock Pen Water District forms a Water Treatment Plant Project Committee to develop an overall strategy and educational program for the water treatment plant project
02/01/2025	Bullock Pen Water District submits plans and specifications for proposed water treatment plant and various system improvements to the Kentucky Division of Water
03/20/2025	At Senator Gex Williams' request, a meeting of representatives from Bullock Pen Water District, Boone County Water District, Northern Kentucky Water District, Boone-Florence Water Commission, a representative from Rep. Thomas Massey's office, and State Senator Gex Williams to discuss public water systems in northern Kentucky is held

TIMELINE

Date	Event
04/09/2025	Bullock Pen Water District representatives meet with Rural Development officials to discuss District's request for financing for proposed water treatment plant
04/16/2025	Bullock Pen Water District representatives meet with Department of Fish and Wildlife representatives to discuss increasing withdrawal limits above those set forth in 08/30/2021 letter
04/17/2025	State Senator Gex Williams requests that Kentucky Division of Water conduct public meeting on Bullock Pen Water District's application to withdraw 1.5 MGD from Bullock Pen Lake, conduct a biological review of the proposed water withdrawal increase, and require a financial analysis of alternatives
05/12/2025	Bullock Pen Water District representatives meet with representatives of Boone-Florence Water Commission to discuss procedure for the District to join the Water Commission; District representatives advised that District would be required to bear the cost of a feasibility study to establish necessary infrastructure to permit the District to purchase all water from the Water Commission and the cost of such infrastructure
06/30/2025	Bullock Pen Water District Board of Commissioners votes to retain Robert Miller of Kentucky Rural Water Association to prepare analysis of supply alternatives
07/15/2025	Department of Fish and Wildlife and Bullock Pen Water District hosted a public meeting concerning the District's proposed plan for a new water treatment plant.
07/31/2025	Kentucky Division of Water certifies to Kentucky Infrastructure Authority that Bullock Pen Water District is eligible to receive \$15,208,119 from the Drinking Water State Revolving Fund
08/07/2025	Kentucky Infrastructure Authority meets to consider Bullock Pen Water District's application for a loan of \$15,208,119 from the Drinking Water State Revolving Fund; KIA Staff recommends approval of application with conditions; Board defers action on application pending submission of analysis of alternatives

ATTACHMENT 1-2



**TOURISM, ARTS AND HERITAGE CABINET
KENTUCKY DEPARTMENT OF FISH & WILDLIFE RESOURCES**

Andy Beshear
Governor

#1 Sportsman's Lane
Frankfort, Kentucky 40601
Phone (502) 564-3400
Fax (502) 564-0505

Mike Berry
Secretary

Rich Storm
Commissioner

August 30, 2021

Bullock Pen Water District
Attn: Charles Givin, Chairman
1 Farrell Drive
Crittenden KY 41030

Re: Bullock Pen Lake Water Withdrawal

Dear Mr. Givin,

The Kentucky Department of Fish and Wildlife Resources has analyzed the model results produced by DOW for different withdraw rates from Bullock Pen Lake. We have determined we can allow a 1.5 Million Gallons per Day (MGD) withdraw rate until the lake lowers to elevation 759' MSL. Once the lake drops to elevation 759' MSL, then a withdraw rate of 0.5 MGD will be permissible until the lake rises above 759'.

In exchange for the water, KDFWR is requesting Bullock Pen Water District (BPWD) to provide routine maintenance to the boat ramp and associated parking area. Routine maintenance shall include mowing the grass, weed eating, picking up trash and spraying for noxious weeds in the rip rap.

KDFWR is also requesting for BPWD to fund the construction of an additional boat ramp lane allowing access to deeper water. BPWD shall not be required to provide the funding until the lake drops to a level where the current boat ramp is not usable for a consecutive 2 weeks. KDFWR shall determine at what level the boat ramp is no longer safe to use as the water is dropping. KDFWR is asking BPWD to agree to pay up to \$50,000 for the construction of this additional lane.

This letter is to serve as our intent for the water withdraw request. KDFWR and BPWD will formally enter into an agreement by executing a Memorandum of Agreement prepared by KDFWR. If BPWD is agreeable to the terms in this letter KDFWR will draft an MOA accordingly.

Sincerely,

Michael Scott, PE
Director
Engineering, Infrastructure and Technology Div.

Cc: Phillip Benton Hanson PE, HMB Professional Engineers, Inc.
Chloe Brantley, Division of Water



ATTACHMENT 1-3

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is entered into by and between the BULLOCK PEN WATER DISTRICT, a water district created pursuant to Chapter 74 of the Kentucky Revised Statutes, whose address is 1 Farrell Drive, Crittenden, KY, 41030 (“District”), and the KENTUCKY DEPARTMENT OF FISH & WILDLIFE RESOURCES, TOURISM ARTS & HERITAGE CABINET, 1 Sportsmen’s Lane, Frankfort, KY, 40601 (“Fish & Wildlife”), and is intended to memorialize the understanding between the District and Fish & Wildlife relating to the withdrawal of water from Bullock Pen Lake.

WITNESSETH:

WHEREAS, Fish & Wildlife owns and controls Bullock Pen Lake located in Crittenden, Grant County, Kentucky, and

WHEREAS, the District owns and operates a Water Treatment Plant Facility abutting Bullock Pen Lake, and

WHEREAS, the District has in the past withdrawn water from Bullock Pen Lake for the purpose of processing and distribution of water for public use to the District’s customers, and

WHEREAS, the District and Fish & Wildlife reached a preliminary understanding outlined in correspondence dated August 30, 2021 (attached), whereby the District was permitted to withdraw water from Bullock Pen Lake subject to certain conditions, and

WHEREAS, the District is in the process of designing and constructing a new Water Treatment Plant facility (“WTP”) effectively replacing its current Water Treatment Plant, and

WHEREAS, the District and Fish & Wildlife intend to enter into an agreement to memorialize and outline all terms and conditions of the District’s continued withdrawal of water from Bullock Pen Lake.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, the District and Fish & Wildlife acknowledge the following commitments:

1. **PURPOSE:** The purpose of this MOU is to outline the intent, terms, conditions and obligations of the District and Fish & Wildlife with respect to the District’s withdrawal of water from Bullock Pen Lake for processing at the District’s WTP.
2. **PROPOSED TERMS:** The District and Fish & Wildlife understand and acknowledge that the basic terms and conditions of this Agreement to be negotiated shall include at a minimum the following:

- a. The District may withdraw from Bullock Pen Lake 1,500,000 gallons per day (“MGD”) so long as Bullock Pen Lake remains at a water level of 759 feet MSL or above.
 - b. In the event Bullock Pen Lake level should fall below 759 feet, the District may withdraw 500,000 GD.
 - c. The District shall maintain a device that accurately measures and records water levels at Bullock Pen Lake. The District shall notify Fish & Wildlife in the event water levels fall below 759 feet MSL.
 - d. The District shall provide routine maintenance of the boat ramp and adjoining parking area currently servicing Bullock Pen Lake. Routine maintenance shall include at a minimum mowing of grass, weed eating, picking up trash and spraying of noxious weeds in the riprap areas.
 - e. In the event Fish & Wildlife undertakes the relocation or reconstruction of the existing boat ramp or construction of an additional boat ramp lane thereby providing boaters access to deeper water at Bullock Pen Lake, the District agrees to contribute up to \$50,000.00 for the construction and/or relocation of the additional boat ramp lane. The District shall not be required to provide such funding unless and until the current lake level drops to a level where the current boat ramp in its current condition is not functional for a minimum of 14 consecutive days. Fish & Wildlife shall be responsible for determining when the current boat ramp is no longer safe for use as the lake level falls.
3. **TIME IS OF THE ESSENCE:** The parties acknowledge and understand that the District is currently in the process of securing approval of its plans and specifications for the WTP through the Division of Water (“DOW”). The parties further acknowledge and understand that the District is currently applying for financing of the WTP through Kentucky Infrastructure Authority (“KIA”) and Rural Development (“RD”). As such, the District is under certain time limitations. The parties further understand and acknowledge this MOU will be relied upon by the District in obtaining financing and other required approvals for the WTP, including but not limited to that required by the Kentucky Public Service Commission.
4. **SIGNATORY AUTHORITY:** The District and Fish & Wildlife each acknowledge and understand that this MOU is executed by the respective parties pursuant to duly authorized and adopted authority of their respective governmental entities.

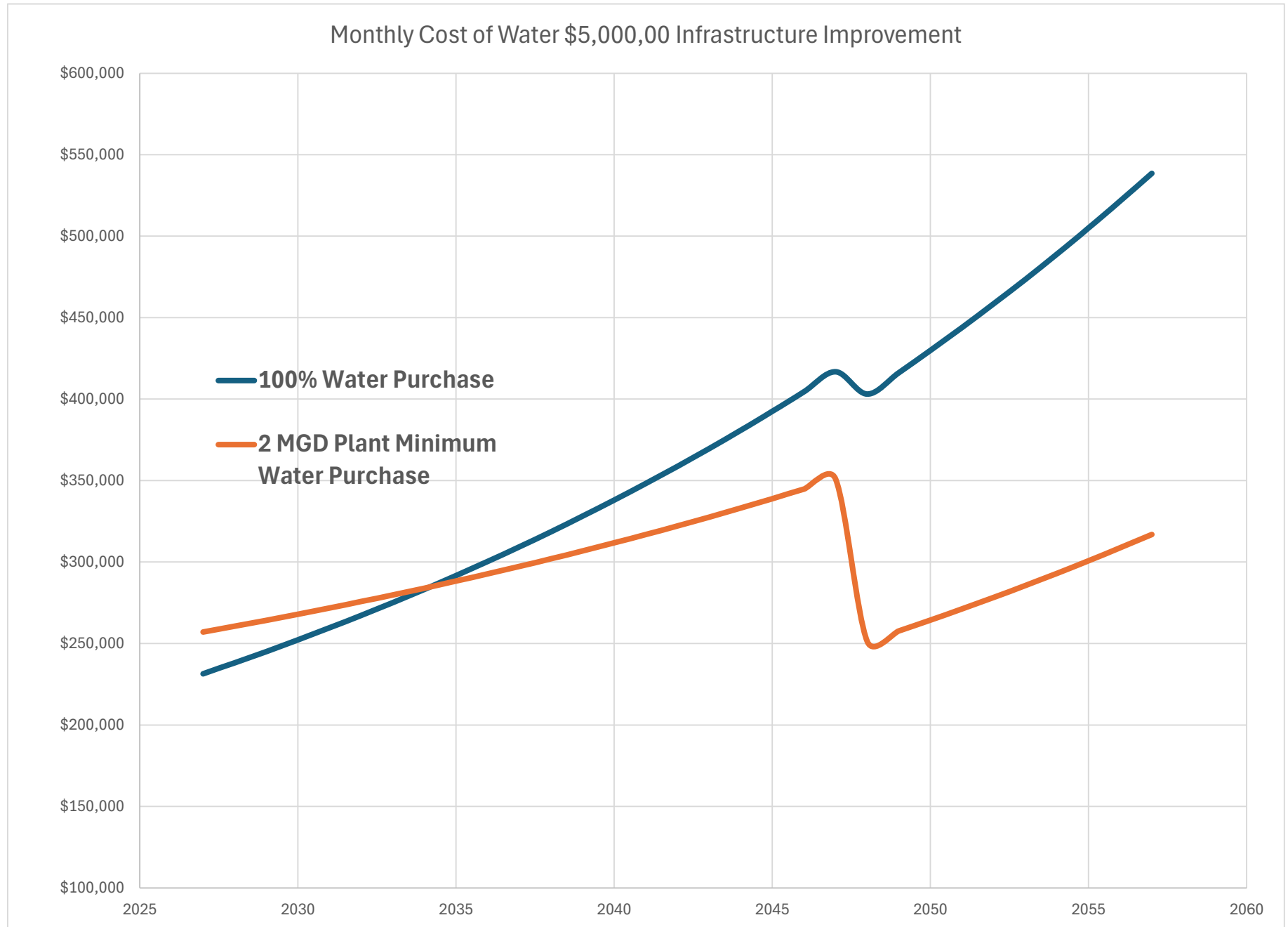
TOURISM ARTS & HERITAGE CABINET
KENTUCKY DEPARTMENT OF FISH &
WILDLIFE RESOURCES

BY: _____
RICH STORM, COMMISSIONER

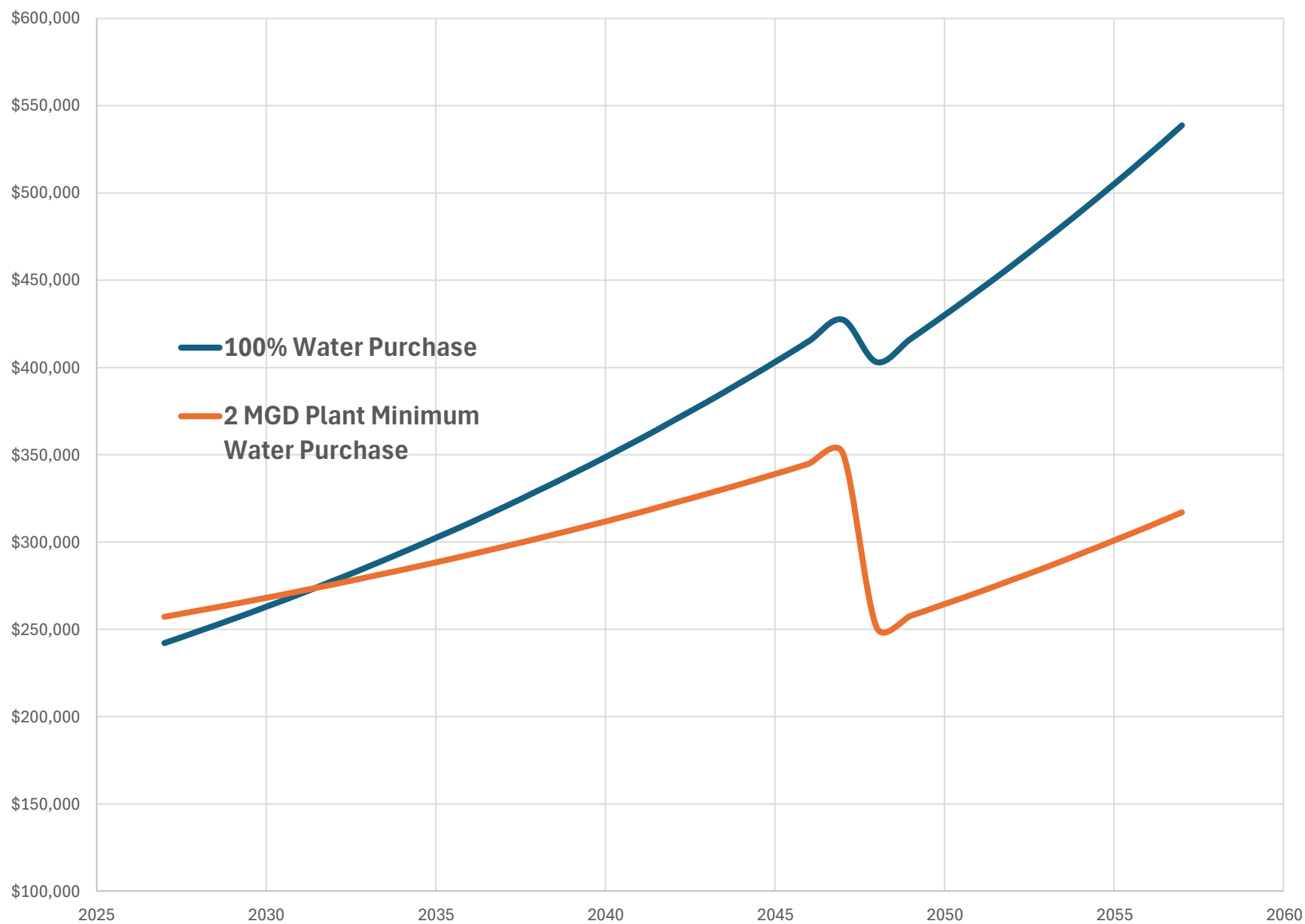
BULLOCK PEN WATER DISTRICT

BY: _____
CHAIRMAN CHARLES GIVIN

ATTACHMENT 1-4

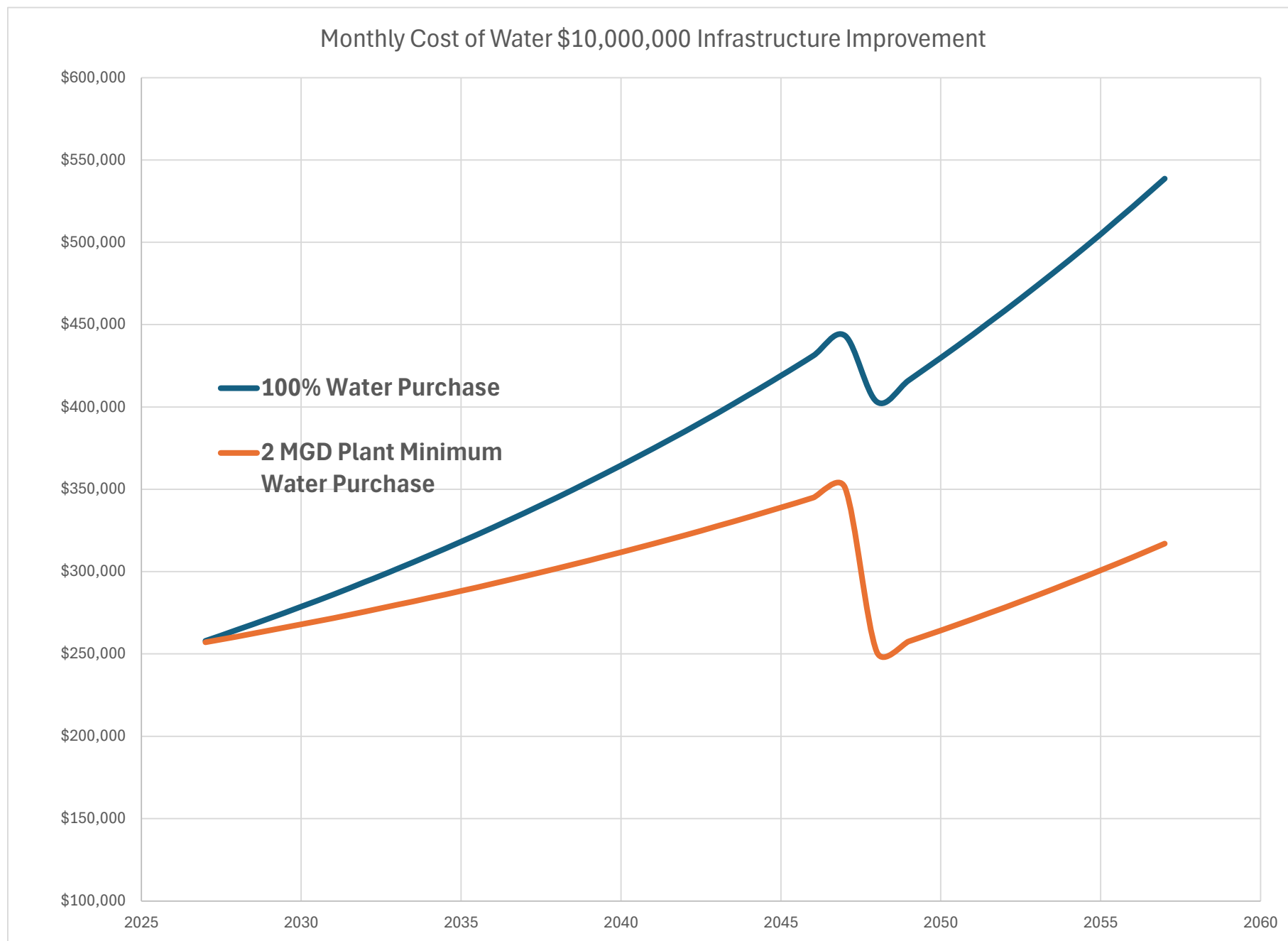


Monthly Cost of Water \$7,000,000 Infrastructure Improvement

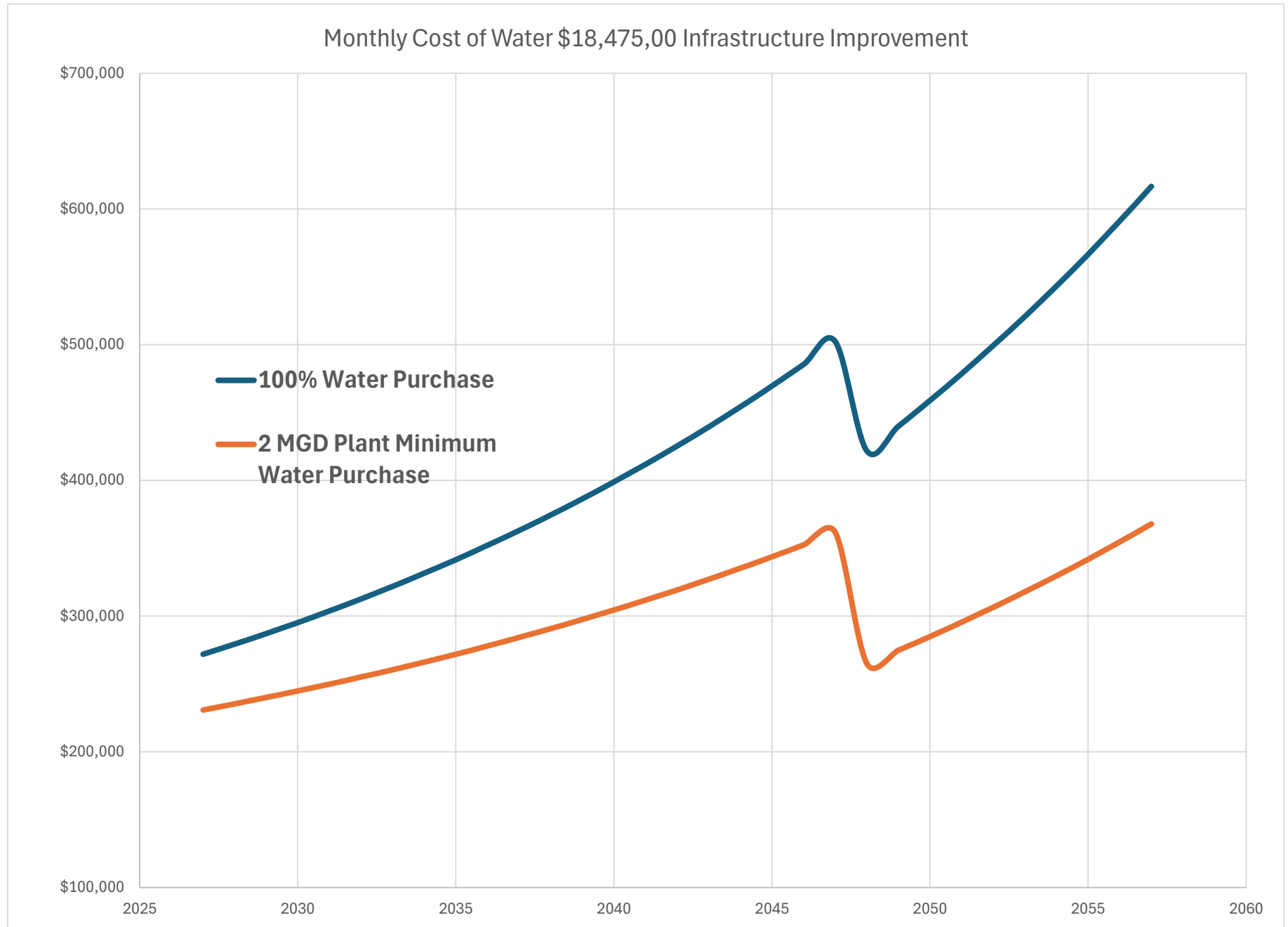


Comparative Analysis Based on \$7,000,000 Infrastructure Improvement Cost Estimate

	inflation																														
	water usage annual increase																														
		1.00%																													
		2.25%																													
100% purchase																															
Capital Cost	\$7,000,000.00																														
Interest Rate	2.5																														
Annual Payment	\$445,118.40																														
Monthly Payment	\$37,093.20																														
Purchase Rate	\$4.59																														
average daily water volume	1,470,000.00	1503075	1536894.188	1571474.307	1606832.479	1642986.209	1679953.399	1717752.351	1756401.778	1795920.818	1836329.037	1877646.44	1919893.485	1963091.089	2007260.638	2052424.002	2098603.542	2145822.122	2194103.12	2243470.44	2293948.525	2345562.367	2398337.52	2452300.114	2507478.867	2563895.096	2621592.736	2680568.348	2740881.135	2802550.961	2865008.358
Annual gallons purchased	536,550,000.00	548,622,375.00	560,966,378.44	573,588,121.95	586,493,854.70	599,689,966.43	613,182,990.67	626,979,607.96	641,086,649.14	655,511,098.75	670,260,098.47	685,340,950.68	700,761,122.07	716,528,247.32	732,650,132.89	749,134,760.88	765,990,293.00	783,225,074.59	800,847,638.77	818,866,710.64	837,291,211.63	856,130,263.89	875,393,194.83	895,089,541.71	915,229,056.40	935,821,710.17	956,877,698.65	978,407,446.87	1,000,421,614.42	1,022,931,100.74	1,045,947,050.51
Monthly purchase amount	\$205,006.81	\$211,715.66	\$218,644.06	\$225,799.18	\$233,188.46	\$240,819.55	\$248,700.37	\$256,839.09	\$265,244.15	\$273,924.27	\$282,888.44	\$292,145.96	\$301,706.44	\$311,579.78	\$321,776.23	\$332,306.36	\$343,181.08	\$354,411.68	\$366,009.81	\$377,987.48	\$390,357.12	\$403,131.55	\$416,324.03	\$429,948.24	\$444,018.29	\$458,548.79	\$473,554.80	\$489,051.88	\$505,056.11	\$521,584.07	\$538,652.91
Monthly Cost	\$242,100	\$248,809	\$255,737	\$262,892	\$270,282	\$277,913	\$285,794	\$293,932	\$302,337	\$311,017	\$319,982	\$329,239	\$338,800	\$348,673	\$358,869	\$369,400	\$380,274	\$391,505	\$403,103	\$415,081	\$427,450	\$403,132	\$416,324	\$429,948	\$444,018	\$458,549	\$473,555	\$489,052	\$505,056	\$521,584	\$538,653
2.0 MGD Plant																															
Capital Cost	20,000,000.00																														
Interest Rate	2.5																														
Annual Payment	\$1,271,766.96																														
Monthly Payment	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	
Purchase Rate	\$4.12	\$4.16	\$4.20	\$4.24	\$4.29	\$4.33	\$4.37	\$4.42	\$4.46	\$4.51	\$4.55	\$4.60	\$4.64	\$4.69	\$4.74	\$4.78	\$4.83	\$4.88	\$4.93	\$4.98	\$5.03	\$5.08	\$5.13	\$5.18	\$5.23	\$5.28	\$5.34	\$5.39	\$5.44	\$5.50	\$5.55
average daily purchase volume	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	
Annual gallons purchased	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	
Monthly purchase amount	\$62,658.33	\$63,284.92	\$63,917.77	\$64,556.94	\$65,202.51	\$65,854.54	\$66,513.08	\$67,178.21	\$67,850.00	\$68,528.50	\$69,213.78	\$69,905.92	\$70,604.98	\$71,311.03	\$72,024.14	\$72,744.38	\$73,471.82	\$74,206.54	\$74,948.61	\$75,698.09	\$76,455.07	\$77,219.62	\$77,991.82	\$78,771.74	\$79,559.46	\$80,355.05	\$81,158.60	\$81,970.19	\$82,789.89	\$83,617.79	\$84,455.08
Operating Cost	\$3.00	\$3.03	\$3.06	\$3.09	\$3.12	\$3.15	\$3.18	\$3.22	\$3.25	\$3.28	\$3.31	\$3.35	\$3.38	\$3.41	\$3.45	\$3.48	\$3.52	\$3.55	\$3.59	\$3.62	\$3.66	\$3.70	\$3.73	\$3.77	\$3.81	\$3.85	\$3.89	\$3.92	\$3.96	\$4.00	\$4.04
Operating gallons per day	970,000.00	991,825.00	1,014,141.06	1,036,959.24	1,060,290.82	1,084,147.36	1,108,540.68	1,133,482.84	1,158,986.21	1,185,063.40	1,211,727.32	1,238,991.19	1,266,868.49	1,295,373.03	1,324,518.92	1,354,320.60	1,384,792.81	1,415,950.85	1,447,809.54	1,480,385.26	1,513,693.92	1,547,752.04	1,582,576.46	1,618,184.43	1,654,593.58	1,691,821.93	1,729,887.93	1,768,810.41	1,808,608.64	1,849,302.33	1,890,911.64
Operating annual cost	\$1,062,100.00	\$1,096,908.86	\$1,132,805.20	\$1,169,876.25	\$1,208,180.45	\$1,247,697.50	\$1,288,528.40	\$1,330,695.50	\$1,374,242.51	\$1,419,214.59	\$1,465,658.39	\$1,513,622.06	\$1,563,155.34	\$1,614,369.60	\$1,667,137.88	\$1,721,604.97	\$1,778,037.44	\$1,836,223.71	\$1,896,314.13	\$1,958,371.01	\$2,022,458.70	\$2,088,643.67	\$2,156,984.53	\$2,227,582.18	\$2,300,479.80	\$2,375,763.00	\$2,453,509.85	\$2,533,800.96	\$2,616,718.52	\$2,702,352.50	\$2,790,200.00
Monthly Operating Cost	\$88,512.50	\$91,409.07	\$94,400.43	\$97,489.69	\$100,680.04	\$103,974.79	\$107,377.37	\$110,891.29	\$114,520.21	\$118,267.88	\$122,138.20	\$126,135.17	\$130,262.95	\$134,525.80	\$138,928.16	\$143,474.58	\$148,169.79	\$153,018.64	\$158,026.18	\$163,197.58	\$168,538.23	\$174,053.64	\$179,749.54	\$185,631.85	\$191,706.65	\$197,980.25	\$204,459.15	\$211,150.08	\$218,059.97	\$225,195.88	\$232,565.62
Monthly Cost	257,151	260,675	264,299	268,027	271,863	275,810	279,871	284,050	288,351	292,777	297,333	302,022	306,849	311,817	316,933	322,200	327,622	333,206	338,955	344,876	350,974	251,273	257,741	264,404	271,266	278,335	285,618	293,120	300,850	308,814	317,019



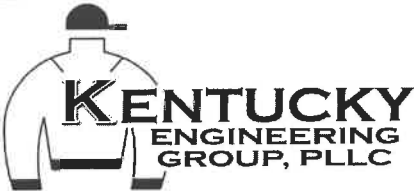
ATTACHMENT 1-5



Comparative Analysis Based on \$18,475,000 Infrastructure Improvement Cost Estimate
Weighted average Purchase Rate Including Boone Florence

inflation		2.97%	
water usage annual increase		1.30%	
100% purchase			
Capital Cost	\$18,475,000.00		
Interest Rate	2.5		
Annual Payment	\$1,174,794.71		
Monthly Payment	\$97,899.56		
Purchase Rate	\$3.89		
average daily water volume	1,470,000.00		
Annual gallons purchased	536,550,000.00		
Monthly purchase amount	\$173,931.63		
Monthly Cost	\$271,831		
Yearly Cost	\$3,261,974.21		
2.0 MGD Plant			
Capital Cost	20,000,000.00		
Interest Rate	2.5		
Annual Payment	\$1,271,766.94		
Monthly Payment	\$105,980.58		
Purchase Rate	\$4.31		
average daily purchase volume	500,000.00		
Annual gallons purchased	182,500,000.00		
Monthly purchase amount	\$65,547.92		
Operating Cost	\$92.01		
Operating gallons per day	970,000.00		
Operating annual cost	\$171,640.50		
Monthly Operating Cost	\$59,303.38		
Monthly Cost	\$		
Yearly Cost	\$		
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ATTACHMENT 1-6

		Preliminary Project Cost Estimate			
		Project : New 2.0 MGD Water Treatment Plant Date : Job No. : 22020 Revised : 12/18/24 Est. By: RCC			
ITEM NO.	SUMMARY OF:	QUANTITY		COST PER	TOTAL COST
	Bullock Pen Water District New Water Treatment Plant	NO. OF UNITS	UNIT MEAS.	UNIT	
Construction Cost					
	Sitework				\$ 512,300
	Yard Piping				\$ 475,240
	Raw Water Intake				\$ 479,600
	Filter Building				\$ 2,720,640
	Rapid Mix				\$ 194,020
	Flocculation & Sedimentation				\$ 1,600,665
	Chemical/GAC Building				\$ 1,658,435
	Backwash & High Service Pump Bldg				\$ 831,670
	Clearwell				\$ 1,087,820
	GAC Equipment				\$ 1,035,500
	Lagoons				\$ 234,350
	Miscellaneous				\$ 239,800
	Electrical				\$ 1,204,232
	Mechanical				\$ 401,447
	Instrumentation Equipment				\$ 351,307
	Bonding & Insurance (2.75%)				\$ 358,243
	General Conditions (3%)				\$ 390,811
	Contractor Overhead & Profit (15%)				\$ 2,066,412
	Water Storage Tank Mixing Systems				\$ 157,508
	SUBTOTAL AMOUNT				\$ 16,000,000.00
10%	CONTINGENCY				\$ 1,600,000.00
	ENGINEERING DESIGN (RD Fee Scale)				\$ 1,024,000.00
	RESIDENT INSPECTION (RD Fee Scale)				\$ 658,000.00
	LEGAL AND ADMINISTRATION				\$ 25,000.00
	EASEMENTS/LAND ACQUISITION				\$ 300,000.00
	PRELIM ENGINEERING/PLANNING/COSS				\$ 20,000.00
	FUNDING ADMINISTRATION				\$ 25,000.00
	PERMITTING				\$ 10,000.00
	SURVEYING				\$ 10,000.00
	GEOTECHNICAL				\$ 25,000.00
	ENVIRONMENTAL				\$ 10,000.00
	ARCHEOLOGICAL*				\$ 20,000.00
	OPERATIONS & MAINTENANCE				\$ 35,000.00
	START UP SERVICES				\$ 20,000.00
	* If Required				
	TOTAL ESTIMATED PROJECT COST				\$ 19,782,000.00

BULLOCK PEN WATER DISTRICT

Response to Commission Staff's First Request for Information Case No. 2025-00259

Question No. 1-2

Responding Witness: Paul Harp

Q-1-2. Provide all alternatives Bullock Pen District considered to expanding or replacing its WTP to address its future needs to provide service to its customers.

a. Provide copies of all studies and/or analyses prepared to review the alternatives for expansion or replacement of the Water Treatment Plant.

b. Provide copies of all cost estimates alternatives considered.

A-1-2. Bullock Pen Water District ("the District") considered purchasing its total water requirements from existing suppliers and considered purchasing from the Boone-Florence Water Commission ("the Water Commission") an additional volume equal to that currently produced at its existing water treatment plant.

When considering the Boone-Florence Water Commission option, the District did not address whether such purchases would be made as a wholesale customer of Boone County Water District or directly from the Water Commission.

The Water Commission is a water commission organized under KRS 74.420-.520. Boone County Water District ("Boone District") and the City of Florence formed the Water Commission to obtain and provide an adequate and reliable water supply. The Water Commission provides direct water service to those two water utilities only. The Water Commission is composed of five members. The Boone County Judge Executive appoints three members. Boone District and the City of Florence each appoint one member. The Water Commission currently purchases its total water requirements from the Greater Cincinnati Water Works. Under KRS 74.510, the Water Commission's rates for water service are exempted from Public Service Commission regulation. Furthermore, the Public Service

Commission has disclaimed any authority over the rates that Greater Cincinnati Water Works charges to the Water Commission. *See An Investigation of Boone County Water District's Decision to Change Water Suppliers and of the Amendment of Water Supply Agreements Between Northern Kentucky Water Service District and Boone County Water District and the City of Florence, Kentucky*, Case No. 2000-206 (Ky. PSC Nov. 9, 2000).

Pursuant to KRS 74.480, the Water Commission is authorized to supply its member cities and water districts. KRS 74.490 permits the Water Commission to also supply non-member public water systems.

Pursuant to KRS 74.500, the District may petition the Boone County Judge Executive for membership in the Water Commission. The Boone County Judge Executive must hold a public hearing on the petition and may grant the petition if he or she determines that the District's inclusion in the Water Commission is reasonably necessary or advantageous for the public health, convenience and comfort of the residents of Florence, Boone County and the District and that the Water Commission has formally expressed its willingness to have the District included in and represented by the Water Commission.

As a member system of the Water Commission, the District would have a vote in determining the Water Commission's rates for its members. If it permitted to purchase water from the Water Commission as a non-member water system, it would lack any voice in wholesale rate it paid. The Public Service Commission would have no authority over that wholesale rate.

Regardless of whether it purchased water as a member of the Water Commission or as a non-member, the District must still address how water is transported from the Water Commission's facilities to the District. While the Water Commission has the legal authority to sell water to District, it does not have the authority to require its members to transport water through their distribution systems. The District has estimated the cost of constructing transmission capacity or expanding its existing transmission capacity to transport water from the Water Commission's area of operations, but no study has been undertaken to determine the cost to the Water Commission or to Boone District to expand the transmission capacity on their side of the water delivery point to serve the District. Either the District or the Water Commission would be required to construct

transmission facilities to move the purchased water from the Water Commission's existing facilities to a delivery point for the District. Whether the District directly assumes this cost or the Water Commission constructs the facilities and recovers the cost through the rate assessed to the District, the District will ultimately bear the cost of such facilities. It is possible that water could be wheeled through Boone District's distribution system. It is not clear what improvements Boone District's system would require for such wheeling. No discussions with Boone District regarding such an alternative have been held. Any wheeling rate assessed by Boone District is likely subject to Public Service Commission review and approval.

Instead of purchasing water directly from the Water Commission, the District could purchase water from Boone District. Any wholesale rate that Boone District assesses would be subject to Public Service Commission review and approval. Again, it is not clear what improvements to Boone District's distribution system would be required to allow for a significant increase in the District's wholesale purchases from Boone District or whether such an increase would affect the rate that the Water Commission currently charges Boone District.

- a. See response to Question 1-1a.
- b. See Attachment 1-7 for a cost estimate of the District's facilities necessary to transport an additional volume of water equal to that currently produced at the District's existing water treatment plant from Boone-Florence Water Commission or Boone County Water District facilities to the District's service area. HMB Professional Engineers, Inc. prepared the estimate in June 2025.

ATTACHMENT 1-7



Water Resources
Transportation
Surveying
Environmental

Project: 4222.00
Date: 6/18/2025
Engineer: PBH
Page: 2 of 2

Opinion of Probable Project Cost
for
Boone Florence Transmission Main (2.0 MGD)
Bullock Pen Water District

Construction: **\$16,500,000**

Engineering:

Design and Preliminary Engineering	\$780,000	
Advertising & Bidding	\$110,000	
Construction Administration	\$220,000	
Construction Observation	\$520,000	
Subtotal		\$1,630,000

Permitting:

I-71 and KYTC Crossing Surveys	\$25,000	
Permit Applications	\$10,000	
Stream Crossings	\$15,000	
Subtotal		\$50,000

Legal and Admin:

Local Counsel	\$40,000	
Funding Administration	\$25,000	
Environmental	\$30,000	
Easements(estimate 200)	\$200,000	
Subtotal		\$295,000

Grand Total **\$18,475,000**



Water Resources
Transportation
Surveying
Environmental

Project: 4222.00
Date: 6/18/2025
Engineer: PBH
Page: 1 of 2

**Opinion of Probable Construction Cost
for
Boone Florence Transmission Main (2.0 MGD)
Bullock Pen Water District**

Item No.	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL COST
1	Mob/Demobilization	LS	1	\$200,000	\$200,000
2	Bonds and Insurance	LS	1	\$300,000	\$300,000
3	General Conditions	LS	1	\$500,000	\$500,000
4	12-inch C900 PVC Water Main (DR 14)	LF	37000	\$120	\$4,440,000
5	12-inch C900 PVC Water Main (DR 18)	LF	30000	\$110	\$3,300,000
6	24-inch HDPE Directional Bore (DR 9)	LF	300	\$800	\$240,000
7	Fittings and Joint Restraints	LS	1	\$200,000	\$200,000
8	Ground Storage Tank (500,000 gallons)	LS	1	\$2,000,000	\$2,000,000
9	Booster Pump Station (1,000 gpm)	LS	1	\$1,000,000	\$1,000,000
10	New Master Meter Vault	LS	1	\$180,000	\$180,000
11	Modification of Existing Master Meter Vault	LS	1	\$80,000	\$80,000
12	Interstate 71 Crossing	LF	300	\$400	\$120,000
13	Hwy Crossings	LF	400	\$600	\$240,000
14	Stream Crossings (16-inch HDPE DR 11)	LF	400	\$600	\$240,000
15	12-inch Gate Valve and Box	EA	25	\$6,000	\$150,000
16	Air Release Valve and Vault	EA	12	\$5,000	\$60,000
17	Standby Generator	LS	1	\$200,000	\$200,000
18	Electrical and SCADA	LS	1	\$300,000	\$300,000
19	Driveway Crossing and Bores	LF	2000	\$200	\$400,000
20	Traffic Control	LF	1	\$50,000	\$50,000
21	Bit. Pavement Replacement	LF	2000	\$100	\$200,000
22	Erosion Control	LF	67000	\$2	\$134,000
23	Cleanup and Site Restoration	LF	67000	\$3	\$201,000
24					\$0
25					\$0

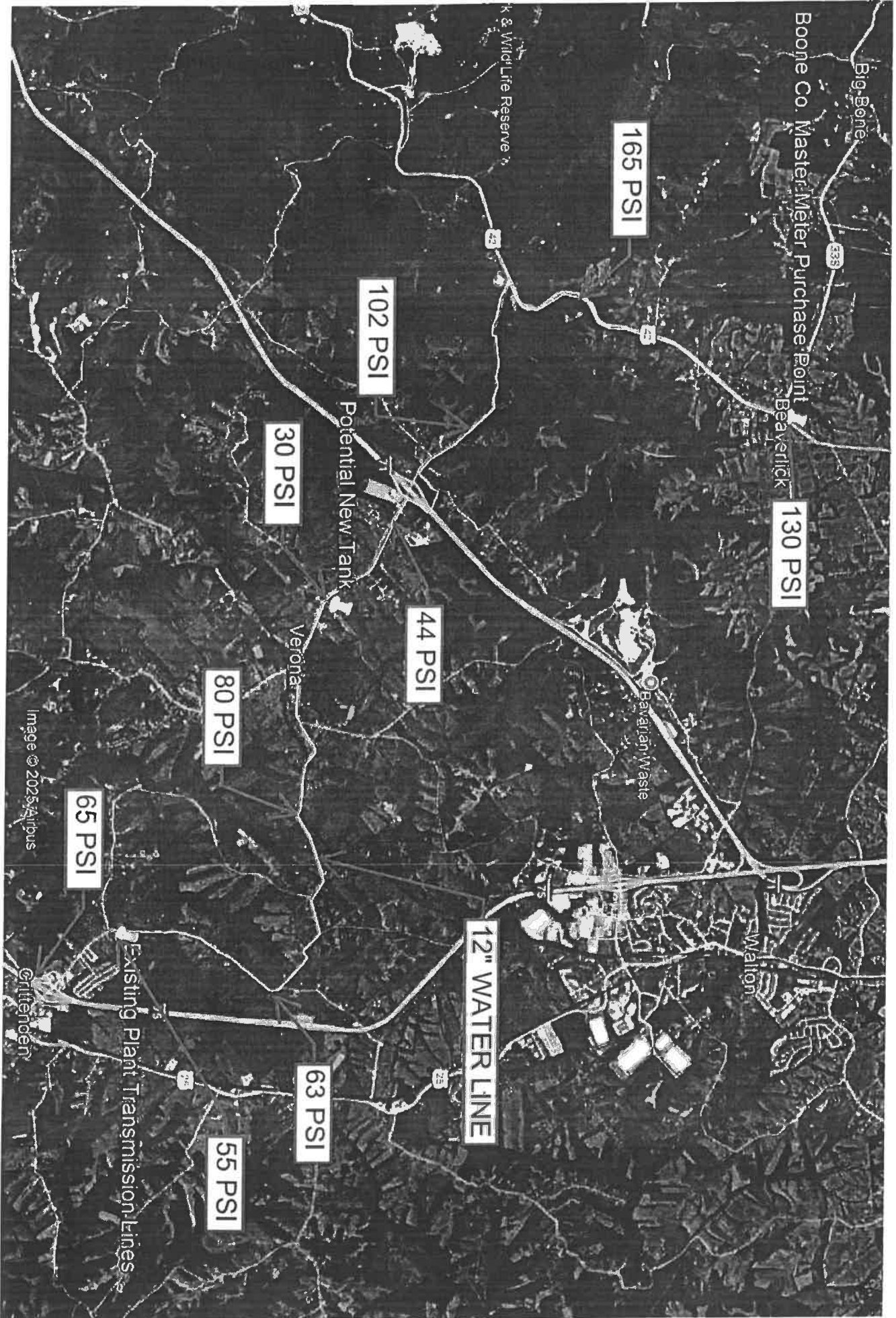
CONSTRUCTION SUBTOTAL \$14,735,000

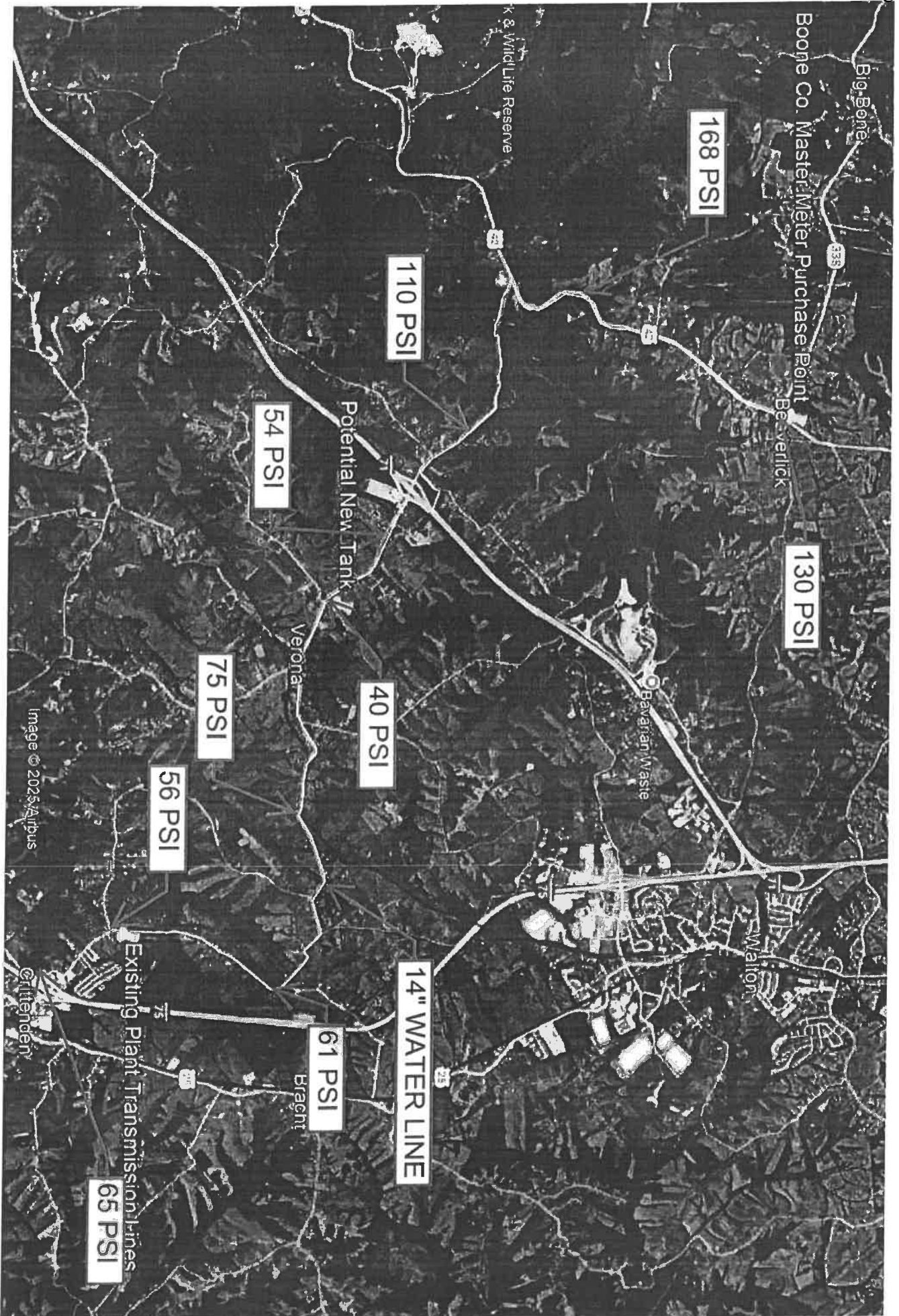
CONTINGENCIES @ 10% \$1,473,500

TOTAL \$16,208,500

USE \$16,500,000







BULLOCK PEN WATER DISTRICT

Response to Commission Staff's First Request for Information Case No. 2025-00259

Question No.1-3

Responding Witness: Paul Harp

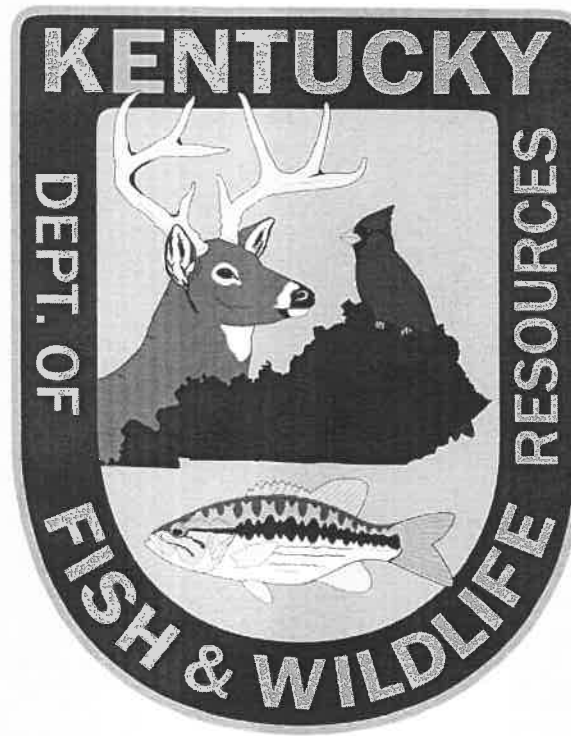
Q-1-3. Explain whether any of the options considered for addressing future water treatment needs would have an effect on the current water levels of Bullock Pen Lake.

A-1-3. The design and construction of any replacement water treatment plant is dependent upon the volume of water that the Kentucky Department of Fish and Wildlife ("the Department") will permit to be withdrawn from Bullock Pen Lake. (Although the Kentucky Division of Water ("KDOW") is responsible for the issuance of a water withdrawal permit, it has historically deferred to the Department on withdrawal amounts as the Department holds the deed to Bullock Pen Lake.) In 2019 Bullock Pen Water District requested a modification to its withdrawal permit to permit withdrawals up to 2 MGD. The Department requested that KDOW, the District and consultants evaluate how withdrawal limit of 2 MGD would affect water levels. KDOW produced a model showing the effects of withdrawals. The results of this modeling are reflected in the presentation that Department representatives made at the July 15, 2025 public meeting. A copy of this presentation is attached as Attachment 1-8. Based upon this modeling, the Department in a letter dated August 30, 2021 tentatively agreed to 1.5 MGD withdrawal rate until the Lake dropped to an elevation of 759 feet, at which time the withdrawal rate would be reduced to 0.5 MGD. See Attachment 1-3. The Department's action followed completion of improvements to the Bullock Pen Lake Dam, including hydraulic modifications to enhance the Dam's performance and resilience. A memorandum of agreement memorializing this agreement was drafted but has not been executed. See Attachment 1-4. On April 16, 2025, District representatives met with Department representatives to discuss the withdrawal permit. The District's review of the water levels since completion of the improvements to Bullock Pen Lake Dam indicated that Lake levels had not significantly changed even during periods of drought and that the improvements had significantly reduced water loss. District representatives requested that the Department

consider a withdrawal limit of 1.7 MGD and a reduced withdrawal limit of 0.75 MGD. Discussions between the District and the Department regarding the higher withdrawal rate continue.

The Department is the final authority on the appropriate withdrawal levels for any replacement water treatment plant and will make its decision based upon all available evidence. The District is making every effort to ensure that any replacement water treatment plant will not adversely affect the public's use and enjoyment of the Lake. To this end, the District has expressed its willingness to contribute up to \$50,000 towards the cost of the construction of new boat ramp lane should a decline in the Lake's water levels require such construction.

ATTACHMENT 1-8



... *Serving People, Conserving Fish and Wildlife* ...



Meeting Agenda

- Welcome & Introductions
- Lake History
- BPWD Request
- Lake Management & Impacts
- Permitting/Approval Process
- Proposed Plant Information-BPWD
- Public Comment
- Senator Gex Williams
- Closing



Bullock Pen Water Withdraw Request Public Meeting

- Welcome
- Bullock Pen Water District has requested to increase their water withdraw rate from Bullock Pen Lake
- KDFWR owns the Lake and welcomes public input regarding added impact to the resource



Bullock Pen Lake History

- Lake was originally constructed in the 1953 by KDFWR.
- 134 Acres.
- Opened to fishing in 1955.
- Property for the lake and surrounding buffer and the flowage easements were donated to the Department.
- Bullock Pen Water District was established in 1961. The Water District removed 215 million gallons of water from the Lake in 2007. This represented 44% of the Water District's raw water needs for that year.
- Dam was renovated in 2019-2020.
- The construction pool during this time was 759. 2 ft lower than the normal pool of 761.



Bullock Pen Lake.



Bullock Pen Water District Request

- BPWD water withdraw permit is 750,000 gallons per day.
- Original increase request in 2019 was for 2,000,000 GPD.
- KDFWR requested BPWD, DOW and consultants to evaluate how a 2 MGD withdraw rate would impact lake levels.
- DOW produced a model showing impacts.
- KDFWR tentatively agreed to a 1.5 MGD withdraw rate until the lake drops to elevation 759 and then reduction to 0.5 MGD in 2021.
- No formal agreement was entered into by KDFWR and BPWD.
- BPWD reengaged KDFWR in 2025 requesting an increase in withdraw approval to 1.7 MGD and a reduction to 750,000 GPD.



Bullock Pen Water Treatment Plant

Fisheries

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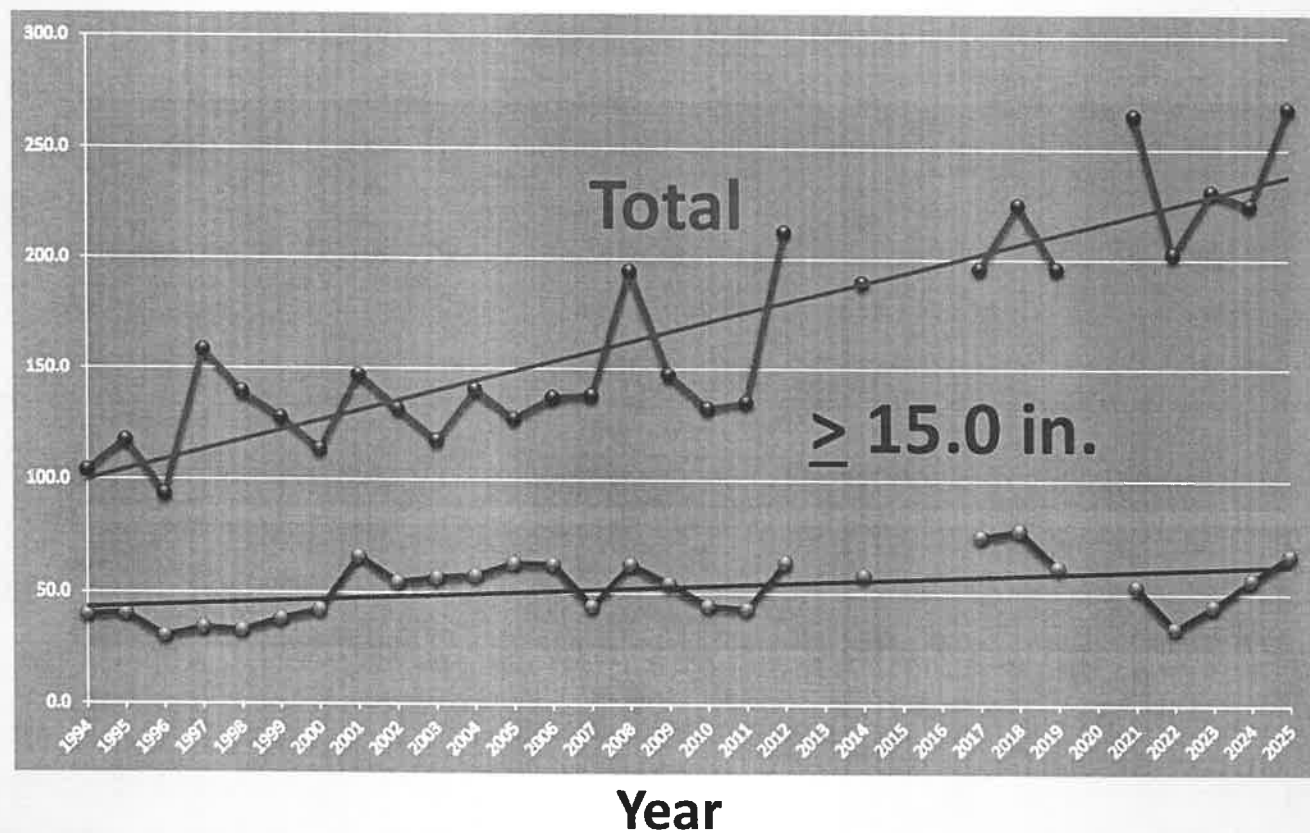
Fishing Forecast 2025

Location/Species	Forecast	Comments
BULLOCK PEN LAKE 134 acres (Grant County) Central Fisheries District		
Bluegill	★☆☆☆☆	Most fish are 6 inches or less and very abundant.
Catfish	★★★★☆	Good numbers of Channel Catfish over the 12-inch size limit; potential for larger fish (>20 inches). Blue Catfish are present; 25-inch plus fish possible. Flathead Catfish present.
Crappie	★★★☆☆	Abundant population, mainly 7-9 inches; a few larger fish are present.
Largemouth Bass	★★★★★	Good numbers of bass at and above the 12-inch size limit. Excellent potential for quality-size fish and bass over 20 inches.
Redear Sunfish	★☆☆☆☆	Very low numbers of fish.
Saugeye	★★★★☆	Low numbers. Harvestable-size Saugeye are present. Note: this lake is home to the current state record Saugeye.
White Bass	★☆☆☆☆	Very small population; however, quality fish in the 14- to 17-inch range possible.



Largemouth Bass Catch Rates

Catch Rate (fish/hour)





Bullock Pen Lake Fish Stockings



Saugeye: @ 15,000 fish

Stocked 2 years then off 1 year (2024-2025)



Channel catfish: @ 2,200 fish

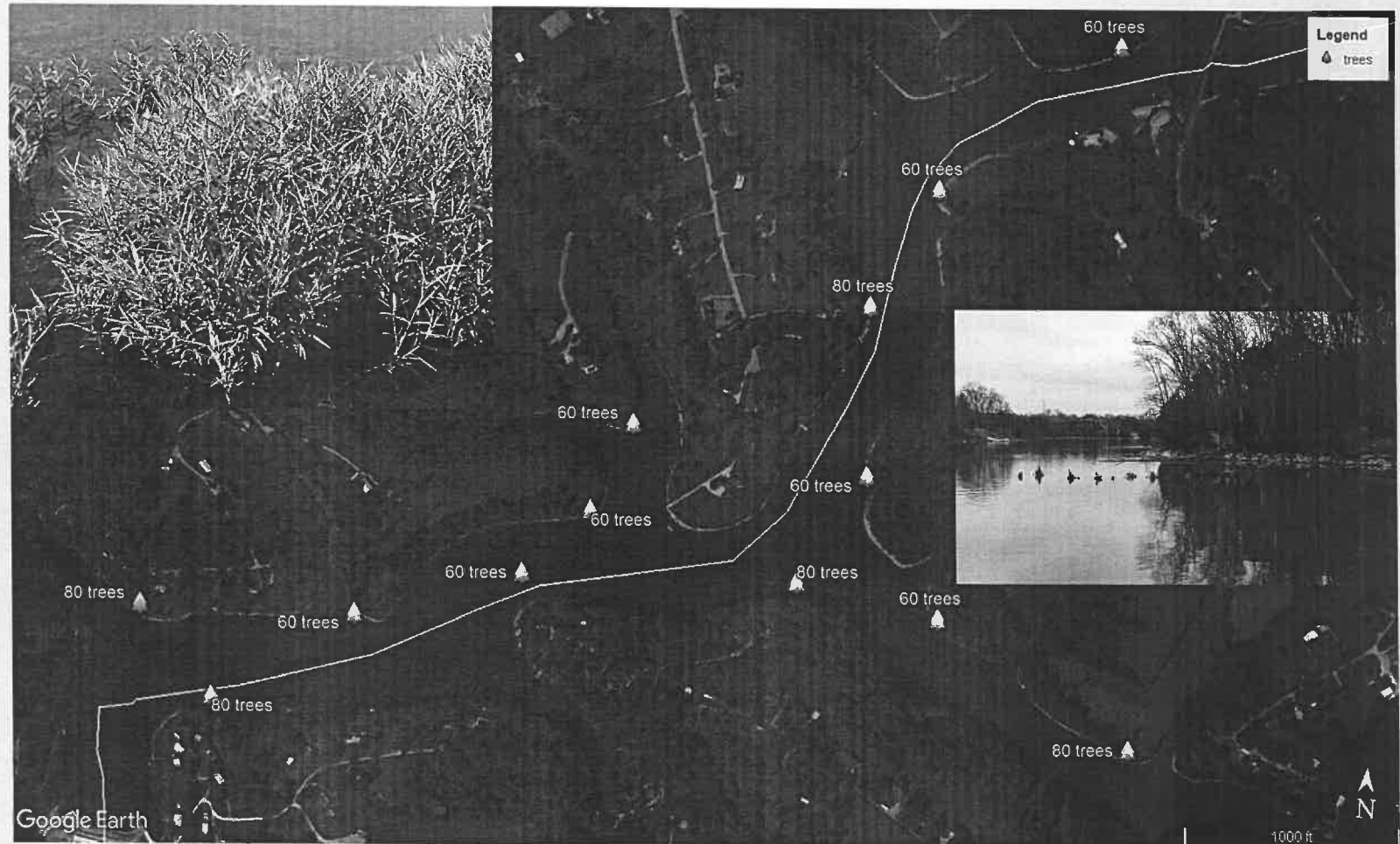
Stocked on odd years (2023)

Blue catfish: @ 1,500 fish

Every 3rd year (2022)



Bullock Pen Lake Fish Habitat



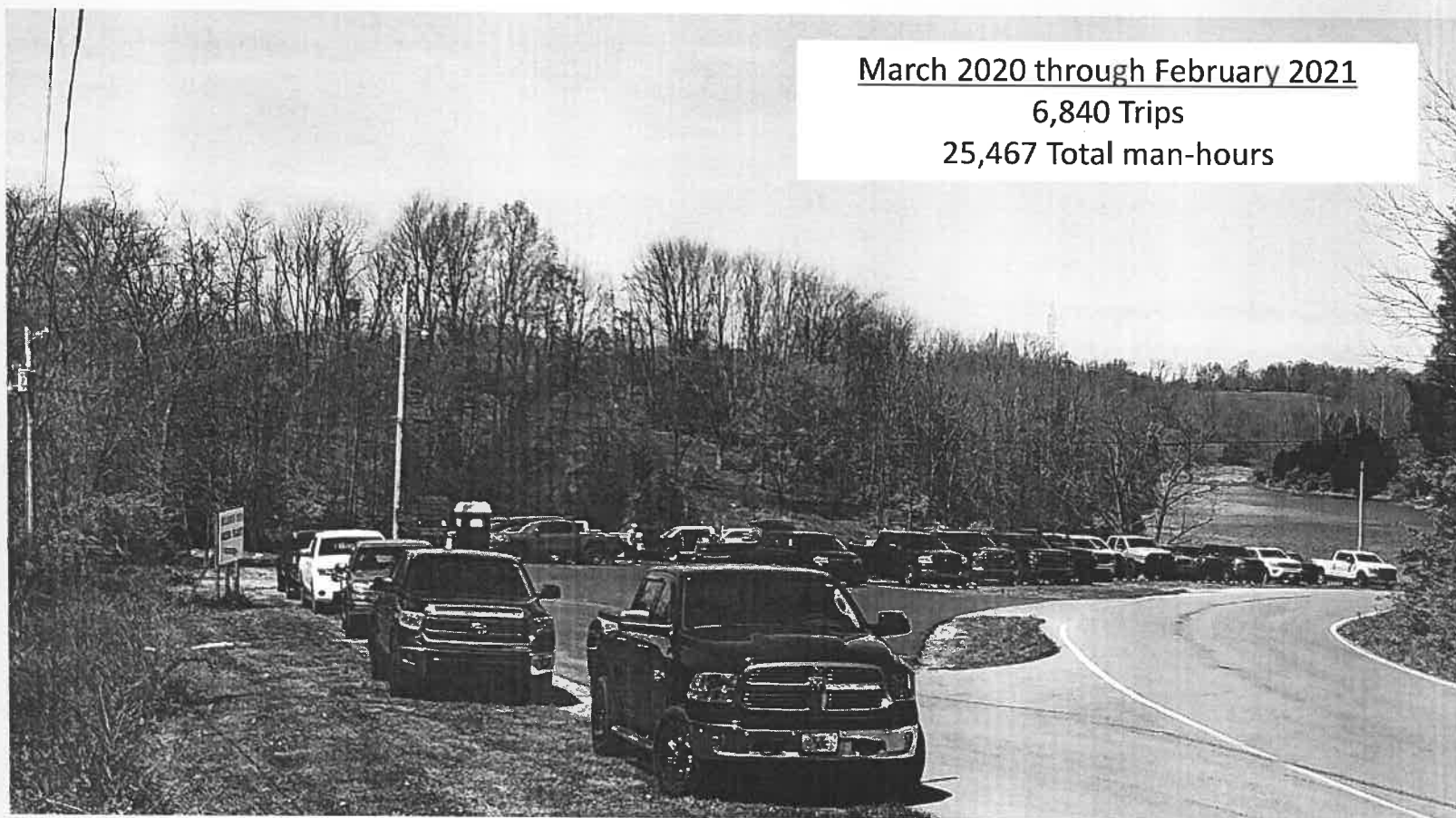
Bullock Pen Lake Boat Ramp Usage



March 2020 through February 2021

6,840 Trips

25,467 Total man-hours





Impacts to Infrastructure

Boat Ramp & Dock Access

- KDFWR acquired property and built a new boat ramp and parking area in 2019.
- The new boat ramp was constructed at pool elevation 759' during the same period of dam repairs, which required a lower pool elevation.
- Bullock Pen has agreed to provide funding for a new ramp when the existing ramp becomes unusable because of low water.
- Impacts to private docks.



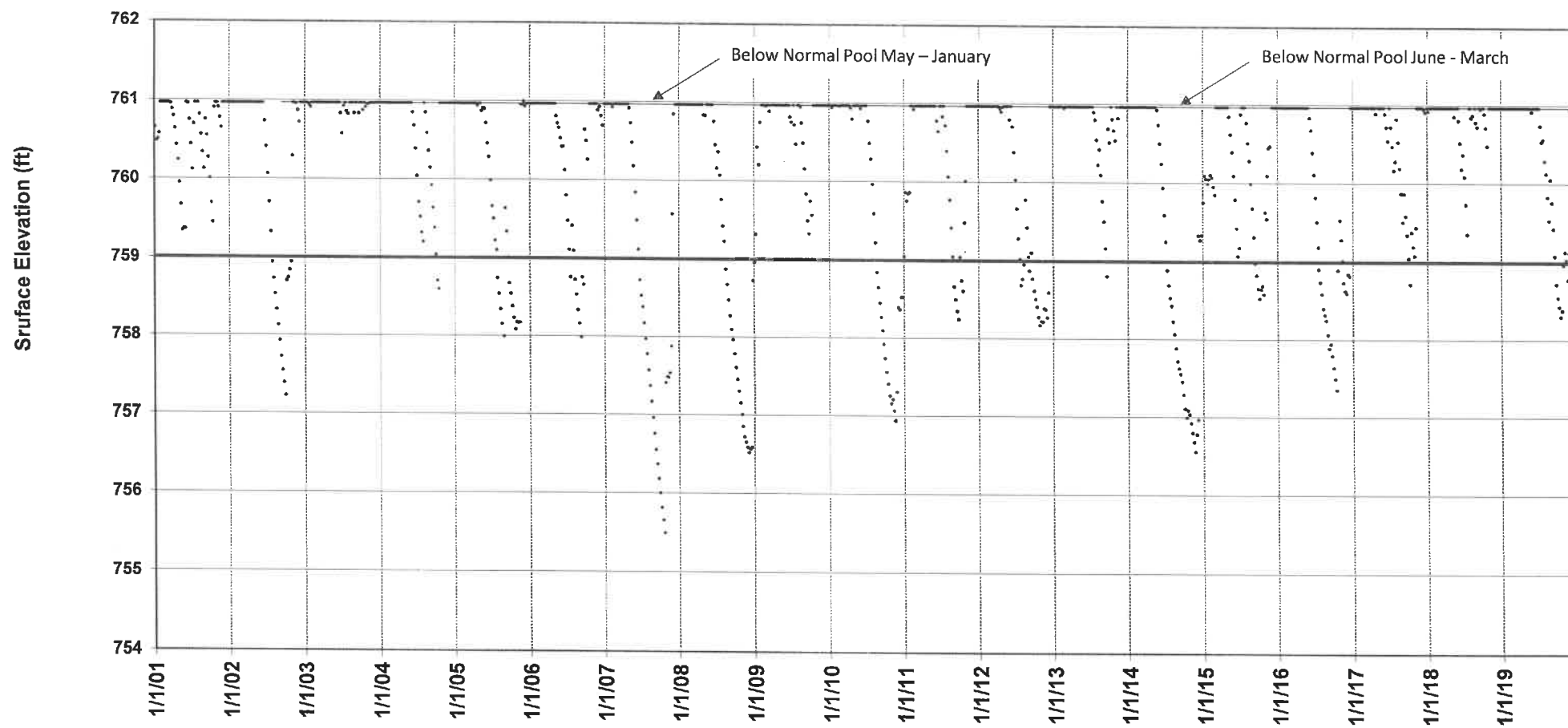
Bullock Pen Ramp, Parking & Courtesy Dock



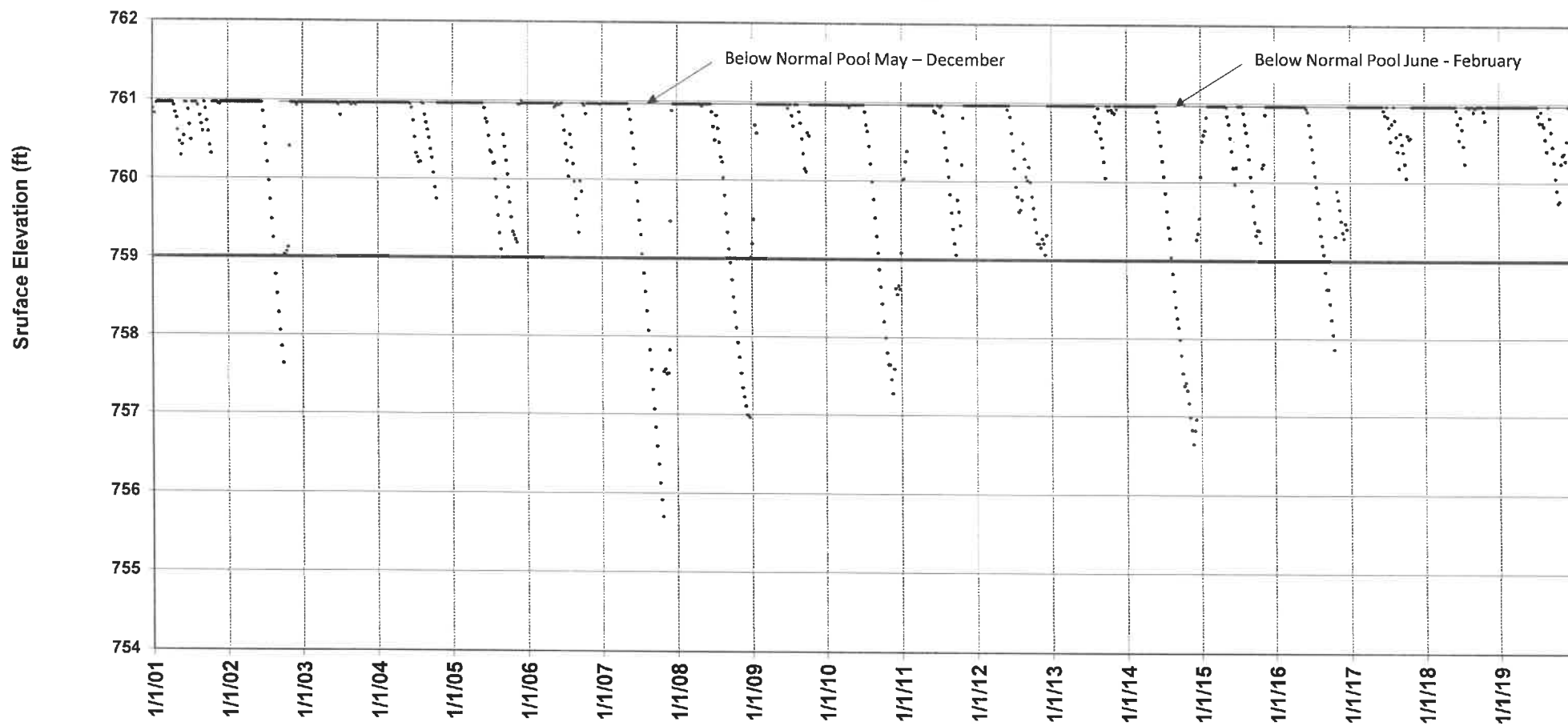
Proposed Withdraw Impact

- At requested rate, the lake would be lower than normal pool with 0 outflow for an average of 18.5 weeks out of the year. Compared to 14.1 weeks at current withdraw limit.
- Bullock Pen Creek continues for 1.6 miles past the dam until the confluence of Ten Mile Creek. Bullock Pen Creek has a watershed of 1.56 sq miles or 1,000 acres downstream of the dam.
- The lake would be below an elevation of 759' for an average of 9.4 weeks per year compared to 4.1 weeks at current limits.
- Minimum elevation of 755.5' (5.5 ft below normal pool) based on data from 2001-2019 compared to 755.7 at current limit of 750,000 gpd.

Bullock Pen Surface Elevation Profile
1.5 MGD reduced to 0.5 MGD at 759
Withdrawal = Variable



Bullock Pen Surface Elevation Profile
Scenario Existing
Withdrawal limit = 750,000 gpd





Model Results

Results of the model
produced by KY DOW.

Scenario 2: KDFWR Alternative

Curtailment Withdrawals (MGD) 1.5 0.5

Trigger Lake Elevations (ft) 759 NA

3-1	(CURTAIL)					Volume WD Full vs Curtailed			
	Weeks	Weeks	PCT Weeks	PCT Weeks		FULL WD	CURTAIL WD	TOTAL WD	PCT CURTAIL
	Below NP	Below Trigger	Below Ramp	Curtail WD	Minimum Elev				
2001	15	0	0.0%	0.0%	759.3	546.0	0.0	546.0	0.0%
2002	19	14	7.7%	26.9%	757.2	392.0	56.0	448.0	12.5%
2003	0	0	0.0%	0.0%	760.6	546.0	0.0	546.0	0.0%
2004	14	2	0.0%	3.8%	758.6	518.0	14.0	532.0	2.6%
2005	23	13	0.0%	25.0%	758.0	395.5	59.5	455.0	13.1%
2006	17	8	0.0%	15.4%	758.0	448.0	42.0	490.0	8.6%
2007	28	23	32.7%	44.2%	755.5	297.5	87.5	385.0	22.7%
2008	27	20	25.0%	38.5%	756.5	336.0	77.0	413.0	18.6%
2009	11	1	0.0%	1.9%	759.0	539.0	0.0	539.0	0.0%
2010	24	19	17.3%	36.5%	756.9	339.5	73.5	413.0	17.8%
2011	18	6	0.0%	11.5%	758.3	469.0	35.0	504.0	6.9%
2012	25	16	0.0%	30.8%	758.2	357.0	77.0	434.0	17.7%
2013	7	1	0.0%	1.9%	758.8	528.5	10.5	539.0	1.9%
2014	29	22	28.8%	42.3%	756.6	308.0	84.0	392.0	21.4%
2015	30	7	0.0%	13.5%	758.5	465.5	31.5	497.0	6.3%
2016	27	19	7.7%	36.5%	757.4	332.5	80.5	413.0	19.5%
2017	14	1	0.0%	1.9%	758.7	528.5	10.5	539.0	1.9%
2018	5	0	0.0%	0.0%	759.4	546.0	0.0	546.0	0.0%
2019	18	7	0.0%	13.5%	758.3	458.5	38.5	497.0	7.7%

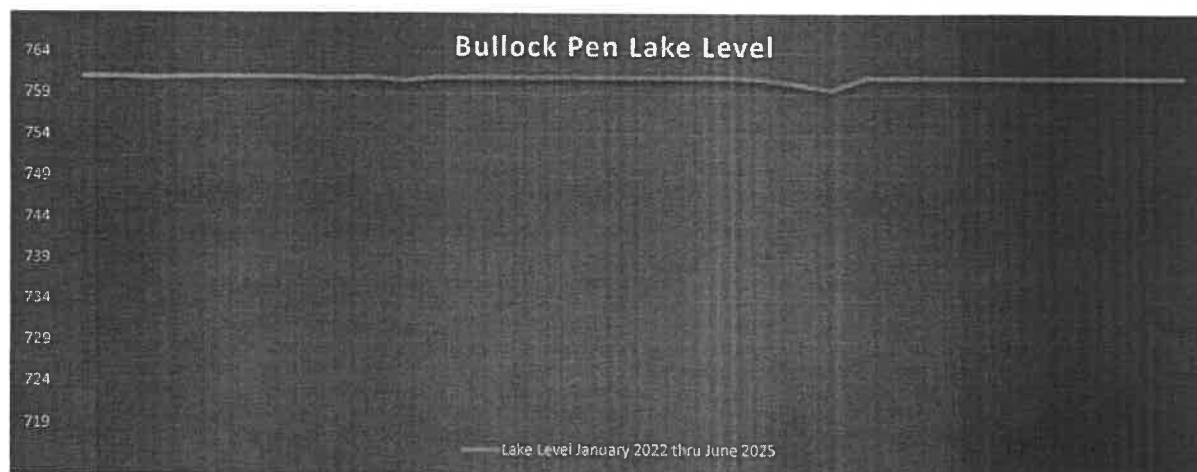


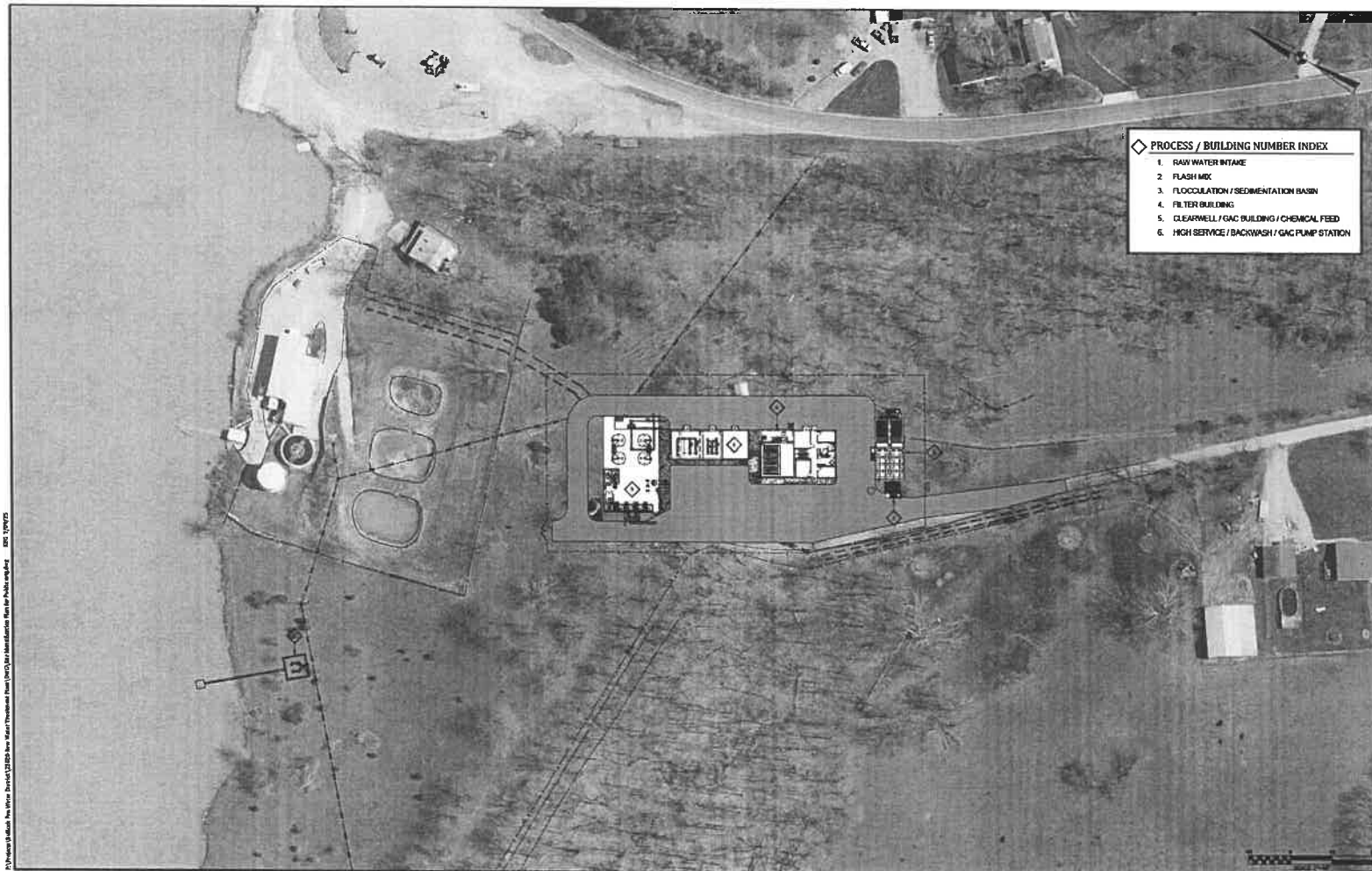
Permitting Approval Process

- A DOW construction permit is required for a new plant to be built.
- DOW requires a formal agreement with BPWD and KFDWR the owners of the lake.
- A DOW water withdraw permit is required for an increase beyond the current withdraw limits.

Bullock Pen Lake Level Tracking

	2022		2023		2024		2025	
January	761'	Pool Level	761'	Pool Level	761'	Pool Level	761'	Pool Level
February	761'	Pool Level	761'	Pool Level	761'	Pool Level	761'	Pool Level
March	761'	Pool Level	761'	Pool Level	761'	Pool Level	761'	Pool Level
April	761'	Pool Level	761'	Pool Level	761'	Pool Level	761'	Pool Level
May	761'	Pool Level	761'	Pool Level	761'	Pool Level	761'	Pool Level
June	761'	Pool Level	761'	Pool Level	761'	Pool Level	761'	Pool Level
July	761'	Pool Level	760' 10"	2" Below Pool	760' 10"	2" Below Pool	761'	Pool Level
August	761'	Pool Level	761'	Pool Level	760' 2"	10" Below Pool		
September	760' 10"	2" Below Pool	760' 7"	5" Below Pool	759' 6"	1' 6" Below Pool		
October	761'	Pool Level	761'	Pool Level	761'	Pool Level		
November	761'	Pool Level	761'	Pool Level	761'	Pool Level		
December	761'	Pool Level	761'	Pool Level	761'	Pool Level		





P:\Projects\Bullock Pen Water District\2020 New Water Treatment Plant\Site Identification Plan\Site Identification Plan.dwg 1/1/2020

IT IS A VIOLATION OF LAW FOR ANY PERSON TO ALTER THIS DRAWING WITHOUT WRITTEN PERMISSION FROM THE DESIGNING ENGINEER, FLS, AND ACTING UNDER THE DIRECTION OF A LICENSED ENGINEER.

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NO.	DATE	REVISIONS	BY

DATE	JANUARY 2020
PROJECT NO.	MC
DRAWN BY	JAR
CHECKED BY	BC
SCALE	AS NOTED
2020 © Kentucky Engineering Group, PLLC	



**NEW WATER
TREATMENT PLANT**
for the
BULLOCK PEN WATER DISTRICT

**SITE IDENTIFICATION / SITE PIPING
PLAN**

PROJECT NO. 22020
SHEET NO. C-0-02

BULLOCK PEN WATER DISTRICT

Response to Commission Staff's First Request for Information Case No. 2025-00259

Question No.1-4

Responding Witness: Paul Harp

Q-1-4. Explain whether Bullock Pen District has applied for any loans or grants for funding the potential expansion or replacement of its WTP.

A-1-4. The estimated total cost of the water treatment plant, along with some additional distribution system improvements, is \$19,782,000. Bullock Pen Water District ("the District") proposes to finance the cost of the proposed water treatment plant with loans from the Drinking Water State Revolving Fund ("DWSRF") and Rural Development and previously awarded Cleaner Water Program Grants. The District has applied to the Kentucky Infrastructure Authority ("KIA") for a DWSRF loan. On July 31, 2025, KDOW certified that the District is eligible to receive \$15,208,119 from the DWSRF. KIA Staff has recommended approval of the loan application. At its August 7, 2025 meeting, the KIA Board considered the application and deferred action upon the loan until the District provides KIA with a completed project feasibility study.

The District is currently preparing an application to Rural Development ("RD") for a loan of \$4,269,417 and has met with RD representatives to discuss such loan.

The District has approximately \$304,464 in Cleaner Water Program grants which were awarded in 2021 and 2022 and which it intends to use towards the cost of the replacement water treatment plant.

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BULLOCK PEN WATER DISTRICT

Response to Commission Staff's First Request for Information Case No. 2025-00259

Question No. 1-5

Responding Witness: Paul Harp

Q-1-5. Explain what steps Bullock Pen District has taken in communicating with its customers and local stakeholders, such as those who live on Bullock Pen Lake or use it for recreational purposes, about the options being considered to address its future water treatment needs.

A-1-5. Bullock Pen Water District ("the District") officials have openly discussed at its monthly Board of Commissioners meetings the retirement of its existing water treatment plan and the District's water needs when such retirement occurs. These meetings have been opened to the public and the minutes of those meetings are available on the District's website for viewing and downloading.

In November 2024, the District formed a Water Treatment Plant Project Committee to develop an overall strategy and educational program for the WTP Project. The Committee was to include two commissioners. The Board of Commissioners specifically directed to establish a strategy and program for educating the public and governmental officials of the water treatment project and authorized the Committee to engage any professionals (engineers, accountants, etc.) as it deemed appropriate.

To date, the District has not made any special efforts to communicate its plans regarding the replacement of its existing water treatment plant. Such efforts were viewed as premature since the District had yet to obtain the financing for any replacement water treatment plant, approval of modifications to its water withdrawal permit, or approval of any plans or specifications for a replacement water treatment plant. The District planned to conduct public forums to discuss its plans and obtain input once its proposals became more definitive.

On July 15, 2025, the Department of Fish and Wildlife ("the Department") hosted a public meeting at the Grant County Public Library. Officials of the Department and the District were present to discuss plans to build a new

water treatment plant and to provide background information and initial impact studies. The public was invited to make comments or ask questions of these officials. The Department issued a media advisory regarding the public meeting, and the announcement of the meeting was widely reported by local and regional news media.

BULLOCK PEN WATER DISTRICT

**Response to Commission Staff's First Request for Information
Case No. 2025-00259**

Question No. 1-6

Responding Witness: Paul Harp

Q-1-6. Describe what feasibility studies have been conducted regarding potential options for addressing Bullock Pen District's future water treatment needs.

A-1-6. In 2021 HMB Professional Engineers, Inc. conducted a feasibility study of potential options upon the retirement of the Bullock Pen Water District's existing water treatment plant. A copy of that study is attached as Attachment 1-9. See also the response to Question 1-1a.

ATTACHMENT 1-9
(Filed Separately in Two Parts)

BULLOCK PEN WATER DISTRICT

Response to Commission Staff's First Request for Information Case No. 2025-00259

Question No. 1-7

Responding Witness: Paul Harp

Q-1-7. Describe the potential impacts Bullock Pen District has identified to Bullock Pen Lake's recreational use, such as fishing and boating, if an expansion or replacement of the WTP is constructed.

A-1-7. Bullock Pen Water District ("the District") has not identified any potential adverse effects to the public's recreational use of Bullock Pen Lake that would result from the construction of a replacement water treatment plant operating within the water withdrawal limits the Kentucky Department of Fish and Wildlife ("the Department") establishes. The Department holds the deed to Bullock Pen Lake and acts as the steward for the Lake and surrounding public land. It will determine the water withdrawal limits under which any replacement water treatment plant will operate. As previously noted, the District will defer to and comply with the Department's decisions in this matter. See the response to Question 1-3.

BULLOCK PEN WATER DISTRICT

Response to Commission Staff's First Request for Information Case No. 2025-00259

Question No. 1-8

Responding Witness: Paul Harp

Q-1-8. Describe the potential impacts Bullock Pen District has identified to real property values located along or near Bullock Pen Lake if an expansion or replacement of the WTP is constructed.

A-1-8. Bullock Pen Water District ("the District") has not conducted any study of the effect of the construction of a replacement water treatment plant on property values located along or near Bullock Pen Lake and is not qualified to discuss the potential impact of the replacement plant on property values.

Please note that the District's current water treatment plant has been located at Bullock Pen Lake for more than 60 years and the proposed replacement plant is located on a parcel of land immediately adjacent to the current water treatment plant.

BULLOCK PEN WATER DISTRICT

Response to Commission Staff's First Request for Information Case No. 2025-00259

Question No.1-9

Responding Witness: Paul Harp

Q-1-9. Describe the potential environmental impacts Bullock Pen District has identified, such as changes in water quality and changes to wildlife habitats, if an expansion or replacement of the WTP is constructed.

A-1-9. Bullock Pen Water District ("the District") has not conducted or commissioned any study to assess a replacement water treatment plant's potential environment impact and defers to the Kentucky Division of Water and the Kentucky Department of Fish and Wildlife on this issue.

The District has not identified any potential changes to the raw water quality resulting from the construction of a replacement water treatment plant. Finished water quality will likely improve as the replacement water treatment plant will be using the most up-to-date treatment processes.

BULLOCK PEN WATER DISTRICT

**Response to Commission Staff's First Request for Information
Case No. 2025-00259**

Question No. 1-10

Responding Witness: Paul Harp

Q-1-10. Describe and provide copies of all studies and analyses assessing the feasibility for Bullock Pen District to purchase more wholesale water to address its future needs to provide adequate service to its customers.

A-1-10. See responses to Question 1-1a, Question 1-6.

BULLOCK PEN WATER DISTRICT

**Response to Commission Staff's First Request for Information
Case No. 2025-00259**

Question No. 1-11

Responding Witness: Paul Harp

Q-1-11. Provide all Bullock Pen District Board of Commissioner meeting minutes for the period beginning October 2023 through the present month.

A-1-11. See Attachment 1-10.

ATTACHMENT 1-10

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
JANUARY 2023 MEETING**

The January 2023 meeting of the Bullock Pen Water District was called to order on January 19, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Rodger Bingham, Andrea Walton, Bobby Burgess and William Wethington. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, Mr. Benton Hanson of HMB Professional Engineers, Inc., Ashley Dyer and Amy Ruark.

The first order of business was a review of the December 2022 Minutes as attached. After discussion, upon motion of William Wethington, and second by Rodger Bingham, it was unanimously,

“RESOLVED: That the December 2022 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the December 2022 Profit and Loss and Warrants Statement. Upon motion of Andrea Walton, and second by William Wethington, it was unanimously,

“RESOLVED: that the December 2022 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported on the status of the Onyx matter. Mr. Nienaber reviewed with the Commissioner’s Mr. Blood’s (Onyx’s attorney) demand. Mr. Nienaber stated the strength of the District’s case depends solely upon the facts as they relate to whether or not the District properly assessed “liquidated damages” to Onyx for failure to complete the project within the contracted thirty (30) days. Mr. Hanson stated that Onyx only requested five and ½ days for weather credit. Mr. Nienaber stated that if the District is reasonable in charging Onyx for not completing the project within the 30 day time limit, the only issue would be whether or not the District is “reasonable” in making that determination. Commissioner Wethington said the District should take a hardline approach and tell Onyx that the District’s offer of December 21, 2022 stands. Mr. Nienaber reviewed in detail Onyx’s counteroffer submitted by Mr. Blood. Mr. Hanson stated that Onyx was very poor in communicating with the inspectors on the project. He does not believe that Onyx acted reasonably. Mr. Hanson gave several examples of how Onyx did not act reasonably. Mr. Hanson also stated that on more than one occasion, Onyx did not follow through with agreements that were made at team meetings. Mr. Hanson also stated that he had several arguments with Onyx representatives over the construction project. Onyx became very upset with Mr. Hanson and HMB Professional

Engineers. Mr. Nienaber explained the lien rights which Onyx has pursuant to KRS 376.210, et.seq. Mr. Nienaber informed everyone that a letter was received from the paint supplier for the project stating that they were not paid. Mr. Nienaber explained that as of the present, the District and Onyx are in dispute over \$7,700.00. Chairman Givin stated that the \$7,700.00 is a fair offer. Mr. Nienaber explained that Onyx was alleging sex discrimination and lost profits due to Onyx's inability to obtain bonds. A significant discussion followed. Thereafter, upon motion of Andrea Walton, and second by William Wethington, it was unanimously,

“RESOLVED: that the District stand firm to its previous offer of December 21, 2022 (attached).

2. Mr. Nienaber and Amy Ruark reported that Invoice Cloud intends to increase its charges as outlined in Mr. Nienaber's letter (attached). Mr. Nienaber reported that the Invoice Cloud Agreement is only 23 months and is well under \$30,000.00 per year. After discussion, upon motion of Andrea Walton, and second by Rodger Bingham, it was unanimously,

“RESOLVED: that the District enter into the revised Agreement with Invoice Cloud to provide credit card services per the attached Agreement. Amy Ruark is hereby directed to notify all customers through the payment portal site of the pending increase in fees. Mr. Nienaber directed that the notice also be placed on the District's website.”

3. Mr. Nienaber gave a report on the status of the District's Rate Increase pending before the PSC. Mr. Nienaber stated that the PSC had submitted a rather lengthy document request as attached. A meeting was held the previous day to review that request and to begin the process of preparing a Response.
4. Mr. Nienaber inquired as to the status of the Katie Drive Project. No one reported that anything has been done since the last meeting.
5. Mr. Nienaber stated that the District has received another Open Records Request as attached. He reported that the information requested is subject to the ORR and should be provided. Ashley Dyer stated that she would make that information available.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson met with representatives from KYTC regarding the KY 467 Project. KYTC is considering this project under its standard utility relocation protocol. HMB is currently working on a set of final plans to provide to KYTC. Mr. Hanson stated that the District will be responsible for making the water line relocations and submitting invoices to

KYTC for reimbursement. Mr. Hanson also stated that KYTC will reimburse the District for its time and costs incurred through its employees.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly report as attached.
2. Superintendent Harp reported that he attended a Boone County NKADD/KIA meeting called for the purpose of prioritizing project profiles. Superintendent Harp stated that the District included the Verona District Project, McCoy Fork Road Loop Project, and the US 42 Loop Project. Superintendent Harp reported that none of the projects submitted by the District would receive a priority status.
3. Superintendent Harp reported that Kentucky Engineering is going to submit a contract for the District's review relating to the Water Treatment Plant Project. He hopes to receive that proposed Contract within the next couple of weeks or so.
4. Superintendent Harp reported that Aaron is going to retire effective June 20, 2023. He believes that the District should strongly consider promoting an employee within the District to that position when it becomes available.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Ruark reported that the District received an Engagement Letter from Chamberlain Owen Certified Public Accountants for the purpose of performing the District's December 31, 2022, year-end audit. The Contract price is \$11,800.00. Mr. Nienaber reported that the Engagement Letter is in order. After discussion, upon motion of Bobby Burgess, and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Chairman Givn be and he is hereby authorized to execute an Engagement Letter with Chamberlain Owen Certified Public Accountants as attached for the preparation of the District's December 31, 2022 year-end annual audit.”

2. Ms. Ruark reported that the District currently has about \$1,200,000.00 available for investment in Certificates of Deposit. She reported that Forcht Bank is offering a 3% rate for a 15 month certificate of deposit; and Heritage Bank is offering 3.75% for a 10 month certificate of deposit, and 3.25% for an 18 month certificate of deposit. William Wethington inquired as to whether or not anyone has called U.S. Bank. He had some information to suggest U.S. Bank may be offering 4% to 4.5% on certificates of deposit. Amy Ruark reported that she did not receive any quotes from U.S. Bank. Other Commissioners raised the issue of whether or not the District's funds would be federally insured if certificates were invested in other organizations. After considerable discussion, upon motion of William Wethington, and second by Rodger Bingham, it was unanimously,

“RESOLVED as follows:

1. Amy Ruark is hereby directed to obtain Certificate of Deposit quotes from U.S. Bank. Upon receipt of those quotes, she is to notify all Commissioners by email.
2. Within two business days following the distribution of Certificate of Deposit rates received by Amy Ruark, Commissioners are directed to vote upon which financial institution should be used to renew Certificates of Deposit with the term limit and interest rate. Commissioners are directed to vote within 2 days by email. A “no response” by a Commissioner is tantamount to a “no vote”.
3. If Amy Ruark receives a majority vote for any one particular investment in a Certificate of Deposit, she is hereby authorized and directed to obtain those Certificates of Deposit as directed. All Certificates of Deposit must be federally insured.”

Ms. Ruark reported that the next regular scheduled meeting is scheduled for February 16, 2023. That date does not work for District personnel. After discussion, upon motion and second, it was unanimously,

“RESOLVED: that the next meeting be scheduled for February 23, 2023. Amy Ruark is hereby directed to make the appropriate notices and place same on the District’s website.”

There being onfurther business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
FEBRUARY 2023 MEETING**

The February 2023 meeting of the Bullock Pen Water District was called to order on February 23, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Rodger Bingham, Andrea Walton, Bobby Burgess and William Wethington. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, Ashley Dyer and Amy Ruark.

The first order of business was a presentation by Mr. Thomas Taylor, Heritage Wealth Management Group. Mr. Taylor presented to the Board a review of available T-Bill and Certificate of Deposit rates for investment by the District. Currently, T-Bill rates for 6 month to 12 month notes is between 4.4% and 4.8%. All monies invested in T-Bills are 100% guaranteed by the Federal Government. Commissioner Bingham inquired as to what fees are charged to the District. Mr. Taylor stated that all T-Bill rates quoted are net after all fees and commissions. Commissioner Bingham inquired as to what rates would be available for shorter 3 month term T-Bill notes. Mr. Taylor indicated that 3 month T-Bill rates are approximately 4%. Chairman Givin suggested that the District not commit all of its available funds to a long term T-Bill note. Rather, the District should split it approximately \$500,000.00 for a longer term note and \$250,000.00 for a shorter term note. After discussion, Chairman Givin informed Mr. Taylor that the District would get back to him regarding the amounts to be invested.

The next order of business was a review of the January 2023 Minutes as attached. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: That the January 2023 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the January 2023 Profit and Loss and Warrants Statement. Upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: that the January 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

Commissioner Bingham noted that over the last approximate 12 months, the District has spent \$300,000.00 over and above revenues. He cautioned everyone that the District should keep an eye on this. Chairman Givin stated that is exactly why the District is seeking a rate increase at this time.

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported on the status of the Rate Increase Application currently pending before the Public Service Commission. He reported that a Second Request for Information has been submitted by the PSC to the District. Those answers are due March

2, 2023. Mr. Nienaber stated that the additional information requested by the PSC is not significant. For the most part, the additional information requested clarifies previous information provided to the PSC by the District.

2. Mr. Nienaber raised the topic of investments for the District. Amy Ruark reported that the District has available cash on hand in the amount of approximately \$1,144,000.00. A significant discussion followed as to how much the District should invest and the term of those investments. Chairman Givin suggested the District consider 3 month, 6 month, and 12 month notes. After considerable discussion, upon motion of Rodger Bingham and second by William Wethington, it was unanimously,

“RESOLVED as follows:

- (1) The District purchase two T-Bill notes at a net annual yield interest rate not to go below 4%.
- (2) One T-Bill note should be in the amount of \$500,000.00 for a 6-month term.
- (3) A second T-Bill note should be purchased in the amount of \$500,000.00 for a 12-month term.
- (4) Chairman Givin and Rodger Bingham shall have signatory authority for the T-Bill notes.”

3. Mr. Nienaber reviewed with the Commissioners his Kentucky Engineering Group Agreement Analysis as attached. Mr. Nienaber reported that the Agreement submitted by KEG was inadequate for the District to consider. Benton Hanson stated that Rural Development Authority has a form Engineering Services Agreement that it requires all public entities to utilize for projects where RDA monies are being used. Mr. Nienaber suggested that in any event, the Agreement submitted by KEG is not adequate. After considerable discussion, it was recommended that Paul Harp contact KEG and inform them that the District is not satisfied with the proposed Agreement. Mr. Harp was also directed to inform KEG to prepare an Engineering Services Agreement for review by the District consistent with the terms set forth in the RDA form agreement.
4. Mr. Nienaber reviewed with the Commissioners the Kentucky Deferred Compensation Renewal Agreement as attached. Mr. Nienaber stated he spoke with representatives from KDC regarding this Agreement. It is simply updating their files. Mr. Nienaber stated that the KDC Agreement as attached is appropriate. After discussion, upon motion of William Wethington and second by Bobby Burgess, it was unanimously,

“RESOLVED: that Ashley Dyer be and she is hereby authorized to execute the KDC Agreement as attached.”

5. Mr. Nienaber reported on the status of the Stewartsville Tank Project. Mr. Nienaber stated that he received a Status Report from Onyx’s counsel, Mr. Blaine Blood. This Status Report is requested by Onyx’s bonding company. Mr. Nienaber requested that

someone from the District complete this form and submit it to the bonding company. After discussion, upon motion of Andrea Walton and second by William Wethington, it was unanimously,

“RESOLVED: That Superintendent Harp be and he is hereby authorized to complete the CCI Status Report form and submit it to Onyx’s bond company.”

The next order of business was a report by HMB Professionals, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that the Stewartsville Tank is complete. He stated that the work performed by Onyx is within acceptable standards. Overall, Mr. Hanson is happy with the work that Onyx performed. Mr. Hanson stated that HMB will have the project inspector complete a final review of the project one month prior to the expiration of the current one year warranty which ends February 2, 2024.
2. Mr. Hanson reported on the status of the KY 467 Project. He reported that all forms have been completed and submitted to KYTC. Mr. Hanson will prepare a reimbursement request for submittal to KYTC. He requested that Paul Harp assist in the preparation of that document.

The next order of business was a report by Superintendent Harp as follows:

1. Mr. Harp reviewed with the Commissioners his Superintendent’s Report as attached.
2. Mr. Harp reported that there was a power outage approximately two weeks ago which caused an issue with one of the booster pumps. The cost to repair the damaged booster pump is approximately \$4,000.00. Mr. Nienaber suggested that the claim be submitted to the District’s insurance carrier.
3. Mr. Harp reported that meter heads will need to be purchased by the District in order to complete scheduled water meter repairs and replacements. He reported that in the present economy, meter heads are very difficult to obtain and are only manufactured by Neptune. Mr. Harp reported that he will hopefully receive 200 meter heads in June, 2023, at a cost of \$43,000.00 and 400 in October, 2023, at a cost of approximately \$86,000.00. Mr. Nienaber stated that the District should bid this purchase as it is over \$30,000.00. Mr. Harp stated that the only supplier for meter heads for the District’s water meters is through Neptune.
4. Mr. Harp reported that Mr. Jason Chastine, Carla Court, Crittenden, Kentucky filed a complaint over a cracked driveway. Superintendent Harp stated that in the process of repairing a water main leak, Mr. Chastine alleges that the District damaged Mr. Chastine’s driveway. Mr. Harp questions the validity of the claim. Mr. Harp stated that over the last 4 years or so, there have been 4 to 5 leaks in this section of water main. He reported that sometime in the not to distant future, this line should be replaced.

Replacement at this time is not immediately necessary. Mr. Harp stated that in dealing with Mr. Chastine, he is very unclear as to what he wants the District to do in order to "settle" the claim. Chairman Givin suggested that Mr. Harp contact Mr. Chastine and tell him to submit a demand in writing to the District.

5. Mr. Harp reported that the District needs new meter reading equipment at a cost of \$10,000.00. This new meter reading program will also require an \$8,600.00 per year service charge. Mr. Harp reported that this meter reading equipment will put the District's meter reading capabilities on a centralized antennae system that will allow meter reading to be completed from inside the District office. The savings in adopting this new system will be significant. Mr. Nienaber inquired as to what type of long term commitment the District would need to make in purchasing this system. Mr. Harp stated that he did not have any details. After discussion, it was recommended that Mr. Harp prepare a report on the system for the next meeting.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. The District's group life insurance plan is up for renewal. Ashley Dyer reported that the rates for the current coverage are significantly less than last year.
2. Effective January 1, 2024, Humana will no longer offer health insurance coverage to anyone not on Medicare. Ashley Dyer is working on obtaining quotes and insurance data from other carriers. She will keep the District apprised of her findings.
3. The next meeting is scheduled for March 16, 2023. There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
MARCH 2023 MEETING**

The March 2023 meeting of the Bullock Pen Water District was called to order on March 16, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Rodger Bingham and William Wethington. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, Ashley Dyer and Amy Ruark. Commissioners Andrea Walton and Bobby Burgess were absent.

The first order of business was a review of the February 2023 Minutes as attached. After discussion, upon motion of Rodger Bingham and second by William Wethington, it was unanimously,

“RESOLVED: That the February 2023 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the February 2023 Profit and Loss and Warrants Statement. Upon motion of William Wethington and second by Rodger Bingham, it was unanimously,

“RESOLVED: that the February 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Chairman Givin reported that he and Rodger Bingham signed signature cards for Heritage Wealth Management for the purpose of purchasing Treasury Bills. Commissioner Bingham inquired as to whether or not Heritage Wealth Management was FDIC insured. Commissioner Bingham is concerned that they are not insured. He also expressed concerns over making checks payable to Heritage Wealth Management when he does not have any past history of dealings with this entity. After considerable discussion, it was determined that no transfers of cash or funds shall be made by the District to Heritage Wealth Management until such time as Commissioner Bingham speaks with representatives of Heritage Wealth Management and Heritage Bank.
2. Paul Harp reported that he received a phone call from the City of Dry Ridge, Mr. Robbie Bosse, inquiring if the District could sell water to the City of Dry Ridge. Superintendent Harp reported that the inquiry was made in passing and was not discussed in any detail. He stated that if additional contacts are made and/or discussions held, he will report to the Board.
3. Mr. Nienaber reported that he and Paul Harp met with Mark Stephens, Engineer with Kentucky Engineering Group, PLLC (“KEG”) regarding the Engineering Services

Agreement ("Agreement") for the Water Treatment Plant ("WTP"). Mr. Nienaber reminded everyone that the initial proposed Agreement sent by KIG to the District was a 2-page Agreement with little to no detail. The first proposed Agreement also left many unanswered questions regarding additional services that may be required by KEG in completing the Project. In response to those concerns, KEG forwarded to Mr. Harp a second proposed Agreement (attached). Mr. Nienaber stated that his primary concern with the proposed Agreement is that it commits the District to a \$1.5 (±) million dollar professional services agreement. In addition, pursuant to the very terms of that proposed Agreement, the District could incur an additional \$250,000.00 or more charges for additional engineering services related to the WTP Project. Mr. Nienaber's concern is that any agreement for professional engineering services relating to the WTP must have a clause that allows the District to stop the Project in the event the WTP Project becomes impractical. Mr. Nienaber expressed this concern to Mr. Stephens during the meeting with KEG. Mr. Stephens acknowledged the District's concern. With that said, Mr. Nienaber explained that he and Paul Harp discussed with KEG a scenario whereby the District would make an initial commitment to engage KEG to prepare preliminary plans and drawings and specifications in an attempt to determine if the WTP Project is feasible. Once that decision is made, the District would then make a commitment for further engineering services. Mr. Nienaber outlined a three-step process whereby the District would commit to KEG preparing preliminary plans, specifications and drawings to a point where the District could submit an application to the Kentucky Division of Water ("DOW") and to generate initial construction cost estimates. Once the District has sufficient information to adequately estimate project costs and the DOW gives a preliminary approval, Step II of the Project would then move forward. The second step of the Project would then allow the development of more detailed plans, specifications and drawings in order to move forward with the overall project. Mr. Nienaber reported that Step I of the Project would take approximately 270 days. Once Step II of the Project begins, the District could investigate the availability of funding for the Project. This would take approximately 90 days. Once a determination is made that sufficient funding for the Project is available, Step III would begin to allow final engineering plans to be created. Mr. Nienaber stated that during Step I phase of the Project, the District could also engage KEG for the purpose of conducting a Cost of Services Study ("COSS") for filing with the PSC. In any event, no additional engineering charges would be made until the District authorizes those services in Step II and III of the Project. Mr. Nienaber reported that KEG was agreeable to this 3-step process. Mr. Stephens suggested that the cost of Engineering Services to be incurred during Step I would be no more than \$350,000.00. If the Division of Water doesn't approve the District's preliminary plans for the WTP Project, if funding is unavailable, or if the Project is not feasible due to costs, the District can "pull the plug" on all additional engineering services at which point the District would have no further obligation to KEG. A considerable discussion followed. After discussion, upon motion of Rodger Bingham and second by William Wethington, it was unanimously,

"RESOLVED: that the District engage negotiations for a Professional Services Engineering Contract to be arranged with Kentucky Engineering Group, PLLC, for the purpose of preparing

preliminary drawings, specifications, and plans for submittal to the Kentucky Division of Water and to begin preliminary filings for a Cost of Services Study, at a cost not exceed \$350,000.00.”

4. Mr. Nienaber reviewed with the Commissioners the status of the Stewartsville Tank Project. Mr. Nienaber reported that an adjoining property owner submitted a complaint of damage to his personal property during the painting project. The neighbor contacted Mr. Hanson the previous week and reported that he would have a cost estimate of damages within a week. Paul Harp reported that the clean-up at the site is now satisfactorily complete. Mr. Nienaber reported that he received a lien notice from Sunbelt Rentals for an alleged claim on the Project. That lien claim is not timely filed.
5. Mr. Nienaber gave a report on the pending Rate Increase. Mr. Nienaber reported that all documentation has been provided to the PSC. Pursuant to the PSC’s previous Order, a Staff Report will be completed no later than April 6, 2023. At that time, anyone involved in the Rate Increase proceeding may file objections to the Staff Report. If no objections are received, the PSC would then rule on the matter. Chairman Givin inquired as to whether or not there will be a formal public hearing. Mr. Nienaber said that is probably unlikely. However, the PSC could order a public hearing in its discretion. Mr. Nienaber would think that a decision on the District’s application would be rendered by the PSC around June, 2023.
6. Mr. Nienaber reviewed with the Commissioners the proposed Senate Bill #263. Mr. Nienaber reviewed with the Commissioners his May 15, 2023 correspondence (attached) which included a summary of Senate Bill #263. Briefly stated, Senate Bill #263 proposes various changes to existing Statutes that would promote and encourage regionalization among water and sanitary sewer districts. For example, “regionalization” could include existing water districts (e.g., Bullock Pen Water District and Corinth Water District) to merge their services in order to realize cost savings. Mr. Nienaber stated that at this point Senate Bill #263 is in its infancy and no specifics have been released by the General Assembly. If any developments are received, Mr. Nienaber will advise.

The next order of business was a report by HMB Professionals, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that he has submitted cost estimates to Tony Blah, KYTC, regarding the KY 467 Project. Those plans and estimates have been approved. The original estimate sent to KYTC was for \$305,000.00.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent’s Report as attached.

2. Superintendent Harp reported that new legislation will be requiring the District and all other water suppliers to perform a copper and lead assessment. This assessment will require the District to report to designated governmental agencies the existence of all lead pipes within our system. Superintendent Harp does not believe there are any lead pipes within the District's system at this time. Pursuant to this legislation, it will be the responsibility of a water utility to replace (at the utility's cost and expense) all lead pipe from the point where the water service lien enters the residence through the water utility system. The District would not be able to conduct these repairs on its own. All repairs and lead pipe replacement would have to be conducted by third parties.

3. Mr. Harp reported that that PFAS is going to be a problem for all water utilities. Federal regulations regarding PFAS standards are going to increase and place significant burdens on water utilities. Civil litigation in this area will continue to increase. Mr. Nienaber reviewed with the Commissioners Minutes from the August 22, 2022 meeting wherein PFAS litigation was considered. The Commissioners questioned whether or not the District could join the PFAS litigation with Napoli & Shkolnik, PLLC at this time. Mr. Nienaber reviewed with the Commissioners the Retainer Agreement submitted by Napoli & Shkolnik which was received at the August 22, 2022 meeting. After considerable discussion, upon motion of William Wethington, and second by Rodger Bingham, it was unanimously,

“RESOLVED: that the District be and the same is hereby authorized to join in PFAS Class Litigation through Napoli & Shkolnik. Chairman Givin is hereby authorized to execute a Retainer Agreement as attached.”

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ashley Dyer reported that she had spoken with Jeremy Arrasmith of Old Kentucky Insurance regarding the District's property valuation as it relates to replacement cost insurance coverage. Currently, the District has “replacement cost coverage” through KLC. An example would be the District's 1995 Case backhoe is currently valued at \$54,265.00 replacement cost value. Given the age of the backhoe, Ashley Dyer questioned whether or not the District should have replacement cost coverage on that piece of equipment. After considerable discussion, Ashley Dyer and Commissioner Wethington are authorized to negotiate agreed upon property values for insurance coverage purposes.

2. Ashley Dyer reported that she hopes to receive confirmation from Northern Kentucky Public Entity Joint Health Association for the upcoming year. NKYPEJHA will be allowed to purchase health insurance through the Group. Approval is expected sometime next week. If the District is allowed to join NKYPEJHA, they will provide us insurance quotes shortly thereafter. Given the number of questions about NKYPEJHA and coverages offered, Ashley Dyer was directed to invite a representative from NKYPEJHA to the District's next meeting if the District is permitted to join the Group. In the

meantime, Ashley Dyer will also get a quote from Old Kentucky Insurance for health insurance coverage.

3. Amy Ruark reported that the next meeting is scheduled for April 20, 2023. There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
APRIL 2023 MEETING**

The April 2023 meeting of the Bullock Pen Water District was called to order on April 20, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Rodger Bingham, Andrea Walton, Bobby Burgess and William Wethington. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, Ashley Dyer and Amy Ruark.

The first order of business was a presentation by Sherrill Morgan Insurance Services, Ms. Lisa Stamm, and Mr. Joe Jones. Ms. Stamm distributed to the Commissioners a hard copy of a PowerPoint presentation regarding the health insurance services offered by Sherrill Morgan. She reported that the plan offered is a self-funded plan. Currently there are 14 municipalities and governmental entities in Northern Kentucky participating in this plan through the Northern Kentucky Public Entity Pool ("NKPE"). Ms. Stamm reported that a self-funded program allows the employer to act as its own "insurance company". NKPE has been operating since 2014. She reported that while the general health insurance industry has incurred 7% increases in premiums this year, the Sherrill Morgan plan only had a 4% increase. Ms. Stamm reported that if the District were inclined to participate, it would have to "buy-in" to the NKPE at a cost of \$5,200.00 per month for 24 months. This "buy-in" cost is over and above the District's normal monthly premium. Ms. Stamm reported that there are six different health insurance plans offered through the NKPE.

The next order of business was a review of the March 2023 Minutes as amended. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

"RESOLVED: That the March 2023 Minutes as amended be and the same are hereby approved as attached."

The next order of business was a review of the March 2023 Profit and Loss and Warrants Statement. Upon motion of Andrea Walton and second by Bobby Burgess, it was unanimously,

"RESOLVED: that the March 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached."

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that the Grant Circuit Court litigation regarding the Waller Drive Dam is scheduled for Friday, May 12, 2023, at 9:00 a.m. The Mediator is retired Judge Stephen Bates. Mediation will be held at the Grant County Judicial Center. Chairman Givin indicated that he and Superintendent Harp would attend. Mr. Nienaber recommended that both attend.
2. Mr. Nienaber reported on the status of the District's Rate Increase Application before the Public Service Commission. Mr. Nienaber reported that the PSC entered an Order

extending the PSC Staff Report deadline to April 27, 2023. No explanation was given by the PSC for this extension.

3. Mr. Nienaber reported that he has been informed that an adjoining property owner to the Stewartsville Tank has made a claim for property damage. Mr. Chad Gordon is claiming that he had six automobiles and one tractor on site that received paint damage. There is also sand in his cistern. Mr. Nienaber indicated that if Mr. Gordon makes contact, he should file his Complaint with Onyx and/or Onyx's insurance company.
4. Mr. Nienaber reported on the status of the Kentucky Engineering Professional Services Agreement for the WTP Project. Superintendent Harp indicated that KEP requested that the District prepare an Agreement consistent with the District's meeting with KEP representatives. Mr. Nienaber stated that he would prepare a draft for consideration by the District.
5. Mr. Nienaber reported that it appears the Grant County Sanitary Sewer District will join in the PFAS litigation through Napoli Shkolnik, PLLC.
6. Mr. Nienaber reported that KRS 45A.385 has been amended to allow governmental entities to make purchases of equipment, materials, etc., up to a limit of \$40,000.00 without engaging the public bid process. This amendment will become effective July 15, 2023.

The next order of business was a report by HMB Professionals, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that Chad Gordon had contacted him regarding alleged damages incurred from the Stewartsville Tank Project as reported above. Mr. Nienaber requested if Mr. Gordon contacts anyone at the District, they should direct him to Onyx and/or Onyx's insurance carrier.
2. Mr. Hanson reported that KYTC is close to beginning the KY 467 Project. The KYTC has reviewed all plans and approved the District's request for reimbursement. Mr. Hanson expects the utility relocation project to begin in the very near future.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent's Report as attached.
2. Chairman Givin inquired as to whether the District has incurred any more pressure leaks on KY 491. Superintendent Harp reported the District had a few more leaks. He is monitoring the situation closely.

3. Superintendent Harp reported that DOW conducted an inspection of the District. No written report has been received to date. However, it appears that everything went very well.
4. Superintendent Harp reported that Mr. James Evans, 960 Vallandingham Road, Dry Ridge, KY, indicated that he had previously signed a water easement and was wondering when the water line extension was going to be constructed. Superintendent Harp does not recall the District ever approving a waterline extension on Vallandingham Road. Mr. Evans informed Superintendent Harp that he is selling six lots and wants a waterline extension. Superintendent Harp did not have adequate time to inspect Vallandingham Road to assess the scope of the project and/or the cost. Commissioner Bingham stated that if Mr. Evans wants a waterline extension on Vallandingham Road, he should submit that request to the District. Mr. Harp stated that he would conduct a project estimate and report at the next meeting. Commissioners inquired what project would include a waterline extension on Vallandingham Road. Mr. Harp stated that he believes it may have been around 2012 and related to the Phase XIV Project. Mr. Nienaber stated that if the waterline extension was approved on Vallandingham Road, there would be DOW approved plans and a PSC proceeding requesting a certificate of public convenience. Mr. Nienaber does not recall any of these procedures being taken. Mr. Harp reported that Vallandingham Road **may** have been considered in conjunction with a loop line project. Otherwise, no one could recall approving this water line extension as indicated by Mr. Evans.
5. Superintendent Harp reported that a resident on Main Street in Crittenden had a significant increase in water usage for one month. Mr. Harp reported that the meter was removed and tested to be accurate. A new meter was installed. Afterwards, the customer's bill went to its normal average. Superintendent Harp indicated that the old meter was tested a second time, and everything appeared to be in order. Mr. Harp reported that the customer wants a complete credit for all water charges over his average. Commissioner Wethington stated the customer should only get credit consistent with the District's normal policy. Chairman Givin agreed. After discussion, Mr. Harp was advised to inform the customer that a credit would be given consistent with the District's standard policy. If the customer is unhappy with that resolution, he should come to the next meeting and present his case.
6. Mr. Harp reported that the District's service truck was stolen and totaled. The truck was very old with over 200,000 miles. Mr. Harp did not turn this loss into the insurance company. He reported that the truck needed to be replaced and was worth very little. Superintendent Harp reported that the District needs to purchase a new truck. Mr. Nienaber stated that if the District goes through the Kentucky Government Buying Program, advertising for bids would not be required. Superintendent Harp reported that a $\frac{3}{4}$ ton Dodge truck would cost approximately \$48,000.00. After considerable discussion, upon motion of William Wethington, and second by Roger Bingham, it was unanimously,

“RESOLVED: that Superintendent Harp be, and he is hereby authorized to purchase a ¾ ton pickup truck through the Government Buying Program at a cost not to exceed \$48,023.00.”

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Dyer reported that the Management Agreement with the Grant County Sanitary Sewer District is up for review. Normally the District would do this in January. However, with the PSC Application pending, Ms. Dyer did not have adequate time to review the Agreement. Ms. Dyer shared with the Commissioners her analysis and summary of the costs incurred. Her analysis would indicate that an \$824.00 per month increase in the management fee should be approved. After considerable discussion, upon motion of Bobby Burgess, and second by Andrea Walton, it was unanimously,

“RESOLVED: that the District increase its monthly management fee with the Grant County Sanitary Sewer District by \$824.00 per month for a total monthly charge of \$17,671.00. Mr. Nienaber is directed to prepare the revised Fifth Management Agreement with a retroactive increase in payments to January 1, 2023. Once the revised Fifth Management Agreement is prepared and signed, Mr. Nienaber is authorized to submit it to the Public Service Commission for review.”

2. Ms. Dyer reviewed with the Commissioners the property and casualty insurance summary as attached. Kentucky League of Cities (“KLC”) has quoted an increase in premiums of 4.4%. Amy Ruark and Paul Harp both commented that KLC provides great coverage and is an excellent company to work with. After discussion, upon motion of Andrea Walton and second by Bobby Burgess, it was unanimously,

“RESOLVED: that the District renew its property and casualty insurance coverage through KLC (with an annual premium of \$49,694.57).”

3. Ms. Dyer is still investigating health insurance premium costs. She indicated that the NKPE submitted various plans with competitive monthly premiums. However, the \$5,200.00 per month “buy in” charge may appear to be excessive. KACo and KLC both submitted bids which are very competitive. After considerable discussion, Ashley Dyer was directed to prepare an analysis of all health insurance coverage available and report her recommendation at the next meeting. Ms. Dyer indicated that a committee should be formed to conduct a health insurance review. Thereupon William Wethington, Ashley Dyer, Paul Harp, Amy Ruark and Andrea Walton agreed to serve on the committee. After discussion, upon motion and second, it was unanimously,

“RESOLVED: that William Wethington, Andrea Walton, Ashley Dyer, Paul Harp, and Amy Ruark serve on the health insurance committee and report at the District’s May 25, 2023 meeting.”

4. Amy Ruark reported that the next meeting is scheduled for May 25, 2023. There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

Wm. M. Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
MAY 2023 MEETING**

The May 2023 meeting of the Bullock Pen Water District was called to order on May 25, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bobby Burgess and William Wethington. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, Ashley Dyer and Amy Ruark. Commissioner Rodger Bingham was absent.

The first order of business was a presentation by Mr. James Evans, Vallandingham Road, Dry Ridge, Kentucky, requesting a waterline extension for Vallandingham Road. Mr. Evans stated that with a 1,200 foot ($\pm$) line extension he could service approximately 7 new homes. He stated that in or about 2014 he had signed an Easement for a waterline extension in that area. Mr. Nienaber reported in 2014/2015 the District undertook the Phase XIV Project which included 4 loop line extensions. These projects were designed to provide a loop line system in their respective areas to reduce water flushing. During mid-2014, the Division of Water, Dam Safety Division, had informed the District that it was considering draining Bullock pen Lake in order to undertake a Dam Remediation Project. As a result of that notification, the District put on hold 3 of the 4 projects which were included in the Phase XIV Project. The only project which was undertaken was the Pump Station near Williamstown. Mr. Nienaber reported that in early 2015, the District took final action and cancelled the 3 remaining projects which were first intended to be part of the Phase XIV Project. Mr. Vallandingham was requesting a waterline extension in order to subdivide larger lots along Vallandingham Road. Mr. Harp said that he is familiar with the area and perhaps a line extension could be undertaken which would provide a loop line to Osborne Road. Mr. Harp stated that in order to have a more certain opinion as to whether or not a line extension in the Vallandingham Road area would work, he would need to do more research. It is Mr. Harp's preliminary opinion that even with a loop line and line extension on Vallandingham Road, there would probably still be some water flushing. Commissioner Burgess stated that he is very interested in trying to undertake a loop line project if it is going to reduce water flushing. Commissioner Wethington informed Mr. Evans that the District must treat all line extensions and customers on those line extensions equally. Chairman Givin outlined the District's policy on waterline extensions and the need for customer contribution. Commissioner Givin also indicated that if a line extension was undertaken, the Project would have to be engineered and the Division of Water must approve the line extension. Mr. Nienaber stated that PSC approval would depend in part on the total cost of the project. After considerable discussion, Mr. Harp was directed to investigate the possibility of the Vallandingham Road line extension and report at the next meeting.

The next order of business was a review of the April 2023 Minutes as amended. After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: That the April 2023 Minutes as amended be and the same are hereby approved as attached.”

The next order of business was a review of the April 2023 Profit and Loss and Warrants Statement. Upon motion of Bobby Burgess and second by Andrea Walton, it was unanimously,

“RESOLVED: That the April 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that Chairman Givin, Paul Harp and he attended the Mediation regarding the Garrison litigation. Overall, Mr. Nienaber reported that the Mediation was a total waste of time. Apparently, none of the attorneys for the principal parties to the litigation were prepared. Chairman Givin reported that when Mediation concluded, Plaintiff's counsel was going to schedule a meeting with Division of Water Inspectors, Dam Safety Division, to meet at the dam site to assess the situation and try and determine exactly what needs to be done, what problems exist, and the source of those problems.
2. Mr. Nienaber reported on the status of the rate increase proceeding before the Public Service Commission. Mr. Nienaber expects a final decision from the full Commission in June, 2023.
3. Mr. Nienaber inquired as to whether or not anyone has heard further comments or complaints regarding the Stewartsville Tank Project. No one has heard anything.
4. Mr. Nienaber reported that the Retainer Agreement was forwarded to counsel in the PFAS litigation. He has not had any update since then.
5. Mr. Nienaber inquired as to the status of the Water Treatment Plant Project. Paul Harp reported that Kentucky Engineering, Inc. would like to have a formal Engineering Services Agreement submitted. Mr. Nienaber stated that he would begin working on that Agreement.

The next order of business was a report by HMB Professionals, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that he has not yet received final approval from KYTC regarding the KY 467 Project.
2. Mr. Hanson shared with the District HMB's new rate schedule as attached.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent's Report as attached.

2. Mr. Harp reported on the Katie Drive Project. He received a rough engineering drawing on the Project. Otherwise, nothing else has been done. Mr. Harp believes it is still a long way from getting started.
3. Mr. Harp reported that the District is in dire need of a new truck. He was previously authorized to purchase a truck through the state buying system at a maximum cost of \$48,000.00. Mr. Harp reported that due to demand, it is very difficult to find a truck for the District through the state buying system. He has made several attempts without success. Nonetheless, Mr. Harp reported that a new truck is desperately needed. He also reported that the Ford Ranger pick-up truck transmission went out. He is going to repair that to solve some of the District's need for new trucks. Mr. Harp stated that one truck the District needs is a $\frac{3}{4}$ ton utility truck. He has searched the state purchasing system and found one at a cost of approximately \$60,000.00. Other trucks are very scarce at this time. Mr. Harp believes that the state purchasing system inventory of trucks will increase sometime in October, 2023. He stated that the District needs a truck before that time. After considerable discussion, upon motion of Andrea Walton and second by William Wethington, it was unanimously,

“RESOLVED as follows:

- 1) Superintendent Harp is hereby authorized to purchase a $\frac{3}{4}$ ton utility truck through the state purchasing system at a cost not to exceed \$60,000.00. Funds should come from the District's cash reserves.
- 2) When a truck becomes available through the state purchasing system, Superintendent Harp is hereby authorized to purchase a $\frac{1}{2}$ ton pick-up truck not to exceed \$60,000.00 in cost. Funds should come from the District's cash reserves.”

Mr. Harp reported that Grant County High School has a Student Co-Op Program. He has recently contacted an individual student (senior) who would like to work for the District. The Co-op system allows students to work 3 hours a day to gain on-hands work experience. Mr. Harp would like to hire a Co-op student at an hourly wage of \$15.00 per hour. The Co-op Program would start in October, 2023. Mr. Nienaber inquired as to whether or not the District has any policies and procedures regarding Co-op students' work responsibilities. Specifically, Mr. Nienaber wanted to know the District restricted Co-op students from operating heavy equipment, working in open trenches, etc. Mr. Harp stated that he would prepare a policy and procedure for adoption by the District. After considerable discussion, upon motion of Andrea Walton and second by Bobby Burgess, it was unanimously,

“RESOLVED: That Paul Harp be, and he is hereby authorized to hire a Grant County High School Senior Student in the Co-op Program at an hourly wage not to exceed \$15.00 per hour for the school term beginning October, 2023.”

4. Superintendent Harp reported that retired Superintendent Bill Catlett passed away. His service is scheduled for May 26, 2023. The office will close at 1:00 p.m., in observance.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ashley Dyer reported that the Insurance Committee met to review various health insurance plans available for District employees. To that end, Ashley Dyer shared with the Commissioners the Committee's Report as attached. She reported that health insurance coverage would become effective July 1, 2023. The District's current HRA plan would stay the same. The Health Insurance Committee recommends that the District purchase health insurance for District employees as set forth in the attached recommendation captioned "New KLC Anthem Plan, PPO 10TI". The annual cost for this plan would be \$272,818.32. Mr. Nienaber inquired as to whether or not there would be any "buy-in requirements" to join the KLC Health Insurance Network. Ms. Dyer reported there would be no buy-in fees. After considerable discussion, upon motion of Bobby Burgess and second by William Wethington, it was unanimously,

"RESOLVED: That the District purchase health insurance coverage for employees through the "New KLC Anthem Plan, PPO 10TI" plan as attached."

2. Ms. Dyer then requested the District to take action to end the current HRA Plan and start a new HRA Plan effective July 1, 2023, to coordinate with the District's new health insurance coverage. After discussion, upon motion of William Wethington and second by Bobby Burgess, it was unanimously,

"RESOLVED: That Ashley Dyer be and she is hereby authorized to terminate the District's current HRA Plan effective June 30, 2023, and institute a new equivalent HRA Plan effective July 1, 2023, to be administered through Chard & Snyder."

3. Ashley Dyer reported that Hunter has announced he is leaving the District to join law enforcement. After discussion, Ashley Dyer was directed to advertise the employment position of Hunter.

The next order of business was a report by Chamberlin Owen, PLLC, Mr. John Chamberlin to review the District's December 31, 2023 Annual Audit. Mr. Chamberlin distributed to all of the Commissioners a copy of his Audit Summary and the Financial Audit Report. He reported that the Audit Opinion represents an unmodified opinion which is the highest level of assurance given. The financial statements presented in the Annual Audit presented fairly, in all material respects, the respective financial position of the District as of December 31, 2022. His compliance and internal control audit shows that there are no matters involving internal control over financial reporting and operations considered to be material weaknesses or significant deficiencies in internal controls in accordance with government auditing standards. No issues of non-compliance with bond covenants, debt agreements, and/or Kentucky Revised Statutes were found. Mr. Chamberlin reported that the District currently has on hand \$2,400,000.00 in cash

and cash equivalents. Currently, the District's revenue and expenses have narrowed considerably. Chairman Givin reported to Mr. Chamberlin that the District is in the later stages of a Rate Increase proceeding before the Public Service Commission which should alleviate that issue. Mr. Chamberlin reported that the District incurred a \$125,000.00 operating loss for calendar year 2022. Overall, Mr. Chamberlin reported that the District is in strong financial position.

4. Amy Ruark reported that due to conflicts, the next meeting should be scheduled for June 22, 2023. Ms. Ruark was directed to make the appropriate notifications.
5. There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
JUNE 2023 MEETING**

The June 2023 meeting of the Bullock Pen Water District was called to order on June 22, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bobby Burgess and William Wethington. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, Ashley Dyer and Amy Ruark. Commissioner Bingham was not personally present at the meeting. He attended in a non-voting capacity via Zoom.

The first order of business was a presentation by Mr. Jimmy Evans, Vallandingham Road, Dry Ridge, Kentucky. Mr. Evans shared with the Commissioners a drawing of his proposed subdivision and additional lots that could be served with a line extension. Mr. Evans requested District approval to extend a water line approximately 1,500 feet on Vallandingham Road. This line extension would serve approximately 6 new customers. The line extension would not create a "loop line" for the District's system. Chairman Givin stated that a "loop line" in this area is not practical at this time. Superintendent Harp agreed, stating that a "loop line" project would be cost prohibitive. Commissioner Burgess stated that he was in favor of the line extension. Superintendent Harp recommended approval of the line extension. Chairman Givin suggested that the District would furnish the pipe and related materials for the project and pay for the engineering costs. Mr. Evans would be responsible for all other costs and expenses associated with the line extension including all remediation cost. Mr. Evans was informed that any line extension would have to be installed pursuant to the approved plans by the Division of Water and consistent with the District's rules and regulations. Mr. Nienaber stated that easements would be necessary. It was recommended that Mr. Evans identify a water line easement on the subdivision plat. Mr. Evans requested a letter from the District stating the water would be extended. Mr. Nienaber recommended that the District not guarantee that a line extension would be installed. Any line extension would be contingent upon Division of Water approval and customers signing up for water service. After considerable discussion, upon motion of William Wethington, and second by Bobby Burgess, it was unanimously,

"RESOLVED as follows:

1. The District hereby approves a water line extension for Vallandingham Road of approximately 1,500 feet.
2. The District will pay for and provide water pipe and related fixtures for the line extension project.
3. The District will pay the cost of engineering the water line extension.
4. Mr. Evans will be responsible for all construction and installation of the water line including remediation costs.
5. All water line installation shall be conducted in conformity with the approved engineering plans from the Division of Water and in conformity with all District rules and regulations.

6. The water line extension is contingent upon Division of Water approval and contingent upon customers signing up for water service.
7. Mr. Evans will be responsible for obtaining all Assessments as needed.”

The next item of business was a presentation by residents from Dickerson Road. The residents requested a water line extension for Dickerson Road. Chairman Givin reported that Dickerson Road was on Boone County Fiscal Court’s list of proposed projects using ARPA money, however, Dickerson Road was at the bottom of the list in terms of priority. The residents wanted to know why Dickerson Road received such a low priority. Chairman Givin reported that the District had no input in making that decision and has no idea why it was given such a low rating. The residents suggested that the water line extension would be approximately 3,900 feet. Fifteen new customers are projected to be signed up for water. Mr. Nienaber stated that any water line project would need to secure the appropriate easements. It was suggested that the water line extension project be constructed on county road right-of-way. Mr. Nienaber stated that the District would have to obtain County approval for that encroachment on to the right-of-way. Mr. Nienaber also cautioned everyone that all too often water line extension projects must deviate from the road right-of-way requiring individual easements. Chairman Givin suggested that the District would provide the pipe for the project with the residents being responsible for all other costs and expense, including project remediation. After considerable discussion, it was recommended that Superintendent Harp prepare a project material list and estimated cost of materials for presentation at the next meeting. The residents were asked to return to the next meeting. In addition, Superintendent Harp and/or Benton Hanson were asked to contact the appropriate county road official to determine if an encroachment onto the right-of-way would be allowed.

The next order of business was a review of the May 2023 Minutes. After discussion, upon motion of Andrea Walton and second by William Wethington, it was unanimously,

“RESOLVED: That the May 2023 Minutes as amended be and the same are hereby approved as attached.”

The next order of business was a review of the May 2023 Profit and Loss and Warrants Statement. Upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: That the May 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported on the status of the Garrison litigation regarding Waller Drive. He reported that since the last Mediation, he received a letter from Plaintiffs’ counsel stating that the Plaintiffs would settle for the following:
 - (1) Payment of \$16,000; and

(2) Transfer of the Dam to the City of Crittenden.

Mr. Nienaber stated that other than the demand, he has not heard a word from anyone. When Mediation concluded last month, Plaintiffs' counsel was supposed to set up a meeting with the State of Kentucky Dam Inspector to determine exactly what the issues are at the Dam and who is responsible. That meeting has not yet been scheduled. Mr. Nienaber stated that he spoke with counsel for the City of Crittenden and made it clear that under no uncertain terms would the District agree to contribute any money to the settlement.

2. Mr. Nienaber reported that he has not yet heard from the Public Service Commission regarding the District's pending rate increase. Mr. Nienaber stated that he still expects to receive a decision from the Public Service Commission by month end.
3. Mr. Nienaber inquired as to the status of the Stewartsville Tank complaint issues from adjoining property owners. Mr. Nienaber reported he has not heard a word. Superintendent Harp stated that he has not heard anything either.
4. Mr. Nienaber reported that the PFAS litigation is moving forward. Unfortunately, the primary Defendants in that litigation have filed bankruptcy in the United States Bankruptcy Court. Once that Petition was filed, the federal court case proceeding was stayed until the bankruptcy court decides whether or not to retain jurisdiction or to allow the case to move forward in Federal Court. Mr. Nienaber stated that he would continue to keep everyone updated on any developments.
5. Mr. Nienaber inquired as to the status of the Water Treatment Plant Project. He stated that he is currently preparing an Engineering Services Agreement for execution by the Kentucky Engineering Group, Inc. ("KEG"). Mr. Nienaber stated that he forwarded a rough draft of the Agreement to everyone the previous evening. He would like everyone to make any comments they feel necessary. Once the Agreement is finalized, it will be forwarded to KEG for signature. After considerable discussion, upon motion of William Wethington and second by Bobby Burgess, it was unanimously,

"RESOLVED: That the District be and the same is hereby authorized to execute the attached Engineering Services Agreement with Kentucky Engineering Group, Inc., for the purpose of preparing preliminary plans, drawings, and specifications for the District's Water Treatment Plant."

Mr. Harp reported that the District's Water Treatment Plant Project was rated the #2 Project in the State for purposes of loan and grant eligibility.

6. Mr. Nienaber reported that he had forwarded the Fifth Amended Management Agreement to the Public Service Commission for review.

The next order of business was a report by HMB Professionals, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson inquired of the District as to how HMB should bill for engineering services on Vallandingham Road. He asked whether or not an independent agreement is necessary or if he can just bill it hourly through the District. Mr. Hanson was informed that the project should just be billed hourly through the District.
2. Mr. Hanson reported that KYTC has signed an Agreement with HMB for the KY 467 Project. Mr. Hanson also presented an Engineering Agreement submitted by KYTC for signature by the District. After discussion, upon motion of Bobby Burgess, and second by Andrea Walton, it was unanimously,

“RESOLVED: That the District execute the proposed KYTC Agreement for the KY 467 Road Project.”

3. Mr. Hanson reported that the Elliston Bridge Project undertaken by KYTC will require a utility relocation project. KYTC requested a construction and engineering budget for this line relocation. Mr. Hanson stated that he is awaiting KYTC’s approval for an engineering budget. He will get that to KYTC forthwith.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent’s Report as attached.
2. Superintendent Harp reported that Aaron will be retiring at month end. He is going to replace Aaron with Becky Thomas, who will become the Water Treatment Plant Supervisor. Given the fact that Ms. Thomas will be undertaking additional obligations and responsibilities, he would like to recommend that she receive a \$2.00 per hour raise. After considerable discussion, upon motion of Andrea Walton, and second by William Wethington, it was unanimously,

“RESOLVED as follows:

- (1) Effective July 1, 2023, Becky Thomas shall receive a pay increase of \$2.00 per hour.
- (2) All other current benefits offered Becky Thomas through her employment with the District shall remain the same.”
3. Superintendent Harp reported that the Division of Water took various test samples for PFAS chemicals. The District did exceptionally well on all PFAS tests. Mr. Harp stated that the District’s PFBS level was registered at 1.1. The acceptable limit is 1.0. No action is necessary based upon the District’s test results.
4. Superintendent Harp reported that he is going to engage an appraiser to provide the District an appraisal for the possible purchase of real estate

from the Catlett family which will be necessary for the Water Treatment Plant Project. He will report to the District.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Dyer reported that the interviews for the field tech position will be conducted over the next 30 days. If anyone wants to participate in those interviews, please advise Ms. Dyer. Chairman Givin and Commissioner Walton both stated that they would like to participate.
2. Amy Ruark reported that the District needs a new postage meter and postage meter contract. The term limit for the postage meter is 5-years. According to the postage meter representative, this 5-year term is non-negotiable. Mr. Nienaber stated that he would contact the postage meter company to see what can be worked out.
3. The next meeting will be scheduled for July 20, 2023.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William Wethington
WILLIAM WETHINGTON, SECRETARY

AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

THIS IS AN AGREEMENT effective as of June 1, 2023 ("Effective Date") between
Bullock Pen Water District ("Owner") and
Kentucky Engineering Group, PLLC ("Engineer").

Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as follows:
The project consists of a new 2.0 MGD Water Treatment Plant (WTP) including upgrades to the existing raw water pump station and sludge holding lagoons.

("Project").

Other terms used in this Agreement are defined in Article 7.

Engineer's services under this Agreement are generally identified as follows: Preliminary Design of the WTP; Submittal of Design Plans to the Kentucky Division of Water (DOW); Assist the Owner in filing applications for funding through the appropriate governmental agencies; and to assist the Owner in preparing a Cost of Services Study (COSS) for filing with the Kentucky Public Service Commission (PSC).

Owner and Engineer further agree as follows:

ARTICLE 1 – SERVICES OF ENGINEER

1.01 *Scope*

- A. Engineer shall provide, or cause to be provided, the services set forth herein and in Exhibit A.

ARTICLE 2 – OWNER'S RESPONSIBILITIES

2.01 *General*

- A. Owner shall have the responsibilities set forth herein and in Exhibit B.
- B. Owner shall pay Engineer as set forth in Article 4 and Exhibit C.
- C. Owner shall be responsible for all requirements and instructions that it furnishes to Engineer pursuant to this Agreement, and for the accuracy and completeness of all programs, reports, data, and other information furnished by Owner to Engineer pursuant to this Agreement. Engineer may use and rely upon such requirements, programs, instructions, reports, data, and information in performing or furnishing services under this Agreement, subject to any express limitations or reservations applicable to the furnished items.

- D. Owner shall give prompt written notice to Engineer whenever Owner observes or otherwise becomes aware of.
 - 1. any development that affects the scope or time of performance of Engineer's services;
 - 2. the presence at the Site of any Constituent of Concern; or
 - 3. any relevant, material defect or nonconformance in: (a) Engineer's services, (b) the Work, (c) the performance of any Constructor, or (d) Owner's performance of its responsibilities under this Agreement.

ARTICLE 3 – SCHEDULE FOR RENDERING SERVICES

3.01 Commencement

- A. Engineer is authorized to begin rendering services as of the Effective Date.

3.02 Time for Completion

- A. Engineer shall complete its obligations within a reasonable time. Specific periods of time for rendering services, or specific dates by which services are to be completed, are provided in Exhibit A, and are hereby agreed to be reasonable.
- B. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's services is impaired, or Engineer's services are delayed or suspended, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.
- C. If Owner authorizes changes in the scope, extent, or character of the Project or Engineer's services, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.
- D. Owner shall make decisions and carry out its other responsibilities in a timely manner so as not to delay the Engineer's performance of its services.

ARTICLE 4 – INVOICES AND PAYMENTS

4.01 Invoices

- A. *Preparation and Submittal of Invoices:* Engineer shall prepare invoices in accordance with its standard invoicing practices and the terms of Exhibit C. Engineer shall submit its invoices to Owner on a monthly basis. Invoices are due and payable per Exhibit C.

4.02 Payments

- A. *Application to Interest and Principal:* Payment will be credited first to any interest owed to Engineer and then to principal.

- B. *Disputed Invoices:* If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only that portion so disputed, and must pay the undisputed portion subject to the terms of Paragraph 4.01.

ARTICLE 5 – OPINIONS OF COST

5.01 *Opinions of Probable Construction Cost*

- A. Engineer's opinions (if any) of probable Construction Cost are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual Construction Cost will not vary from opinions of probable Construction Cost prepared by Engineer. If Owner requires greater assurance as to probable Construction Cost, then Owner agrees to obtain an independent cost estimate. Opinions of probable cost and any revisions thereof should reflect compliance with American Iron and Steel (AIS) requirements mandated in the Consolidated Appropriations Act of 2017 and any subsequent mandating domestic preferences.

5.02 *Designing to Construction Cost Limit*

- A. If a Construction Cost limit is established between Owner and Engineer, such Construction Cost limit and a statement of Engineer's rights and responsibilities with respect thereto will be specifically set forth in Exhibit F to this Agreement.

5.03 *Opinions of Total Project Costs*

- A. The services, if any, of Engineer with respect to Total Project Costs shall be limited to assisting the Owner in tabulating the various categories that comprise Total Project Costs. Engineer assumes no responsibility for the accuracy of any opinions of Total Project Costs.
- B. Opinions of total project cost and any revision thereof should reflect compliance with AIS and any subsequent statutes mandating domestic preference.

ARTICLE 6 – GENERAL CONSIDERATIONS

6.01 *Standards of Performance*

- A. *Standard of Care:* The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality.
- B. *Technical Accuracy:* Owner shall not be responsible for discovering deficiencies in the technical accuracy of Engineer's services. Engineer shall correct deficiencies in technical accuracy without additional compensation, unless such corrective action is directly attributable to deficiencies in Owner-furnished information.

- C. *Consultants:* Engineer may retain such Consultants as Engineer deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objections by Owner. Engineer shall not retain any Consultant without the prior written approval and authorization of Owner.
- D. *Reliance on Others:* Subject to the standard of care set forth in Paragraph 6.01.A, Engineer and its Consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- E. *Compliance with Laws and Regulations, and Policies and Procedures:*
 - 1. Engineer and Owner shall comply with applicable Laws and Regulations.
 - 2. Engineer shall comply with any and all policies, procedures, and instructions of Owner that are applicable to Engineer's performance of services under this Agreement and that Owner provides to Engineer in writing, subject to the standard of care set forth in Paragraph 6.01.A, and to the extent compliance is not inconsistent with professional practice requirements.
 - 3. This Agreement is based on Laws and Regulations and Owner-provided written policies and procedures as of the Effective Date. The following may be the basis for modifications to Owner's responsibilities or to Engineer's scope of services, times of performance, or compensation:
 - a. changes after the Effective Date to Laws and Regulations;
 - b. the receipt by Engineer after the Effective Date of Owner-provided written policies and procedures;
 - c. changes after the Effective Date to Owner-provided written policies or procedures.
- F. Engineer shall not be required to sign any document, no matter by whom requested, that would result in the Engineer having to certify, guarantee, or warrant the existence of conditions whose existence the Engineer cannot ascertain. Owner agrees not to make resolution of any dispute with the Engineer or payment of any amount due to the Engineer in any way contingent upon the Engineer signing any such document.
- G. The general conditions for any construction contract documents prepared hereunder are to be EJCDC® C-700 "Standard General Conditions of the Construction Contract" (2013 Edition), prepared by the Engineers Joint Contract Documents Committee, unless expressly indicated otherwise in this Agreement.
- H. While at the Site, Engineer, its Consultants, and their employees and representatives shall comply with the applicable requirements of Contractor's and Owner's safety programs of which Engineer has been informed in writing.

6.02 *Use of Documents*

- A. All Documents are instruments of service and Engineer shall retain an ownership interest in the Documents whether or not the Project is completed. Notwithstanding the foregoing, Engineer shall provide Owner complete copies of all documents, drawings, specifications, diagrams, instructions, and any and all documents prepared by Engineer for the benefit of the Owner pursuant to the terms of this Contract.
- B. If Engineer is required to prepare or furnish Drawings or Specifications under this Agreement, Engineer shall deliver to Owner at least one original printed record version of such Drawings and Specifications, signed and sealed according to applicable Laws and Regulations. All drawings, specifications and other documents prepared under the terms of this Agreement shall become the property of Owner.
- C. Owner may make and retain copies of Documents for information and reference in connection with the use of the Documents on the Project. Engineer grants Owner a limited license to use the Documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all services relating to preparation of the Documents.

6.03 *Electronic Transmittals*

- A. Owner and Engineer may transmit, and shall accept, Project-related correspondence, Documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
- B. If this Agreement does not establish protocols for electronic or digital transmittals, then Owner and Engineer shall jointly develop such protocols.
- C. When transmitting items in electronic media or digital format, the transmitting party makes no representations as to long term compatibility, usability, or readability of the items resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the items, or from those established in applicable transmittal protocols.

6.05 *Insurance*

- A. Engineer shall procure and maintain professional liability insurance coverage during the term of this Agreement. All such professional liability insurance coverage shall name the Owner as a co-insured. Engineer shall also maintain during the term of this Agreement a general liability policy which shall name the Owner as a co-insured.
- B. Owner shall require Contractor to purchase and maintain policies of insurance covering workers' compensation, general liability, motor vehicle damage and injuries, and other insurance necessary to protect Owner's and Engineer's interests in the Project. Owner shall require Contractor to cause Engineer and its Consultants to be listed as additional insureds with respect to such liability insurance purchased and maintained by Contractor for the Project.

- C. Owner and Engineer shall each deliver to the other certificates of insurance evidencing all coverages. Such certificates shall be furnished prior to commencement of Engineer's services and at renewals thereafter during the life of the Agreement.
- D. All policies of insurance shall contain a provision or endorsement that the coverage afforded will not be canceled or reduced in limits by endorsement, and that renewal will not be refused, until at least 10 days prior written notice has been given to the primary insured. Upon receipt of such notice, the receiving party shall promptly forward a copy of the notice to the other party to this Agreement.

6.06 *Suspension and Termination*

A. *Suspension:*

- 1. *By Owner:* Owner may suspend the Project upon seven days written notice to Engineer.
- 2. *By Engineer:* Engineer may, after giving seven days written notice to Owner, suspend services under this Agreement if Owner has failed to pay Engineer for invoiced services and expenses.

B. *Termination:* The obligation to provide further services under this Agreement may be terminated:

- 1. For cause,
 - a. by either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.
 - b. by Engineer:
 - 1) upon seven days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or
 - 2) upon seven days written notice if the Engineer's services for the Project are delayed or suspended for more than 90 days for reasons beyond Engineer's control.
 - c. Notwithstanding the foregoing, this Agreement will not terminate under Paragraph 6.06.B.1.a if the party receiving such notice begins, within seven days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt thereof; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice

6.10 *Environmental Condition of Site*

- A. Owner represents to Engineer that as of the Effective Date to the best of Owner's knowledge no Constituents of Concern, other than those disclosed in writing to Engineer, exist at or adjacent to the Site.
- B. If Engineer encounters or learns of an undisclosed Constituent of Concern at the Site, then Engineer shall notify (1) Owner and (2) appropriate governmental officials if Engineer reasonably concludes that doing so is required by applicable Laws or Regulations.
- C. It is acknowledged by both parties that Engineer's scope of services does not include any services related to unknown or undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an undisclosed Constituent of Concern, then Owner shall promptly determine whether to retain a qualified expert to evaluate such condition or take any necessary corrective action.
- D. If investigative or remedial action, or other professional services, are necessary with respect to undisclosed Constituents of Concern, or if investigative or remedial action beyond that reasonably contemplated is needed to address a disclosed or known Constituent of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until such portion of the Project is no longer affected.
- E. If the presence at the Site of undisclosed Constituents of Concern adversely affects the performance of Engineer's services under this Agreement, then the Engineer shall have the option of (1) accepting a mutual agreed upon equitable adjustment in its compensation or in the time of completion, or both; or (2) terminating this Agreement for cause on seven days notice.

6.11 *Indemnification and Mutual Waiver*

- A. *Indemnification by Engineer:* To the fullest extent permitted by Laws and Regulations, Engineer shall indemnify and hold harmless Owner, and Owner's officers, directors, members, partners, agents, consultants, and employees, from losses, damages, and judgments (including reasonable consultants' and attorneys' fees and expenses) arising from third-party claims or actions relating to the Project, provided that any such claim, action, loss, damages, or judgment is attributable to the negligent act or omission of Engineer or Engineer's officers, directors, members, partners, agents, employees, or Consultants.
- B. *Indemnification by Owner:* Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Consultants as required by Laws and Regulations.
- C. *Environmental Indemnification:* To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Consultants from all claims, costs, losses, damages, actions, and judgments (including reasonable consultants' and attorneys fees and expenses) caused by, arising out of, relating to, or resulting from a Constituent of Concern at, on, or under the Site, provided that (1) any such claim, cost, loss, damages, action, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, and (2) nothing in this paragraph shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence or willful misconduct.
- D. *No Defense Obligation:* The indemnification commitments in this Agreement do not include a defense obligation by the indemnitor unless such obligation is expressly stated.

6.12 *Records Retention*

- A. Engineer shall maintain on file in legible form, for a period of five years following completion or termination of its services, all Documents, records (including cost records), and design calculations related to Engineer's services or pertinent to Engineer's performance under this Agreement. Upon Owner's request, Engineer shall provide a copy of any such item to Owner at cost.

6.13 *Miscellaneous Provisions*

- A. *Notices:* Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page and given personally, by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

- B. *Survival*: All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.
- C. *Severability*: Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Engineer, which agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- D. *Waiver*: A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.
- E. *Accrual of Claims*: To the fullest extent permitted by Laws and Regulations, all causes of action arising under this Agreement shall be deemed to have accrued, and all statutory periods of limitation shall commence, no later than the date of Substantial Completion.

ARTICLE 7 – DEFINITIONS

7.01 *Defined Terms*

- A. Wherever used in this Agreement (including the Exhibits hereto) terms (including the singular and plural forms) printed with initial capital letters have the meanings indicated in the text above, in the exhibits, or in the following definitions:
 - 1. *Addenda*—Written or graphic instruments issued prior to the opening of bids which clarify, correct, or change the bidding requirements or the proposed Construction Contract Documents.
 - 2. *Additional Services*—The services to be performed for or furnished to Owner by Engineer in accordance with Exhibit A of this Agreement.
 - 3. *Agreement*—This written contract for professional services between Owner and Engineer, including all exhibits identified in Paragraph 8.01 and any duly executed amendments.
 - 4. *Application for Payment*—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Construction Contract.
 - 5. *Basic Services*—The services to be performed for or furnished to Owner by Engineer in accordance with Exhibit A of this Agreement.

6. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Construction Contract Price or the Construction Contract Times, or other revision to the Construction Contract, issued on or after the effective date of the Construction Contract.

7. *Constituent of Concern*—Asbestos, petroleum, radioactive material, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. ("CERCLA"); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5501 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. ("RCRA"); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, State, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

8. *Construction Cost*—The cost to Owner of the construction of those portions of the entire Project designed or specified by or for Engineer under this Agreement, including construction labor, services, materials, equipment, insurance, and bonding costs, and allowances for contingencies. Construction Cost does not include costs of services of Engineer or other design professionals and consultants; cost of land or rights-of-way, or compensation for damages to property; Owner's costs for legal, accounting, insurance counseling, or auditing services; interest or financing charges incurred in connection with the Project; or the cost of other services to be provided by others to Owner. Construction Cost is one of the items comprising Total Project Costs.

9. *Constructor*—Any person or entity (not including the Engineer, its employees, agents, representatives, and Consultants), performing or supporting construction activities relating to the Project, including but not limited to Contractors, Subcontractors, Suppliers, Owner's work forces, utility companies, other contractors, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.

10. *Consultants*—Individuals or entities having a contract with Engineer to furnish services with respect to this Project as Engineer's independent professional associates and consultants; subcontractors; or vendors.

11. *Contractor*—The entity or individual with which Owner enters into a Construction Contract.

12. *Documents*—Data, reports, Drawings, Specifications, Record Drawings, building information models, civil integrated management models, and other deliverables, whether in printed or electronic format, provided or furnished in appropriate phases by Engineer to Owner pursuant to this Agreement.

13. *Drawings*—That part of the Construction Contract Documents that graphically shows the scope, extent, and character of the Work to be performed by Contractor.

14. *Effective Date*—The date indicated in this Agreement on which it becomes effective, but if no such date is indicated, the date on which this Agreement is signed and delivered by the last of the parties to sign and deliver.
15. *Engineer*—The individual or entity named as such in this Agreement.
16. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Construction Contract Price or the Construction Contract Times.
17. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
18. *Owner*—The individual or entity named as such in this Agreement and for which Engineer's services are to be performed. Unless indicated otherwise, this is the same individual or entity that will enter into any Construction Contracts concerning the Project.
19. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the services to be performed or furnished by Engineer under this Agreement are a part.
20. *Record Drawings*—Drawings depicting the completed Project, or a specific portion of the completed Project, prepared by Engineer as an Additional Service and based on Contractor's record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, and written interpretations and clarifications, as delivered to Engineer and annotated by Contractor to show changes made during construction.
21. *Reimbursable Expenses*—The expenses incurred directly by Engineer in connection with the performing or furnishing of Basic Services and Additional Services for the Project.
22. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site during the Construction Phase. As used herein, the term Resident Project Representative or "RPR" includes any assistants or field staff of Resident Project Representative.
23. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Construction Contract Documents.
24. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.

25. *Total Project Costs*—The total cost of planning, studying, designing, constructing, testing, commissioning, and start-up of the Project, including Construction Cost and all other Project labor, services, materials, equipment, insurance, and bonding costs, allowances for contingencies, and the total costs of services of Engineer or other design professionals and consultants, together with such other Project-related costs that Owner furnishes for inclusion, including but not limited to cost of land, rights-of-way, compensation for damages to properties, Owner's costs for legal, accounting, insurance counseling, and auditing services, interest and financing charges incurred in connection with the Project, and the cost of other services to be provided by others to Owner.

ARTICLE 8 – EXHIBITS AND SPECIAL PROVISIONS

8.01 *Total Agreement*

- A. This Agreement, (together with the exhibits included above) constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a written instrument duly executed by both parties. Amendments should be based whenever possible on the format of Exhibit K to this Agreement.

8.02 *Designated Representatives*

- A. With the execution of this Agreement, Engineer and Owner shall designate specific individuals to act as Engineer's and Owner's representatives with respect to the services to be performed or furnished by Engineer and responsibilities of Owner under this Agreement. Such an individual shall have authority to transmit instructions, receive information, and render decisions relative to this Agreement on behalf of the respective party whom the individual represents.

8.03 *Engineer's Certifications*

- A. Engineer certifies that it has not engaged in corrupt, fraudulent, or coercive practices in competing for or in executing the Agreement. For the purposes of this Paragraph 8.04:
1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the selection process or in the Agreement execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the selection process or the execution of the Agreement to the detriment of Owner, or (b) to deprive Owner of the benefits of free and open competition;
 3. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the selection process or affect the execution of the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

Owner: **Bullock Pen Water District**

Engineer: **Kentucky Engineering Group, PLLC**

By: []

By: []

Print name: **Charles Glvin**

Print name: **James C. Thompson, PE**

Title: **Chairman**

Title: **Managing Member**

Date Signed: _____

Date Signed: _____

Engineer License or Firm's Certificate No. (if required):

2889

State of: **Kentucky**

Address for Owner's receipt of notices:

P.O. Box 188

1 Farrell Drive

Crittenden, Kentucky 41030

Address for Engineer's receipt of notices:

P.O. Box 1034

101 High Street

Versailles, Kentucky 40383

Designated Representative (Paragraph 8.03.A):

Paul Harp

Title: **District Superintendent**

Phone Number: **859-428-5341**

E-Mail Address: **pharp@bpwd.org**

Designated Representative (Paragraph 8.03.A):

Mark S Stephens, Ryan C Carr

Title: **Project Manager, Project Engineer**

Phone Number: **859-251-4127**

E-Mail Address: **mstephens@kyengr.com,**
rcarr@kyengr.com

EXHIBIT "A"**SCOPE AND EXTENT OF PROFESSIONAL SERVICES**

This Exhibit "A" is intended to define the scope and extent of professional services to be rendered by Engineer for the benefit of Owner pursuant to the terms and conditions of a certain Agreement with an Effective Date June 1, 2023. To the extent there is any conflict between the terms and conditions set forth in this Exhibit "A" and the underlying Agreement, the terms and conditions of this Exhibit "A" shall prevail.

1. Engineer shall prepare all preliminary documents, drawings, shop drawings, and related specifications for the design of a water treatment plant (WTP) to be constructed at or near Owner's current WTP site. It is the intent of the parties hereto that preparation of the documents, drawings and specifications contemplated herein shall take approximately nine (9) months from the Effective Date of this Agreement.
2. Upon completion of the preliminary Documents, Engineer shall submit same to the Kentucky Division of Water (DOW) for review and approval.
3. Engineer shall assist the Owner in the preparation and submittal of various applications with any and all governmental entities for the purpose of securing funding for the Project contemplated herein. Such funding shall include but not be limited to loans and grants. For purposes of this provision, "governmental entity" shall include but not be limited to DWSRF, Rural Development, KIA, and any and all other funding source available to Owner for the payment of any and all cost related to the Project.
4. Engineer shall prepare for the benefit of Owner a Cost of Services Study (COSS) to be filed with the P.S.C.
5. Engineer's obligations to assist Owner in securing financing for the Project shall not begin unless and until the DOW approves the submitted preliminary Documents by Engineer.
6. Engineer shall not perform any Additional Services without the prior express written consent of Owner.
7. Engineer shall prepare a Construction Cost estimate based upon the Documents prepared by Engineer pursuant to the terms of this Agreement.

EXHIBIT "B"

OWNERS OBLIGATIONS

This Exhibit "A" is intended to define the scope and extent of Owners responsibility and obligation pursuant to the terms and conditions of a certain Agreement with an Effective Date June 1, 2023. To the extent there is any conflict between the terms and conditions set forth in this Exhibit "B" and the underlying Agreement, the terms and conditions of this Exhibit "B" shall prevail.

1. Owner shall make timely payments to Engineer for services rendered pursuant to the terms of this Agreement and Exhibit "C".
2. Owner shall provide all necessary information and documentation reasonably required by Engineer to perform the Engineering Services contemplated here.
3. Owner shall reasonably cooperate with Engineer for the purpose of assisting the Engineer in the preparation of all Documents related to this Agreement.

EXHIBIT "C"**PAYMENT OF ENGINEERING FEES**

This Exhibit "C" is intended to define the scope and extent of professional fees to be paid by Engineer for the benefit of Owner pursuant to the terms and conditions of a certain Agreement with an Effective Date June 1, 2023. To the extent there is any conflict between the terms and conditions set forth in this Exhibit "C" and the underlying Agreement, the terms and conditions of this Exhibit "A" shall prevail.

1. Engineer agrees that the best estimate of cost for services rendered pursuant to the terms of this Agreement shall be \$300,000. Engineer shall not materially deviate from this \$300,000 limit without first obtaining prior written approval by Owner.

2. Engineer shall submit to Owner monthly invoices which detail all related costs and expenses incurred by Engineer in providing the services contemplated pursuant to the terms of this Agreement. Engineer acknowledges that funding for its services will to some extent be provided through various grants and governmental entity funding. Engineer acknowledges that Owner will not be in a position to make payments on monthly statements. Engineer agrees that it will not charge any late fees, interest or other charges for payments not made on a monthly basis. Owner and Engineer both agree to reasonably cooperate with submitting applications for grants and funding for the payment for Engineering services contemplated pursuant to the terms of this Agreement. It is further acknowledged by the parties hereto that the Owner may have Clean Water Funding available for the payment of the initial \$300,000 fee for services rendered. If and when that funding comes available to Owner, payment to Engineer may be made by Owner based upon submitted monthly invoices.

3. The parties agree that the COSS to be performed by Engineer will cost an approximate \$10,000. The costs of the COSS shall be over the \$300,000 fee estimate. Engineer agrees that it will not materially exceed the \$10,000 COSS cost estimate without first obtaining the prior written approval of Owner. Owner shall pay for the COSS pursuant to the same terms and conditions of the engineering services fee.

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
JULY 2023 MEETING**

The July 2023 meeting of the Bullock Pen Water District was called to order on July 20, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bobby Burgess, Rodger Bingham and William Wethington. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, Ashley Dyer and Amy Ruark.

The first order of business was a presentation by a group of residents from Dickerson Road. They were following up regarding the cost estimates for the Dickerson Road Line Extension Project. Superintendent Harp reported that the cost of materials for the project would be approximately \$51,000.00. Benton Hanson reported that the estimated engineering cost would be \$10,200.00. Superintendent Harp suggested that a 6" line be installed. Mr. Hanson preliminarily reviewed the project and he believes that the lines could be installed on the road right-of-way. However, this could change depending on soil conditions and the like. He stated that the line could be constructed on either side of the road. Superintendent Harp reported that he communicated with a Boone County Road Department Official. At this time, Boone County could not commit to authorizing construction on the road right of way. Superintendent Harp reported that he, Benton Hanson, and a road department representative will meet prior to the next meeting to review the project. Mr. Hanson reported that it would take him approximately two weeks to prepare the plans. Mr. Nienaber inquired if the property owners on Dickerson Road are going to construct the project. If so, any contractor would have to be bonded and insured. He also stated that all District and DOW construction specifications would need to be followed. All work would need to be inspected. Mr. Nienaber suggested that a construction contract be executed by the contractor responsible for the construction work. As a final note, Mr. Nienaber stated that if easements are required, the property owners should be responsible for obtaining those easements at the property owner's expense.

The next order of business was a review of the June 2023 Minutes. After discussion, upon motion of Andrea Walton and second by Bobby Burgess, it was unanimously,

"RESOLVED: That the June 2023 Minutes as amended be and the same are hereby approved as attached."

The next order of business was a review of the June 2023 Profit and Loss and Warrants Statement. Upon motion of William Wethington and second by Rodger Bingham, it was unanimously,

"RESOLVED: That the June 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached."

The next order of business was an opening of the bids received for the damaged truck. The following bids were received:

<u>Bidder</u>	<u>Amount</u>
Ronnie Maines	\$350.00
Charles Lowe	\$800.00
Billy Gibson	\$700.00
Cody Kinman	\$1,051.00

After discussion, upon motion of Andrea Walton and second by Bobby Burgess, it was unanimously,

“RESOLVED: That the District transfer the District’s truck to Cody Kinman for \$1,051.00.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that the Kentucky Engineering Group, Inc., Professional Services Agreement (“Agreement”) was signed by KEG and now needs to be signed by the District. This Agreement is for the Water Treatment Plant (“WTP”) Project. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: That the District execute by and through Chairman Givin the attached Professional Engineering Services Agreement with Kentucky Engineering Group, Inc., for the WTP Project.”

2. Mr. Nienaber reported there has been no significant action taken in the Garrison litigation currently pending in the Grant Circuit Court. Mr. Nienaber reported that Plaintiff’s counsel attempted to obtain a trial date from the Judge who declined to do so at this time. Mr. Nienaber also reported that the City of Crittenden’s counsel, Mr. Jeff Mando, has informed Plaintiff’s counsel that until the Division of Water, Dam Safety Department, meets with everyone on site and clarifies what the exact issues are with the dam, nothing will be accomplished. Mr. Nienaber spoke with Mr. Mando to see where the City of Crittenden was headed. Mr. Mando confirmed that the City is not going to take any action until after it is determined exactly what the issues are with the dam.
3. Mr. Nienaber shared with the Commissioners the Public Service Commission Order approving the District’s Rate Increase Application. Mr. Nienaber submitted to the Commissioners a copy of the revised Tariff which sets for the District’s approved Rate Increase. Mr. Nienaber inquired as to what effective date would be best for the District Office. Amy Ruark suggested that the District use an effective date for the new Rate Increase of September 11, 2023. This would allow for submitting the Notice to the District customers with its August billing cycle. After considerable discussion, upon motion of Bobby Burgess and second by William Wethington, it was unanimously,

“RESOLVED as follows:

- 1) The District shall use an effective date for the approved Rate Increase of September 11, 2023.

- 2) Chairman Givin is hereby authorized and directed to execute the revised Tariff for submittal to the Public Service Commission.
 - 3) Amy Ruark is hereby authorized and directed to make the appropriate notice to all District customers of the approved Rate Increase.”
4. Mr. Nienaber inquired as to the status of the Stewartsville Tank claim. Mr. Hanson and Mr. Harp stated that they have heard nothing since the last meeting. Mr. Nienaber reported likewise.
 5. Mr. Nienaber reported that there has been no action in the PFAS litigation since the last meeting.
 6. Mr. Nienaber presented to the Commissioners a Grant Assistance Agreement, Grant #22CWW213 and Grant #22CWW305, for signature by the District. Mr. Nienaber reported that this Agreement is part of the allocation of funding through the American Rescue Plan Act (“ARPA”). Grant #22CWW213 is in the amount of \$189,379.00 and Grant #22CWW305 is in the amount of \$115,085.00. Mr. Nienaber stated that these agreements need to be signed by the District through its Chairman Charles Givin. The Kentucky Infrastructure Authority (“KIA”) also submitted two Resolutions identified as Exhibit “4” to the Agreements. After discussion, upon motion of William Wethington and second by Rodger Bingham, it was unanimously,

“RESOLVED as follows:

- (1) That the District be and the same is hereby authorized to enter into the Grant Assistance Agreement for Grant #22CWW213 and that the District is further authorized to execute the attached Resolution identified as Exhibit “4” to the Grant Assistance Agreement.”
 - (2) That the District be and the same is hereby authorized to enter into the Grant Assistance Agreement for Grant #22CWW305 and that the District is further authorized to execute the attached Resolution identified as Exhibit “4” to the Grant Assistance Agreement.”
7. Mr. Nienaber reviewed with the Commissioners a recent Kentucky Revenue Department circular (attached) which updates current developments relating to the assessment of sales tax as authorized under KRS 139.470. Mr. Nienaber shared with the Commissioners a revised Declaration of Domicile for purchase of Residential Utilities (attached); a Multi-Unit Declaration of Domicile for Landlords or other account holders of multi-unit dwellings served by a single meter (attached); and a Multi-Unit Declaration of Domicile for an owner/operator of a multi-residential rental facility or mobile home and recreational vehicle park. Mr. Nienaber recommended that these new forms be used for new customer sign-ups. Mr. Nienaber also reported that the Sales Tax Exemption has

been extended to include an exemption for building materials, fixtures or supplies used by a contractor in the construction of a water and/or sewer project pursuant to KRS 139.480(34). Mr. Nienaber submitted a Certificate of Exemption for Building Materials (attached).

The next order of business was a report by HMB Professionals, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that the KY 467 Project is underway and moving forward.
2. Mr. Hanson reported that engineering services for the Vallandingham Line Extension Project is estimated at \$8,200.00 and the Dickerson Road Line Extension Project is estimated at \$10,200.00. Mr. Hanson inquired as to whether or not HMB should provide services for these two projects on a Work Order basis not to exceed the indicated amount or through a formal engineering services agreement. After discussion, it was determined that HMB should provide services on a "Work Order Not To Exceed" basis. After discussion, upon motion of Andrea Walton and second by Bobby Burgess, it was unanimously,

"RESOLVED as follows:

- (1) HMB be and the same is hereby authorized to provide engineering services for the Vallandingham Water Line Extension Project on a Work Order basis not to exceed \$8,200.00.
- (2) HMB be and the same is hereby authorized to provide engineering services for the Dickerson Road Project not to exceed \$10,200.00."
3. Mr. Hanson reported that the Elliston Road (KY 1942) Project is currently underway. HMB's Engineering Services Agreement was submitted to KYTC for approval. The amount is \$18,706.48.

The next order of business was a presentation by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent's Report as attached.
2. Superintendent Harp reported that the Public Service Commission inspection has been completed. Only one deficiency was noted: The District failed to report Fire Department water usage in the water loss report. Superintendent Harp stated that he is going to take care of that minor issue.
3. Mr. Harp reported that he has received an appraisal for the property located near the current Water Treatment Plant. Thereupon, Chairman Givin requested that the District retire to Executive Session to discuss a potential real estate purchase pursuant to KRS

61.810(1)(b). After discussion, upon motion of William Wethington and second by Rodger Bingham, it was unanimously,

“RESOLVED: That the District retire to Executive Session pursuant to KRS 61.810(1)(b) to discuss a potential real estate purchase.”

Executive Session lasted approximately 30 minutes. After discussion, Chairman Givin requested a Motion to return to regular session. Upon Motion of Rodger Bingham and second by Bobby Burgess, it was unanimously:

“RESOLVED: That the District return from Executive Session to regular meeting.”

The Record should reflect that there was no formal action taken during Executive Session. Thereupon, Chairman Givin requested that a committee be formed for the purpose of investigation and/or negotiating for possible purchase of real estate for the expansion of the Water Treatment Plant. Chairman Givin opened the floor for volunteers. After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: That Charles Givin, Rodger Bingham and Superintendent Harp serve on a Committee to investigate and/or negotiate the potential purchase of real estate for expansion of the Water Treatment Plant Project.”

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Dyer reported that there were three candidates interviewed for the Field Technician opening. There were a total of approximately 23 applications received. The Review Committee recommends that Kaleb Spray be hired. He is currently a KYTC employee. He has experience operating heavy equipment and is CDL certified. The Committee recommends that Mr. Spray be hired with a starting salary of \$19.54 per hour. After discussion, upon motion of Andrea Walton and second by Bobby Burgess, it was unanimously,

“RESOLVED that Kaleb Spray be hired at a rate of \$19.54 with all benefits per the District’s standard benefit schedule.”

2. Amy Ruark reported that the Boone County Water District has decreased its rates by seven cents per thousand gallons as indicated in the attached Boone County Water District Notice.
3. Amy Ruark reported that the next meeting will be scheduled for August 17, 2023.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
AUGUST 2023 MEETING**

The August 2023 meeting of the Bullock Pen Water District was called to order on August 17, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bobby Burgess, Rodger Bingham and William Wethington. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, Ashley Dyer and Amy Ruark.

The first order of business was a review of the July 2023 Minutes. After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: That the July 2023 Minutes as amended be and the same are hereby approved as attached.”

The next order of business was a review of the July 2023 Profit and Loss and Warrants Statement. Upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: That the July 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber gave a status report on the Grant Circuit Court litigation involving the Waller Dam matter. Mr. Nienaber reported that he has not heard anything from any counsel involved in the litigation. Mr. Nienaber stated that he has seen for the first time the attached Report issued by the Energy and Environment Cabinet relating to an inspection that occurred at the Waller Dam on June 1, 2023. A copy of the Report from the Cabinet dated August 1, 2023 is attached. Although a detailed review of the Report has not been made since Mr. Nienaber has just seen the Report for the first time, he will review the Report subsequent to the meeting and contact the District’s counsel regarding this matter. Mr. Nienaber reported that a cursory review of the Report would indicate that the District is not responsible for any of the issues at the Waller Dam. Rather, the issues with the Dam appear to be all regular maintenance related. In fact, at page 2 of the Report, the inspecting engineer, Marilyn Thomas, P.E., opines that:

“Vehicle access to the Dam should be limited to maintenance activities only. Vehicles can damage the structure and are also a public safety issue.”

That comment would indicate to counsel that the District can continue to use the existing access way to the Waller Drive Lift Station without any problems. Mr. Nienaber will contact the District’s counsel to determine how the District shall move forward in this litigation.

2. Mr. Nienaber reported that the District has filed its revised Tariff with the Public Service Commission outlining the approved rates. As soon as word is received from the Public Service Commission, Mr. Nienaber will report.
3. Mr. Nienaber inquired as to whether or not anyone has heard anything regarding the customer complaint at the Stewartsville Tank site. Superintendent Harp reported that he has not heard a word. Mr. Nienaber has not heard anything from the contractor and/or the property owners.
4. Mr. Nienaber indicated that nothing new has occurred in the PFAS litigation. If any news is received, Mr. Nienaber will report.
5. Mr. Nienaber presented various resolutions and documentation regarding the ARPA grants. Those documents are attached. Authority has already been issued directing Chairman Givin and the appropriate District officials to execute them on behalf of the District.
6. Mr. Nienaber inquired as to the status of the Dickerson Road Project. Superintendent Harp and Benton Hanson gave a report as follows. Benton Hanson met with the County Road Engineer to determine if the District could install water lines on the right-of-way of Dickerson Road. Mr. Hanson reported that the County Road Engineer has no issue with the District using the right-of-way for line installation. Given the topography of the area, Mr. Hanson believes at this time there will need to be two easements obtained where entry onto private property will be necessary. The number of requested easements could change as the Project progresses. Mr. Hanson reported that there is one area where there is an existing paved driveway that will require the District to bypass that driveway. Mr. Nienaber inquired as to the right-of-way width on Dickerson Road. Mr. Hanson reported that the County Road Engineer could not give a definitive answer, therefore, the District would assume that the right-of-way is 15 feet from the centerline of Dickerson Road. Mr. Hanson stated that he has prepared two engineering sheets for review by Superintendent Harp. Superintendent Harp reported that his preliminary estimate for the material cost would be approximately \$50,000.00. Chairman Givin reported that before any commitments would be made on behalf of the District, the residents in the area must present to the District signed Water User Agreements with deposits to secure meters and tap-ins. The District should also have any and all private easements necessary for the project. Commissioner Bingham inquired as to how many new homeowner customers would be provided by the project. Chairman Givin believed that the number was 12. Commissioner Bingham suggested that the District not order any materials until a minimum of 12 customers sign a Water User Agreement and pay their meter deposit. Mr. Nienaber stated that the District should have a formal signed Construction Agreement ("Agreement") signed by a property owner or all property owners. Mr. Nienaber opined that this Agreement should outline responsibility for the one year warranty, liability insurance, payment and performance bond responsibilities, construction standards, cost and expense allocation, permit fee responsibility, and a number of other issues that are typically included in any other construction project.

Commissioner Wethington suggested that it would probably be extremely difficult, if not impossible, to have the residents secure a payment and performance bond for the Project. Mr. Nienaber stated that the District should only move forward with this Project as it would normally do in any other project. Commissioner Wethington suggested that Mr. Nienaber draft a proposed Agreement for submittal to the customers on the Dickerson Road Project. Mr. Nienaber suggested that rather than prepare a formal Agreement, he prepare a list of items that need to be covered in the Agreement and that this list be forwarded to the Dickerson Road customers for review and discussion. Once the list of issues to be included in the Agreement is complete, it should be forwarded to the Dickerson Road customers for the scheduling of a meeting. Everyone agreed.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reviewed the Dickerson Road Project as outlined above.
2. Mr. Hanson reported that the engineering on the Vallandingham Road Project is in progress. Preliminary plans should be complete within the next month or so.
3. Mr. Hanson inquired as to the status of the Katie Drive Project. Amy Ruark reported that she has been receiving calls from residents on Katie Drive inquiring as to when the Project would start and be completed. Chairman Givin said that all such inquiries should be referred to the Boone County Judge Executive's Office as they are in charge of this Project. Amy Ruark reported that the residents she spoke to have all informed her that the County Judge Executive's Office told them to contact the District. Notwithstanding, Chairman Givin stated that any residents calling in the future regarding the status of the Katie Drive Project should be informed that this is a Boone County Project and that any inquiries should be directed to the Boone County Judge Executive's Office.
4. Mr. Hanson reported on the status of the KY 467 Project. He stated that the engineering plans are almost complete. As soon as they are finished, Mr. Hanson will submit them to Superintendent Harp for review prior to submittal to the Division of Water.

The next order of business was a report by Mr. Mark Stephens, P.E., representative from the Kentucky Engineering Group ("KEG") regarding the Water Treatment Plant Project as follows:

1. Mr. Stephens reported that all of the preliminary documents for the Project and all Exhibits have been signed and submitted to KIA for review. Mr. Stephens is hopeful that the two grants should be received within the next 2 to 4 weeks. Mr. Stephens reported that the priority rankings for the WTP indicate that it will receive a very high priority from the statewide rankings. However, it is still too early to predict with any degree of certainty at this time. Mr. Stephens stated that once the monies are received from KIA for the Grants, the District can utilize those monies for payment of the preliminary engineering fees. The Grants will cover the project engineering cost through DOW approval. Mr. Nienaber inquired of Mr. Stephens regarding the Cost of Services Study ("COSS") required by the Public Service Commission. Mr. Stephens stated that a COSS

will be conducted after financing commitments have been obtained for the Project. Mr. Stephens next raised the issue of where the Water Treatment Plant should be constructed at the existing site. Mr. Stephens stated that additional real estate would be necessary from the adjoining property owner ("Catlett"). Mr. Stephens stated that from a preliminary engineering perspective, the ideal location for the Water Treatment Plant on the Catlett Property would be at or near the residence and barn. This location would be best suited in that the District would benefit considerably in cost savings, due to the topography of the area.

Chairman Givin stated that the District should consider continuing negotiations with the Catlett family regarding the purchase of all or a part of the adjoining property for the expansion of the Water Treatment Plant. Chairman Givin suggested that the District retire to Executive Session, pursuant to KRS 61.810(1)(b), in that the District needs to discuss issues relating to the purchase of real estate which could affect its fair market value. Upon motion of Andrea Walton and second by William Wethington, it was unanimously,

"RESOLVED: That the District retire to Executive Session pursuant to KRS 61.810(1)(b) to discuss the purchase of real estate for the Water Treatment Project."

After considerable discussion in Executive Session, upon motion of William Wethington and second by Rodger Bingham, it was unanimously,

"RESOLVED: That the District return to regular session of the District's meeting."

The record would reflect that there was no official action taken in Executive Session.

Mr. Nienaber discussed with the Commissioners the process of eminent domain. He reported that the District is duty bound to negotiate in good faith with the prospective property owner (Catlett) in order to negotiate the purchase of the real estate in question. If those negotiations are not successful, then and only then can the District begin the process of eminent domain. The two critical elements to an eminent domain proceeding are: (1) the District must establish a "public purpose" to justify the taking; and (2) the measure of damages is the difference in the fair market value of the property as whole before and after the proposed taking. Mr. Nienaber reported that an eminent domain proceeding requires a jury trial. Chairman Givin reported that the Real Estate Committee met with the property owners to negotiate a purchase of the real estate in question. Chairman Givin requested Mr. Stephens to prepare a cost analysis outlining the financial issues facing the District in purchasing the entire Catlett property 12(±) acres, or purchasing a lesser portion of the acreage. Mr. Stephens stated that if the District purchases a smaller portion of the Catlett property, issues could be presented in constructing the Water Treatment Plant. These issues are in part due to the topography of the land in that area. Ideally, Mr. Stephens stated that the Water Treatment Plant should be constructed at or near the current location of the house and barn. This is due to

hydraulics and topographical features. Mr. Stephens reported that construction of the Water Treatment Plant at or near the house and barn would be very contractor friendly. It would provide the District a location for a borrow site (if needed) and a staging area for equipment. Purchasing the entire property would also provide the contractor great flexibility in construction and design. From an engineering perspective, Mr. Stephens reported that it would be in the District's best interest to purchase the entire 12 ($\pm$) site. Mr. Nienaber inquired as to whether or not any federal regulations regarding relocation costs would be triggered if a mutually agreeable taking is negotiated with the property owner. Mr. Stephens reported that it would not. Mr. Stephens reported that he had budgeted \$300,000.00 for land acquisition in his preliminary construction estimate for the WTP. Commissioner Burgess inquired as to where the current property lines of the existing WTP are located. Superintendent Harp reported that the existing fence lines accurately establish the boundaries of the existing WTP. Commissioner Burgess also inquired whether or not a purchase of the 12($\pm$) acre site would include the house and barn. Mr. Stephens stated that it would. Chairman Givin inquired as to whether or not the District could purchase the property with current District funds. Mr. Nienaber reported that it could. Commissioner Wethington inquired as to the property owner's possession requirements at this time. Chairman Givin reported that it is his understanding the property owner would like to close the transaction as soon as possible.

After considerable discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: That the District meet with the property owner for the purpose of negotiating a purchase of the 12 ($\pm$) acre Catlett tract.”

The next order of business was a report by Superintendent Harp as follows:

1. Mr. Harp reviewed with the Commissioner his Superintendent Report as attached.
2. Mr. Harp reported that the Kentucky DOW conducted a drinking water sanitary survey with its report being issued July 24, 2023, as attached. Superintendent Harp was pleased to announce that the District did not have any deficiencies at this time.
3. Mr. Harp commented regarding the Cabinet's report issued August 1, 2023, relating to the Waller Drive Dam matter. Comments regarding that report are indicated above.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Amy Ruark reported that there were some bank issues with the District's checking account at Forcht Bank. Ms. Ruark reported that a check was sent to a vendor and intercepted by a thief. The check was apparently duplicated and reissued in a new name. Thanks to Ms. Ruark's checking account review, the theft was detected immediately and the bank notified. Forcht Bank immediately credited the District's account for the stolen check.

2. Ms. Ruark reported that the next meeting is scheduled for September 21, 2023.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Given
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
SEPTEMBER 2023 MEETING**

The September 2023 meeting of the Bullock Pen Water District was called to order on September 17, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bobby Burgess, Rodger Bingham and William Wethington. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, and Ashley Dyer. Amy Ruark was absent.

The first order of business was a review of the August 2023 Minutes. After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: That the August 2023 Minutes as amended be and the same are hereby approved as attached.”

The next order of business was a review of the August 2023 Profit and Loss and Warrants Statement. Upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: That the August 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

Commissioner Walton inquired about a metallic taste in the water at her home near Porter Road. Superintendent Harp reported that the problem came from water received by the District through the City of Walton. Superintendent Harp reported that the PH situation was handled and the problem was resolved. Superintendent Harp stated that presently, the District could temporarily terminate water delivery from the City of Walton as the District is not dependent on the Walton water supply on a continuous basis. He reported since there is no minimum purchase requirement with the City of Walton, he will temporarily terminate water purchases from the City of Walton. Water will be purchased only as he deems appropriate and as dictated by the circumstances.

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that on September 15, 2023, a meeting was held with representatives from Dickerson Road, Superintendent Harp, and Commissioners William Wethington and Andrea Walton. Attached is a copy of the Minutes of that meeting as prepared by Mr. Nienaber and a copy of the meeting Checklist. Overall the meeting with Dickerson Road representatives went very well. The Dickerson Road Project Checklist was reviewed with the residents. Everyone agreed with all of the requirements required by the District. Mr. Nienaber reported that at the conclusion of the meeting, Dickerson Road representatives indicated that they would begin the process of acquiring signed Water User Agreements and the tap-in fee deposit. Mr. Nienaber stated that the Dickerson Road representatives were advised that the Project cannot move forward

unless and until the District receives 11 fully executed Water User Agreements with tap-in fee checks. The residents acknowledged this requirement. A copy of the Meeting Minutes is attached hereto and incorporated by reference.

2. Mr. Nienaber presented an update on the Garrison litigation pending in the Grant Circuit Court. Mr. Nienaber reported that he has heard absolutely nothing from anyone in the litigation. Once again, the matter has “stalled”.
3. Mr. Nienaber reported that the revised Tariff was filed with the Public Service Commission regarding the District’s rates. Commissioner Bingham inquired as to how much additional revenue the proposed rate increase will generate. Mr. Nienaber reported that it would generate approximately \$350,000.00 to \$400,000.00 in additional annual revenue.
4. Mr. Nienaber inquired as to the status of the Stewartsville Tank Project. Mr. Hanson reported that the final tank inspection was conducted last week. He has no outstanding complaints or punch list items for the contractor. Superintendent Harp also indicated that the Tank Project is complete and he is satisfied. No one has heard anything regarding the complaints from the adjoining property owner.
5. Mr. Nienaber reviewed with the Commissioners the draft Complaint presented to the District by Napoli, Shkolnik, PLLC. Mr. Nienaber indicated that some of the allegations in the Complaint cannot be sworn to by the District at this point. Mr. Nienaber suggested that the District obtain an independent lab test for the existence of PFAS in the District’s water system. Once that is received, then Mr. Nienaber would be more comfortable in recommending the District sign and authorize the filing of the Complaint. Mr. Nienaber reported that it would be in the District’s best interest to determine if there is PFAS by an independent lab test. Once the District is assured that there is a PFAS issue in the District’s water system, then and only then should the District move forward with litigation. Under the terms of the class action litigation, there is a potential that the District could obtain funding for PFAS mitigation filtration systems with the District’s new WTP. After considerable discussion, upon motion of William Wethington and second by Bobby Burgess, it was unanimously,

“RESOLVED: that Superintendent Harp be and he is hereby authorized to secure an independent laboratory PFAS test for the District at a cost not to exceed \$5,000.00.”

6. Mr. Nienaber shared with the Commissioners the letter that he received from Mayor Purcell (attached). While this letter was directed to the Grant County Sanitary Sewer District, Mayor Purcell’s allegations suggest that the District is not acting in good faith. Mr. Purcell’s letter attacks, among other things, the Management Agreement between the District and the Grant County Sanitary Sewer District. Allegations regarding the dual membership of various Commissioners on both boards might also be inappropriate were also made. Mr. Nienaber shared with the Commissioners Chairman Givin’s September 18, 2023 response (attached). Mr. Nienaber gave a brief history of the ongoing

relationship between the City of Crittenden and the Grant County Sanitary Sewer District. The only way to adequately address and resolve those issues would be a face-to-face meeting. Unfortunately, Mayor Purcell does not indicate in his letter that the City of Crittenden would be willing to engage in such a meeting. Mr. Nienaber stated that the Bullock Pen Water District is considering attending a City of Crittenden Council Meeting in the near future. If that meeting occurs, the District should consider sending a representative.

7. Mr. Nienaber reviewed with the Commissioners the Application for a Declaratory Order that was filed with the Public Service Commission requesting authority to purchase the Catlett property for the WTP expansion project. Mr. Nienaber reported that he had contacted colleagues in the public utilities area of law and the Public Service Commission legal counsel. Unfortunately, there is no definitive answer or existing authority one way or the other as to whether or not a Certificate of Public Necessity and Convenience is required. Given the lack of clarity, Mr. Nienaber recommended that it would be in the District's best interest to file for a Declaratory Order. Mr. Nienaber emphasized that the District will need to be working with the Public Service Commission over the next several years with respect to the WTP Project. The filing of the Application for Declaratory Order extends to the Public Service Commission the District's position of cooperation and working together for a common goal. Mr. Nienaber reported that counsel for the Public Service Commission indicated that an answer would be received within 2-4 weeks from filing.
8. Mr. Nienaber next raised the issue of entering into a Purchase Agreement with the Catletts regarding the purchase of the Catlett Property for the WTP Project. Mr. Nienaber presented a proposed Purchase Agreement for review and consideration. Mr. Nienaber reviewed with the Commissioners his draft Purchase Agreement as attached. He emphasized that the Purchase Agreement is contingent on obtaining Public Service Commission approval, therefore, the District could back out of the Purchase Agreement if Public Service Commission approval is not received. Commissioner Walton inquired as to whether or not the Catlett property is worth \$350,000.00. Given all circumstances, Chairman Givin indicated that it was. Superintendent Harp concurred. Commissioner Burgess inquired as to who served on the Committee that negotiated the purchase price. Chairman Givin reported that the Committee consisted of Superintendent Harp, Rodger Bingham, and Chairman Givin. Chairman Givin stated that Mark Stephens, P.E., of KEG recommended that the District should purchase the entire Catlett property tract given the topography and proposed best location for the WTP. Chairman Givin stated that after the WTP is constructed, the District could then consider selling any remaining parcel as surplus property in the event the remaining property is of any value. After considerable discussion, upon motion of William Wethington and second by Rodger Bingham, it was resolved on a vote of 3 in favor and 1 abstention (Commissioner Burgess), as follows:

“RESOLVED:

- 1) That the District be and the same is hereby authorized to enter into a Purchase Agreement with the Catletts for the

purchase of approximately 12.9 acres at a price of \$350,000.00 pursuant to the terms of a certain Purchase Agreement as attached.

- 2) The purchase of the Catlett property shall be contingent upon the District obtaining Public Service Commission approval.
- 3) Funding of the purchase of the Catlett property shall come from the District's general funds."

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that the Stewartsville Tank Project is complete and that all work has been approved as satisfactory.
2. Mr. Hanson reported that the KY 467 Project plans are complete and have been submitted by KYTC for approval on Monday. Those plans should be approved in the near future.
3. Mr. Hanson is working on the Vallandingham Road plans. They should be complete in approximately 2 weeks. Superintendent Harp reported that it is his opinion that this project should move forward. Commissioner Wethington inquired as to whether or not the District needs a similar commitment from Mr. Evans (property owner who will be installing the lines) as the District is requiring on the Dickerson Road Project. Everyone concurred that Mr. Evans would be responsible for the same items as the Dickerson Road Project residents.
4. Mr. Hanson reported that preparation of the Dickerson Road plans are moving forward. He reported that there will need to be easements obtained in at least two properties. Once the plans are complete, that determination will be better known.
5. Mr. Hanson reported that the KY 1942 Project is moving forward. An agreement for engineering services has been submitted to KYTC for approval. It should be approved shortly.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his Superintendent Report as attached.
2. Superintendent Harp reported that there were a number of issues on Oakwood Drive. The City of Crittenden, while making repairs in that area, damaged one of the District's waterlines. It was not a result of negligence on the part of City of Crittenden. He also reported that there have been a number of leaks in the recent weeks due to the excessively dry weather.

3. Superintendent Harp reported that there was a major water leak on Jonesville Road. Apparently a property owner was digging a grave for a newborn infant who passed away. In digging the grave, the property owner hit the District's waterline with a pickaxe.
4. Superintendent Harp reported that there is a project underway where Boone County Fiscal Court is going to be widening Porter Road. Mr. Harp does not believe that this project will affect the District's waterlines.
5. Superintendent Harp reported that the new truck will be delivered next week. This is the pick-up truck that was authorized some months ago. The cost of the pick-up truck is \$60,000.00. It is being purchased through the Kentucky Government Bidding System.
6. Superintendent Harp reported that some of the auto filter valves at the WTP are not working properly. Rotork installed new valves two weeks ago. The estimated cost of the repair is \$2,300.00.

The next order of business was a report by ~~Dianne Cook~~ and Ashley Dyer as follows:

1. Ashley Dyer reported that the District has renewed its Workers Compensation Insurance through KEMI. There was a slight increase in rates due to the addition of a new employee. Without that additional employee, the Workers Compensation Insurance rates are slightly lower than last year.
2. Ashley Dyer reported that the next meeting is scheduled for October 19, 2023.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

for William Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
OCTOBER 2023 MEETING**

The October 2023 meeting of the Bullock Pen Water District was called to order on October 19, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, Amy Ruark and Ashley Dyer. Commissioners Bobby Burgess and William Wethington were absent.

The first order of business was a review of the September 2023 Minutes. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: That the September 2023 Minutes as amended be and the same are hereby approved as attached.”

The next order of business was a review of the September 2023 Profit and Loss and Warrants Statement. Upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: That the September 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a presentation by Mr. Kurt Poelman, 2410 Violet Road. Mr. Poelman reported that on or about September 21, 2023, a water main on the upside of his property burst causing a stream of water to cross his property. Mr. Poelman reported that while he does not own the property at 2410 Violet Road, he has authority from the property owner to discuss this matter with the District. (Mr. Poelman stated that the property is actually owned by the Hellenbergs). Mr. Poelman reported that the water crossing the property washed out a retaining wall, pavers and a portion of the patio. Superintendent Harp reported that an approximate 12 foot section of 8 inch pipe broke causing the leak. Mr. Poelman presented two repair bids, one for \$6,495.00 and the other for \$7,947.00. Due to the amount of alleged damage, Mr. Nienaber stated that the claim should be submitted to the District’s insurance carrier for adjustment. Ms. Dyer reported that she would contact the insurance carrier. Superintendent Harp asked that before the insurance company is contacted, he would like to review the situation. Commissioner Walton inquired as to whether or not the District needs to mitigate the situation to prevent further damage. Superintendent Harp reported that the leak has been fixed satisfactorily to avoid further issues. Superintendent Harp requested that the District contact KLC after he investigates the situation to see if KLC could act as “Mediator” in resolving the claim. Superintendent Harp does not want to file another claim with KLC unless it is absolutely necessary. At this time, Superintendent Harp will informally “adjust” the situation to see if in fact there is any liability on the part of the District.

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

Bullock Pen Water District
Minutes
October 19, 2023

1. Mr. Nienaber presented a status report on the Garrison litigation. The Grant County Sanitary Sewer District has been named as a party in the Garrison litigation by the City of Crittenden ("Crittenden"). Crittenden also named a number of property owners as additional parties to the litigation. Mr. Nienaber, Chairman Givin and Paul Harp met with the KLC appointed counsel, Mr. James Womack, who will be providing a defense for the Grant County Sanitary Sewer District in this litigation. Chairman Givin gave a report on the meeting which was held with Mr. Womack. Chairman Givin also explained the current access Easement situation at the Waller Dam which is at the core of the litigation. Mr. Nienaber reported that Crittenden has made allegations in its complaint against the Grant County Sanitary Sewer District which are simply not accurate. Most importantly, Crittenden alleges that they have no idea who constructed the access easement currently used by the Grant County Sanitary Sewer District for access to the Waller Lift Station which traverses the back side of the dam. That particular easement was platted in its current location from the very beginning of the subdivision (circa 1992). Mr. Harp presented several aerial photographs dating back as far as the early 1990s which shows the existence of the current access easement. A Crittenden Public Works Department employee has recognized and acknowledged this easement existed since the very beginning of the subdivision. Moreover, the current easement is platted on subsequent subdivision plats for Harvester's Subdivision. Crittenden is acutely aware of who constructed that easement/pathway and when it was done. Mr. Nienaber reported that Mr. Womack is going to reach out to Crittenden's counsel in an effort to try and resolve this litigation. Mr. Nienaber stated that the only way the Garrison litigation will be able to be resolved is through a global settlement with all parties being involved.
2. Mr. Nienaber inquired as to whether or not anyone has heard anything from the adjoining property owners to the Stewartsville Tank site regarding their alleged property damage claim. Noone has heard anything.
3. Mr. Nienaber inquired as to the status of the PFAS testing. Mr. Harp stated that he has engaged Pace Chemical Testing to conduct PFAS tests for the District. This is a certified PFAS test company. Mr. Nienaber explained that is important that the PFAS test be obtained as quickly as possible as the pending litigation deadline for filing is soon approaching. Mr. Harp reported that he hopes to have the test results by the next meeting.
4. Mr. Nienaber inquired as to the status of the Dickerson Road Project. Amy Ruark and Superintendent Harp both reported that no potential new customers have signed a Water User Contract as of this date. Mr. Nienaber inquired as to whether or not the District's delay in ordering pipe for the Project is a material issue as to rising material costs. Superintendent Harp reported that he does not foresee any significant price increases in the immediate future. Mr. Nienaber reviewed with the Commissioners the Minutes of the

Bullock Pen Water District
Minutes
October 19, 2023

meeting that was held with the representatives of the Dickerson Road Project. A copy of those Minutes is attached. Superintendent Harp reported that those Minutes are accurate. After a significant discussion, Superintendent Harp stated that he would call and send a memo to the Dickerson Road Project representatives regarding the status. Mr. Nienaber stated that potential customers on the Dickerson Road Project should sign a Water User Contract that notes the District's obligation to provide water service is contingent upon obtaining 11 new customers. Mr. Nienaber stated that he would provide additional language in the District's standard Water User Contract for Dickerson Road Project customers.

5. Mr. Nienaber inquired as to the status of the Jimmy Evans Project. Mr. Hanson reported that the plans are complete. Superintendent Harp stated that Mr. Evans has not contacted him since the last meeting. Chairman Givin stated that the plans should be submitted to the DOW for approval. He also stated that Superintendent Harp should not purchase pipe for the project until DOW approves the plans. Mr. Nienaber inquired as to whether or not easements would be necessary. After discussion with Superintendent Harp, Mr. Nienaber stated that the waterline easement for the project should be recorded on the plat for Mr. Evans' subdivision. Superintendent Harp stated that he would contact Mr. Evans and notify him of such.
6. Mr. Nienaber stated that the Public Service Commission has entered a Declaratory Order granting the District authority to move forward with the Catlett Closing without further PSC approval. Mr. Nienaber reviewed with the Commissioners the contents of that Declaratory Order, including Mr. Nienaber's cover letter (attached). Mr. Nienaber stated that he has sent a letter to the Catletts informing them that the District needs mortgage payoff information. Superintendent Harp reported that he spoke with the Catletts and they have acknowledged receipt of Mr. Nienaber's letter. It is imperative that the District have payoff information before a Closing can be scheduled. Amy Ruark inquired as to where the funds should come from for the purchase of the Catlett Property. After discussion, it was determined that the funds should come from the District's current Money Market Account and any other available money account (if necessary). Amy Ruark reported that there are sufficient funds available to the District at this time.
7. Mr. Nienaber stated that he has reviewed the KYTC Utility Relocation Agreement for the KY 1942 Project. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously:

"RESOLVED: that Superintendent Harp be and he is hereby authorized to execute the Utility Relocation Agreement for the KY 1942 Project as attached."

8. Mr. Nienaber inquired as to the status of KEG's drafting of the WTP Plans. Superintendent Harp reported that Mark Stephens from KEG will be in attendance at the

Bullock Pen Water District
Minutes
October 19, 2023

November 16, 2024 meeting of the District to give everyone an update on the WTP status.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that the KY 467 Project Plans and Specifications have been sent to DOW for approval. Those plans should be approved in the very near future.
2. Mr. Hanson inquired as to the plans for the Dickerson Road Project. After discussion, it was concluded that plans preparation should be held in abeyance until 11 new customers sign Water User Contracts.
3. Mr. Hanson reported that the plans and drawings for the KY 1942 Project are currently being prepared.
4. Mr. Hanson reported that the Stewartsville Tank Project has been completed and that all work is acceptable. There are no remaining "punch list items" to be addressed.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that DOW conducted an inspection of the District. A favorable report was issued by DOW.
3. Superintendent Harp reported that the Neptune Meter Company informed the District that it will need to upgrade its meter reading system. The District's new annual maintenance fee will be \$8,500.00. The District will also require a one-time program upgrade cost of \$13,500.00. This fee includes training. Mr. Nienaber reported that due to the low cost, the project would not need to be bid. Mr. Nienaber inquired as to whether or not this upgrade would require the District to incur any additional expense for meters, etc. Superintendent Harp reported that all existing meter heads are compatible with the upgraded system. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

"RESOLVED: that Superintendent Harp be and he is hereby authorized to execute an annual maintenance agreement with Neptune Meter Company for \$8,500.00. Superintendent Harp is also authorized to execute a one-time program upgrade and training agreement with Neptune Meter Company in the amount of \$13,500.00."

Bullock Pen Water District
Minutes
October 19, 2023

4. Superintendent Harp reported that Boone County has completed its plans and drawings for the Katie Drive Project. Superintendent Harp stated that he has serious issues with the plans as drawn. Superintendent Harp inquired as to the Public Service Commission's involvement with the Katie Drive Project. Mr. Nienaber stated that given the small size of the Katie Drive Project, PSC approval would not be needed in order to obtain a CPCN. However, Mr. Nienaber stated that the "surcharge" anticipated to be assessed by Boone County at \$25.00 per month per customer would need to be approved. Superintendent Harp reported that he has heard nothing from Boone County regarding the PSC's involvement with this project. After discussion, it was determined that Mr. Nienaber should write a letter to Mr. Webster requesting information about Boone County's intentions regarding the Public Service Commission.
5. Superintendent Harp reported that he is going to be conducting a "chemical trial" at the WTP in cooperation with S4 Water Sales. The purpose of this chemical test is to determine if the District can realize any savings on chemical expense by using a new chemical process and supplier. Mr. Nienaber stated that if the District contracts with a new chemical supplier, a new agreement cannot extend for more than 24 months. He also explained the District's obligation to go through the bidding process for contract amounts in excess of \$30,000.00.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Amy Ruark reported that the next meeting is scheduled for November 16, 2023.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
NOVEMBER 2023 MEETING**

The November 2023 meeting of the Bullock Pen Water District was called to order on November 16, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bobby Burgess, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineers, Inc., Mr. Benton Hanson, Amy Ruark and Ashley Dyer.

The first order of business was a presentation by Mr. Pohlman. Mr. Pohlman indicated that he had received a letter from KLC stating that there would be no insurance coverage for the alleged damage to property resulting from a water leak. This matter was turned over to KLC who assessed the claim and denied same. Mr. Pohlman inquired as to whether or not the District could contribute any funding on its own to cover the damages. Chairman Givin stated that the District would not be able to pay money based upon KLC's assessment that there was no liability on the part of the District. Chairman Givin suggested that Mr. Pohlman submit the claim to his homeowner's insurance. Mr. Pohlman thanked the District for its time and attention.

The next order of business was a presentation by Mr. Nathaniel Sharpshire, Manager of the Mobile Home Park ("MHP") on Angela Drive. Mr. Sharpshire reported that last week there was a trailer fire at the MHP. Unfortunately, there was not sufficient quantities of water available to fight the fire. Mr. Sharpshire stated that there was a substantial risk of personal injuries resulting from the lack of water to fight the fire. Mr. Sharpshire is requesting the District to install fire-rated fire hydrants in the MHP to avoid any future issues. Chairman Givin gave a summary of the District's position relating to fire hydrants and fire protection. Chairman Givin explained that a Fire Department cannot hook up to a fire hydrant to fight a fire as there is not sufficient pressure and water volume. Fire Districts have repeatedly used drop tanks when fighting fires. Mr. Sharpshire stated that he spoke with the Florence Fire Department and there are mobile home parks in Florence that have fire-rated fire hydrants. Chairman Givin said it would be financially impossible for the District to upgrade its water system to provide fire-rated fire hydrants. Chairman Bingham stated that the subject MHP has a 6" water line. That is simply not adequate to handle fire protection. Superintendent Harp reported that there are only two 2" blow off valves in the MHP. Neither of those are fire protection rated. Chairman Givin stated that the fire hydrants located within the MHP are in the same situation as all other fire hydrants throughout the District's area. Commissioners Wethington and Walton both related personal experiences which they have relating to house fires and rural fire protection.

The next order of business was a review of the October 2023 Minutes. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

"RESOLVED: That the October 2023 Minutes as amended be and the same are hereby approved as attached."

The next order of business was a review of the October 2023 Profit and Loss and Warrants Statement as attached. Chairman Givin inquired as to whether or not the financial statement reflects the new water rates. Amy Ruark indicated that they do not. After discussion, upon

Bullock Pen Water District
Minutes
November 16, 2023

motion of William Wethington and second by Rodger Bingham, it was unanimously,

“RESOLVED: That the October 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported on the status of the Garrison litigation. The Grant County Sanitary Sewer District has now been made a party to the litigation. The Grant County Sanitary Sewer District is represented by KLC appointed counsel, Mr. James Womack. No activity has occurred in the litigation since the last meeting. Mr. Nienaber is not hopeful that anything will occur in the foreseeable future.
2. Mr. Nienaber inquired as to whether or not there has been any activity on the Stewartsville Tank Project. No further word has been received from any of the adjoining property owners regarding alleged property damage claims.
3. Mr. Nienaber inquired as to the status of the PFAS tests. Superintendent Harp stated that he is going to take the samples this week and submit them to the laboratory for analysis next week. Mr. Nienaber stated that time is quickly approaching for filing the Complaint in the PFAS class action litigation. It is imperative that we obtain the PFAS test results as soon as possible.
4. Mr. Nienaber inquired as to the status of the Dickerson Road Project. Ms. Ruark reported that she emailed the contact person for the Dickerson Road Group for a status update and has not heard anything in response. Amy informed the Dickerson Road Group that the District will not move forward until the 12 Water User Agreements (“Agreements”) are signed and returned to the District with the requisite tap-in fee. Mr. Nienaber stated that during the District’s meeting with the Dickerson Road Group, this fact was explained over and over again. Amy Ruark reported that the Dickerson Road Group contact person now wants the District to send out flyers to the residents. Chairman Givin stated that the District has made it abundantly clear to the Group that this would be their responsibility. Chairman Givin stated that the District should wait until after the first of the year to see if there is any movement on the Group’s part. If not, the District should consider informing them that the project would be cancelled.
5. Mr. Nienaber reported that the Catlett Property Closing occurred. Amy stated that she received the recorded Deed earlier in the morning. Mr. Nienaber commented on the PSC’s Declaratory Order which prohibits the District from conducting any WTP related construction on the Catlett Property without first obtaining a Certificate of Convenience and Public Necessity (“CCPN”). Mark Stephens from KEG asked if his group can

Bullock Pen Water District
Minutes
November 16, 2023

survey the property. Mr. Nienaber stated that would not be a problem. However, the District should not undertake any excavation or similar work at this time.

6. Mr. Nienaber reported that he has reviewed the HMB Engineering Agreement regarding the KY 1942 Project. Mr. Nienaber stated that the Agreement is in order. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: that Superintendent Harp and Chairman Givin be and the same are hereby authorized to execute the Agreement on behalf of the District.”

7. Mr. Nienaber gave an update on the Katie Drive Project. Mr. Nienaber reviewed with the Commissioners his November 14, 2023 letter (attached) which summarizes his phone conference with Mr. David Koenig, BCWD’s counsel. Briefly stated, BCWD is no further along on the waterline extension projects for Boone County than they were a year ago. Mr. Nienaber stated that BCWD cannot move forward with any of the projects until a new Memorandum of Understanding is executed by the Boone County Fiscal Court and the Boone County Water District. Mr. Koenig informed Mr. Nienaber that the revised MOU should be completed in the near future. Mr. Nienaber emphasized once again that the District cannot move forward without first obtaining PSC approval for the “surcharge” and the project itself.
8. Mr. Nienaber shared with the Commissioners the recent *Louisville Metro Government* Court of Appeals decision which addresses governmental entity liability for negligence. Mr. Nienaber reviewed with the Commissioners the substance of the Court of Appeals Opinion and how it would relate to the District’s potential liability for damages claimed from alleged negligent acts on the part of the District.
9. Mr. Nienaber shared with the Commissioners a recent Court of Appeals decision which addresses the Open Records Act as it relates to private electronic devices maintained by Commissioners when faced with an Open Records Request. Mr. Nienaber summarized the decision, stating that if a Commissioner has a private device (e.g., computer, cell phone, etc.), and uses that private device for governmental entity related business, the Commissioner’s private devices are subject to an Open Records Request to the extent that the private device contains government entity related information.

The next order of business was a report by Mr. Mark Stephens, Kentucky Engineering Group (“KEG”) regarding the WTP Project.

1. Mr. Stephens reported that KEG will begin the surveying process in the next week or so. Mr. Stephens and Superintendent Harp will coordinate their efforts in that regard.

Bullock Pen Water District
Minutes
November 16, 2023

2. Mr. Stephens reported that KIA has requested Invitations for 2024 loans. The District received a \$7,500,000.00 invitation for loan (attached). Mr. Stephens stated that the District must submit its Loan Invitation Acceptance on or before November 27, 2023. The actual Loan Application must be submitted no later than December 21, 2023. Mr. Nienaber stated that according to the attached paperwork, the District would be under no obligation to move forward after submitting its acceptance of the Loan Invitation and Loan Application should the District decide to cancel the project at some point in the future. After discussion, upon motion of Andrea Walton and second by William Wethington, it was unanimously,

“RESOLVED: that Chairman Givin be and he is hereby authorized to execute the attached Loan Invitation Acceptance and begin the process of filing a Loan Application for the \$7,500,000.00 KIA Loan.”

3. Mr. Stephens reported that Rural Development (“RD”) will also be submitting applications for funding.
4. Mr. Stephens requested Superintendent Harp to keep KEG in the loop regarding the PFAS test and test results. If the District has an unfavorable PFAS test result, there is a possibility the District could apply for money in the Class Action litigation to cover some of the costs.
5. Mr. Stephens reported that the District’s Revised Project Profile for the WTP was ranked very high statewide.
6. KEG has filed a request for partial release of the Clean Water Grant Funds for application to KEG’s outstanding invoice for WTP engineering services. The draw request is ready for submittal. Chairman Givin was authorized to sign the request for a partial distribution of funds to be applied to KEG’s invoice.
7. Mr. Stephens stated that he is excited that the District has closed on the purchase of the Catlett Property. He indicated that this is definitely in the District’s best interest. With that said, Chairman Givin noted that he has heard certain “rumors” in Grant County that a District Commissioner stated publicly that the District should not have purchased the Catlett Property. Chairman Givin stated that he was told that the District is doing nothing more than “enriching the Catlett family”. Chairman Givin stated that he has heard other comments which have tended to put the District in a bad light. Commissioner Burgess responded that it was his understanding when the District purchased the property on Farrell Drive, that property was going to be used for construction of a new Water Treatment Plant when that need arose. Commissioner Burgess denied making any improper statements regarding the District. Commissioner Burgess stated that all he indicated was that he was opposed to buying the Catlett Property. Commissioner Burgess

Bullock Pen Water District
Minutes
November 16, 2023

gave a history of his service to Bullock Pen over the years. He also gave a brief history of the Board of Commissioners. Chairman Givin stated that the comments which he heard were nothing more than “half-truths” and did not reflect the entire story. Chairman Givin stated that the waterline issue has been addressed by at least two engineering groups which have both stated that it would be ill-advised to build the Water Treatment Plant on the District’s current Farrell Drive site. Mr. Stephens confirmed what Chairman Givin stated. Mr. Stephens stated that a raw waterline from Bullock Pen Lake to the current office would be a financial hardship. Mr. Stephens also stated that the entire Catlett farm purchase was necessary and advantageous to the District. It will allow for material storage during construction; it will avoid the necessity of temporary construction easements; eliminate eminent domain proceedings; and allow the District to place WTP improvements at or near the barn or house. All of this in the long run will save the District significant sums of money. Commissioner Burgess stated that he believes the dam site would be a good location for the new WTP and this option should be looked at. Mr. Stephens stated that KEG has already looked into that location and has determined that it is not a good site. Mr. Nienaber stated that if the District were to relocate the WTP to the dam area, Fish and Wildlife approval would be necessary. Superintendent Harp also reported that there is not sufficient electric service (Three Phase) at the dam. Commissioner Burgess inquired as to the size of the new WTP. Mr. Stephens stated that it would be rated at 2,000,000 gallons per day. Commissioner Wethington stated that he respects Commissioner Burgess’ right to disagree, but that we need to be moving forward as one team. Commissioner Burgess stated that he was unaware that his abstention on the Catlett Property vote was a vote with the majority. Mr. Nienaber explained that he has advised the Board on more than one occasion over the years that a vote to abstain is a vote with the majority unless the abstention is based upon a legitimate conflict of interest. Mr. Stephens stated that the District is at a crossroads in its existence. The District must decide whether or not to purchase all of its water from third parties or produce water. It is time that decision be made.

The next order of business were comments by Commissioner Wethington. He reported that Judge Moore contacted him and wanted to know if the District would consider entering into a long-term Water Purchase Agreement with Boone County Water District. Commissioner Wethington believes that he should accept this invitation and meet. After considerable discussion, upon motion of Rodger Bingham and second by Bobby Burgess, it was unanimously,

“RESOLVED: that Andrea Walton and William Wethington meet with Judge Moore to discuss long term water purchase agreements between Boone County Water District and the District.”

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson had nothing to report.

Bullock Pen Water District
Minutes
November 16, 2023

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that the WTP chemical trial is underway and progressing very well. Superintendent Harp reported that he realized an approximate \$1,200.00 in chemical costs savings during the first month of the test. Superintendent Harp will continue the test and report at the next meeting.
3. Superintendent Harp reported that the second pick-up truck ordered by the District was delivered. It is a ½ ton Chevrolet pick-up truck. The cost was \$43,870.00.
4. Superintendent Harp reported that he would like to have the District's water system put in GIS format. The cost would be approximately \$550.00 per year. Superintendent Harp reported that this would be a very good move for the District. After discussion, upon motion of Bobby Burgess and second by Andrea Walton, it was unanimously,

“RESOLVED: that Superintendent Harp engage ESRI GIS Systems to format the District's water system with GIS at a cost of \$550.00 per year.”

The next order of business was a report by Amy Ruark as follows:

1. Amy Ruark reported that Software Solutions sent a quote to upgrade our computer system to make it compatible with our new meter reading system. The cost is \$4,000.00. Ms. Ruark reported that this is critical that the District incorporate this system into its computers to make the Neptune Water Reading and Billing System compatible. After discussion, upon motion of Rodger Bingham and second by William Wethington, it was unanimously,
- “RESOLVED: that Amy Ruark and/or Paul Harp be and the same are hereby authorized to engage Software Solutions to upgrade the District's computer system at a cost not to exceed \$4,000.00.”
2. Ashley Dyer reported that a salary review is due at year-end. Ms. Dyer will activate the Salary Review Committee of Amy Ruark, Ashley Dyer, and Paul Harp and report at the next meeting.
 3. Ashley Dyer reported that the District's Dental/Vision coverage has been renewed. There has been no increase in dental insurance cost.

Bullock Pen Water District
Minutes
November 16, 2023

4. Ashley Dyer reported that Seth O’Nan passed his Drinking Water Test Certification. This calls for a 2.5 % pay raise. After discussion, upon motion of Andrea Walton and second by William Wethington, it was unanimously,

“RESOLVED: that Seth O’Nan be granted a 2.5% salary increase effective December 1, 2023.”

5. Ms. Dyer reported that Mr. Tucker Ammerman was hired as a co-op student from Grant County High School effective January 3, 2024. His salary will be \$15.00 per hour.
6. Ms. Ruark reported that the District’s computer system is 7 years old and needs to be replaced. Ms. Ruark reported that this item has been budgeted for 2024. CSM Software has quoted a bid of \$699.00 (each) for six computers, plus a \$200.00 per computer setup fee. If the District orders the computers before December 15, 2023, we can pay for them after January 1, 2024. After considerable discussion, upon motion of Bobby Burgess and second by Andrea Walton, it was unanimously,

“RESOLVED: that Amy Ruark be and she is hereby authorized to purchase six (6) computers from CSM Software at a cost of \$699.00 each, plus a \$200.00 per computer setup fee.”

7. Amy Ruark reminded everyone that Officer elections are next month.
8. Amy Ruark shared with the Commissioners the draft budget for next year. Amy Ruark stated that Debbra Dedden would like the District to take final action at the next meeting. If anyone has any questions before next month’s meeting, they should contact Debbra Dedden. If need be, Debbra Dedden will appear at next month’s meeting to review the budget.
9. Amy Ruark reported that the next meeting is scheduled for December 21, 2023.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
DECEMBER 2023 MEETING**

The December 2023 meeting of the Bullock Pen Water District was called to order on December 22, 2023, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bobby Burgess, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, HMB Professional Engineer, Inc., Mr. Benton Hanson, Amy Ruark and Ashley Dyer.

The first order of business was the swearing-in of Commissioner Andrea Walton who was reappointed to serve as Commissioner on the Board. Commissioner Walton took the oath of office and executed the attached Certificate.

The next order of business was a visitor presentation by Gary and Sandy Palmer. Mr. and Mrs. Palmer reported that over the last three years or so, they have been receiving water bills that are extremely high. These bills recorded as much as 56,000 gallons of water usage in a single month. The District was advised of this condition in November, 2023. At that time, the District tested the Palmer's meter and installed a new one. Upon testing, the old meter was working properly. This month, the Palmer's water bill reflected a 2,500 gallon usage. Superintendent Harp reported that the District has saved the old meter. He will retest it himself. The Commissioners inquired as to why the Palmers have not reported this condition sooner. No answer was given. Ms. Ruark shared with the Commissioners the Palmer's water usage report for the approximate last three years (attached). It shows high water usage. Commissioner Bingham requested Superintendent Harp to retest the old meter himself and report at the next meeting. Chairman Givin suggested that Superintendent Harp conduct a home inspection to check for leaks and the like. He is to report at the next meeting.

The next order of business was a review of the November 2023 Minutes. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: That the November 2023 Minutes as amended be and the same are hereby approved as attached.”

The next order of business was a review of the November 2023 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of William Wethington and second by Rodger Bingham, it was unanimously,

“RESOLVED: That the November 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber gave a report on the status of the Garrison Litigation. He stated that the City of Crittenden has filed various discovery requests, including Interrogatories and Requests for Production of Documents directed to the Garrisons. Mr. Nienaber wrote a

Bullock Pen Water District
Minutes
December 21, 2023

letter to the District's counsel, Michelle Cheek, requesting that she initiate discovery requests and direct them to the City of Crittenden. He noted that the City of Crittenden has consistently claimed that there are engineering reports which indicate the District's culpability in creating issues at the dam. Although these claims have been made, no engineering reports have been disclosed which indicate as such. Mr. Nienaber stated that he has written letters to the District's counsel, as well as Grant County Sanitary Sewer District's counsel requesting them to initiate discovery. In addition to the general discovery requests, Mr. Nienaber requested counsel to direct the City of Crittenden to disclose any and all engineering reports; to provide all City Council documentation authorizing this litigation against the District; and requesting the City of Crittenden to disclose any and all correspondence, emails, memos, etc., relating to the dam issue. As soon as counsel hears from the District's attorney, he will report.

2. Mr. Nienaber inquired as to the status of the PFAS test results. Superintendent Harp confirmed that the test results are to be received by the District on or before December 28, 2023. Mr. Nienaber reported that the time limits on joining the Class Action litigation for PFAS claims is nearing. Mr. Nienaber requested the District to adopt a Resolution similar to that of the Grant County Sanitary Sewer District. After considerable discussion, upon motion of William Wethington and second by Bobby Burgess, it was unanimously,

“RESOLVED as follows:

- 1) If the District receives a positive PFAS test result by December 28, 2023, the District is hereby authorized to move forward with joining the Class Action litigation. Mr. Nienaber is authorized to take any action to achieve that objective.
 - 2) Chairman Givin and Superintendent Harp are hereby authorized to sign any documentation necessary to authorize the District to join in the Class Action PFAS Litigation.
 - 3) The District is hereby authorized to move forward with filing any and all claims with the PFAS Litigation.”
3. Mr. Nienaber reported that he had received a PFAS Survey from KRWA/DOW. Superintendent Harp reported that he received the PFAS Survey as well and responded.
 4. Mr. Nienaber inquired as to whether or not anyone has heard from the Dickerson Road residents. Noone has heard anything. Mr. Nienaber suggested that the District send a letter to the Dickerson Road contact person in order to inform them that some activity has to occur with respect to this project. Mr. Nienaber stated that the volatility of material costs could result in a dramatic increase. Superintendent Harp reported that he does not

Bullock Pen Water District
Minutes
December 21, 2023

see any significant price increases in the near future. However, with the volatility of the petroleum market, it is unpredictable. Considerable discussion was held. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED as follows:

- 1) The District inform the Dickerson Road Project residents that if signed Water User Agreements and tap-in fees are not received by 12 customers on or before December 31, 2024, the District reserves the right to withdraw its agreement to provide material costs, or, alternatively, modify the District’s contribution agreement depending upon price increases for materials.
 - 2) The District continues to require 12 new customers to sign Water User Agreements and deposit the tap-in fees before any further action be taken.”
5. Mr. Nienaber inquired as to the Katie Drive Project status. Superintendent Harp reported that Boone County has forwarded project plans to DOW for approval. Otherwise, no one has heard anything. Mr. Nienaber reported that the Boone County Water District’s attorney, Mr. David Koenig, has not yet prepared a modified Memorandum of Understanding.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that the Vallandingham Road Project Plans have been submitted to DOW. This occurred approximately 30 days ago. Due to personnel issues at DOW, it does not appear as though the plans will be approved until January 31, 2024. Chairman Givin inquired as to whether or not the District has enough material on site to complete the Project. Superintendent Harp reported that the District would be required to purchase additional materials. Once DOW approves the plans, the District can move forward. Mr. Nienaber inquired as to whether or not there are any easements necessary for this Project. If so, those easements need to be provided to the District as soon as possible.
2. Mr. Hanson reported on the KYTC KY467 Road Project. Mr. Hanson stated that updated and revised plans were requested by KYTC to reflect more detail on the directional bore and road crossings. Mr. Hanson reported that he, Superintendent Harp and KYTC representatives plan to meet on December 22, 2023, to discuss the project status.

The next order of business was a report by William Wethington regarding his meeting with the Boone County Judge Executive and the District’s plans to construct a new WTP. Commissioner Wethington reported that Boone County inquired as to whether or not they could contract with

Bullock Pen Water District
Minutes
December 21, 2023

the District to purchase more water and thereby, eliminate the need for a new WTP. Commissioner Wethington stated that Boone County is able to provide as much water as the District needs. Commissioner Wethington informed Boone County that in order for the District to commit to purchasing more water versus constructing a new WTP, significant infrastructure improvements would be necessary that would cost millions of dollars. Superintendent Harp reported that at this time, committing to purchase all water for District customers through Williamstown, NKWD and Boone County is impractical due to the infrastructure improvements that would need to be completed. Mr. Nienaber recommended that the District put together a package for all of the County Judge Executives within the District territory in order to inform and educate them with respect to the District's plans to construct a WTP. Part of that informational piece should outline why the District has made a decision to construct a new WTP versus purchasing all water from other Districts. Commissioner Wethington had a number of questions regarding the District as follows:

- (1) Commissioner Wethington inquired as to how Commissioners are appointed. Mr. Nienaber stated that the appointment of Commissioners to a multi-county District (i.e., Bullock Pen Water District) is controlled by Kentucky Revised Statutes Chapter 74.
- (2) Commissioner Wethington inquired as to the District's rate schedule. Amy Ruark provided him with a copy of the District's current rate sheet.
- (3) Commissioner Wethington inquired as to whether or not it would be practical for the District to purchase more water from Boone County at this time. Superintendent Harp reported that purchasing additional water from Boone County at this time is impractical due to required infrastructure improvements and upgrades that would be needed.
- (4) Commissioner Wethington inquired as to whether or not the District has a map outlining all District infrastructure, including waterlines, water tanks, etc. Superintendent Harp reported that he will get an updated map to Commissioner Wethington.

Mr. Nienaber stated that he would assist Superintendent Harp in preparing a package of information for the County Judge Executives.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reported that the new truck has been delivered. He requested authority to sell the old 2010 Chevrolet 3500 pick-up truck. Superintendent Harp reported that it is in pretty bad shape and would probably not bring very much money. After discussion, Superintendent Harp was directed to take all action necessary to sell the old truck.
2. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.

Bullock Pen Water District
Minutes
December 21, 2023

3. Superintendent Harp reported that Kentucky Engineering Group (“KEG”) surveyed the Catlett property. The District should receive that survey in the very near future.
4. Superintendent Harp reported that Michael Mason is set to retire in June, 2024. Chairman Givin recommended that the District begin the process of finding a replacement in order to properly train the new employee while Michael Mason is still the District’s employee. With that said, Superintendent Harp and Ashley Dyer were authorized to begin the process of hiring a replacement employee.
5. Superintendent Harp reported that the District’s WTP Project was ranked #1 in Northern Kentucky for Project Financing.

The next order of business was a report by Ashley Dyer and Amy Ruark as follows:

1. Ashley Dyer shared with the Commissioners the salary committee’s worksheet as attached. This worksheet provides detailed information for all employees regarding current salaries and suggested 2024 increases. After considerable discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: that the District implement the salary committee’s recommendation for pay increases for all employees as set forth in the attached worksheet.”

2. Ms. Dyer reported that KRWA conducts biannual salary surveys. Although this year’s most current salary survey does not reflect all statewide water districts, the information reported by KRWA would indicate that Bullock Pen employee’s salaries fall within the statewide average.
3. Ms. Ruark reported that the District’s proposed budget, as attached, needs to be approved. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: that the District’s annual budget, as attached, be adopted.”

4. Ms. Ruark reported that it is time for the election of officers. With that said, Chairman Givin opened the floor for nominations. Commissioner Wethington made the following nominations: Chairman – Charles Givin; Vice Chair – Andrea Walton; Treasurer – Rodger Bingham; and Secretary – William Wethington. There being no further nominations, a vote was taken. All positions were elected by acclamation.
5. Ms. Ruark reported that the next monthly meeting is scheduled for January 18, 2024.

Bullock Pen Water District
Minutes
December 21, 2023

There being no further business to conduct, upon motion and second, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: 
CHARLES GIVIN, CHAIRMAN

ATTEST:


WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
JANUARY 2024 MEETING**

The January 2024 meeting of the Bullock Pen Water District was called to order on January 18, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bobby Burgess, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, Superintendent Paul Harp, Amy Ruark and Ashley Dyer. HMB Professional Engineers, Inc., Mr. Benton Hanson was absent.

The first order of business was a review of the December 2023 Minutes. After discussion, upon motion of Andrea Walton and second by William Wethington, it was unanimously,

“RESOLVED: That the December 2023 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the December 2023 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of William Wethington and second by Bobby Burgess, it was unanimously,

“RESOLVED: That the December 2023 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

Chairman Wethington stated that at the December 2023 meeting of the District, a presentation packet was to be prepared for presentation to the various County Judge Executives/Fiscal Courts within the District territory outlining the District’s reasoning behind engaging the WTP Project. Commissioner Wethington requested a status report. Superintendent Harp reported that he would begin the process of compiling data that had been prepared in the past with the cooperation of KEG Engineering and HMB Professional Engineering. Chairman Givin questioned as to who the presentation package should be provided. Mr. Nienaber stated that it is his position that the presentation package should be given to all County Judge Executives and Fiscal Courts within the District territory. He opined that it would be far better for this information to be provided to avoid misinformation being given to County Judge Executives and/or Fiscal Courts. Commissioners Bingham and Wethington both agreed that it should be provided to all County Judge Executives and Fiscal Courts. Mr. Nienaber stated that he would assist Superintendent Harp in preparing this presentation piece. Superintendent Harp stated that he would report at the next meeting.

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported on the status of the Garrison litigation. On January 11, 2024, Mr. Nienaber met with Counsels James Womack and Michelle Cheek, insurance company appointed counsel for the District and the Grant County Sanitary Sewer District respectively. This contact has been to request that our insurance company appointed counsel aggressively begin the process of engaging in discovery with the City of Crittenden and the Plaintiffs. Specifically, Mr. Nienaber requested that Womack and

Bullock Pen Water District
Minutes
January 18, 2024

Cheeks send Requests for Production of Documents seeking copies of any and all related reports indicating any culpability on the part of the District. As Mr. Nienaber previously reported, Mayor Purcell has repeatedly claimed that the City has several engineering reports that place blame on the District for the issues at the Waller Drive Dam. To date, those alleged engineering reports have not been disclosed. Mr. Nienaber also specifically requested that counsel obtain documentation from the City of Crittenden authorizing the City to initiate litigation against the District and/or Grant County Sanitary Sewer District. Womack and Cheeks stated that they would immediately begin the process of issuing discovery.

2. Mr. Nienaber gave a status report on the PFAS litigation. He stated that he had a phone conversation with Mr. Sam Wade, litigation consultant to Napoli Shkolnik. Mr. Wade informed counsel that the deadline for filing a formal claim in the multi-district litigation ("MDL") does not begin to run until the Court approves the proposed settlement with the two current Defendants. Mr. Wade expects that to occur in February, 2024. Once the Court approves the MDL settlement, the District would then have 60 days to file a formal claim. Mr. Nienaber also stated that the PFAS test reports are in. He requested a meeting with Superintendent Harp and Commissioner Greg Powell (Grant County Sanitary Sewer District) to review those findings. Greg Powell is a retired EPA employee who has product knowledge in this area. Mr. Nienaber believes it would be wise to have a meeting with someone who can interpret and explain the PFAS test results. That meeting should be scheduled in the very near future.
3. Mr. Nienaber inquired as to the status of the Dickerson Road Project. Superintendent Harp reported that the letter was sent to the contact person for the Project. To date, no one has heard from any of the residents on the Dickerson Road line.
4. Mr. Nienaber reviewed with the Board the Claim form received by the District in the Mastercard/Visa Class Action Settlement. Mr. Nienaber reported that a Class Action lawsuit was filed against Visa and Mastercard. It was claimed in that litigation that Visa and Mastercard were overcharging customers for interchange fees. Based upon the Claim Form that Ms. Ruark received, the overcharged "interchange fees" to the District totaled \$11,077.68. As the Claim Form states, the District would not receive the entire \$11,077.68. Rather, we would only receive a "percentage" of that amount. Generally, Class Action Settlements do not generate a great deal of funds for the ultimate "customer." In this particular case, I doubt if the District would receive a significant portion of the \$11,077.68. In addition, since the District charges these fees back to the customer, the PSC would inevitably require the District to return them to the District customer who paid the "interchange fee". This could be an accounting nightmare. Mr. Nienaber stated that given the likelihood of an insignificant monetary settlement for the District and the required accounting issues, the District would not be financially rewarded for participating in this settlement. After considerable discussion, upon motion of William Wethington, and second by Bobby Burgess, it was unanimously,

Bullock Pen Water District
Minutes
January 18, 2024

“RESOLVED: That the District not participate in the Visa/Mastercard Class Action Settlement.”

5. Mr. Nienaber inquired as to the status of the Katie Drive Project. He reported that the Division of Water had approved the drawings for the overall Boone County Project. Mr. Nienaber spoke with David Koenig on January 15, 2024, to determine what the next step is in this process. Mr. Nienaber shared with the Commissioners his letter confirming his conversation with Mr. Koenig (attached). At this time, Mr. Nienaber is awaiting a revised Memorandum of Understanding with Boone County regarding the Project. Mr. Nienaber will report at the next meeting.

The next order of business was a report by HMB Professional Engineers, Inc. In Mr. Benton Hanson’s absence, Superintendent Harp gave the following Report:

1. Superintendent Harp reported that plans for the Vallandingham Road Project should be approved by DOW sometime in February, 2024.
2. Superintendent Harp reported that the Warsaw Road Project Plans are not yet approved by KYTC. He stated that KYTC wants the District to locate all areas within the Warsaw Road Project where lines are currently located on private property and/or where exiting lines need to be relocated due to planned road improvements. KYTC informed the District that any costs incurred by the District in identifying those lines will be paid by KYTC.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that Kentucky Engineering Group (“KEG”) stated KIA may have additional monies available for loans to the District for the upcoming WTP Project. Applications submitted to KIA for the District’s current loan request have been submitted for review.
3. Superintendent Harp reported that he is in the process of advertising the 2010 Chevrolet truck sale. He reported that the truck is no longer useful to the District. It has over 150,000 miles. The bed on the truck is in very bad shape and is no longer useful. Superintendent Harp reported that he should have the advertisements for the truck sale completed in the next couple of weeks.
4. Superintendent Harp reported that he has tested the meter from the Palmer’s residence on Bagby Road since the last meeting. Two tests of that meter indicated that it is in perfect

Bullock Pen Water District
Minutes
January 18, 2024

working order. Superintendent Harp went back and did a review of Palmer's water usage for the period beginning 2018 through 2023. The following results were found:

Year	Average Water Usage Per Month
2019	8,000-9,000 gallons per month
2020	10,000-12,000 gallons per month
2021	13,000 gallons per month
2022	19,000 gallons per month
2023	22,000 gallons per month

Superintendent Harp reported that given the amount of water usage, it seems unlikely that the source of the water consumption is due to a leak. After considerable discussion, Superintendent Harp reported that he will visit Palmer's residence and conduct an on-site inspection. He will report at the next meeting. Mr. Nienaber stated that Superintendent Harp should keep the Palmer meter for future reference.

The next order of business was a report by Ashley Dyer and Amy Ruark as follows:

1. Ms. Ruark presented to the Board the engagement letter of Chamberlin & Owen, CPAs for the 2023 year-end annual audit. The cost for the audit will not exceed \$12,800.00. Mr. Nienaber stated that the engagement letter is the standard form. Ms. Ruark reported that last year's cost was \$11,800.00. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: that Superintendent Harp be, and he is hereby authorized to execute the Chamberlin & Owen, CPA engagement letter to conduct the 2023 year-end annual audit at a cost not to exceed \$12,800.00.”

2. Ms. Ruark reported that the next meeting is currently scheduled for February 15, 2024. She requested the meeting be moved to February 22nd. After discussion, it was unanimously approved that the District's next regular meeting be February 22, 2024, at 1:00 p.m. Ms. Ruark is directed to make the appropriate notifications.

Chairman Givin reported that this is Commissioner Burgess' last meeting as a member of the Bullock Pen Water District Board of Commissioners. Chairman Givin and the Commissioners all thanked Commissioner Burgess for his 52 years of service to the District and the community. Chairman Givin requested Commissioner Burgess to provide some dates when the District could have an Open House to celebrate Chairman Burgess' service to the District and to honor him for 52 years of service. Commissioner Burgess stated that he began serving on the Board in early 1970s. At that time, there were approximately 76 households serviced by the District. That number has now grown to over 8,000. Commissioner Burgess reminisced about when the District was operated out of the Crittenden Barber Shop. At that time, money was so tight that

Bullock Pen Water District
Minutes
January 18, 2024

the Commissioners would contribute stamps to send out bills. Commissioner Burgess stated that he would give dates to Amy Ruark when he would be available to have an Open House. Mr. Nienaber suggested that the District have a dinner for Commissioner Burgess and the remaining Board members.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: 
CHARLES GIVIN, CHAIRMAN

ATTEST:


WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
FEBRUARY 2024 MEETING**

The February 2024 meeting of the Bullock Pen Water District was called to order on February 22, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bryan Slaughter, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Superintendent Paul Harp, Amy Ruark and Ashley Dyer.

The first order of business was the swearing in of the District's new Commissioner, Mr. Bryan Slaughter. Chairman Givin introduced Mr. Slaughter to the Board.

The next order of business was a presentation by Mr. James Evans, Vallandingham Road, requesting an update on the plan approval for his waterline extension. Mr. Hanson reported that the plans were submitted to DOW for approval. A comment was received by Mr. Hanson and he responded immediately to DOW. Mr. Hanson reported that DOW is seriously behind in plan review due to its current workload. He hopes that the DOW will approve the drawings within the next couple of weeks. Evans inquired as to whether or not the materials for the line extension are in stock at the District. Superintendent Harp stated that most of the materials are in. Once the DOW approval is received, it would take no more than two weeks to obtain delivery of any additional materials that may be needed for the project.

The next order of business was a report by Mr. Gary Back. Mr. Back reported that he resides in a duplex on LeeHi Dr. On February 15, 2024, Mr. Back received a bill for 27,000 gallons of water and was notified upon coming into the office by the District of a leak at his residence. Mr. Back chose to shut off his water on February 16, 2024. Amy Ruark reported that upon being notified of the potential leak on or about February 7, 2024 by a technician from the District, another District representative contacted Mr. Steve Due, Mr. Back's landlord. Mr. Due reported to the representative that he was going to pay for the overage bill and will get the leak fixed. Mr. Back inquired as to whether he would have to pay an increased sewer bill due to this leak. Amy Ruark stated that there will be an adjustment on Mr. Back's sewer bill. He does not believe that this water leak is his responsibility. Superintendent Harp reported that he inspected the situation and the leak is on the customer side of the meter and, therefore, the responsibility of the customer.

The next order of business was a presentation by Mr. Rob Hartman of the Walton-Verona School District. Mr. Hartman reported that the School District is updating its telecommunications system which will require the placement of an antenna at or near one of the School District's facilities. Mr. Hartman stated that the Verona Tower on Porter Road would be an excellent place for placement of the antenna. Mr. Hartman reported that the School District would like to place a "repeater antenna" on the Verona Tower. Specifications for the proposed repeater antenna are attached. He stated that the repeater antenna should extend approximately 20' above the top of the Verona Tower. Chairman Givin stated that the District would need to have engineering and frequency specifications for the repeater antenna before any commitment could be made. Specifically, the manufacturer of the antenna, Mobile Communications of America ("MCA") would need to verify that the signal specifications for the repeater tower would not interfere with

Bullock Pen Water District
Minutes
February 23, 2024

the District's telemetry system or other operations at the tower. Mr. Nienaber stated that years ago, the District was contacted by a governmental entity requesting the placement of various antennas on one or more of the District's towers. Issues that need to be considered (among others) when reaching an agreement for the placement of any antenna on our tower would be:

- (1) Verification that the antenna frequencies would not interfere with the District's operations;
- (2) Indemnification language from the School District for any loss due to damage or injuries;
- (3) Insulation of liability for the District if the School District's antenna needs to be removed during repair, painting, etc., of the Tower;
- (4) Costs related to placing the antenna on the Tower; and
- (5) The District's right to remove the School District's antenna at any point in the future if issues arise which would materially interfere with the District's operation.

Mr. Nienaber reported that if an antenna is allowed to be placed on the tower, a detailed agreement should be reached with the School District. After considerable discussion, it was suggested that Superintendent Harp meet with representatives of the School District and MCA to review the situation. Superintendent Harp should report at the next meeting.

The next order of business was a review of the January 2024 Minutes. After discussion, upon motion of Andrea Walton and second by William Wethington, it was unanimously,

"RESOLVED: That the January 2024 Minutes be and the same are hereby approved as attached."

The next order of business was a review of the January 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

"RESOLVED: That the January 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached."

Bullock Pen Water District
Minutes
February 23, 2024

The next order of business was a bid opening for the sale of the 2010 truck. Superintendent Harp reported that all nine bids were timely received. Mr. Nienaber opened the sealed bids with the following results:

Bidder	Amount Offered
Stanley Ryan	\$3,754.00
Stanley Ryan	\$3,000.00
Dawson Catlett	\$7,115.00
Keith Smith	\$3,606.58
Emergency Remarketing	\$1,178.18
Pete Harp	\$1,505.00
Logan Gorden	\$3,0501.00
Brain Baer	\$1,800.00
Nick Owing	\$5,555.55

After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: that the bid be awarded to Dawson Catlett. Superintendent Harp be and he is hereby authorized to transfer the truck to Mr. Dawson Catlett for \$7,115.00.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reviewed with the Board the revised Retainer Agreement submitted by Napoli Shkolnik regarding the MDL PFAS Litigation. Mr. Nienaber explained that the revised Retainer Agreement was submitted to the District in order to provide for a revised payment schedule for attorney’s fees due and owing Napoli Shkolnik. Apparently, one of the Defendants that has settled in the MDL Litigation is preparing to pay out its gross settlement over a period of ten years. The current Retainer Agreement provides for the payment of attorney’s fees based upon the amounts of money received. For example, if a settling Defendant settles for \$100,000.00, Napoli Shkolnik would be entitled to one-third (1/3) of that amount under the current Retainer Agreement. It has been learned recently that one of the Defendants is going to pay over ten years. If the settling Defendant elects to pay \$100,000.00 over ten years (i.e., \$10,000.00 per year), the current retainer agreement would only allow Napoli Shkolnik to receive one-third (1/3) of each \$10,000.00 payment. The revised Retainer Agreement would provide for Napoli Shkolnik to receive one-third (1/3) of the total \$100,000.00 immediately. Based upon my example, Napoli Shkolnik would receive all of the first, second, and third year installment payments and one-third (1/3) of the fourth one. Mr. Nienaber stated that most attorney-retainer agreements provide that attorney’s fees are usually paid out in full upon receipt of a first payment when a settlement amount is made in installments. A considerable discussion followed. After discussion, upon motion of Rodger Bingham

Bullock Pen Water District
Minutes
February 23, 2024

and second by Andrea Walton, it was unanimously,

“RESOLVED: that the District not agree to sign the revised Retainer Agreement.”

2. Mr. Nienaber gave an update on the Garrison litigation. He reported that the District’s counsel submitted Interrogatories and a Request for Production of Documents to the City of Crittenden and the Plaintiffs. Responses to those discovery requests are due next week.
3. Mr. Nienaber reviewed with the Commissioners the PFAS Complaint which has been filed with the United States District Court for South Carolina (attached). Mr. Nienaber stated that he had significant difficulty in contacting Napoli Shkolnik regarding changes to the Complaint. Mr. Nienaber reviewed with the Commissioners his letters directed to Napoli Shkolnik regarding the filing of the Complaint. After considerable confusion and communication, the Complaint has been filed on the District’s behalf.
4. Mr. Nienaber inquired as to the status of the Dickerson Road Project. Superintendent Harp reported that he has not received any word from the Dickerson Group.
5. Mr. Nienaber reported on the status of the Katie Drive Project. He stated that he made contact with Boone County Fiscal Court’s retained counsel for representation before the Public Service Commission. That attorney has not yet responded to Mr. Nienaber. Otherwise, there has been no other developments with respect to the Katie Drive Project.
6. Mr. Nienaber inquired as to the status of the Water Treatment Plant Project. Mr. Nienaber requested an update on where the District stands on preparing an information package for the Fiscal Court’s in those counties where the District provides water service. Superintendent Harp shared with the Commissioners a detailed spread sheet that he has prepared which provides an analysis of the cost implications if the District were to construct a WTP or if the District elected to shut down the current WTP and purchase all water from other sources. Superintendent Harp believes that economically, it would be better for customers if the District were to construct a new WTP rather than shut down the current WTP and purchase all water. Superintendent Harp stated that if the District were to take the later course of action, the District would incur significant cost and expense in infrastructure upgrades in order to provide adequate infrastructure to receive more water from other sources, including Boone County, NKWD, and the City of Williamstown. Mr. Nienaber stated that he would work with Superintendent Harp in preparing an information package for the appropriate County Judge Executives and Fiscal Courts. Mr. Nienaber suggested that Superintendent Harp gather additional information from Mr. Mark Stephens, Engineer at KEG, regarding the cost of a new WTP, possible infrastructure upgrade costs, and information relating to the Cost of Services Study

Bullock Pen Water District
Minutes
February 23, 2024

(“COSS”), which KEG is preparing for the District. Superintendent Harp stated that he would contact Mark Stephens and ask him to attend the next meeting.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson as follows:

1. Mr. Hanson had nothing to report.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that pursuant to federal law, all water districts are required to prepare an analysis of lead pipe existence in current water systems. Superintendent Harp reported that the operative date is 1988. The District is required to provide a summary to the EPA which verifies whether or not there are any lead pipes in the District’s system which pre-date 1988. Superintendent Harp reported that most Districts have not used lead pipes since 1988. Superintendent Harp reported that the new federal regulations will require the District to do an actual inspection to confirm whether or not there are lead pipes in the District’s system. With that said, Superintendent Harp would like to hire a Clerk to review various District records, both pre and post 1988 for information relating to whether or not the District has installed lead pipes anywhere in its system. Superintendent Harp reported that this report to the EPA is due in October, 2024. After considerable discussion, upon motion of William Wethington and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that Superintendent Harp and the District be and the same is hereby authorized to hire a Clerk as soon as possible for the purpose of assisting in conducting a summary and analysis of the District’s water system for the purpose of preparing a Report for the EPA.”

3. Superintendent Harp reported that he has a meeting scheduled with the Palmers for next week to inspect and test their meter.
4. Superintendent Harp reported that the District’s current zero-turn mower is old and in need of significant repair. He requested that he purchase a new zero-turn mower. It is economically in the District’s best interest to purchase a zero-turn mower and do grass-cutting at the various District locations rather than subcontract this work to a third party. Superintendent Harp reported that he has several bids between \$12,000.00 and \$14,000.00. He also recommended that the Grant County Sanitary Sewer District pay

Bullock Pen Water District
Minutes
February 23, 2024

20% of the cost. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Superintendent Harp be and he is hereby authorized to purchase a new zero-turn mower at a cost not to exceed \$14,000.00. The Grant County Sanitary Sewer District shall pay 20% of the cost.”

The next order of business was a report by Ashley Dyer and Amy Ruark as follows:

1. Ashley Dyer reported that three interviews were conducted for the hiring of a new field worker. The interview committee interviewed the three candidates and based upon those interviews would recommend that Curtis Messerly be offered the position. The committee states that Mr. Messerly is very qualified and highly recommended. He can start anytime after March 11, 2024. Ashley Dyer stated that his projected starting salary would be \$19.12 per hour. After considerable discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Ashley Dyer be and she is hereby authorized to offer a position to Mr. Curtis Messerly at a starting salary of \$19.12 per hour, with the District’s usual benefits.

2. The next order of business was a review of the current Management Agreement between the District and Grant County Sanitary Sewer District. Ashley Dyer stated that the current monthly management fee is \$17,671.00. Based upon increases in pension contributions, cost of operation, salaries, etc., the new monthly management fee should be raised to \$17,998.00. Ashley Dyer reviewed with the Commissioners her calculation summary as attached. After discussion, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the District be and the same is hereby authorized to execute an Amended Management Agreement with the Grant County Sanitary Sewer District amending the monthly management fee to be raised to \$17,998.00.”

3. The next meeting is scheduled for March 21, 2024.

There being no further business to conduct, upon motion and second, upon motion and second, the meeting was adjourned.

Bullock Pen Water District
Minutes
February 23, 2024

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

Andrea Walton
ANDREA WALTON, VICE CHAIRMAN

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 3.00 per 1000
January	14,101,881	334,500	14,779,000	3,812,500	12,120,000
February	14,586,940	581,050	22,716,012	4,650,000	9,840,000
March	13,848,245	314,400	14,577,772	3,930,600	14,005,000
April	14,511,225	298,500	14,730,860	4,533,500	14,035,000
May	13,787,347	205,000	14,939,056	3,652,500	14,465,000
June	13,802,711	1,239,590	16,874,880	4,011,200	11,295,000
July	13,001,011	2,798,750	20,439,100	4,384,900	11,440,000
August	12,569,991	2,899,150	16,616,072	3,911,500	12,400,000
September	14,343,440	3,889,250	16,074,520	3,771,500	12,040,000
October	14,343,440	3,889,250	14,168,616	3,969,300	11,780,000
November	15,529,691	365,800	10,801,120	4,344,000	11,550,000
December	12,089,675	389,000	14,082,596	4,631,400	11,360,000
total gallons	166,515,597	17,204,240	190,799,604	49,602,900	146,330,000

NEW PLANT POTENTIAL SAVINGS					
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water	
2019 Purchased Gallons	166,515,597	17,204,240	190,799,604	49,602,900	
minimum gallons per contract	36,500,000	-	109,500,000	36,500,000	
Gallons available to produce	130,015,597	17,204,240	81,299,604	13,102,900	
Cost to Purchase	\$ 453,754.43	\$ 79,827.67	\$ 372,804.33	\$ 56,342.47	
Cost to Produce	\$ 390,046.79	\$ 51,612.72	\$ 243,898.81	\$ 39,308.70	
Potential Savings	\$ 63,707.64	\$ 28,214.95	\$ 128,905.52	\$ 17,033.77	
Yearly Savings		\$ 237,861.89			
Monthly Savings		\$ 19,821.82			
Yearly gallons to produce	387,952,341				
Gallons per day	1,062,883.13				

Cost to Purchase				
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000	
146,330,000 gallons to purchase	\$ 510,691.70	\$ 671,005.21	\$ 629,219.00	
Per month	\$ 42,557.64	\$ 55,917.10	\$ 52,434.92	

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 2.11
January	14,101,881	334,500	14,779,000	3,812,500	12,120,000
February	14,586,940	581,050	22,716,012	4,650,000	9,840,000
March	13,848,245	314,400	14,577,772	3,930,600	14,005,000
April	14,511,225	298,500	14,730,860	4,533,500	14,035,000
May	13,787,347	205,000	14,939,056	3,652,500	14,465,000
June	13,802,711	1,239,590	16,874,880	4,011,200	11,295,000
July	13,001,011	2,798,750	20,439,100	4,384,900	11,440,000
August	12,569,991	2,899,150	16,616,072	3,911,500	12,400,000
September	14,343,440	3,889,250	16,074,520	3,771,500	12,040,000
October	14,343,440	3,889,250	14,168,616	3,969,300	11,780,000
November	15,529,691	365,800	10,801,120	4,344,000	11,550,000
December	12,089,675	389,000	14,082,596	4,631,400	11,360,000
total gallons	166,515,597	17,204,240	190,799,604	49,602,900	146,330,000

NEW PLANT POTENTIAL SAVINGS				
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water
2019 Purchased Gallons	166,515,597	17,204,240	190,799,604	49,602,900
minimum gallons per contract	36,500,000	-	109,500,000	36,500,000
Gallons available to produce	130,015,597	17,204,240	81,299,604	13,102,900
Cost to Purchase	\$ 453,754.43	\$ 79,827.67	\$ 372,804.33	\$ 56,342.47
Cost to Produce	\$ 274,332.91	\$ 36,300.95	\$ 171,542.16	\$ 27,647.12
Potential Savings	\$ 179,421.52	\$ 43,526.73	\$ 201,262.17	\$ 28,695.35
Yearly Savings	\$ 452,905.77			
Monthly Savings	\$ 37,742.15			
Yearly gallons to produce	387,952,341			
Gallons per day	1,062,883.13			

Cost to Purchase			
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000
146,330,000 gallons to purchase	\$ 510,691.70	\$ 671,005.21	\$ 629,219.00
Per month	\$ 42,557.64	\$ 55,917.10	\$ 52,434.92

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 3.00 per 1000
January	11,261,520	406,100	13,007,720	4,335,400	10,700,000
February	11,574,850	416,450	11,525,184	4,258,600	12,735,000
March	12,719,830	383,400	13,282,984	4,065,900	13,555,000
April	12,583,870	84,430	12,353,968	4,815,000	11,300,000
May	12,522,383	547,250	11,600,732	4,709,700	13,170,000
June	13,374,217	1,589,750	16,934,720	4,624,700	12,705,000
July	13,844,500	1,692,000	17,275,808	5,377,000	12,506,000
August	15,288,360	580,450	17,531,624	5,819,100	11,010,000
September	12,294,665	380,600	19,944,672	4,919,700	9,715,000
October	10,978,155	812,100	19,090,456	4,898,600	9,710,000
November	13,844,900	482,250	14,053,424	3,957,100	12,295,000
December	12,810,209	366,850	16,718,548	4,830,500	11,945,000
	153,097,459	7,741,630	183,319,840	56,611,300	141,346,000

NEW PLANT POTENTIAL SAVINGS				
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water
2020 Purchased Gallons	153,097,459	7,741,630	183,319,840	56,611,300
minimum galons per contract	36,500,000	-	109,500,000	36,500,000
Gallons available to produce	116,597,459	7,741,630	73,819,840	20,111,300
Cost to Purchase	\$ 406,925.13	\$ 35,921.16	\$ 338,505.42	\$ 86,478.59
Cost to Produce	\$ 349,792.38	\$ 23,224.89	\$ 221,459.52	\$ 60,333.90
Potential Savings	\$ 57,132.75	\$ 12,696.27	\$ 117,045.90	\$ 26,144.69
	Yearly Savings	\$ 213,019.61		
	Monthly Savings	\$ 17,751.63		
Yearly gallons to produce	359,616,229			
Gallons per day	985,249.94			

Cost to Purchase			
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000
141,346,000 gallons to purchase	\$ 493,297.54	\$ 648,150.78	\$ 607,787.80
Per month	\$ 41,108.13	\$ 54,012.56	\$ 50,648.98

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 2.11
January	11,261,520	406,100	13,007,720	4,335,400	10,700,000
February	11,574,850	416,450	11,525,184	4,258,600	12,735,000
March	12,719,830	383,400	13,282,984	4,065,900	13,555,000
April	12,583,870	84,430	12,353,968	4,815,000	11,300,000
May	12,522,383	547,250	11,600,732	4,709,700	13,170,000
June	13,374,217	1,589,750	16,934,720	4,624,700	12,705,000
July	13,844,500	1,692,000	17,275,808	5,377,000	12,506,000
August	15,288,360	580,450	17,531,624	5,819,100	11,010,000
September	12,294,665	380,600	19,944,672	4,919,700	9,715,000
October	10,978,155	812,100	19,090,456	4,898,600	9,710,000
November	13,844,900	482,250	14,053,424	3,957,100	12,295,000
December	12,810,209	366,850	16,718,548	4,830,500	11,945,000
	153,097,459	7,741,630	183,319,840	56,611,300	141,346,000

NEW PLANT POTENTIAL SAVINGS				
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water
2020 Purchased Gallons	153,097,459	7,741,630	183,319,840	56,611,300
minimum galalons per contract	36,500,000	-	109,500,000	36,500,000
Gallons available to produce	116,597,459	7,741,630	73,819,840	20,111,300
Cost to Purchase	\$ 406,925.13	\$ 35,921.16	\$ 338,505.42	\$ 86,478.59
Cost to Produce	\$ 246,020.64	\$ 16,334.84	\$ 155,759.86	\$ 42,434.84
Potential Savings	\$ 160,904.49	\$ 19,586.32	\$ 182,745.55	\$ 44,043.75
Yearly Savings	\$ 407,280.12			
Monthly Savings	\$ 33,940.01			
Yearly gallons to produce	359,616,229			
Gallons per day	985,249.94			

Cost to Purchase			
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000
141,346,000 gallons to purchase	\$ 493,297.54	\$ 648,150.78	\$ 607,787.80
Per month	\$ 41,108.13	\$ 54,012.56	\$ 50,648.98

2021 \$3 per 1000 cost to produce

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 3.00 per 1000
January	14,457,901	223,700	17,059,636	5,844,500	12,745,000
February	15,830,550	736,420	20,279,028	6,184,900	11,565,000
March	16,120,550	882,980	20,050,888	6,831,900	10,440,000
April	17,715,070	222,500	14,529,152	6,150,400	11,000,000
May	16,246,990	209,000	18,254,940	5,173,200	10,990,000
June	16,591,019	612,550	23,232,132	4,922,200	11,242,000
July	14,062,998	538,900	20,068,092	5,728,200	12,055,000
August	15,217,473	1,136,800	22,819,236	4,808,100	11,385,000
September	13,903,403	539,600	22,819,236	6,976,200	11,020,000
October	12,215,340	178,800	20,184,780	3,886,700	9,685,000
November	13,514,580	48,800	20,184,780	4,480,200	11,775,000
December	15,280,030	1,776,000	13,428,844	3,827,400	14,110,000
	181,155,904	7,106,050	232,910,744	64,813,900	138,012,000

NEW PLANT POTENTIAL SAVINGS				
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water
2021 Purchased Gallons	181,155,904	7,106,050	232,910,744	64,813,900
minimum gallons per contract	36,500,000	-	109,500,000	36,500,000
Gallons available to produce	144,655,904	7,106,050	123,410,744	28,313,900
Cost to Purchase	\$ 504,849.10	\$ 32,972.07	\$ 565,907.56	\$ 121,749.77
Cost to Produce	\$ 433,967.71	\$ 21,318.15	\$ 370,232.23	\$ 84,941.70
Potential Savings	\$ 70,881.39	\$ 11,653.92	\$ 195,675.32	\$ 36,808.07
Yearly Savings	\$ 315,018.71			
Monthly Savings	\$ 26,251.56			
Yearly gallons to produce	441,498,598			
Gallons per day	1,209,585.20			

Cost to Purchase			
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000
to purchase produced	\$ 481,661.88	\$ 632,862.51	\$ 593,451.60
Per month	\$ 40,138.49	\$ 52,738.54	\$ 49,454.30

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 2.11
January	14,457,901	223,700	17,059,636	5,844,500	12,745,000
February	15,830,550	736,420	20,279,028	6,184,900	11,565,000
March	16,120,550	882,980	20,050,888	6,831,900	10,440,000
April	17,715,070	222,500	14,529,152	6,150,400	11,000,000
May	16,246,990	209,000	18,254,940	5,173,200	10,990,000
June	16,591,019	612,550	23,232,132	4,922,200	11,242,000
July	14,062,998	538,900	20,068,092	5,728,200	12,055,000
August	15,217,473	1,136,800	22,819,236	4,808,100	11,385,000
September	13,903,403	539,600	22,819,236	6,976,200	11,020,000
October	12,215,340	178,800	20,184,780	3,886,700	9,685,000
November	13,514,580	48,800	20,184,780	4,480,200	11,775,000
December	15,280,030	1,776,000	13,428,844	3,827,400	14,110,000
	181,155,904	7,106,050	232,910,744	64,813,900	138,012,000

NEW PLANT POTENTIAL SAVINGS				
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water
2021 Purchased Gallons	181,155,904	7,106,050	232,910,744	64,813,900
minimum gallons per contract	36,500,000	-	109,500,000	36,500,000
Gallons available to produce	144,655,904	7,106,050	123,410,744	28,313,900
Cost to Purchase	\$ 504,849.10	\$ 32,972.07	\$ 565,907.56	\$ 121,749.77
Cost to Produce	\$ 305,223.96	\$ 14,993.77	\$ 260,396.67	\$ 59,742.33
Potential Savings	\$ 199,625.15	\$ 17,978.31	\$ 305,510.89	\$ 62,007.44
Yearly Savings	\$ 585,121.78			
Monthly Savings	\$ 48,760.15			
Yearly gallons to produce	441,498,598			
Gallons per day	1,209,585.20			

Cost to Purchase			
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000
to purchase produced	\$ 481,661.88	\$ 632,862.51	\$ 593,451.60
Per month	\$ 40,138.49	\$ 52,738.54	\$ 49,454.30

2022 \$3.00 per 1000 cost to produce

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 3.00 per 1000
January	16,804,390	2,987,400	15,936,140	1,899,700	13,450,000
February	19,010,960	3,206,100	15,997,476	1,749,700	11,380,000
March	16,339,685	1,629,050	16,330,336	3,782,800	12,405,000
April	14,530,555	280,500	16,621,648	6,368,800	11,375,000
May	14,561,155	1,274,400	17,470,288	4,882,800	12,900,000
June	12,909,375	691,600	19,069,512	5,692,500	12,350,000
July	12,489,060	2,033,150	19,411,348	5,413,200	10,990,000
August	11,862,010	866,250	24,696,716	4,737,300	11,270,000
September	12,234,510	782,800	16,152,312	5,893,400	11,795,000
October	14,646,480	1,126,750	16,556,232	4,986,400	13,020,000
November	14,937,626	3,800,550	17,353,600	2,407,800	10,710,000
December	17,030,824	3,386,450	18,752,360	1,592,400	15,340,000
total gallons	177,356,630	22,065,000	214,347,968	49,406,800	146,985,000

NEW PLANT POTENTIAL SAVINGS				
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water
2022 Purchased Gallons	177,356,630	22,065,000	214,347,968	49,406,800
Minimum gallons per contract	36,500,000	-	109,500,000	36,500,000
Gallons available to produce	140,856,630	22,065,000	104,847,968	12,906,800
Cost to Purchase	\$ 491,589.64	\$ 102,381.60	\$ 480,786.81	\$ 55,499.24
Cost to Produce	\$ 422,569.89	\$ 66,195.00	\$ 314,543.90	\$ 38,720.40
Potential Savings	\$ 69,019.75	\$ 36,186.60	\$ 166,242.90	\$ 16,778.84
	Yearly Savings	\$ 288,228.09		
	Monthly Savings	\$ 24,019.01		
Yearly gallons to produce	427,661,398			
Gallons per day	1,171,675.06			

Cost to Purchase			
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000
146,985,000 gallons to purchase	\$ 512,977.65	\$ 674,008.76	\$ 632,035.50
Per month	\$ 42,748.14	\$ 56,167.40	\$ 52,669.63

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 2.11
January	16,804,390	2,987,400	15,936,140	1,899,700	13,450,000
February	19,010,960	3,206,100	15,997,476	1,749,700	11,380,000
March	16,339,685	1,629,050	16,330,336	3,782,800	12,405,000
April	14,530,555	280,500	16,621,648	6,368,800	11,375,000
May	14,561,155	1,274,400	17,470,288	4,882,800	12,900,000
June	12,909,375	691,600	19,069,512	5,692,500	12,350,000
July	12,489,060	2,033,150	19,411,348	5,413,200	10,990,000
August	11,862,010	866,250	24,696,716	4,737,300	11,270,000
September	12,234,510	782,800	16,152,312	5,893,400	11,795,000
October	14,646,480	1,126,750	16,556,232	4,986,400	13,020,000
November	14,937,626	3,800,550	17,353,600	2,407,800	10,710,000
December	17,030,824	3,386,450	18,752,360	1,592,400	15,340,000
total gallons	177,356,630	22,065,000	214,347,968	49,406,800	146,985,000

NEW PLANT POTENTIAL SAVINGS				
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water
2022 Purchased Gallons	177,356,630	22,065,000	214,347,968	49,406,800
Minimum gallons per contract	36,500,000	-	109,500,000	36,500,000
Gallons available to produce	140,856,630	22,065,000	104,847,968	12,906,800
Cost to Purchase	\$ 491,589.64	\$ 102,381.60	\$ 480,786.81	\$ 55,499.24
Cost to Produce	\$ 297,207.49	\$ 46,557.15	\$ 221,229.21	\$ 27,233.35
Potential Savings	\$ 194,382.15	\$ 55,824.45	\$ 259,557.59	\$ 28,265.89
Yearly Savings	\$ 538,030.08			
Monthly Savings	\$ 44,835.84			
Yearly gallons to produce	427,661,398			
Gallons per day	1,171,675.06			

Cost to Purchase			
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000
146,985,000 gallons to purchase	\$ 512,977.65	\$ 674,008.76	\$ 632,035.50
Per month	\$ 42,748.14	\$ 56,167.40	\$ 52,669.63

2023 \$3.00 per 1000 cost to produce

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 3.00 per 1000
January	18,308,710	3,940,750	19,114,392	1,657,000	14,830,000
February	4,340,550	3,771,950	17,402,968	1,705,900	10,933,000
March	11,524,360	3,019,700	16,186,720	1,811,500	11,560,000
April	8,749,340	427,800	13,594,900	4,264,600	11,760,000
May	9,318,300	1,290,550	17,867,476	4,395,500	11,600,000
June	10,588,950	3,690,800	18,661,104	5,293,500	11,020,000
July	9,285,340	1,870,600	17,344,624	5,389,000	12,485,000
August	10,110,560	1,896,750	17,075,344	4,803,800	12,665,000
September	9,889,778	1,366,900	19,439,024	5,751,399	12,015,000
October	10,304,497	7,350	14,877,720	4,770,100	12,530,000
November	10,023,175	90,850	13,046,616	4,915,800	12,665,000
December	9,793,189	327,200	11,438,416	5,355,400	13,645,000
	122,236,749	21,701,200	196,049,304	50,113,499	147,708,000

NEW PLANT POTENTIAL SAVINGS					
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water	
2023 Purchased Gallons	122,236,749	21,701,200	196,049,304	147,708,000	
minimum gallons per contract	36,500,000	-	109,500,000	36,500,000	
Gallons available to produce	85,736,749	21,701,200	86,549,304	111,208,000	
Cost to Purchase	\$ 299,221.25	\$ 100,693.57	\$ 396,877.16	\$ 478,194.40	
Cost to Produce	\$ 257,210.25	\$ 65,103.60	\$ 259,647.91	\$ 333,624.00	
Potential Savings	\$ 42,011.01	\$ 35,589.97	\$ 137,229.24	\$ 144,570.40	
Yearly Savings	\$ 359,400.62				
Monthly Savings	\$ 29,950.05				
Yearly gallons to produce	452,903,253				
Gallons per day	1,240,830.83				

Cost to Purchase				
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000	
147,708,000 gallons to purchase	\$ 515,500.92	\$ 677,324.12	\$ 635,144.40	
Per month	\$ 42,958.41	\$ 56,443.68	\$ 52,928.70	

	City of Williamstown \$3.49 per 1000	City of Walton \$4.64 per 1000	Northern Ky Water \$3.43 per 748	Boone Co. Water 4.30 Per 1000	Produced 2.11
January	18,308,710	3,940,750	19,114,392	1,657,000	14,830,000
February	4,340,550	3,771,950	17,402,968	1,705,900	10,933,000
March	11,524,360	3,019,700	16,186,720	1,811,500	11,560,000
April	8,749,340	427,800	13,594,900	4,264,600	11,760,000
May	9,318,300	1,290,550	17,867,476	4,395,500	11,600,000
June	10,588,950	3,690,800	18,661,104	5,293,500	11,020,000
July	9,285,340	1,870,600	17,344,624	5,389,000	12,485,000
August	10,110,560	1,896,750	17,075,344	4,803,800	12,665,000
September	9,889,778	1,366,900	19,439,024	5,751,399	12,015,000
October	10,304,497	7,350	14,877,720	4,770,100	12,530,000
November	10,023,175	90,850	13,046,616	4,915,800	12,665,000
December	9,793,189	327,200	11,438,416	5,355,400	13,645,000
	122,236,749	21,701,200	196,049,304	50,113,499	147,708,000

NEW PLANT POTENTIAL SAVINGS				
	City of Williamstown	City of Walton	Northern Ky Water	Boone Co. Water
2023 Purchased Gallons	122,236,749	21,701,200	196,049,304	147,708,000
minimum gallons per contract	36,500,000	-	109,500,000	36,500,000
Gallons available to produce	85,736,749	21,701,200	86,549,304	111,208,000
Cost to Purchase	\$ 299,221.25	\$ 100,693.57	\$ 396,877.16	\$ 478,194.40
Cost to Produce	\$ 180,904.54	\$ 45,789.53	\$ 182,619.03	\$ 234,648.88
Potential Savings	\$ 118,316.71	\$ 54,904.04	\$ 214,258.12	\$ 243,545.52
	Yearly Savings	\$ 631,024.39		
	Monthly Savings	\$ 52,585.37		
Yearly gallons to produce	452,903,253			
Gallons per day	1,240,830.83			

Cost to Purchase			
	City of Williamstown \$3.49 per 1000	Northern Ky Water \$3.48 per 748 gallons	Boone Co. Water \$4.30 per 1000
147,708,000 gallons to purchase	\$ 515,500.92	\$ 677,324.12	\$ 635,144.40
Per month	\$ 42,958.41	\$ 56,443.68	\$ 52,928.70

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
MARCH 2024 MEETING**

The March 2024 meeting of the Bullock Pen Water District was called to order on March 21, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bryan Slaughter, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, PLLC, Mr. Mark Stephens, Superintendent Paul Harp, Office Manager, Amy Ruark and Human Resources Manager, Ashley Dyer. Commissioner William Wethington was absent.

The first order of business was a presentation by visitor, Connie Coots of Maddox Lane, Verona, Kentucky. Ms. Coots was requesting an approximate 1200' line extension which would connect Vest Lane and Maddox Lane. Ms. Coots intends to construct three homes in this area. The requested line extension would be a 6" pipe, with two fire hydrants. Ms. Coots agreed to pay for all costs of the line extension project. Commissioner Bingham inquired as to whether or not Maddox Lane is currently a dead-end line. Superintendent Harp reported that it is. Commissioner Bingham also inquired as to whether Public Service Commission approval would be required. Mr. Nienaber stated that it would not. However, the project would require the regular Division of Water oversight. Superintendent Harp reported that he did not see a problem with undertaking the project. Chairman Givin explained the District's policy regarding the installation of water lines by individuals. He stated that the project will need to be engineered, approved by the Division of Water, and constructed pursuant to the District's construction specifications. Mr. Nienaber stated that if the water lines could not be constructed on County right-of-way, easements would be necessary. Superintendent Harp reminded Ms. Coots that she would need to contact the Boone County Road Department for the purpose of obtaining authority to install the water lines on County right-of-way. After considerable discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED as follows:

- 1) Ms. Connie Coots is authorized to construct an approximate 1,200 foot 6" waterline extension connecting Vest Road and Maddox Lane;
- 2) All costs and expense related to the line extension project would be covered by Ms. Coots;
- 3) The line extension project must be engineered and approved by the Division of Water and all construction specifications of the District must be followed; and
- 4) The District shall have authority over inspection of all work.”

The next order of business was a review of the February 2024 Minutes. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: That the February 2024 Minutes be and the same are hereby approved as attached.”

Bullock Pen Water District
Minutes
March 21, 2024

The next order of business was a review of the February 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: That the February 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was report by Kentucky Engineering Group, Inc., Mr. Mark Stephens to provide an update on the WTP Project. Mr. Stephens reported that he and Superintendent Harp met for the purpose of analyzing whether or not the District should undertake the WTP Project or phase out the current WTP and adopt a business model of purchasing all water for distribution to District customers from NKWD, Boone County, Williamstown, and Walton. In analyzing that comparison, Mr. Stephens used 2023 numbers with respect to the cost of producing water and the cost of purchasing water. This analysis assumed a cost of production at \$2.11 per thousand gallons. This analysis also assumed wholesale water costs as currently charged by Williamstown, Walton, NKWD, and Boone County. A very preliminary report was prepared as attached. Mr. Stephens reported that if the District were to undertake the WTP Project and increase water production thereby minimizing water purchased, the District could realize a potential savings of approximately \$417,000. If the District were to phase out the WTP and convert to a 100% water purchase business model, the District would incur additional water costs of approximately \$350,000. per year. This approximate gap between the two business models would be approximately \$750,000. Mr. Stephens also commented that he considered what infrastructure improvements would be necessary for the District to undertake if the District were to convert to a 100% water purchase business model. He estimated infrastructure improvement costs at approximately \$6,000,000. Superintendent Harp concurred with that conclusion indicating that the District would need additional pumps, lines, and probably a new water tower if a 100% water purchase business model were adopted. Mr. Stephens estimated the cost of a new WTP at approximately \$17,000,000. Given these two models, and considering the debt service, increased water purchase costs, etc., the WTP Project Model would be in the District's best interest. In adopting that policy, the District would have a more reliable source of water and not be subject to frequent rate increases for wholesale water costs of the District water suppliers, particularly NKWD in Boone County.

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported on the status of the Garrison litigation. Earlier this week, the Plaintiff, Mr. Garrison, filed his Responses to the Interrogatories and Requests for Production of Documents submitted to him by the Defendant, City of Crittenden. Mr. Nienaber reported that he had previously forwarded copies of those Responses to all of the Commissioners. The Responses provided by Mr. Garrison were for the most part non-responsive, incomplete and in some instances, unintelligible. More importantly, Mr.

Bullock Pen Water District
Minutes
March 21, 2024

Garrison's Response stated that there were "attached documents." The Response that Mr. Nienaber received did not have any documents attached. A letter was sent to Plaintiff's counsel requesting all documents that Mr. Garrison referred to in his Response. Mr. Nienaber also reported that he spoke with Counsel Womack and Cheeks (counsel appointed by KACo and KLC to represent Bullock Pen Water District and Grant County Sanitary Sewer District) regarding the outstanding discovery requests which the District had submitted to the City of Crittenden. Mr. Womack reported that the City of Crittenden's attorney stated that the Responses would be filed no later than March 18, 2024. That did not occur. Mr. Womack stated that if the Responses are not received by Friday, March 22, 2024, a Motion to Compel will be filed.

2. Mr. Nienaber reported that Napoli & Shkolnik has filed a Complaint in the PFAS MDL Litigation in the United States District Court for the Eastern District of South Carolina. A copy of that Complaint has been previously forwarded to all Commissioners.
3. Mr. Nienaber inquired as to whether or not there has been any activity regarding the Dickerson Road Project. Superintendent Harp reported that he has not heard anything and has received any signed Water User Agreements. Mr. Nienaber recommended that the District send a letter to the project representative informing them that the District is withdrawing its commitment, as previously extended. Mr. Nienaber stated that it would not be a good idea for the District to allow a significant commitment as that made by the District to the Dickerson Road Project residents on an "open-end" basis. With that said, Mr. Nienaber prepared the attached draft letter which he recommended Superintendent Harp send to the Project representative. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

"RESOLVED: that Superintendent Harp be and he is hereby authorized to notify the Dickerson Road Project representative that the District is withdrawing its commitment."

4. Mr. Nienaber stated that he has not heard anything regarding the Katie Drive Project.
5. Mr. Nienaber reported that the Management Services Agreement has been forwarded to the Public Service Commission who acknowledged receipt last week.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson as follows:

1. Mr. Hanson reported that the Vallandingham Road Project engineering drawings have been submitted to the Division of Water. They should be approved next week.
2. Commissioner Bingham stated that in light of the Vallandingham Project and the Dickerson Road Project, the District needs to step back and look at its policy regarding

Bullock Pen Water District
Minutes
March 21, 2024

waterline extensions and District contributions thereto.

3. Mr. Hanson reported that the Elliston Road and KY 467 Projects are still pending with KYTC. Mr. Hanson stated that the engineering drawings and related approvals should be obtained in the very near future.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp shared with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that the Walton-Verona School Board ("School Board") has again requested authority to place a transmitting antenna on the District's Verona tower for use by the School Board. Superintendent Harp reported that he contacted the District's telemetry provider, Microcom, who indicated that there should be no frequency or transmitting issues in allowing the School Board to place a transmitting antenna on the District's Verona tower. Mr. Nienaber stated that the District should enter into a formal agreement with the School Board outlining the responsibilities and obligations of the parties. Mr. Nienaber particularly noted that if the District is going to allow the placement of an antenna system on the District's tower, all construction and frequency specifications relating to the proposed antenna system should be reviewed by the District's telemetry provider to ensure that there are no conflicts or possible issues with the District's telemetry system. Mr. Nienaber stated that he would provide Superintendent Harp a framework for an agreement so that Mr. Harp could conduct further discussions with the School Board.
3. Superintendent Harp reported that the Palmers have filed a formal complaint with the Public Service Commission regarding their meter issues. Superintendent Harp reported that he once again tested the Palmer meter, and it was okay. Superintendent Harp reported that a nearby neighbor, the Bowmans on Bagby Road have likewise made a complaint about high water bills. Superintendent Harp scheduled two meter tests which were both cancelled by the Bowmans.
4. Superintendent Harp reported that the District's Co-op High School Worker has requested permission to stay on the District's payroll through June, 2024. Superintendent Harp reported that there is plenty of work for the Co-op Student. With that said, Superintendent Harp was authorized to keep the Co-op Student on the District payroll through June, 2024.

The next order of business was a report by Ashley Dyer and Amy Ruark as follows:

1. Ashley Dyer reported that the District received between 50 and 60 applications for the Customer Service position. Ashley Dyer intends to conduct approximately five

Bullock Pen Water District
Minutes
March 21, 2024

interviews next week. Ashley Dyer stated that the District is in need of the Customer Service worker and would like to hire that individual based upon those interviews. Any Commissioner that wants to participate in the interview is welcome to do so. After discussion, Ashley Dyer reported that she would conduct the Customer Service position interviews next week. Based upon those interviews, she will make a decision for hire, including salary and benefits, and email that recommendation to all Commissioners. The Commissioners were directed to respond to Ashley Dyer's recommendation authorizing the employment of the Customer Service position if they were so inclined to do so.

2. Amy Ruark reported that the next meeting is scheduled for April 18, 2024. There being conflicts, the meeting was rescheduled to April 25th. Amy Ruark is hereby directed to make the appropriate notifications.

There being no further business to conduct, upon motion and second, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles H. Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

Andrea Walton
ANDREA WALTON, VICE CHAIRMAN

Table 12 A
Produced Water Potential Savings
(100% Minimum)
(Based on FY2023)

Item	Williamstown	Walton	NKWD	Boone Co. Water	Produced
Water Purchased	122.24	21.70	196.05	50.11	147.71
Purchase Agreement Minimum (MG)	36.5	0	109.5	36.5	
Estimated Amount Purchased (MG)	36.5	0	109.5	36.5	
Estimated Amount Produced Versus Purchased (MG)	85.74	21.70	86.55	13.61	207.60
Purchased Cost	\$299,221.25	\$100,693.57	\$396,877.16	\$58,538.05	
(Cost per 1,000 Gallons)	3.49	4.64	4.59	4.3	
BPWD Cost to Produce	\$180,904.54	\$45,789.53	\$182,619.03	\$28,724.48	
(Cost per 1,000 Gallons)	\$2.11	\$2.11	\$2.11	\$2.11	
Potential Savings	\$118,316.71	\$54,904.04	\$214,258.12	\$29,813.56	
Total Yearly Produced Water Potential Savings			\$417,292.44		
Average Monthly Produced Water Potential Savings			\$34,774.37		

Table 12 A
Produced Water Potential Savings
(0% Produced)
(Based on FY2023)

Item	Williamstown	Walton	NKWD	Boone Co. Water	Produced
Water Purchased	122.24	21.70	196.05	50.11	147.71
Purchase Agreement Minimum (MG)	36.5	0	109.5	36.5	
Estimated Amount Purchased (MG)	122.24	21.70	343.76	50.11	
Estimated Amount Produced Versus Purchased (MG)	0.00	0.00	-147.71	0.00	-147.71
Purchased Cost	\$0.00	\$0.00	-\$677,324.12	\$0.00	
(Cost per 1,000 Gallons)	3.49	4.64	4.59	4.3	
BPWD Cost to Produce	\$0.00	\$0.00	-\$311,663.88	\$0.00	
(Cost per 1,000 Gallons)	\$2.11	\$2.11	\$2.11	\$2.11	
Potential Savings	\$0.00	\$0.00	-\$365,660.24	\$0.00	
Total Yearly Produced Water Potential Savings			-\$365,660.24		
Average Monthly Produced Water Potential Savings			-\$30,471.69		

Difference in New WWTP versus Purchase Only

\$65,246.06	month
\$782,952.67	year

	Loan Amount	Annual Payment	Est Savings	Net Cost	
New WWTP	\$17,760,000.00	\$1,160,953.00	\$417,292.44	\$743,660.56	year
Purchase Only	\$6,000,000.00	\$392,200.00	-\$365,660.24	\$757,860.24	year

* Theoretical numbers

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
APRIL 2024 MEETING**

The April 2024 meeting of the Bullock Pen Water District was called to order on April 26, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bryan Slaughter, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Superintendent Paul Harp, Amy Ruark and Ashley Dyer. Commissioner William Wethington was absent.

The first order of business was a review of the March 2024 Minutes. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: the March 2024 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the March 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: the March 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that nothing new has happened in the Garrison litigation.
2. Mr. Nienaber reported that Napoli & Shkolnik has approved the Grant County Sanitary Sewer District being added to the MDL litigation as a party Plaintiff. Recently, the Grant County Sanitary Sewer District received its revised PFAS test results which indicated the presence of PFAS. Mr. Nienaber also indicated that Napoli & Shkolnik sent a second request for the District to approve the revised Fee Agreement which would allow Napoli & Shkolnik to take all of its attorney's fees and expenses from any initial payments received by a settling Defendant which are made on a structured settlement basis. Chairman Givin stated that the District is not agreeable to revising the initial Fee Agreement signed by the District some months ago. Mr. Nienaber also reported that there has been a recent additional settlement in the MDL litigation. The new settlement is with Tyco. The amount of the Tyco settlement was \$750,000,000. This additional settlement now brings the total MDL settlement to \$1,500,000,000.
3. Mr. Nienaber inquired as to the status of the WTP Engineering Plans and Specifications by KEG. Superintendent Harp reported that nothing new has been received from KEG. Mark Stephens of KEG asked Superintendent Harp how often the District would like to have an in person update report from KEG. Currently, Mark Stephens is scheduled to come to the District's June 2024 meeting to provide a report. Commissioner Slaughter inquired as to the approximate cost of the new WTP. Superintendent Harp reported that the exact cost is not certain at this time as the WTP plans, specifications, and drawings

Bullock Pen Water District
Minutes
April 25, 2024

are not complete. The initial estimate given by KEG for the WTP was \$17,700,000. (approximate). Commissioner Slaughter inquired as to how much financing the District has on hand. Chairman Givin reported that the District has received a commitment for \$7,500,000. KEG is currently working on additional financing sources. Commissioner Slaughter inquired as to when the WTP Project might start. Mr. Nienaber reported that the process is rather complicated. After all WTP plans, specifications and drawings are completed by KEG, they would need to be submitted to DOW for approval. Once the plans are approved, the WTP Project would go to bid. After that is completed, the WTP Project would then need to be reviewed and approved by the PSC. It is estimated that the WTP Project would not begin construction until Summer or Fall of 2025.

4. Mr. Nienaber reported that he has not heard anything regarding the Katie Drive Project. He reported that he spoke with Damon Talley, counsel retained by the Boone County Fiscal Court to prepare and file an application with the Public Service Commission for approval of the \$25.00 surcharge. Chairman Givin inquired as to who would be responsible for collecting the \$25.00 surcharge from customers on the Katie Drive extension. Mr. Nienaber stated that collection of the surcharge would need to be approved by the Public Service Commission. Mr. Nienaber stated that he would contact Mr. Damon Talley once again to see when the Public Service Commission Application will be filed.
5. Superintendent Harp reported that he received 5 bids for the sale of the District's retired zero-turn mower. Thereupon, Mr. Nienaber opened the bids as follows:

Bidder	Amount Bid
Nick Owings	\$1,507.00
Leo Saylor	\$1,272.00
Terry Collins	\$901.00
Mike Miller	\$1,317.00
Hale Contracting, Inc.	\$3,150.00

Upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: Superintendent Harp be and he is hereby authorized to sell the retired zero-turn mower to Hale Contracting, Inc., for \$3,150.00.”

6. Mr. Nienaber reminded everyone that the PSC Training Seminar is scheduled for May 8, 2024, at the Northern Kentucky Water District Headquarters. He reported that this Training Seminar is very productive and would be beneficial for anyone associated with the District. Anyone requesting to attend the Training Seminar should contact Amy Ruark for registration.

Bullock Pen Water District
Minutes
April 25, 2024

7. Mr. Nienaber inquired as to the status of the Walton Verona Board of Education's request to place a transmission antenna on the Verona Water Tower. Superintendent Harp reported that he has not heard anything from the Walton Verona Board of Education. He will contact the Walton Verona Board of Education to schedule a Zoom meeting.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson as follows:

1. Mr. Hanson reported that the Vallandingham Plans have been approved by the Division of Water on March 26, 2024. Superintendent Harp reported that the materials for the project have been ordered. They should be delivered within a week or so. Superintendent Harp informed Mr. Evans of the expected delivery date.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp shared with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that the PFAS test results were received. They did indicate the presence of PFAS. He also reported that the EPA is working on MCL Standards. The implementation date has not yet been set by the EPA.
3. Superintendent Harp reported that the District's current co-op employee is scheduled to leave at the end of this school term. He would like to hire a replacement co-op student to work 15-20 hours per week. Superintendent Harp reported that the co-op program which the District has undertaken is a very positive program and he would recommend that at least one additional co-op employee be hired for the beginning of the next school term. Superintendent Harp reported that the current co-op student earns between \$15.00 - \$20.00 per hour. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: Superintendent Harp be and he is hereby authorized to hire a co-op student to begin working with the District at the commencement of the next school term. The co-op student is authorized to work 15-20 hours per week with a salary of between \$15.00 - \$20.00 per hour. Superintendent Harp is authorized to hire as many co-op students as he feels are needed by the District.”

The next order of business was a report by Amy Ruark and Ashley Dyer follows:

1. Ms. Dyer reported that the new customer service representative has been hired and began working on Monday, April 22, 2024.

Bullock Pen Water District
Minutes
April 25, 2024

2. Ashley Dyer reported that Mr. Curt Messerly, who was recently hired by the District should have been receiving an additional .25¢ per hour based upon his CDL certification. Ms. Dyer requested that Mr. Messerly be compensated an additional .25¢ for each hour worked since the date of his hire. Ms. Dyer was authorized to do so.
3. Ms. Dyer presented to the Board her health insurance summary for renewal of health insurance for District employees. She provided the attached spreadsheet outlining health insurance benefits and rates. The renewal date for new insurance coverage is scheduled for July 1, 2024. The new monthly charge for health insurance is \$29,873.60. This represents an approximate 7.06% increase in premiums. Ms. Dyer inquired as to whether or not the Board would prefer that additional insurance providers be contacted for presenting coverage packages and rates. Ms. Dyer reported that she does not believe an additional search is in order. The current health insurance provided by the current supplier is adequate and all employees are satisfied with the coverage as provided. After considerable discussion, Ms. Dyer was instructed to consider and review employee co-pay and deductible alternatives and report at the next meeting.
4. Ms. Dyer reported that the District's property and liability insurance coverage provided through KLC is up for renewal on May 14, 2024. The projected cost increase is 4.3%. Ms. Dyer reported that the coverage provided through KLC represents additional properties being insured and increases in the value of District assets. Mr. Nienaber inquired as to whether the new premium quote included a revised and updated fair market value assessment of District properties. Ms. Dyer reported that it does. Based upon property values and liability coverage, the premium cost should be allocated 75% to the District and 25% to the Grant County Sanitary Sewer District. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: Ms. Dyer be and she is hereby authorized to renew the District's property and liability insurance package through KLC with a rate increase of 4.3%.”

5. Amy Ruark reported that the next meeting is scheduled for May 16, 2024. Due to scheduling of the meeting, Amy Ruark requested that it be rescheduled for May 23, 2024. After discussion, upon motion and second, it was unanimously,

“RESOLVED: the next monthly meeting of the District be held on May 23, 2024.”

There being no further business to conduct, upon motion and second, upon motion and second, the meeting was adjourned.

Bullock Pen Water District
Minutes
April 25, 2024

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
MAY 2024 MEETING**

The May 2024 meeting of the Bullock Pen Water District was called to order on May 23, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bryan Slaughter, William Wethington, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Superintendent Paul Harp, Amy Ruark and Ashley Dyer.

The first order of business was a review of the April 2024 Minutes. After discussion, upon motion of Andrea Walton and second by Bryan Slaughter, it was unanimously,

“RESOLVED: the April 2024 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the April 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: the April 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported on the status of the Garrison litigation. He communicated with the District’s insurance company appointed counsel requesting that the deposition of the City of Crittenden maintenance supervisor be scheduled to preserve his testimony. Since contacting counsel, Mr. Nienaber has not heard anything. Otherwise, there has been no action taken in the litigation.
2. Mr. Nienaber inquired as to the status of the WTP Project. Superintendent Harp reported that Marc Stephens of KEG will be in attendance at the next meeting to give a status report. Chairman Givin inquired as to the potential cost of a filtration system that would handle PFAS. Superintendent Harp and Mr. Hanson opined that the additional cost to the WTP Project could be 1,000,000.00.
3. Mr. Nienaber stated that he still has not heard anything on the status of the Katie Drive Project. At the Water Training Seminar held May 8, 2024, Mr. Nienaber communicated with Damon Tally on the status of the overall Boone County Project. Mr. Tally reported that he has not yet filed any applications with the Public Service Commission requesting approval of the \$25.00 per month “surcharge”.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson as follows:

1. Mr. Hanson reported that the Elliston Bridge Plans have been submitted to KYTC for

Bullock Pen Water District
Minutes
May 23, 2024

approval. He also submitted the KY 467 Project Plans. KYTC will indicate if there are any changes to the Plans as submitted.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that due to a recent power outage in the Crittenden area, damage to the District's telemetry system occurred at the WTP. As a result of the power outage, the WTP was out of service for approximately two days. During that time, the District was required to purchase additional water from NKWD. Mr. Nienaber inquired as to the cause of the power outage. Specifically, he wanted to know if Owen County Rural Electric was negligent in causing the disruption in service. Superintendent Harp reported that the outage was weather related.
3. Mr. Harp reported that the water project materials for the Vallandingham Road Line Extension have been delivered. He will contact the developer and notify them to begin work.
4. Superintendent Harp reported that the Lead Pipe Inventory Service Line Project is now approximately halfway complete. To date, there have been no reports of lead pipe in any of the service lines. Commissioner Slaughter commented on some of the information that was provided at the water training seminar. Superintendent Harp informed everyone that it is his opinion there will be no lead pipe service lines found anywhere in the District's system. Although that is the case, under the new EPA regulations, it is incumbent upon Water District's to **prove** that they do not have lead pipes in their service line system.
5. Superintendent Harp reported that the Co-Op employee will start work in June, 2024. Mr. Webster will work full-time during the summer and then work 2-3 days during the school term.
6. Mr. Nienaber inquired as to the status of the Walton Verona School Board's request to place a transmitting antenna on the District's Verona Water Tower. Superintendent Harp reported that he will schedule a meeting with the representative from the Walton Verona School Board to discuss that project.
7. Commissioner Slaughter made comments regarding the District's overall strategy for seeking rate increases. Commissioner Slaughter suggested that the District begin the process of applying for another rate increase. It is his opinion that the District should file for periodic rate increases in smaller amounts as opposed to waiting years and then increasing rates 15% or so. Chairman Givin reported that the District was just awarded a rate increase in September, 2023. Mr. Nienaber reported that under our Engineering Services Agreement with KEG, they are to perform a Cost of Services Survey ("COSS

Bullock Pen Water District
Minutes
May 23, 2024

Report”) as a part of the preliminary engineering plans for the WTP Project. Once we receive a COSS Report, the District would be in a much better position to determine what type of rate increase would be necessary. The COSS Report should be available to the District by year-end. Mr. Nienaber stated that at that time the District would probably have an accurate estimate of what the WTP Project will cost thereby allowing the District to better assess its need for a rate increase. Commissioner Wethington agreed with Commissioner Slaughter’s comments. Commissioner Bingham suggested that the District wait 6 to 9 months and revisit the issue at that time.

The next order of business was a report by Amy Ruark and Ashley Dyer follows:

1. Ms. Dyer reported on the Health Insurance Committee’s recommendation for continued health insurance benefits. Ms. Dyer provided everyone with the attached summary of benefits and costs which she compiled. Ms. Dyer reported that the District’s health insurance with KLC is up for renewal on July 1, 2024. Ms. Dyer gave a detailed summary of all benefits and costs as set forth in the attached Summary. Overall, the health insurance coverage plans submitted for renewal are basically the same as those which the District now offers its employees. Ms. Dyer reported that the Committee recommends that the District continue its health insurance coverage package with KLC in the amounts and with coverage limits as set forth in the attached Summary. Commissioners voted to increase Health Reimbursement Account funds available to employees for purposes of aiding in deductible costs. For the employee only plan, the reimbursement will work like this.....

Employee pays first \$500 of costs, BPWD pays second \$500 of costs, employee pays another \$500 of costs and BPWD pays an additional \$500 of costs. This example assumes this employee incurs the full \$2,000 deductible.

For the employee/spouse, employee/ child(ren), and family coverage, the reimbursement will work like this....

Employee pays first \$500 of costs, BPWD pays second \$500 of costs, employee pays another \$500 of costs, BPWD pays an additional \$500 of costs, employee pays another \$500 in costs, BPWD pays another \$500 of costs, employee pays a last \$500 in costs and BPWD pays a last \$500 of costs. This example assumes employee/ spouse, employee/child(ren) and the family plan incurs the full \$4,000 deductible.

After considerable discussion, upon motion of Rodger Bingham and second by William Wethington, it was unanimously,

Bullock Pen Water District
Minutes
May 23, 2024

“RESOLVED: that the District continue its health insurance coverage with KLC in those amounts and at the costs set forth in the attached Health Insurance Summary as recommended by the Committee.”

2. Ms. Ruark reported that there is a CD at Forcht Bank in the amount of \$771,624.00. She has been informed by Forcht Bank that the District could roll over that CD at Forcht Bank and purchase a 5-month CD bearing interest at an APR of 5.06%. Ms. Ruark also shared with the Commissioners a summary of the District’s current cash holdings (attached). Ms. Ruark recommended that the District take \$400,000.00 from the Merchant Services Account and \$400,000.00 from the District’s Money Market Account and purchase a second Certificate of Deposit with Forcht Bank in the amount of \$800,000.00 at 5.06% APR. A considerable discussion followed. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED as follows:

1. Ms. Ruark be and she is hereby authorized to roll over the \$771,623.01 Certificate of Deposit currently held at Forcht Bank and purchase a 5-month Certificate of Deposit at 5.06% APR or as near thereto as possible. Ms. Ruark is authorized to execute any documents necessary to purchase that Certificate of Deposit.”
2. Ms. Ruark be and she is hereby authorized to take \$400,000.00 from the District’s Merchant Services Account and \$400,000.00 from the District’s Money Market Account and purchase a second 5-month Certificate of Deposit bearing interest at 5.06% APR or as near thereto as possible. Ms. Ruark is authorized to execute any and all papers necessary to purchase that Certificate of Deposit.”
3. Commissioner Slaughter inquired as to the status of the District’s purchase of the Catlett Property. Chairman Givin reported that the Catletts are, by Contract, allowed to stay at the property until August 1, 2024. Thereafter, the Catletts would have to begin paying rent on a month-to-month basis. Superintendent Harp reported that he would contact the Catletts to determine their intentions with respect to staying at the property. Mr. Nienaber recommended that a firm commitment be obtained from the Catletts at this time in order to avoid any last-minute issues. This would also enable the District the opportunity to relet the property in the event Catletts do vacate on August 1, 2024. Superintendent Harp reported that he would call the Catletts and give a report at the next meeting.

Bullock Pen Water District

Minutes

May 23, 2024

4. Ms. Ruark reported that the next regular meeting would be scheduled for June 18, 2024. There being conflicts with Commissioner attendance, upon motion of William Wethington and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the District’s next meeting be moved to June 19, 2024. Ms. Ruark is authorized to make the appropriate notifications.”

There being no further business to conduct, upon motion and second, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

Andrea Walton
ANDREA WALTON, VICE CHAIRMAN

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
JUNE 2024 MEETING**

The June 2024 meeting of the Bullock Pen Water District was called to order on June 19, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bryan Slaughter, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Superintendent Paul Harp, Amy Ruark and Ashley Dyer. Commissioner William Wethington was absent.

The first order of business was a review of the May 2024 Minutes. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: the May 2024 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the May 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: the May 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that the deposition of J.D. Dezarn has been scheduled in the Garrison litigation for July 15, 2024, at 10:00 a.m., at the Rivercenter Building, Covington, Kentucky. Mr. Nienaber requested Chairman Givin and Superintendent Harp attend that deposition. Chairman Givin inquired as to what might happen in the litigation after the deposition is concluded. Mr. Nienaber stated that after the deposition is concluded (if the testimony is presented as Mr. Dezarn has communicated to District representatives in the past), the District may be in a position to file a Motion for Summary Judgment to dismiss the District from the litigation.
2. Mr. Nienaber inquired as to the status of the WTP Project. Superintendent Harp stated that Marc Stephens of KEG was supposed to attend today's meeting, however, due to a death in the family he was unable to attend. Mr. Stephens will attend the July 2024 meeting and provide an update for everyone.
3. Mr. Nienaber reported on the status of the Katie Drive Project. Mr. Nienaber received a phone call earlier in the week from Superintendent Harp who informed counsel that the Boone County Fiscal Court (“Fiscal Court”) had sent out various Notices announcing the introduction of the Boone County Rural Water Program Phase III Project (“Project”). A copy of the Notice is attached. Unfortunately, this Notice was mailed to several District customers currently receiving water from the District. In response to that report, counsel contacted Mr. David Koenig (“Koenig”), counsel for Boone County Water District (“BCWD”). Mr. Koenig stated that was probably a “mix-up” and he would look into the

Bullock Pen Water District
Minutes
June 19, 2024

situation and report back to counsel next week. During that phone conversation, Mr. Nienaber requested a status report on the Katie Drive Project. Superintendent Harp also reported to counsel that he was invited to a pre-construction meeting scheduled July 2, 2024, regarding the Katie Drive Project. Superintendent Harp plans to attend that meeting. Koenig informed counsel that he spoke with Jerry Wuetcher and Damon Talley, counsel for BCWD and the Fiscal Court, regarding the applications to be filed with the PSC and the \$25.00 surcharge. Mr. Nienaber was informed by Koenig that Jerry Wuetcher and Damon Talley are of the opinion that the PSC may not approve the proposed surcharge. Mr. Nienaber inquired of Mr. Koenig as to how the \$25.00 surcharge was to be collected and processed for District customers on Katie Drive. Mr. Nienaber informed Koenig that it is the District's opinion if the surcharge is not approved by the PSC, the District could not lawfully collect the surcharge and process those payments. In Mr. Nienaber's conversation with Koenig, he stated that the Fiscal Court is now considering a "lease back" arrangement to avoid the "surcharge" issue. Mr. Koenig could not particularly define what this meant and how it would work. Mr. Nienaber inquired of Koenig as to how the Fiscal Court could move forward with this Project without having these basic protocols and issues resolved. No response was given. Koenig reported that once the lines are in place on Katie Drive, each customer would be assessed a \$250.00 fee which is designed to cover the surcharge for 10 months. Again, counsel is of the opinion the District has no justification for charging this fee without PSC approval. Koenig reported that water lines would probably not be operational for the next 18 months, therefore, there is plenty of time to work out the details for this Project. Mr. Nienaber inquired of Koenig as to the Phase 3 program. Specifically, Mr. Nienaber inquired as to consideration given to the Project *vis-à-vis* the amount of water that would need to be "dumped" where water lines are extended into sparsely populated rural areas. Koenig stated that was a "good question" and he would present that to the BCWD Board at its next meeting.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson as follows:

1. Mr. Hanson reported that the engineering plans for the KY467 Project will be submitted to KYTC next week.
2. Mr. Hanson reported that the Elliston Bridge Plans engineering plans will be forwarded to KYTC in the near future.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that he had received a set of plans and drawings for a new subdivision, Heartland Meadows, which provides for approximately eighty (80) single

Bullock Pen Water District
Minutes
June 19, 2024

family dwellings. Mr. Murphy was submitting these plans to the District for the purpose of obtaining authorization and approval that the District has adequate water supplies to service this proposed development. Superintendent Harp stated that the District has sufficient water capacity to provide water service, however, the plans should be reviewed by Mr. Hanson to ensure that the hydraulic requirements are adequate. Mr. Nienaber stated that it is the policy of the District that development plans should be submitted to the District for approval prior to final development. Superintendent Harp stated that this is the first knowledge he received of Heartland Meadows Subdivision. Commissioner Bingham inquired as to who would pay for the District's engineering review of the proposed plans. Chairman Givin stated that it has always been the policy of the District that engineering costs would be paid for by the developer. After considerable discussion, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that HMB Professional Engineers, Inc. and Superintendent Harp be and the same are hereby directed to review the preliminary development plans for Heartland Meadow Subdivision to conduct a hydraulic analysis to ensure that the District is able to provide adequate water service to this development. The cost of this review shall be submitted to the developer for payment. Superintendent Harp and HMB are to report to the Board at its next meeting.”

3. Superintendent Harp reported that he was contacted by a homeowner on Heekin Lawrenceville Road requesting a water line extension of 0.2 miles servicing one residential dwelling. Superintendent Harp reported that this homeowner was supposed to attend the meeting but did not show.
4. Commissioner Bingham suggested that the District revisit its policy of providing materials (or other services) for water line extensions requested by individual property owners. Parenthetically, Superintendent Harp reported that Mr. Evans was upset because the materials for his water line extension (which the District is providing) were delivered to the District headquarters and not to the job site. Superintendent Harp reported that the materials were supposed to be delivered to the job site but were not for whatever reason. Given those comments and many other considerations, Commissioner Bingham suggested that the District adopt a new policy regarding the District's policy to provide materials, engineering, design, labor, etc., to proposed private water line projects. Mr. Nienaber stated that it would definitely be in the District's best interest to have a formal written policy due to the number of property owners who have contacted the District in recent months requesting water line extensions. A prime example of a need for this policy is the Dickerson Road situation. Commissioner Bingham stated that the District needs a written policy in order to provide consistency and to let property owners know exactly what the District will and will not do when requested to contribute to private water line extension projects. Mr. Nienaber commented that whatever policy the District would adopt, it should be one that allows for some degree of flexibility when faced with

Bullock Pen Water District
Minutes
June 19, 2024

unusual, unique and/or extraordinary circumstances. With that said, Chairman Givin opened the floor for suggestions on what the District's policy might be. Commissioner Bingham stated that it would be his recommendation that the District adopt a policy that no contribution of materials, design, engineering, labor, supervision, inspection, labor, and/or other financial contributions be made by the District to individual property owner line extension projects except as required by law. Mr. Nienaber suggested that the District's policy provide flexibility to vary from that "no contribution" approach if there are unusual, unique and extraordinary circumstances. Some circumstances and considerations could include but not be limited to: overall cost of the project; length of the water line extension; cost of materials; labor costs; time requirements of the District; engineering and hydraulic calculation costs; the number of new customers being added; financial viability of the line extension; water dumping probabilities; future expansion and/or extension of the line to include additional new customers; future development of property in the area; and the like. After considerable discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

RESOLVED: the following water line extension policy be and the same is hereby adopted by the District:

"WATER LINE EXTENSION POLICY

Except as otherwise required by law, the District shall not contribute materials, engineering services, design services, labor, supervision, inspection, and/or any other form of monetary or financial support for any private property owner proposed water line extension. Provided, however, the District may in its discretion and as determined by the District in its best interest, that should unusual, unique and extraordinary circumstances be present which would dictate some form of contribution to such project by the District, an exception to the policy may be made. Unusual, unique and extraordinary circumstances shall include but not be limited to the length of the proposed line extension; material costs; labor costs; time requirements placed upon the District; engineering/hydraulic circumstances; number of new customers generated by the line extension; financial viability of the line extension; water dumping requirements created by the Project and/or the likelihood of future expansion of the Project; and likelihood of the Project creating a looping of lines to reduce water dumping. All of these factors shall be considered in determining whether or not an unusual, unique, or extraordinary circumstance would dictate that the District would contribute to the proposed property owner initiated water line extension project as determined to be in the best interest of the District and its existing customers."

Bullock Pen Water District

Minutes

June 19, 2024

The next order of business was a report by Amy Ruark and Ashley Dyer follows:

1. Ms. Ruark reported that the Boone County Water District has announced a wholesale water rate increase effective July 1, 2024. The current rate is \$4.31 per thousand gallons, with the new rate being \$4.32 per thousand gallons.
2. Ms. Ruark reported that the next meeting is scheduled for July 18, 2024.

The next order of business was a review of the District's Annual Audit for year-ending December 31, 2023, by Chamberlin Owen Certified Public Accountant, Mr. John Chamberlin. Mr. Chamberlin provided copies of the Financial Statement Summary and the actual Financial Statement as attached. Mr. Chamberlin reported that the Annual Audit represents an unmodified opinion given in the highest level of assurance. The Financial Statements of the District present fairly, in all material respects, the financial position of the District as of December 31, 2023. Mr. Chamberlin reported that there are no matters involving internal control over financial reporting and operations which were considered to be material weaknesses or significant deficiencies in internal controls, all in accordance with government auditing standards. The audit reflects that there are no issues of non-compliance with bond covenants, debt agreements, and /or Kentucky Revised Statutes. Mr. Chamberlin reported that the general rule is a governmental entity should have in reserve a minimum of 3 months' cash to meet operating expenses for a period of 3 months. He reported that the District far exceeds this minimum standard. He reported that the operating revenues total approximately \$4,900,000.00, with operating expenses of approximately \$4,600,000.00. This comparison represents a strong financial position. Mr. Chamberlin also reviewed with the Commissioners his Governance Letter as attached. Several questions were presented to Mr. Chamberlin. After considerable discussion, Chairman Givin requested that all Commissioners review the financial statements and be prepared to take final action at the next meeting. Further, Mr. Chamberlin congratulated the District on the condition of its financial records. Overall, the District's financial records are in excellent shape.

There being no further business to conduct, upon motion and second, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles R. Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
JULY 2024 MEETING**

The July 2024 meeting of the Bullock Pen Water District was called to order on July 18, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bryan Slaughter, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Superintendent Paul Harp and Ashley Dyer. Amy Ruark was absent.

The first order of business was a presentation by Mr. Anthony Wright. Mr. Wright requested permission to place a radio service antenna on the District's Water Towers. The purpose of this antenna would be to provide GMRS radio service to local communities within the District's operating territory. Mr. Wright stated that this radio service would be "family-friendly" and would serve as a "voice in the eyes of the community." Mr. Wright stated that he would be the "station master" and ensure compliance with all FCC Regulations. This radio service would be operated as a private enterprise. Mr. Wright is not a NGO (Non-governmental organization). Mr. Nienaber stated that the District would be ill advised to grant authority for the placement of any appurtenance to a water tower which is not operated by a "governmental entity" as defined in Kentucky Revised Statutes Chapter 65. Chairman Givin informed Mr. Wright that the District, being a Kentucky Revised Statute, Chapter 74 Water District is under the regulation and oversight of the Public Service Commission. As such, the District would not be inclined to authorize the operation of any private enterprise which utilizes infrastructure owned and operated by the District.

The next order of business was a report by Mr. Evans from Vallandingham Road. Mr. Evans stated that due to a "mix-up", he was required to incur additional costs of approximately \$2,000.00 when installing water lines on Vallandingham Road. Commissioner Bingham commented that the District contributed approximately \$20,000.00 in materials for this project and that the District should not expend any more money. Chairman Givin stated that it was his opinion that the District has done everything it can do to accommodate Mr. Evans. Chairman Givin also explained to Mr. Evans the District's current policy regarding waterline extensions.

The next order of business was a review of the June 2024 Minutes. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

"RESOLVED: the June 2024 Minutes be and the same are hereby approved as attached."

The next order of business was a review of the June 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Andrea Walton and second by William Wethington, it was unanimously,

"RESOLVED: the June 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached."

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

Bullock Pen Water District
Minutes
July 18, 2024

1. Mr. Nienaber reported that the deposition of Mr. J.D. DeZarn, Maintenance Supervisor (retired) for the City of Crittenden, was taken in conjunction with the pending Garrison litigation. Mr. Nienaber reported that the deposition went very well. Mr. DeZarn testified as Superintendent Harp and Chairman Givin expected. It was confirmed by Mr. DeZarn that the primary access to the Waller Drive lift station is that access which crosses the face of the Waller Dam. Mr. DeZarn testified that he started his employment with the City of Crittenden in 1994. Since that time, the access on the dam face is the **only** route used by Mr. DeZarn when providing maintenance and service to the Waller Lift Station. This testimony is in direct conflict with the Answers to Interrogatories and Verified Complaint which the City of Crittenden signed under oath. Therein, the City of Crittenden stated that they were unaware as to how the access over the dam face was constructed, who constructed it, and who used it. Mr. Nienaber stated that prior to the deposition, counsel for the parties in the Garrison litigation (excluding Garrison's counsel) met in private to discuss a possible settlement. Counsel for the City of Crittenden indicated that the City would be inclined to take ownership of the dam. Crittenden's counsel suggested that the District participate in the maintenance and upkeep of the dam face. Mr. Nienaber stated that it is very unlikely that the District would approve such a maintenance arrangement as it does not have the equipment or manpower to assume that responsibility. Moreover, the District has no legal obligation to assume such responsibility. Mr. Nienaber stated that the District would not approve any settlement that does not guarantee uninterrupted access to the Waller Lift Station, either through the Crittenden Drive Easement or through the dam face access. Mr. Nienaber gave as an example the latest situation where the District was blocked from entering the Crittenden Drive access when the Garrisons parked cars and other obstructions on the driveway preventing District employees from exiting the Waller Lift Station to Crittenden Drive. Mr. Nienaber reported that Crittenden's counsel would be getting back in touch with the District and the other parties regarding a possible settlement. Mr. Nienaber also commented that any settlement would need to be approved by the Grant County Sanitary Sewer District.
2. Mr. Nienaber reported that he has not heard anything regarding the Katie Drive Project relative to a Public Service Commission filing. Mr. Nienaber stated that under no circumstance would the District begin collecting the \$25.00 "surcharge" on behalf of Boone County without an Order issued by the Public Service Commission authorizing that collection. Chairman Givin and Superintendent Harp reported that they attended a preconstruction meeting. Therein, they were informed that Katie Drive is not a publicly dedicated road, but rather a private street. Mr. Nienaber stated that construction should not begin unless and until there is a properly dedicated easement to the District. Without such an easement, significant issues could arise if the District is called upon to provide maintenance, repair, or other services to the waterline.

Bullock Pen Water District

Minutes

July 18, 2024

3. Mr. Nienaber stated that he has forwarded the License Agreement to the Walton Verona School Board for consideration and signature. Superintendent Harp noted that he received the antenna specifications from the School Board earlier that morning. These antenna specifications should be attached to the License Agreement as Exhibit "1".
4. Mr. Nienaber addressed the Belden Gaines Complaint currently pending before the Public Service Commission. Superintendent Harp outlined the factual background which led to this Complaint filing. Mr. Nienaber stated that since the Complaint was filed with the PSC, the District should do nothing until a report is received from the PSC.

The next order of business was a report by Mr. Mark Stephens, P.E., Kentucky Engineering Group ("KEG") regarding the Water Treatment Plant Project ("WTP"). Mr. Stephens handed out two summaries which he prepared outlining preliminary construction cost estimates and potential project funding sources. Mr. Stephens reported that currently the District has two Cleaner Water Grants totaling \$304,464.00. Given the total estimated construction cost of \$16,297,000.00, this would require funding sources of \$15,000,000.00 in loans from SRF and local District funds in the amount of approximately \$990,000.00. Mr. Stephens stated that the estimate reflects a contribution by the District of \$300,000.00 for real estate acquisition, therefore, the District's \$900,000.00 contribution would be reduced to \$600,000.00. Mr. Nienaber inquired as to whether or not hard construction costs would remain stable in the event the District should begin the construction process in the next 12 to 18 months. Mr. Stephens indicated that answer is unknown. He did indicate that if BABA Rules (Build American by American) are adopted by governmental entities, there could be a significant increase in material costs. Mr. Nienaber inquired as to the status of the Cost of Services study ("COSS") being conducted by KEG. Mr. Stephens indicated that he did not know what a COSS study would entail. Counsel informed Mr. Stephens that the elements of a COSS study are set by the Public Service Commission. Counsel also reminded Mr. Stephens that the original Engineering Services Agreement entered into between KEG and the District provided that KEG would conduct a COSS as a part of the original engineering services to be performed. Mr. Nienaber stated that during the approval process, the PSC has indicated that a COSS will be required during the rate increase aspect of the approval process. Mr. Stephens stated that KEG is requesting a revised Engineering Services Agreement ("Agreement") to cover additional costs and engineering services related to geotechnical surveys, and related subcontractor obligations. This Agreement will be necessary before KEG will continue providing engineering services after the preliminary design is complete. Mr. Stephens stated that KEG is constantly reviewing supplemental sources of funding and grants for the WTP Project. Mr. Stephens inquired into whether or not the District's annual audit has been completed and approved. Chairman Givin stated that the District would forward a copy of the December 31, 2023 annual audit to KEG. Commissioner Slaughter inquired as to whether or not the new WTP will address PFAS issues. This issue has not been decided as the federal government has not established regulations regarding PFAS requirements. Commissioner Slaughter inquired as to whether not any additional grant monies would be available for the WTP Project. Mr. Stephens indicated that given the income levels of families within the District, additional grant money is unlikely.

Bullock Pen Water District

Minutes

July 18, 2024

Commissioner Wethington inquired as to whether or not Mr. Stephens believes the PSC would approve this Project. Mr. Stephens indicated that it would. Commissioner Slaughter also raised the issue of Bullock Pen Lake and the Fish and Wildlife restrictions on withdrawing water. Superintendent Harp reported that through the recent droughts which have been experienced in this area, pool water levels at Bullock Pen Lake have remained relatively constant. It appears as though the dam improvements have significantly reduced water loss from the lake thereby allowing the District to withdraw substantially more water. Mr. Nienaber stated that this issue will be a major point of interest and concern during the PSC approval process.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson as follows:

1. Mr. Hanson reported that the Elliston Bridge Plans have been accepted by KYTC.
2. KYTC has preliminarily approved KY 467 Project Plans, with changes. Superintendent Harp and Mr. Hanson have both informed KYTC that the proposed changes in the Engineering Plans are not acceptable to the District. Mr. Hanson will report at the next meeting.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp stated that he was contacted by Mr. Jeremy Whorley inquiring as to whether or not the District could provide water and sewer service for an unnamed European beverage company that is looking into a plant construction project within the District territory. The proposed development would require 1,200,000 gallons per day of water and approximately 700,000 gallons per day sewer treatment capacity. Superintendent Harp indicated that there is no way the District could meet those demands.

The next order of business was a report by Ashley Dyer follows:

1. Ms. Dyer reported that a worker's compensation claim has been filed by Joan, a part-time office employee. Joan apparently fell outside the office and broke a rib. There are no serious injuries and the claim would be minimal at best.
2. Ms. Dyer reported that a District employee is out on a short-term disability resulting from a fall at the employee's home and non-work related.
3. Ms. Dyer reported that the District needs to take final action on the year-end annual audit for December 31, 2023. After discussion, upon motion of Andrea Walton and second by

Bullock Pen Water District

Minutes

July 18, 2024

Rodger Bingham, it was unanimously,

“RESOLVED: that the annual audit for the year ending December 31, 2023, as attached, be and the same is hereby approved.”

4. Ms. Dyer reported that the next regular meeting is scheduled for August 22, 2024. There appears to be in conflicts with that date. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: that the next regular meeting occur on August 21, 2024, at 1:00 p.m. Ms. Dyer is directed to post the appropriate notices.”

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Given
CHARLES GIVIN, CHAIRMAN

ATTEST:

William Wethington
WILLIAM WETHINGTON, SECRETARY

Drinking Water Project Profile Pre-Application



* Project Title: **Bullock Pen WTP Replacement & System Improvements**

☒ This project is a REVISION of a previous submitted Project Profile.

Previously assigned WX #: **WX21081022**

BUDGET AND SCHEDULE

☒ Estimated Budget ☐ As-Bid Budget

Project Cost Classification

Administrative Expenses: Legal	50000
Expenses:	
Land, Appraisals, Easements:	300000
Relocation Expense & Payments:	
Planning:	20000
Engineering Fees - Design:	672000
Engineering Fees - Construction:	168000
Engineering Fees - Inspection:	525000
Engineering Fees - Other:	130000
Construction:	13120000
Equipment:	
Miscellaneous:	
Contingencies:	1312000
* Total Project Cost:	16297000

Construction Cost Categories

Treatment:	13000000
Transmission and Distribution:	
Lead Remediation:	
Source:	
Storage:	120000
Purchase of Systems:	
Restructuring:	
Land Acquisition:	
Non-Categorized Cost:	
Total Construction Cost:	13120000

Project Funding Sources (Project Readiness Points Received: 30**)

FUNDING SOURCE	AMOUNT	STATUS	APPLICABLE DATE
Cleaner Water FY 2023	115085	committed	9/21/22
Cleaner Water FY 2023	189379	committed	11/21/22
SRF Fund F	15000000	anticipated	
Local Funds	992536	committed	

Estimated Project Schedule

Estimate Environmental Review Submittal Date: **Sept 2024**
(Project Readiness Points Received: 30**)

Estimated Bid Date: **June 2025**

* Estimated Bid Date required if Funding Source is KIA SRF Fund F Loan (DW)

Estimated Construction Start Date: **August 2025**

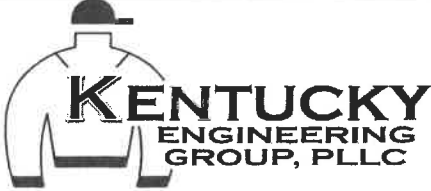
* Estimated Construction Start Date required if Funding Source is KIA SRF Fund F Loan (DW)

Estimated Construction Completion Date: **August 2026**

Funding Source Notes:

BPWD is utilizing CWP Grant Funds for a portion of the design of the new WTP.

**Project Readiness Points - Must meet all three criteria to receive points: 1) submitted plans to DOW for review, 2) Environmental Review cross cutter scoping process is complete, and 3) funding commitments from other funds or DWSRF is sole source.

		Preliminary Project Cost Estimate				
		Project : New Water Treatment Plant & Water System Imp Date : 11/21/22 Job No. : Revised : 07/16/24 Est. By: MSS/RCC				
ITEM NO.	SUMMARY OF: Bullock Pen Water District Water System Improvements	QUANTITY		COST PER UNIT		TOTAL COST
		NO. OF UNITS	UNIT MEAS.			
1	New Water Plant	1	LS	\$ 12,000,000.00		\$ 12,000,000
2	Raw Water Intake	1	LS	\$ 1,000,000.00		\$ 1,000,000
3	Dickerson Road Water Line Extension		LF	\$ 100.00		\$ -
4	Bingham Lane Water Line Replacement		LF	\$ 100.00		\$ -
5	Verona Water Storage Tank		LS	\$ 1,200,000.00		\$ -
6	Water Storage Tank Mixing Systems	4	EA	\$ 30,000.00		\$ 120,000
7						\$ -
8						\$ -
9						\$ -
10						\$ -
11						\$ -
12						\$ -
13						\$ -
14						\$ -
15						\$ -
16						\$ -
17						\$ -
18						\$ -
19						\$ -
20						\$ -
	SUBTOTAL AMOUNT					\$ 13,120,000.00
	10% CONTINGENCY					\$ 1,312,000.00
	ENGINEERING DESIGN					\$ 840,000.00
	RESIDENT INSPECTION					\$ 525,000.00
	LEGAL					\$ 25,000.00
	EASEMENTS/LAND ACQUISITION					\$ 300,000.00
	PLANNING/PRELIM ENG					\$ 20,000.00
	FUNDING ADMINISTRATION					\$ 20,000.00
	PERMITTING					\$ 10,000.00
	SURVEYING					\$ 10,000.00
	GEOTECHNICAL					\$ 25,000.00
	ENVIRONMENTAL (CAT. EXC. ONLY)					\$ 10,000.00
	ARCHEOLOGICAL (IF REQ.)					\$ 20,000.00
	OPERATIONS & MAINTENANCE MANUALS					\$ 40,000.00
	START UP SERVICES					\$ 20,000.00
	TOTAL ESTIMATED PROJECT COST					\$ 16,297,000.00

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
AUGUST 2024 MEETING**

The August 2024 meeting of the Bullock Pen Water District was called to order on August 21, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bryan Slaughter, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Superintendent Paul Harp and Ashley Dyer. Amy Ruark was absent.

The first order of business was a review of the July 2024 Minutes. After discussion, upon motion of Bryan Slaughter and second by William Wethington, it was unanimously,

“RESOLVED: the July 2024 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the July 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: the July 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber inquired as to the status of KEG’s progress on the COSS Study. Superintendent Harp suggested that he and counsel contact Mark Stephens at KEG to address that issue.
2. Mr. Nienaber inquired as to the status of the Katie Drive Project. Superintendent Harp reported that Lonkard Construction had called his office to state that construction would begin next week. Mr. Nienaber raised the issue of the presence of an easement for the District. Superintendent Harp reported that when he and Chairman Givin attended the pre-construction meeting with Lonkard Construction, they were informed that there is a subdivision plat which includes a water line easement. Superintendent Harp requested a copy of that subdivision plat and has not received it to date. Mr. Nienaber explained that it is necessary for the District to have an easement before any meters can be installed. Chairman Givin stated that the District should treat this water line extension project like any other. Chairman Givin directed counsel to send a letter to Mr. David Koenig inquiring about the easement status.
3. Mr. Nienaber inquired as to the status of the Walton-Verona Board of Education Verona Tower Antenna. Superintendent Harp reported that the antenna has been installed and it is operational. There were no problems during the installation process. Commissioner Slaughter reported that he has heard from the School Board and the antenna system is working remarkably well.

Bullock Pen Water District

Minutes

August 21, 2024

4. Mr. Nienaber reviewed with the Commissioners the KY WWATERS Application process that is available to the District. Mr. Nienaber reviewed with the Commissioners his earlier correspondence regarding this program and the Application which the District must complete in order to submit a request for funding. Mr. Nienaber suggested that the District would probably not qualify for a loan/grant through this Program. There are a number of qualifying criteria which allow a District to qualify for funding. For the most part, those criteria do not apply to the District. Mr. Hanson reported that he heard the funding through this Program is limited to Districts that are in serious distress and need project funding in order to bring that particular District into compliance. Chairman Givin suggested that it was his opinion that the time and effort to fill out the Application would far exceed the likelihood of qualifying for any funding. Commissioner Bingham agreed. After considerable discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: that the District not file an Application with the
KY WWATERS Program.”

5. Mr. Nienaber reminded everyone that Mr. Beldan Gaines filed a formal Complaint with the Public Service Commission, Case #2024-00262. Mr. Nienaber reviewed how this complaint process would progress through the PSC. Mr. Nienaber also indicated that the District had a similar complaint some years ago. In that proceeding, the PSC summarily dismissed the Complaint against the District.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson as follows:

1. Mr. Hanson reported that he has not yet heard back from KYTC regarding the Warsaw Road Project.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that there were a number of water main breaks and leaks over the last month. For the most part, the inordinate number of leaks and breaks in transmission lines is due to the exceedingly dry weather which we have experienced this summer.
3. Superintendent Harp was asked to report on the water level in Bullock Pen Lake. He reported that the current water level is approximately 5 inches below “pool” level. Given the extremely dry conditions experienced in this area over the last few weeks, the water levels in Bullock Pen Lake are maintaining quite well. Superintendent Harp reported that even when the water levels are down somewhat, a subsequent rain seems to bring the

Bullock Pen Water District

Minutes

August 21, 2024

water level back to "pool" level in a relatively short time. He also reported that the Kentucky Department of Fish and Wildlife requests periodic reports on water levels in the lake.

The next order of business was a report by Ashley Dyer follows:

1. Ms. Dyer reported that the next regular meeting is scheduled for September 19, 2024.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
SEPTEMBER 2024 MEETING**

The September 2024 meeting of the Bullock Pen Water District was called to order on September 19, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bryan Slaughter, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson and Mr. Chris Stewart, Superintendent Paul Harp, Amy Ruark and Ashley Dyer.

The first order of business was a review of the August 2024 Minutes. After discussion, upon motion of Andrea Walton and second by Bryan Slaughter, it was unanimously,

“RESOLVED: the August 2024 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the August 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: the August 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber shared with the Commissioners a letter from Mayor Jim Purcell dated September 19, 2024, at 12:43 p.m., directed to the District regarding lead and copper rule revisions. In that correspondence, Mayor Purcell requested that the citizens of Crittenden be kept up to date on the status of compliance on the part of the District. Superintendent Harp reported that the District is working on compliance as a top priority. Superintendent Harp requested direction as to whether or not he should respond to Mayor Purcell’s inquiry. Commissioner Wethington simply stated that the District should inform Mayor Purcell that the District is working on compliance as it has been for the last twelve (12) months or so. After considerable discussion, it was the consensus of the Commissioners to respond to Mayor Purcell’s letter informing him that the District is working on compliance. If the Mayor requests information, the District should invite the Mayor and all other City representatives to attend the October 23, 2024 meeting of the District for an in-depth review.
2. Mr. Nienaber shared with the Commissioners the City of Crittenden’s offer of settlement in the Garrison litigation (attached). Mr. Nienaber stated that the proposed settlement requested by the City is unacceptable in that it puts the parties no further along than they were before the litigation was initiated. In fact, Mr. Nienaber believes the proposed settlement places all of the burden of maintenance of the dam face on the District. Mr. Nienaber shared with the Commissioners his proposed settlement that the dam be taken out of service. Mr. Nienaber also reported that he spoke with Michelle Cheek (District appointed counsel) earlier in the day. Michelle Cheek and Mr. Nienaber both agree that

Bullock Pen Water District
Minutes
September 19, 2024

Mediation should be scheduled as soon as possible. Mr. Nienaber stated that the last Mediation was very unproductive and basically a waste of time since none of the attendees (excluding the District) were prepared to even begin discussing any type of settlement. Mr. Nienaber reported that he will keep the District apprised of any developments in this regard.

3. Mr. Nienaber stated that he has not heard any response from Boone County regarding the Katie Drive Project and specifically whether or not there is a proper water line easement where the waterlines were installed. Superintendent Harp reported that all lines are currently installed along Katie Drive. He reported that tap-ins will be requested in the very near future. Chairman Givin inquired as to the status of the \$25.00 surcharge. Mr. Nienaber stated that the Boone County Fiscal Court is going to pass an unrelated Ordinance requiring all residents on the new Boone County waterlines to pay a \$25.00 "monthly surcharge". Mr. Nienaber stated that he spoke with David Koenig, counsel for Boone County Water District, informing him that the District cannot collect the \$25.00 surcharge unless it is a part of the District's tariff. Moreover, Mr. Nienaber informed Mr. Koenig that the District cannot terminate water service for nonpayment of the \$25.00 surcharge. Chairman Givin indicated that he would have his wife obtain a plat of the Katie Drive Subdivision to see if, in fact, there is a waterline easement in place.
4. Mr. Nienaber inquired as to whether or not anyone has heard from the Public Service Commission regarding the Belden Gaines Complaint. No one has heard anything.
5. Mr. Nienaber presented to the Board a KIA Resolution authorizing the District to move forward on applying for financing for the WTP Project in the approximate amount of \$15,200,000.00. Mr. Nienaber presented the attached Resolution. Commissioner Bingham indicated that his notes reflected the overall cost estimate for the WTP Project recently submitted by KEG was \$17,765,000.00. Superintendent Harp indicated that this estimate contains additional side projects as well. Commissioner Bingham suggested that the District move forward very carefully and deliberately due to the amount of money involved. Commissioner Slaughter inquired as to whether or not prevailing wages would be required on this Project. Mr. Nienaber indicated that it probably would. Mr. Nienaber reported that he spoke with Mr. John Brady at KIA regarding the loan specifics. Mr. Nienaber reported that the \$15,200,000.00 loan would bear interest at 2.25% per annum and amortized over 20 years. Mr. Nienaber provided the Commissioners an amortization schedule indicating that the annual debt service payment would be almost \$1,000,000.00. In addition to the debt payment service, there would also be an administration fee of 0.3% per annum, or approximately \$40,000.00 per year. The loan would have no prepayment penalties. Mr. Brady indicated that the interest rate of 2.25% would be locked in and there are no rate increases or reductions anticipated in the near future. Mr. Nienaber stated that this loan would offer the District a complete walk-away if, in fact, the project does not move forward in the future. However, Mr. Brady reported that if the District were to cancel the loan at some later date, this could affect the District's ability to request similar KIA loans in the future. Mr. Nienaber asked if the construction cost

Bullock Pen Water District
Minutes
September 19, 2024

estimate from KEG is firm. Superintendent Harp indicated that Mark Stephens stated he is comfortable with the current construction cost estimate. Mr. Nienaber reported that the Buy American Build American regulations would probably be required. This could increase the overall construction cost significantly. Mr. Brady informed Mr. Nienaber that there are some instances where BABA would not apply. One instance is if the District can demonstrate clearly and convincingly that the WTP Project was initiated prior to the enactment of BABA in May, 2022. Mr. Nienaber reported that any determination as to whether or not the District could be excluded from BABA requirements would have to be made in the future. After considerable discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: that the attached Resolution be signed and submitted to KEG authorizing the District to move forward with processing the KIA loan.”

6. Mr. Nienaber inquired as to the status of the Catlett Lease. Superintendent Harp reported that he spoke with Colton Catlett and it now appears the Catletts will not vacate the lake property until October 31, 2024. Mr. Nienaber stated that according to the Lease Agreement with the Catletts, they owe \$1,000.00 monthly rent for September and October, 2024.
7. Mr. Nienaber inquired as to the status of the plans and specifications being prepared by KEG regarding the WTP Project. Mr. Nienaber requested that Mark Stephens from KEG attend the next meeting with copies of the plans prepared to date. Mr. Nienaber stated that Mr. Stephens should also give a report on the status of the COSS Survey and the effect that BABA would have on the construction price. Superintendent Harp reported that he would contact Mr. Stephens and have him attend the next meeting.
8. Mr. Nienaber stated that there is nothing new to report on the status of the PFAS litigation.

The next order of business was a report by HMB Professional Engineers, Inc., as follows:

1. Mr. Hanson reported that he has received preliminary subdivision plans for the Heartland Meadows Subdivision. He reported that the plans are satisfactory provided the developer complies with all notes on the plans. Mr. Hanson reported that Phase I of the Subdivision will include 55 lots. The total lot development for the proposed subdivision is 100. Superintendent Harp reported that he spoke with Logan Murphy, Engineer for the Developer, who requested that the plans be approved as soon as possible.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.

Bullock Pen Water District
Minutes
September 19, 2024

2. Superintendent Harp reported that Seth O’Nan successfully passed his Class II Distribution Operator’s License. According to the District Rules, Mr. O’Nan is entitled to a 2.5% pay increase. After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously resolved that Seth O’Nan receive a 2.5% pay increase effective immediately.
3. Superintendent Harp reported that the District should look into obtaining mixers for the 491 water tower. Superintendent Harp stated that he would have price estimates for the next meeting.
4. Superintendent Harp reported that the Bullock Pen Lake levels are remaining rather constant despite the prolonged drought. He reported that the normal pool level is 761 feet. Today, his check of the pool level was 759.5 feet. He reported that the dam repairs have made a significant difference in water retention in Bullock Pen Lake.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Ruark reported that the next regular meeting is scheduled for October 17, 2024. There appear to be substantial conflicts. After discussion, upon motion and second, it was,

“RESOLVED: that the District’s next regular meeting be held Wednesday, October 23, 2024. Amy Ruark is directed to make the appropriate notifications.”

2. Ms. Ruark reported that her computer software for billing purposes is in need of replacement. She reported that next year’s budget will include a request for a new computer software billing system. The estimated cost is approximately \$20,000.00.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**BULLOCK PEN WATER DISTRICT
RESOLUTION**

This matter is before the Board of Commissioners of the Bullock Pen Water District ("District") to consider the acceptance of KIA Infrastructure Authority ("KIA") Funding proposed for the District's Water Treatment Plant Project ("Project"). This matter was considered at the District's regular meeting held September 19, 2024, at 2:30 p.m. Chairman Givin announced that under the terms of the Safe Drinking Water Act Amendments of 1996 ("Public Law 104-182") and Amendments to Kentucky Revised Statutes, Chapter 224A, the State is authorized to render financial assistance to eligible project applicants by way of capitalization grants from the US Environmental Protection Agency ("EPA") and State match funds comprising the Federally Assisted Drinking Water Revolving Fund ("State Revolving Loan Program"). The Program is established to aid in the construction of drinking water treatment facility improvements and certain related facilities with consideration for approval to be based on applications submitted through the Kentucky Energy and Environment Cabinet and the KIA Authority. Chairman Givin announced that the improvements proposed for construction by the District are eligible for the aforesaid loan assistance. Chairman Givin announced that the funding available to the District through KIA is approximately \$15,000,000.00. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

"RESOLVED as follows:

1. Chairman Givin be and he is hereby authorized and directed to accept the Invitation for funding received from KIA for the District's WTP Project in the approximate amount of \$15,000,000.00.
2. Chairman Givin be and he is authorized to begin the process of submitting a loan application to KIA in order to receive the funds eligible for such loan assistance.
3. Chairman Givin be and he is hereby authorized and directed to execute any and all other documentation necessary to apply for and receive loan assistance from KIA in the approximate amount of \$15,000,000.00.

Done at Crittenden, Kentucky, this 19th day of September, 2024.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHAIRMAN CHARLES GIVIN

ATTEST:

BY: Wm M Wethington
SECRETARY BILL WETHINGTON

SKEES, WILSON & NIENABER, PLLC

ATTORNEYS AND COUNSELORS AT LAW

HUGH O. SKEES

DALE T. WILSON

THOMAS R. NIENABER

7699 Ewing Boulevard

P.O. BOX 756

FLORENCE, KENTUCKY 41022-0756

TELEPHONE: 859.371.7407

FAX: 859.371.9872

EMAIL: rswandd@fuse.net

September 16, 2024

Bullock Pen Water District

1 Farrell Drive

PO Box 460

Crittenden, KY 41030

Attention: Chairman Charles Givin

Mr. Rodger Bingham

Mr. Bryan Slaughter

Mr. Bill Wethington

Ms. Andrea Walton

Mr. Paul Harp

Ms. Amy Ruark

Ms. Ashley Dyer

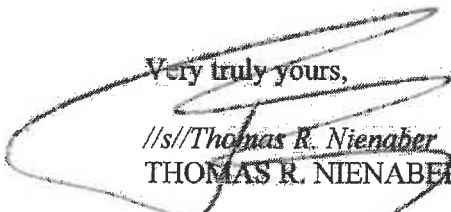
VIA EMAIL

In re: KIA Loan Assistance
Water Treatment Plant Project

Good Morning All:

Attached is a Resolution that I have prepared authorizing the District to move forward on the KIA funding assistance for the WTP Project. Mr. Stephens from KEG indicated that this Resolution must be adopted at the September 19, 2024 meeting if the District is interested in moving forward. By way of this correspondence, I would request that this matter be placed on the Agenda for Thursday's meeting. Should anyone have any questions in the interim, please do not hesitate to call.

Very truly yours,


//s//Thomas R. Nienaber
THOMAS R. NIENABER

TRN/krp

cc: Kentucky Engineering Group, Attention: Mr. Mark Stephens

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
OCTOBER 2024 MEETING**

The October 2024 meeting of the Bullock Pen Water District was called to order on October 23, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Commissioners Andrea Walton, Bryan Slaughter, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Ryan Carr, Kentucky Engineering Group, Superintendent Paul Harp, Amy Ruark and Ashley Dyer.

Chairman Givin recognized that Mr. George Wilson, Katie Drive, had requested to be in attendance at the meeting. He did not show. Chairman Givin also recognized Mr. Daniel Doss. Mr. Doss stated that he was attending the meeting to observe.

The first order of business was a review of the September 2024 Minutes. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: the September 2024 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the September 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of William Wethington and second by Bryan Slaughter, it was unanimously,

“RESOLVED: the September 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

Commissioner Bingham noted that the District has approximately \$800,000.00 in a reserve account. He inquired as to whether or not the District could place that money into an interest bearing Certificate of Deposit. Amy Ruark reported that Forcht Bank is currently offering an approximate 4.55% APY/4.65% APR interest rate for a 5-month Certificate of Deposit. Mr. Nienaber stated that so long as the money is readily available to the District, the monies are not co-mingled with other funds, and the funds are not offered as security for any debt or obligation of the District, placing it in an interest bearing Certificate of Deposit would not be an issue. The current Certificate of Deposit at Forcht Bank is also up for renewal and the District could renew that Certificate of Deposit at the same interest rate for a term of 5 months. After discussion, upon motion of Rodger Bingham and second by William Wethington, it was unanimously,

“RESOLVED as follows:

- (1) that Amy Ruark be and she is hereby authorized and directed to purchase an \$800,000.00 Certificate of Deposit bearing interest at no less than 4.55% APY/4.65% APR and no longer than 5 months at Forcht Bank. The purchased Certificate of Deposit is to be held separately and not offered as security for any obligation.
- (2) that Amy Ruark be and she is hereby authorized and directed to renew the Certificate of Deposit with a balance of \$817,583.01

Bullock Pen Water District
Minutes
October 23, 2024

currently held at Forcht Bank for at an interest rate of 4.55% APY/4.65% APR for a term of 5 months.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber gave an update on the status of the Garrison litigation. Mr. Nienaber reviewed with the Commissioners his October 22, 2024 letter which outlines the current state of negotiations. Mr. Nienaber reported that previously the City of Crittenden (“City”) had made a settlement proposal. Unfortunately, the submitted settlement proposal was incomplete and left many issues unaddressed. Over the last 4 weeks, Michelle Cheek and James Womack (insurance company appointed counsel for the District) have been dealing with Mr. Sebastian Torres, the City’s attorney, regarding a possible settlement. On October 21, 2024, Mr. Torres clarified and narrowed the City’s previous settlement proposal to include the following:
 1. The land on the dam face would be conveyed to the City. The City will assume liability for future maintenance and repair of the dam. Individual property owners abutting the water side of the dam would be financially responsible for the maintenance of the dam which is on their property. The City is going to perform all maintenance and bill the adjoining property owners for that work.
 2. The District would be reserved the access easement on the dam face to be used only in the event that the Crittenden Drive access easement is not available. Otherwise, the Crittenden Drive access easement should serve as the primary means of ingress/egress to the Waller Lift Station. Mr. Nienaber stated that given the past history, the District would probably be required to use the dam face access easement on a fairly regular basis. The District would be solely responsible for maintenance of the dam face access easement.
 3. The gate currently blocking the dam face access easement would be removed.
 4. The \$16,500.00 cost estimate to bring the dam face into compliance issue was not addressed in Mr. Torres latest offer. Mr. Nienaber informed Michelle Cheek that under no uncertain circumstance would the District agree to pay that amount.
 5. The City did not address the Garrison’s demand that the parties pay their attorney’s fees in the approximate amount of \$15,000.00. Again, Mr. Nienaber stated that the District would not pay those fees.

Bullock Pen Water District
Minutes
October 23, 2024

Mr. Nienaber stated that if this matter were to be resolved, there could be issues in the future, particularly as it relates to the District using the Crittenden Drive access easement. As the Garrison property owners have in the past complained that the District caused their driveway to deteriorate, those complaints will probably continue into the future should the District use that easement to access the Waller Lift Station. Accordingly, Mr. Nienaber stated that if an Agreement is reached, the District should maintain a detailed and meticulous log evidencing every time the District accesses the Waller Lift Station, how access is obtained, what types of vehicles are driven over the easement and how long those individuals remained at the Waller Lift Station site. Mr. Nienaber also stated that the District should take detailed photographs and videos of the Crittenden Drive access easement for future reference. He stated that visual observations of the driveway in the recent past have indicated that it is already in a significant state of disrepair. Photographing and videotaping the driveway at this time would preserve for future reference evidence that the driveway was previously in bad shape. Michelle Cheek indicated to Mr. Nienaber that if the major issue relating to the District's use of the dam face easement could be reached, the rest of the agreement would probably be within reach. Mr. Nienaber stated that Michelle Cheek requested authority to inform the City that the District would agree to using the dam face access easement only in the event of an emergency and that the District would maintain the dam face easement. After considerable discussion, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED as follows:

1. Mr. Nienaber is authorized to extend as an offer of partial settlement the District's commitment to use the dam face access easement only in the event of an emergency;
2. That the District will use the Crittenden Drive access easement as the primary means of ingress and egress to the Waller Lift Station;
3. The District will be primarily responsible for any repair that is necessary for the dam face access easement; and
4. The gate blocking the dam face access easement would be removed.”

Mr. Nienaber is authorized and directed to extend this offer to Michelle Cheek and the City in an effort to accommodate a global settlement.”

2. Mr. Nienaber reported on the Katie Drive Project status. Mr. Nienaber reported that he heard from Bill Knoebel, Boone County Assistant Attorney regarding the easement issue. According to Mr. Knoebel, representatives from Boone County have stated that the contractor did, in fact, construct the Katie Drive water lines on the appropriate utility easement. Superintendent Harp reported that is not the case. Mr. Nienaber stated that he

Bullock Pen Water District
Minutes
October 23, 2024

has reviewed the plat of the subdivision and it does not appear as though the water lines have been constructed on the existing utility easement. Mr. Nienaber stated that he made arrangements with Bill Knoebel to have Superintendent Harp and a representative from Boone County meet on-site to determine who is right. Superintendent Harp reported that he had called Rob Franxman's office on a couple of occasions and sent him an email to schedule such a meeting. As of today's meeting, no response has been received. In any event, Mr. Nienaber stated that there should be no tap-ins or District work on the water line until the easement issue is concluded.

3. Mr. Nienaber next discussed with the Board the status of securing a COSS Study. Mr. Nienaber stated that he made contact with Kentucky Rural Water Association ("KRWA"), Mr. Robert Miller, who specializes in conducting COSS studies. Mr. Nienaber met with Mr. Miller by phone on October 22, 2024. He reported that Mr. Miller has extensive experience in working at the Public Service Commission and the Louisville Water District in addition to other utility work related experience. Mr. Miller provided Mr. Nienaber Power Point materials which explain the COSS Study process (attached). Mr. Nienaber reviewed that information with the Commissioners. Mr. Miller also provided a fee schedule (attached) which outlines the scope of his services and charges related thereto. Mr. Nienaber reported that based upon his extensive phone conversation with Mr. Miller, he would recommend that the District engage Mr. Miller to conduct a Cost of Service Analysis (\$4,150.00) and a 5-year capital improvement plan (\$1,850.00). After considerable discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

"RESOLVED: that Mr. Nienaber be and he is hereby authorized to engage Mr. Robert Miller to conduct a COSS Study for the benefit of the District as follows:

- 1) A Cost of Service Analysis and proposed new rate structure at a cost not to exceed \$4,150.00; and
- 2) A 5-year Capital Improvement Program Financial Plan at a cost not to exceed \$1,850.00."

Mr. Nienaber stated that Mr. Miller was going to review the District's latest Rate Application to learn more about the District and to make a better determination as to the exact need of the District as it relates to a COSS Study. Mr. Nienaber is going to contact Mr. Miller to confirm that the two above referenced studies would fulfill the Public Service Commission's requirements set forth in its Rate Increase Order.

4. Mr. Nienaber inquired as to any current information or updates on the Beldan Gaines Complaint filed with the PSC. Superintendent Harp reported that he has not heard anything.
5. Mr. Nienaber inquired of KEG as to whether or not they have all of the paperwork in order for moving forward. Ryan Carr indicated that everything is in place at this time.

Bullock Pen Water District
Minutes
October 23, 2024

6. Mr. Nienaber gave a report on the Open Records Request of Mr. Daniel Doss, who was in attendance at the meeting. Mr. Doss stated that he was there to observe regarding the District's intentions of undertaking the WTP Project. Mr. Doss stated that he was curious as to whether or not the District had uncovered all possible plans with respect to improving the Water District's Treatment Facility. Specifically, Mr. Doss asked if 2 million gallon per day plant is necessary. Chairman Givin stated that the cost difference between a 1,500,000 gallon per day and 2 million gallon per day plan is not that significant. Moreover, building the larger plant would give the District the ability to operate the plant less than 24-7. Chairman Givin and Superintendent Harp also explained in detail the infrastructure upgrades that would be required if the District were to go to an "all water purchase" plan and shut down of the WTP. Mr. Nienaber reported that Mr. Doss had requested phone numbers of the Commissioners. Mr. Nienaber stated that under the Open Records Act this is considered private information and is not subject to disclosure. Mr. Nienaber gave a report on the WTP Project status as follows:

7. Mr. Nienaber stated that on October 16, 2024, Charles, Givin, Rodger Bingham, Mark Stephens and Superintendent Harp met with KEG to discuss the status of the WTP Project. The following is a brief re-cap of that meeting:
 - a. The revised construction cost estimate as of July 16, 2024, is \$16,297,000.00 (attached).
 - b. The Project profile for the WTP Project consists of the water plan improvements, raw water intake and tank mixers.
 - c. No easements will be needed.
 - d. Land acquisition valued at \$300,000.00 is not considered as a cost as the District purchased the Catlett property earlier.
 - e. Environmental, archaeology and geo-tech work will all be considered additional services.
 - f. The granular activated carbon (GAC) filter is not included in the estimate. This system will probably be required by the EPA at some point in the future to deal with PFAS. The estimated cost for this is \$800,000 to \$1 million dollars. The current plans do not include the GAC filter, but they do allow for the addition of the GAC filter if needed in the future.
 - g. Bond counsel, Dinsmore & Shohl has been estimated to be \$25,000.00. This bond counsel represents KIA and is a required expense.
 - h. Mark Stephens reported that the likelihood of the District qualifying for grant or low interest funds for the Project is slim as the District MHI is too high. The recently passed \$178 million funding for water projects would also not be available in all likelihood.
 - i. Mr. Stephens stated that the Financial Analysis for KIA, Mr. John Brady, opined that the District would need a minimum 10% rate increase before KIA would approve the loan. See attached letter from Mr. John Brady.
 - j. The District would be required to go through the entire PSC process including a

Bullock Pen Water District
Minutes
October 23, 2024

certificate of convenience and public necessity, plan approval, project approval, and rate increase.

- k. Mr. Nienaber stated that if BABA (Buy American Build American) requirements are applicable, the cost of the project could be considerably higher. Ryan Carr reported that based upon KEG's recent investigation, BABA will not apply to the WTP Project. This is good news.
 - l. Mr. Stephens gave the following timetable, which is flexible, and all dates are estimated:
 - i. DOW Submittal – December 31, 2024;
 - ii. KIA Submittal – March 1, 2025;
 - iii. DOW Approval – September 1, 2025;
 - iv. Bid Project – November 1, 2025;
 - v. Construction Award – February 1, 2026; and
 - vi. PSC Approval Process – Six months ??
 - m. On the COSS report element of the Project, Mr. Stephens stated that KEG could not perform a Cost of Services Study. Mr. Nienaber stated that he would go and check with KRWA. See Item 3 above.
7. Mr. Nienaber stated that KEG has submitted Pay Request #2 for the WTP Project in the amount of \$60,000.00 as attached. After discussion, upon motion of Andrea Walton and second by Bryan Slaughter, it was unanimously,
- “RESOLVED: that Chairman Givin be and he is hereby authorized to execute and approve the Pay Request #2 submitted by KEG in the amount of \$60,000.00.”
8. Mr. Nienaber inquired into whether or not the District has opened a separate bank account for the WTP Project. Amy Ruark reported that we do not. Mr. Nienaber recommended that the District open a WTP Project account at Forcht Bank for all further transactions relating to the Project. After discussion, upon motion of Rodger Bingham and second by William Wethington, it was unanimously,
- “RESOLVED: that Amy Ruark be and she is hereby authorized to open a **“Water Treatment Plant Project Account”** at Forcht Bank. The authorized signatories on the account will require two signatures from Amy Ruark, Paul Harp, Charles Givin or Rodger Bingham.”
9. Mr. Nienaber reported that he has not heard anything regarding the PFAS litigation status.
10. Mr. Nienaber inquired as to the status of the Catlett Lease.

The next order of business was a report by Ryan Carr of Kentucky Engineering Group as

Bullock Pen Water District
 Minutes
 October 23, 2024
 follows:

1. Mr. Carr reported that Mark Stephens is no longer with KEG. All contact information with KEG regarding the WTP Project should go through Mr. Ryan Carr.
2. Mr. Carr reported that based upon current status, the WTP Project should be operational and completed in early 2028.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that the Elliston Bridge Plans have been approved by KYTC.
2. Mr. Hanson reported that the plans for the KY467 Project have been approved by KYTC.
3. The Meadowview Subdivision Plans have been submitted to the DOW for approval.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that there was a main water line leak at the Salem Creek Master Meter which destroyed a considerable amount of electronic equipment. It will take approximately 1 week to repair.
3. Superintendent Harp reported that he submitted his lead pipe report to the federal government. There are approximately 1,300 customers in the District system that will need to be surveyed by mail. This project of notifying these 1,300 customers is currently underway.
4. Superintendent Harp reported that the District's boil advisory has been cancelled as of this morning. There was a boil advisory issued due to the fact that the City of Williamstown had a major water leak at its WTP. All District customers who are serviced by water purchased through Williamstown needed to be informed of a boil water advisory.
5. Superintendent Harp reported that Mr. Hunter Plunkett (an ex-employee that left for the Police Academy) recently contacted Superintendent Harp to see if he could return to the employ of the District. Paul Harp, Ashley Dryer and Amy Ruark all reported that Mr. Plunkett was an excellent employee and they would encourage the District to re-hire him. Superintendent Harp reported that the District does not need an employee at this time, however, the District will need to replace 2 retiring individuals within the next two years.

Bullock Pen Water District
Minutes
October 23, 2024

Superintendent Harp stated that notwithstanding the foregoing, he would like to hire Mr. Plunkett at his old position. Chairman Givin suggested that the District hire him due to Mr. Plunkett's skills and work performance. Mr. Nienaber reported that if the District elects to reinstate Mr. Plunkett they would not have to go through the District's standard hiring practices. Commissioner Bingham stated he does not agree with hiring an employee if an employee is not absolutely necessary. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, on a vote of 3 in favor and Rodger Bingham voting no, it was

"RESOLVED: that Hunter Plunkett be and he is hereby reinstated as an employee of the District at the same pay and benefits at the time of his leaving the District."

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. The next meeting date is November 21, 2024.

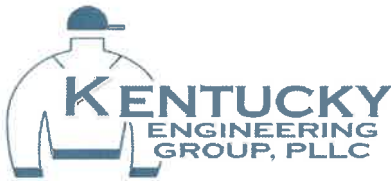
There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Andrea Walton
ANDREA WALTON, VICE CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**INVOICE****CLIENT:**

Bullock Pen Water District
PO Box 188
1 Farrell Drive
Attn: Paul Harp

Invoice Date:**October 15, 2024****Invoice No.****2024-154****Proj. No.****22020****Job Description:****New Water Treatment Plant****Billing Period:****November 16, 2023 to October 15th, 2024**

SERVICES	Total	Fee	% Complete	Amount Earned to Date	Amount Paid to Date	Amount Due This Period
Preliminary Design (DOW Submission)	\$ 300,000.00		30%	\$ 90,000.00	\$ 30,000.00	\$ 60,000.00
Cost of Service Study (COSS)	\$ 10,000.00		0%	\$ -	\$ -	\$ -
Total Engineering Fee	\$ 310,000.00			\$ 90,000.00		
				Total Paid to Date	\$ 30,000.00	
				Total Amount Due This Invoice		\$ 60,000.00

PLEASE MAKE CHECK PAYABLE TO:

**KENTUCKY ENGINEERING GROUP, PLLC
PO BOX 1034
VERSAILLES KY 40383**

ORIGINAL

Bullock Pen Water District
WX21081022
Draw # 2

21CWW305
10/15/2024

Select the Project Status: On Schedule

PROJECT EXPENSES THIS DRAW REQUEST
(Include Invoices for Expenses Listed Below)

Draw #	Budget Line Items	Invoice #	Vendor	Amount
2	Engineering Fees - Design	2024-154	Kentucky Engineering Group	60,000.00

PROJECT BUDGET

Grantee: Bullock Pen Water District
 WX/SX Number: WX21081022
 KIA Grant #: 21CWW305

Budget Dates:	9/22/2023	[enter date]	[enter date]	[enter date]	[enter date]	[enter date]
Costs	Preliminary Budget	As Bid Budget	Revised Budget 1	Revised Budget 2	Revised Budget 3	Revised Budget 4
Administrative		-	-	-	-	-
Legal		-	-	-	-	-
Land/Appraisals/Easements/RofW		-	-	-	-	-
Relocation Expense		-	-	-	-	-
Planning	10000	-	-	-	-	-
Engineering Fees - Design	142,232.00	-	-	-	-	-
Engineering Fees - Construction		-	-	-	-	-
Engineering Fees - Inspection		-	-	-	-	-
Engineering Fees - Other		-	-	-	-	-
Construction		-	-	-	-	-
Equipment		-	-	-	-	-
Contingency		-	-	-	-	-
Other		-	-	-	-	-
Total	152,232.00	-	-	-	-	-

9/22/2023	Expenses to Date	Balance
-	-	-
-	-	-
-	-	-
-	-	-
10,000.00	-	10,000.00
142,232.00	90,000.00	52,232.00
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
152,232.00	90,000.00	62,232.00

Funding Sources

21CWW305	115,085.00	-	-	-	-	-
22CWW213	189,379.00	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Total	304,464.00	-	-	-	-	-

115,085.00	90,000.00	25,085.00
189,379.00	-	189,379.00
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
304,464.00	90,000.00	214,464.00

ERROR

ERROR

ERROR

Use the space below for notes related to change orders and/or budget revisions.

Revised Budget 1	
Revised Budget 2	
Revised Budget 3	
Revised Budget 4	

What to Expect During a Rate Study

Robert K. Miller
Straightline Kentucky LLC

What is a Rate Study?

- ✓ A calculation of a utility's revenues and expenses...
- ✓ Using methods acceptable to the Kentucky Public Service Commission...
- ✓ To support an application to change the utility's tariff...
- ✓ To ensure water service in compliance with state regulations and customer expectations.

Reasons to Have a Rate Study

Ordered by Kentucky
Public Service Commission



- ✓ Certificate of Public Convenience and Necessity
- ✓ Purchased Water Adjustment
- ✓ Newly issued or refinanced debt
- ✓ Other reasons determined by Commission

Determined by Board of
Directors



- ✓ Financial necessity
- ✓ Other reasons determined by Board of Directors

About Kentucky Rural Water Association



Districts / Associations *may be* eligible for funding from:

- ✓ Kentucky Division of Water grant
- ✓ Appalachian Regional Commission grant

Types of Rate Studies

General Rate Case

- Requires an attorney and a cost-of-service study
- Most detailed and fair to all customers.
- Most time-consuming and most expensive.
- Can be difficult to explain.
- Appropriate for system mergers, major changes in customer bases, and to support large capital investments.
- Yields different rate increases for different customers.

Types of Rate Studies

Alternative Rate Filing with Cost-of-Service Study

- Does not require an attorney.
- Detailed and fair to all customers.
- Can be difficult to explain.
- Less expensive than General Rate Case.
- Appropriate when several years since previous Cost-of-Service Study.
- Yields different rate increases for different customers.

ARF Rate Study Phases

1. Rate Study Phase – 8 to 12 weeks

Adjust for known and measurable changes since most recent annual report filed with KY PSC:

- Adjust reported metered sales to match existing billing records of customers, consumption, and rates.
- Adjust wages and staffing to reflect current employees.
- Adjust for limit to employer-funded portion of medical and dental premiums.
- Adjust depreciation to reflect limits on asset life ranges.
- Compute revenue requirement using Debt Service Coverage Method and Operating Ratio Method.

2. Board Review / Approval Phase – 2 weeks

- Review rate study report findings and recommendations.
- Determine which method for computing Revenue Requirements should be used: Debt Service Coverage method or Operating Ratio method.
- If applicable, determine whether to request a temporary Water Loss Reduction Surcharge.
- Determine whether to request that tariff changes to be implemented immediately or over two or more years.
- Adopt resolution for recommended rates and application.

Lessons Learned

What could possibly go wrong?



- ✓ Problems with Annual Report.
- ✓ Unable to provide records.
- ✓ Debt issued without authorization.
- ✓ Commissioners paid more than authorized amounts.
- ✓ Conflicts of interests.
- ✓ Failure to meet deadlines.
- ✓ Waiting too long between rate studies.

Remember:

PSC bats last!



Questions?

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
NOVEMBER 2024 MEETING**

The November 2024 meeting of the Bullock Pen Water District was called to order on November 21, 2024, at the hour of 1:00 p.m. Those in attendance were Commissioners Andrea Walton, Bryan Slaughter, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Ryan Carr, Kentucky Engineering Group, Superintendent Paul Harp, Amy Ruark and Ashley Dyer. Chairman Charles Givin was absent. Commissioner Andrea Walton chaired the meeting in her capacity as Vice-Chair.

The first order of business was a presentation by Customer Sandra Dwyer, 240 Buffalo Ridge, Jonesville, Kentucky. Ms. Dwyer reported that during the period January-February, 2024, there was a leak in their meter which led to a somewhat high water usage. The leak was subsequently fixed by Bullock Pen. During June through September, 2024, the Dwyers experienced high water usage a second time. Superintendent Harp immediately tested the meter and determined that it was working properly. The Dwyers have received bills for water usage in the amount of 7,000 gallons for the period July 13th through August 13th 2024 and 9,000 gallons for the period August 13th to September 13th 2024. Again, Superintendent Harp stated that the meter was tested and properly working. Ms. Ruark and Superintendent Harp explained the District's bulk rate adjustment. They emphasized to the Dwyers that this bulk rate adjustment can only be used one time during any 12 month period. The Dwyers stated that they would be elect to use the bulk rate adjustment at this time.

The next order of business was a review of the October 2024 Minutes. After discussion, upon motion of Bryan Slaughter and second by William Wethington, it was unanimously,

"RESOLVED: the October 2024 Minutes be and the same are hereby approved as attached."

The next order of business was a review of the October 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of William Wethington and second by Bryan Slaughter, it was unanimously,

"RESOLVED: the October 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached."

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber gave an update on the status of the Garrison litigation. Mr. Nienaber reported that there was a hearing on the Plaintiff's Motion for Summary Judgment("MSJ") on Wednesday, November 20, 2024. Essentially, no one showed up and nothing was accomplished. There was no settlement discussion at that time. The City of Crittenden's Attorney stated that they would follow-up with their previous offers of settlement. Mr. Nienaber reviewed with the Commissioners the latest settlement proposal and the District's response. Mr. Nienaber stated that while the parties in this

Bullock Pen Water District

Minutes

November 21, 2024

litigation are close, there still is no final agreement. Mr. Nienaber reported that he informed the City of Crittenden's attorney that under no circumstance would the District agree to pay the Plaintiff's attorney's fees (estimated at \$15,000.00), and/or the maintenance bill for the current dam face clean-up at \$16,500.00. Mr. Nienaber explained this to Michelle Cheek, the District's insurance company appointed counsel. Michelle Cheek did explain that the District's policy with KLC is a "no consent" policy which basically means the insurance provider can settle a case even if the insured (i.e., Bullock Pen Water District) does not agree with the settlement. Mr. Nienaber stated that he would keep everyone informed.

2. Mr. Nienaber gave an update on the Katie Drive Project. In an effort to resolve the outstanding issues, Mr. Nienaber visited the Boone County Clerk's records and personally inspected the subdivision plat for Katie Drive. He shared with the Commissioners a copy of that Plat. Afterwards, Mr. Nienaber spoke with Superintendent Harp to discuss where the situation currently stands relative to his discussions with Boone County representatives. Superintendent Harp reported once again that the waterlines on Katie Drive as built are not on the roadway of Katie Drive or on a recorded utility easement. Mr. Nienaber communicated this to Mr. Bill Knoebel, Assistant Boone County Attorney. Mr. Knoebel reported that the County would get back to the District in the near future.
3. Mr. Nienaber reported on the Belden Gaines Complaint pending before the Public Service Commission. Mr. Nienaber reported that an Answer was filed (attached). Given the facts of this particular case and the PSC's general attitude towards consumer complaints, Mr. Nienaber feels the PSC will rule in Mr. Gaines' favor. Ms. Ruark commented that in the past these complaints have always been resolved in favor of the District. Mr. Nienaber recognized that fact, however, he does not feel the PSC will rule in our favor on this one.
4. Mr. Nienaber gave an update on the PFAS litigation. Basically, there has been no activity in that litigation at this time.
5. Mr. Nienaber inquired of Superintendent Harp as to where the District stands on the Catlett Lease of the Bullock Pen Lake property. Superintendent Harp reported that he sent a bill to the Catletts for \$3,000.00 (three months rent). Superintendent Harp reported that the Catletts informed him that they should be out of the home by mid-December, 2024. Mr. Nienaber inquired of KEG as to whether this would be a problem. KEG stated that it was not an issue as there will be no activity on the real estate during December. Commissioner Slaughter inquired as to whether or not the District should look for a tenant to rent the house after the Catletts vacate the premises. Mr. Nienaber stated that would depend entirely on when the District would be moving forward with construction and/or development of the real estate. It was determined to table that issue for the time being and discuss at the next meeting.

Bullock Pen Water District
Minutes
November 21, 2024

6. Mr. Nienaber gave a report on the status of medical marijuana laws in Kentucky and their potential impact on the District. Mr. Nienaber shared with the Commissioners his letter and accompanying magazine article published in KACO's monthly newsletter as attached.
7. Mr. Nienaber reported that he has spoken with Robert Miller regarding the COSS Study. At this time, Mr. Miller suggested that the District hold off on conducting its COSS Study until more information regarding project costs, construction timelines and the like are confirmed.

The next order of business was a report by Kentucky Engineering Group ("KEG") as follows:

1. Mr. Carr met with Superintendent Harp prior to the District meeting to discuss the current status of the WTP Project Plans. Mr. Carr stated that the plans are approximately 40%-50% complete. He is hopeful that the plans will be submitted to the DOW by mid-January, 2025. Mr. Carr confirmed that KIA has committed to a \$15,000,000.00 loan. KEG reported that it would be submitting a revised Engineering Services Agreement within the next month or so. An updated cost estimate for the WTP Project will be completed within the next 30 to 60 days. Mr. Carr suggested that the District schedule a meeting with Kentucky Department of Fish and Wildlife Resources once the final design plans are completed. Mr. Nienaber agreed with that suggestion. That meeting should be scheduled for some time in late January, 2025. Mr. Carr inquired as to what the water withdraw restrictions are at Bullock Pen Lake. Mr. Nienaber stated that the District can withdraw 1,500,000 gallons per day until Bullock Pen Lake reaches a level of 759 msl. Once the lake level reaches that point, the District can only withdraw 500,000 gallons per day. Superintendent Harp reported that during this summer's recent drought, the lake level was only 18" below normal pool level. Commissioner Wethington inquired as to whether or not the District is confident that we can maximize plant production with water withdraw restrictions, infrastructure limitations and the like. Superintendent Harp stated that the District has adequate secondary sources of water (i.e., NKWD, City of Williamstown, and Boone County) if the District is restricted in water production at the Plant due to low lake level. Commissioner Slaughter inquired as to whether or not the engineering plans for the WTP Project will incorporate PFAS filtration systems. KEG indicated that the initial design plans will include a GAC filtration system which will also allow for a modular expansion. Mr. Carr reported that the cost of a GAC filtration system is unknown at this time. KEG will provide cost estimates in the final design plans. Mr. Carr did state, however, that it makes financial sense to include a GAC system in our design plans at this time. Commissioner Wethington inquired as to when the District is going to begin the process of educating local government leadership and the public about the District's plans for the WTP Project. Mr. Nienaber stated that he has recommended making presentations to the affected County Judge Executives and Fiscal Courts for some time. Commissioner Wethington suggested that the District establish a Committee for the purpose of providing a strategy and program for moving forward,

Bullock Pen Water District

Minutes

November 21, 2024

including the education of governmental leaders and the District's customers. After considerable discussion, upon motion of William Wethington and second by Rodger Bingham, it was unanimously,

"RESOLVED that the District form a Water Treatment Plant Project Committee to develop an overall strategy and educational program for the WTP Project. The Committee shall include William Wethington and Chairman Givin. The Committee is to report to the full Board as it deems necessary. The Committee is specifically directed to establish a strategy and program for educating the public and governmental officials of the WTP Project. The Committee is authorized to engage any professionals (engineers, accountants, etc.) as it deems appropriate."

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that the two KYTC water line relocation projects are waiting for final DOW approval.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that Hunter Plunkett declined employment with the District.
3. Superintendent Harp reported that the flood damage at Salem Creek is repaired.
4. Superintendent Harp reported that dental and vision insurance coverage terminates for employee children upon graduation from college (or 18 years of age if not enrolled in school full-time). Superintendent Harp requested that if there is no additional cost to the District, could the District extend vision and dental insurance until employees' children reach the age of 26. Ms. Dyer reported that there should be no additional cost to the District. After discussion, upon motion of William Wethington and second by Bryan Slaughter, it was unanimously,

"RESOLVED: that the District extend dental and vision insurance to cover children of employees up to their 26th birthday provided the District does not incur any additional cost. If any additional cost is charged by the insurance carrier, the employee shall pay that additional charge."

Bullock Pen Water District
Minutes

November 21, 2024

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Ruark reviewed with the Commissioners the proposed Budget for the upcoming year. Commissioner Slaughter inquired as to whether or not the Budget includes the repair, maintenance, and repaving of the parking lot and Farrell Drive. Superintendent Harp stated that it did not. Ms. Ruark stated that if anyone has any questions about the Budget or need any additional information, they can feel free to call either Ms. Ruark or Debbra Dedden at Morris & Bressler. Ms. Ruark requested that everyone be familiar with the budget and be prepared to take final action at the next meeting.
2. Ms. Ruark reported that the next meeting is scheduled for December 19, 2024.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

for Andrew Walton
WILLIAM WETHINGTON, SECRETARY

SKEES, WILSON & NIENABER, PLLC
ATTORNEYS AND COUNSELORS AT LAW

HUGH Q. SKEES
DALE T. WILSON
THOMAS R. NIENABER

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FLORENCE, KENTUCKY 41022-0756

TELEPHONE: 859.371.7407
FAX: 859.371.9872
EMAIL: rswandd@fuse.net

November 4, 2024

Bullock Pen Water District
1 Farrell Drive
PO Box 460
Crittenden, KY 41030

Attention: Chairman Charles Givin
Mr. Paul Harp
Ms. Amy Ruark
Ms. Ashley Dyer

VIA EMAIL

In re: COSS Study

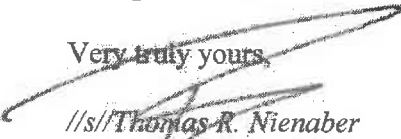
Good Morning:

Attached please find a letter I received from Mr. Robert Miller, StraightLine Kentucky Rural Water. Mr. Miller has apparently changed his water rate study proposal based upon the District's recent confusion with his earlier Proposed Rate Study Worksheet. The new Proposed Rate Study Worksheet now identifies four major classes of study that may be conducted. Based upon Mr. Miller's cover letter, he would suggest that the District use the first, third and fourth items on the updated proposal.

I would note that Mr. Miller does recommend that when the District undergoes a rate increase application with the PSC, his company could perform that service for us. With the foregoing said, I would recommend that we place this item on the next meeting Agenda for discussion and consideration.

If anyone has any questions in the interim, please feel free to call.

Very truly yours,


//s//Thomas R. Nienaber
THOMAS R. NIENABER

TRN/krp

altafiber Webmail

rswandd@fuse.net

Re: Bullock Pen Water District/COSS Study

From : Robert Miller <bob.miller@straightlineky.com>

Thu, Oct 31, 2024 08:08 PM

Subject : Re: Bullock Pen Water District/COSS Study 3 attachments**To :** rswandd@fuse.net**Cc :** givin <givin@fuse.net>, pharp <pharp@bpwd.org>, aruark <aruark@bpwd.org>, adyer <adyer@bpwd.org>, debbra <debbra@morrisbressler.com>

Good evening, Mr. Nienaber.

In the original proposal from KRWA, the scope of work for a Cost-of-Service Study and Financial Plan were in addition to, *but not in lieu of*, the standard scope items of a Water Rate Sufficiency Study and Alternative Rate Filing Application.

I have since updated the proposal to separate out the Alternative Rate Filing Application from the Standard Scope and placed it in the Optional Additional Scope. This is intended to reflect the need to perform the Standard Water Rate Sufficiency Study while considering the Alternative Rate Filing Application as an option that may or may not be performed later.

Based upon my understanding from our telephone conversation earlier this week, I anticipate that the District may want to select the first, third, and fourth items of the attached updated proposal to be performed immediately while the second item remains optional until the District's construction financing costs become firm.

Please keep in mind that this proposal is based upon actual hours worked and is on a not-to-exceed basis. It is our intention to complete the project below the proposed cost, if possible.

Feel free to contact me if you have any questions.

Bob
502-500-1458

Robert K. Miller
StraightLine Kentucky



From: rswandd@fuse.net <rswandd@fuse.net>**Sent:** Thursday, October 24, 2024 9:48 AM**To:** bob.miller@straightlineky.com <bob.miller@straightlineky.com>**Cc:** givin <givin@fuse.net>; pharp <pharp@bpwd.org>; aruark <aruark@bpwd.org>; adyer



Proposed Rate Study Project

Bullock Pen Water District

Prepared by: Kentucky Rural Water Association

October 2024 UPDATED

Kentucky Rural Water Association (KRWA) will perform a water rate study and additional scope items for Bullock Pen Water District using methodologies acceptable to Kentucky Public Service Commission (KY PSC) upon approval of this proposal.

Scope of Work

This work will include completing the following items:

- ✓ Preparation of Schedule of Adjusted Operations, Revenue Requirement Calculations, Proposed Rate Schedules, and Billing Analyses.
- ✓ Preparation of five-year financial plan.
- ✓ Preparation of a written summary report.
- ✓ Attendance at one meeting with Board of Commissioners for presentation of report.
- ✓ Submission of Alternative Rate Filing Application to KY PSC. (*Note: Bullock Pen Water District operating revenues for 2023 were \$4,984,069. 807 KAR 5:076 allows for use of this application methodology for utilities with revenues less than \$5,000,000.*)
- ✓ Coordination and submission of responses to KY PSC Staff Requests for Information.
- ✓ Preparation of response to KY PSC Staff Report.
- ✓ Preparation of updated Tariff sheets.

This proposal does not include attendance at public hearings and other meetings.

Qualifications

The project will be performed by an experienced contractor selected by KRWA.

Estimated Start and Completion Times

The rate study will begin within approximately 30 days of approval of this proposal. Completion time is determined by KY PSC but is typically within 270 days of approval of this proposal.

Proposed Cost of Standard Scope Items

Standard Water Rate Sufficiency Study	\$ 2,600	☐
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Proposed Cost of Optional Additional Scope Items

Alternative Rate Filing Application	\$ 6,750	☐
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Cost-of-Service Analysis and Proposed New Rate Structure	\$ 4,150	☐
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Five-Year Capital Improvement Program Financial Plan	\$ 1,850	☐
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Indicate selected scope with check mark adjacent to price.

Accepted by: _____ Date: _____

**BULLOCK PEN WATER DISTRICT
2025 BUDGET WORKSHEET**

PRELIMINARY

	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	09/30/24 Actual	Projected 12/31/2024	2025 Budget
Water Sales											
Residential Customers	3,593,404	3,560,952	3,759,745	3,721,285	4,178,700	4,030,035	3,953,461	4,259,824	3,430,565 Divide by 9 X 12	4,574,086 Approx the Same	4,574,400
Commercial Customers	290,699	295,505	313,428	320,750	307,127	319,928	330,423	401,602	429,442 Divide by 9 X 12	572,589 Approx the Same	497,040
Industrial Customers	16,491	14,831	13,690	12,411	7,976	8,279	8,890	8,778	6,198 Divide by 9 X 12	8,261 Approx the Same	8,400
Multiple Family Dwelling	19,072	19,020	20,247	18,802	23,851	31,078	12,888	11,971	7,555 Divide by 9 X 12	10,073 Approx the Same	10,200
Bulk Loading Station	21,248	17,492	17,268	17,710	16,359	14,808	12,360	12,177	8,971 Divide by 9 X 12	11,961 Approx the Same	12,000
Billing Errors	-25,885	22,344	-42,712	-25,488	-246,359	-85,130	-40,718	-28,121	-111,121 Plus \$3000	-114,121 Adjust for billing error	-37,260
Leak Adjustments	-14,099	-9,985	14,189	18,406	7,545	-21,420	-16,533	-20,175	-13,546 Divide by 9 X 12	-18,061 Used 3 yr avg(21'22,23)	-19,380
Accounts Receivable Adjustments	5,808	3,947	2,832	3,601	1,262	3,864	-5,088	-2,356	3,498 Divide by 9 X 12	4,663 Used 5 yr average	300
Total Water Sales	3,906,699	3,879,417	4,070,329	4,080,672	4,279,371	4,301,441	4,253,486	4,643,701	3,761,559	5,049,452	5,045,700
Forfeited Discounts	94,554	95,652	100,057	95,843	13,730	84,087	73,293	77,861	57,808 Div By 9 X 12	77,075 Used 3 yr average	78,420
Misc Service Revenue	34,712	82,939	52,278	54,783	19,184	32,055	32,381	37,712	19,985 Div By 9 X 12	26,646 Approx the Same	26,700
Management Fee - GCSSD	123,846	126,703	132,912	160,052	173,514	199,805	210,457	223,072	163,446 Plus \$17,998 x 3 + 7950	225,360 18,708 X 12 + \$9,758	234,252
Other Water Revenues	1,945	1,231	651	1,438	6,078	572	1,357	1,723	809 No change	809 Approx the Same	900
Total Water Revenues	4,161,750	4,185,936	4,356,525	4,363,788	4,491,857	4,617,759	4,570,973	4,984,069	4,003,605	5,379,342	5,385,972
Other Income											
Interest Income	8,854	13,078	15,563	19,712	18,842	13,821	12,200	31,907	46,968 See Cash Balances Sheet	65,151 See Cash Balances Sheet	72,804
Surcharges Phase 5	28,120	28,520	29,180	29,385	28,365	28,915	28,632	21,209	-53 No Change	-53 Surcharge Period Ended	0
Surcharges Phase 6	22,725	23,295	23,825	24,180	24,900	26,370	27,010	27,330	21,090 Plus \$2,345 X 3	28,125 \$2,345 X 12	28,140
Surcharges Phase 7	8,151	664	16,783	0	0	0	0	0	0 Surcharge Period Ended	0 Surcharge Period Ended	0
Surcharges Phase 8	25,430	25,544	26,738	21,582	14,451	15,122	6,220	-78	0 Surcharge Period Ended	0 Surcharge Period Ended	0
Surcharges Phase 10	15,180	15,876	16,455	12,579	7,126	7,387	-29,998	-300	0 Surcharge Period Ended	0 Surcharge Period Ended	0
Customer Contributions-Cash	65,159	82,600	81,800	83,000	102,200	109,000	137,000	96,528	99,844 Plus 1,358 x 14 + 1,858 X 1	120,714 80 x \$1,358 + 5 X \$1,858	117,936
Pendleton County Grant / State Grant		10,000	0	0	0	0	5,000	53,656	2,260 No Change	2,260 Portion of Grant Assistance	0
Total Other Income	173,618	199,576	176,586	190,438	195,885	200,615	186,084	230,252	170,109	216,197	216,880
Total Income	4,335,368	4,385,514	4,533,121	4,554,226	4,687,742	4,818,374	4,757,058	5,214,321	4,173,714	5,595,539	5,602,852
Salaries & Fringe Benefits											
A&G - Salaries - Officers & Directors	12,800	12,600	13,200	12,400	13,200	13,200	13,700	13,000	9,500 Plus \$1,100 X 3	12,800 \$1,100 X 12	13,000
Salaries & Wages	749,546	787,367	789,940	800,969	836,158	798,177	829,425	910,814	694,887 See Payroll Wksht #1	922,764 See Payroll Wksht #1	890,940
Employee Insurance	253,718	280,653	280,494	296,549	317,563	298,350	315,889	286,649	229,408 See Emp. Ben. Wksht #2	309,812 See Emp. Ben. Wksht #2	346,212
FSA/HRA Expense	9,452	30,946	10,991	4,281	-359	-2,908	9,650	4,319	6,046 Plus \$2,250	8,296 Same as last year	8,340
Retirement	238,706	348,414	151,368	171,751	187,127	190,577	212,214	216,230	144,593 See Payroll Wksht #1	191,236 See Payroll Wksht #1	172,044
Other Employee Benefits	1,499	2,036	2,948	2,289	3,764	4,086	4,319	3,227	1,815 See Emp. Ben. Wksht #2	2,561 See Emp. Ben. Wksht #2	3,200
Payroll Taxes	54,170	56,086	60,281	60,381	62,698	59,173	63,011	66,458	50,406 See Payroll Wksht #1	68,203 See Payroll Wksht #1	66,240
Total Salaries & Fringe Benefits	1,319,891	1,520,103	1,289,222	1,348,619	1,420,151	1,360,855	1,446,209	1,500,697	1,136,655	1,515,471	1,406,276
Chemicals	73,469	75,851	48,448	54,422	52,700	51,896	87,327	97,838	56,952 See Chemicals Wksht #9	83,805 See Chemicals Wksht #9	86,348
Contractual Services											
Other	120,232	122,402	95,908	96,191	108,785	90,449	146,430	90,428	78,399 See Worksheet 6	106,236 See Worksheet 6	124,478
Bank Service Charges	3,960	1,260	912	565	475	1,139	1,110	2,000	1,960 Divide by 9 X 12	2,613 \$222 X 12	2,664
Water Testing	14,518	18,849	22,968	20,016	20,181	9,599	14,724	18,186	9,782 See Worksheet 10	13,140 See Worksheet 10	13,538
T&D - O - Management	2,492	2,144	1,856	2,104	2,155	1,541	1,262	1,274	803 Plus \$485	1,288 Approx. Same	1,500
A&G - Engineers	5,280	6,785	8,240	9,520	11,408	7,506	6,373	3,735	2,310 See Worksheet 11	3,630 See Worksheet 11	3,900
A&G - Accounting	48,843	56,684	45,189	52,928	51,329	49,282	56,737	54,811	41,126 See Worksheet 11	51,043 See Worksheet 11	53,400
A&G - Legal	11,935	8,703	8,075	14,276	16,565	28,226	22,585	31,515	14,943 See Worksheet 11	22,249 See Worksheet 11	22,740

**BULLOCK PEN WATER DISTRICT
2025 BUDGET WORKSHEET**

PRELIMINARY

	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	09/30/24 Actual		Projected 12/31/2024		2025 Budget
Total Contractual Services	207,340	216,827	183,048	195,599	210,887	187,724	249,220	201,949	149,323		200,198		222,336
Purchased Power	88,892	105,898	90,344	88,510	81,049	90,546	107,270	100,394	84,388	See Worksheet 12	107,831	See Worksheet 12	115,704
Water & Maintenance Supplies	32.72%	34.28%	35.86%	37.44%	35.40%	43.16%	42.09%	33.90%	31.73%	\$128/853X33.9%=\$436,582	32.29%		35.00%
Purchased Water	1,278,166	1,329,960	1,459,549	1,516,464	1,615,102	1,656,398	1,790,082	1,574,083	1,193,693	Plus 33.9% of Oct-Dec Sales	1,630,275	Used 35% of Water Sales	1,768,992
Materials & Supplies	197,431	190,225	374,505	352,099	180,752	171,076	268,117	258,786	186,955	See Worksheet 7	248,725	See Worksheet 7	257,736
Total Water & Maintenance Supplies	1,475,597	1,520,185	1,834,054	1,868,563	1,695,654	2,027,474	2,058,199	1,832,869	1,382,648		1,877,000		2,023,728
Insurance & Other													
General Liability	22,691	24,792	22,840	18,420	19,194	22,097	22,409	23,269	18,258	Plus 2,111 X 3	24,591	2,000 X 12	25,440
Workers' Comp	9,249	12,011	12,374	10,218	8,716	8,551	8,427	7,006	4,563	Plus 600 X 3	6,623	10/7/24 to 10/7/25 Premium	8,184
Vehicle	5,154	6,019	7,385	8,102	7,799	7,514	10,442	12,437	11,296	Plus 1265.33 X 3	14,911	1265 X 12	15,180
Cyber Policy	0	0	0	0	0	241	172	0	0	No Change	0	Included in general now	0
Other Insurance	9,097	9,035	5,709	2,137	1,884	2,172	1,408	4,752	1,161	Plus 125 X 3	1,536	Approx Same	1,560
Rental Equipment	5,971	3,581	2,932	3,856	2,779	1,780	4,044	4,558	3,018	See Worksheet 14	3,480	See Worksheet 14	7,020
Transportation Expense	29,556	22,374	32,227	26,141	18,929	23,843	38,125	40,921	17,752	See Worksheet 13	26,273	See Worksheet 13	27,360
Miscellaneous	592	401	0	183	944	5,766	514	393	248	No Change	248	Approx Same	429
CA - Bad Debt Expense	30,095	28,164	26,215	31,154	23,157	31,765	32,618	32,598	0	Use 5 Yr Average (19-23)	30,256	Slightly Higher	30,840
A&G - Advertising Expense	99	465	49	9	644	188	1,605	322	680	Project bids - no change	680	Approx same (normal ads)	1,200
Penalties	1,822	308	202	1,484	78	509	573	283	29	No Change	29	None Expected	240
Amortization of Tap on Expense	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,225	Plus 136.08 x 3	1,633	\$136.08 x 12	1,632
Other Taxes & Licenses	1,855	684	989	727	475	1,231	363	428	519	Plus \$36	555	Approx Same	600
Utility Regulatory Assessment Fee	7,507	8,060	8,372	8,521	8,236	8,984	6,894	5,951	7,745	No Change	7,745	Approx Same	8,100
Total Insurance & Other	128,721	116,108	120,926	112,586	94,468	116,283	130,227	134,548	66,482		118,559		127,776
Interest on Long Term Debt	180,452	163,155	144,378	127,395	113,424	99,108	86,446	74,299	48,619	See Int Worksht #3	63,996	See Int Worksht #3	56,166
Other Interest	59	49	11	181	41	140	91	161	0	No Change	0	Use 6 yr average	96
Customer Deposits	176	184	193	175	188	129	102	4,056	3,955	Div By 9 X 12	5,273	Approx Same	5,340
Total Interest Expense	180,688	163,389	144,581	127,751	113,653	99,377	86,639	78,516	52,574		69,268	Worksheet #3	61,602
Depreciation Expense	587,856	588,950	604,268	607,344	602,283	613,202	615,540	701,190	472,500	2023 Depreciation Sch	618,952	Worksheet #8	601,236
Amortization Expense	2,711	2,711	2,007	911	911	831	831	765	327	Actual Expected	436	Worksheet #5	436
(Gain) Loss on Disposal of Assets	5,748	-1,674	3,195	25	0	-425	-250	-916	-10,265	No Change	-10,265	None Expected	0
Total Expenses	4,061,011	4,318,148	4,320,093	4,404,329	4,271,966	4,547,533	4,783,213	4,647,851	3,391,585		4,561,257		4,745,426
Net Income	254,357	67,367	213,027.90	149,896.60	415,775.29	270,841.72	-26,175.27	568,470.49	782,129.00		1,014,282		859,427

**BULLOCK PEN WATER DISTRICT
2025 BUDGET WORKSHEET**

PRELIMINARY

	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	09/30/24 Actual		Projected 12/31/2024		2025 Budget
Expected Cash Flows													
Net Income Per Above	254,357	67,367	213,027.90	149,896.60	415,775.29	270,841.72	-26,175.27	566,470.49	762,129		1,014,282		859,427
+Depreciation & Amortization	602,200	603,294	607,907.43	609,887.66	604,826.63	615,666.11	618,004.11	703,588.31	474,052		621,021		603,305
To Balance									-30,769		-237,986		-759,767
+Proceeds from KIA Phase 14 Loan	230,983												
Net Effect - Chg of Pension Expense	115,439	209,812											
+Loss on Disposal of Assets	5,746	-1,674	3,195.16	25.00	0.00	-425.00	-250.00	-916.00	10,265		-10,265		0
+Proceeds from Sale of Assets	0	1,674	650.00	1,200.00	0.00	425.00	250.00	1,051.00					0
Difference between Interst Accrued and	-4,112	-4,102	-5,965.13	-1,834.58	-2,222.41	-2,513.69	-1,297.53	-1,263.00		Worksheet 3	-1,263	Worksheet 3	-1,194
Less - Increase in Current Assets/Decrease	-90,048	183,293	-116,992.50	89,195.00	8,348.73	-45,810.79	50,288.04	-212,952.67	-82,174		-82,174		
Less - Non Cash Contributions Included in Income													
Meters & Meter Installation													
Other Additions to Property, Plant & Equipment	-274,837	-142,126	-117,370.09	-83,559.00	-235,158.86	-219,682.17	-423,626.83	-672,649.86	-68,430		-68,430	See Capital Budget	-110,687
Principal Payments on Loans	-572,294	-681,352	-676,881.11	-439,812.00	-452,846.11	-474,271.10	-427,971.34	-399,702.92	-186,432	Worksheet #4	-287,292	See Worksheet #4	-264,950
Net Increase in Cash	267,433	238,185	-92,428.34	324,998.70	338,723.27	144,229.88	-210,778.82	-16,374.65	878,111		937,893		326,137
Cash Balances	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	9/30/2024		Projected 12/31/2024		Projected 12/31/2025
Revenue													
Replacement Reserve - Grant County E	743,136.45	806,656.23	870,382.99	935,121.63	702,897.92	765,670.33	828,458.21	891,371.54	838,531.65	See Cash Balances Worksheet	854,251.65	See Cash Balances Worksheet	917,192
Revenue B & T	109,753.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0
Revenue - Forcht	789,434.26	1,156,616.05	1,105,444.58	893,184.26	871,272.88	1,017,144.27	594,304.28	466,178.30	264,251.34	See Cash Balances Worksheet	264,353.34	See Cash Balances Worksheet	264,781
Revenue - Merchant Services	310,992.09	175,618.56	253,978.48	513,092.46	800,207.78	559,891.64	622,853.66	551,553.28	804,595.10	See Cash Balances Worksheet	804,871.10	See Cash Balances Worksheet	805,975
Debt Payment Account	143,437.90	172,035.20	105,218.02	210,808.20	154,187.65	249,807.09	354,361.59	493,533.35	531,886.66	See Cash Balances Worksheet	506,039.88	See Cash Balances Worksheet	667,486
Regions Bank Debt Payment Accounts													
Dry Ridge Tank	46,852.10	51,223.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0
Refinance	43,883.77	45,214.14	48,739.44	48,408.93	48,550.24	0.00	0.00	0.00	0.00	See Cash Balances Worksheet	0.00	See Cash Balances Worksheet	0
Phase 7	9,650.06	9,536.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00		0
Phase 8	30,648.78	30,354.01	31,237.68	31,241.28	31,920.68	31,483.58	32,301.65	33,842.06	27,566.83	See Cash Balances Worksheet	36,363.28	See Cash Balances Worksheet	38,016
Phase 10	19,708.50	19,547.33	19,503.96	19,554.28	20,388.66	20,139.55	20,056.88	22,498.85	18,047.07	See Cash Balances Worksheet	23,009.19	See Cash Balances Worksheet	24,085
Operation & Maintenance Account	99,158.55	116,416.27	15,743.69	69,708.98	41,748.85	137,126.03	46,764.31	148,230.43	125,111.11	See Cash Balances Worksheet	144,439.11	See Cash Balances Worksheet	155,251
Phase 5 Surcharge	2,214.83	2,799.79	4,475.53	5,852.35	6,317.29	5,257.86	8,802.59	9,214.42	5,092.37	See Cash Balances Worksheet	5,092.37	Approximately the Same	5,082
Phase 6 Surcharge	20,595.03	19,541.96	22,040.35	20,203.27	40,573.10	75,134.75	99,776.81	122,870.91	143,507.61	See Cash Balances Worksheet	150,386.61	See Cash Balances Worksheet	177,906
Phase 7 Surcharge	24,012.96	23,837.72	2,28	0.00	0.00	0.00	0.00	0.00	0.00	See Cash Balances Worksheet	0.00	See Cash Balances Worksheet	0
Phase 8 Surcharge	29,111.82	27,562.41	32,684.34	32,287.66	44,116.03	62,723.25	71,976.38	72,057.51	72,112.02	See Cash Balances Worksheet	72,130.02	See Cash Balances Worksheet	72,205
Phase 10 Surcharge	15,157.18	20,871.22	25,381.42	26,842.79	32,539.18	41,894.62	13,472.24	14,497.37	14,189.65	See Cash Balances Worksheet	14,183.66	See Cash Balances Worksheet	14,210
Reserve Account													
Current Reserve	150,805.91	150,070.04	151,511.74	151,777.96	152,424.79	152,687.26	152,916.44	153,145.97	153,317.87	See Cash Balances Worksheet	153,374.67	See Cash Balances Worksheet	153,609
FSA/HSA Account	10,804.84	4,949.12	4,081.28	3,921.54	4,857.94	5,195.05	6,915.57	6,029.02	7,666.57	See Cash Balances Worksheet	7,668.43	See Cash Balances Worksheet	7,778
Money Market - Forcht Bank	0.00	0.00	0.00	0.00	0.00	0.00	1,143,372.30	180,350.87	182,798.52	See Cash Balances Worksheet	183,381.52	See Cash Balances Worksheet	185,722
Customer Deposits - Current	229,648.25	229,218.54	278,261.37	327,397.38	287,847.10	327,456.27	379,877.05	424,688.86	456,414.30	See Cash Balances Worksheet	469,338.30	See Cash Balances Worksheet	461,854
Certificate of Deposit - Forcht	401,203.26	403,275.11	400,000.00	408,626.03	410,954.17	0.00	0.00	708,963.89	1,592,858.96	See Cash Balances Worksheet	800,808.96	See Cash Balances Worksheet	832,609
Certificate of Deposit - Heritage	200,000.00	202,603.83	205,227.05	207,926.89	211,056.75	214,274.97	0.00	0.00	0.00	See Cash Balances Worksheet	808,026.00	See Cash Balances Worksheet	840,125
Certificate of Dep WesBank/BankChina	200,885.32	203,476.60	206,121.63	207,879.87	500,000.00	0.00	0.00	0.00	0.00	See Cash Balances Worksheet	0.00	See Cash Balances Worksheet	0
Totals	3,635,279.15	3,671,464.38	3,779,038.04	4,104,034.74	4,442,758.01	4,586,987.89	4,376,209.07	4,359,834.42	5,237,945.64		5,297,727.27		5,623,865
	3,635,279.15	3,671,464.38	3,779,038.04	4,104,034.74	4,442,758.01	4,586,987.89	4,376,209.07	4,359,834.42	5,237,945.64		5,297,727.27		5,623,865
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0		0

**BULLOCK PEN WATER DISTRICT
2025 CAPITAL BUDGET**

	Cost	Life
85 New Meters	90,687	
Water Treatment Plant	0	{submission of plans in Jan 2025 but probably not out to bid until 2026}
New Billing Software	20,000	
Utility Truck	75,000	
Tapper	<u>2,000</u>	
Total Capital Budget	<u>187,687</u>	

Financing of the Capital Budget

District Funding	187,687	
KIA Funding	<u>0</u>	{KIA approved 15,000,000 but probably no expense or draw on funds before 2026 -- engineering costs incurred in 2024}
Total Financing of Capital Budget	<u>187,687</u>	

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
DECEMBER 2024 MEETING**

The December 2024 meeting of the Bullock Pen Water District was called to order on December 19, 2024, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Superintendent Paul Harp, Commissioners Andrea Walton, Bryan Slaughter and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr KEG, Amy Ruark and Ashley Dyer. William Wethington was absent.

The first order of business was a review of the November 2024 Minutes. After discussion, upon motion of Andrea Walton and second by Bryan Slaughter, it was unanimously,

“RESOLVED: the November 2024 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the November 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: the November 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber gave a report on the status of the Garrison litigation. Since the last meeting, nothing has happened. No word has been received from the City of Crittenden’s counsel regarding the District’s most recent partial proposal of settlement.
2. Mr. Nienaber reported that he has not yet heard anything regarding the Katie Drive Water Line Extension Project. He reported that his last contact was through a phone call with Mr. William Knoebel, Assistant County Attorney regarding the District’s position on the Easement status. Superintendent Harp reported that he has not heard anything from Boone County Water District. Ms. Ruark reported that she has not received any calls from residents on Katie Drive requesting water line hookup. Superintendent Harp stated that given the length of time that water has been in the pipes, they should be flushed and retested before any hookups are made.
3. Mr. Nienaber reported on the status of the Belden Gaines matter now pending before the PSC. Mr. Nienaber reviewed with the Commissioners the District response to the PSC’s First Request for Information. Superintendent Harp and Amy Ruark reported that they have carefully reviewed the attached Response and that the information contained therein is correct. Superintendent Harp signed the Response. Mr. Nienaber will file the document with the PSC.

Bullock Pen Water District
Minutes
December 19, 2024

4. Mr. Nienaber reported that the Amended Claim Form has been signed by Chairman Givin and filed with Napoli and Shkolnik. This Amended Claim Form establishes the District's request for \$1,500,000.00 to install a GAC filtration system in the new plant. Mr. Nienaber requested that KEG provide updated drawings and plans for the GAC filtration system and include an accurate cost estimate as soon as possible. Once that information is obtained, Mr. Nienaber will supplement the Amended Claim Form with that data.
5. Mr. Nienaber inquired as to the status of the Catlett Lease. Superintendent Harp reported that he issued an invoice to the Catletts for \$3,000.00 representing past due lease payments. Superintendent Harp reported that the Lessees have moved from the property. Superintendent Harp reported on the condition of the premises. He stated that the interior of the residential dwelling is in bad shape and needs repair. KEG reported that site prep on the property should begin sometime in early 2026. Given the short time before site prep begins, Superintendent Harp stated that it would not be economically feasible to re-let the premises. Superintendent Harp reported that the house should be razed with the barn. Superintendent Harp stated that District personnel have the proper equipment and could easily handle razing the building and barn. After discussion, Superintendent Harp was authorized to begin the process of razing the residence and the barn.

Mr. Nienaber indicated that he has reviewed the Declaratory Order entered by the PSC in Case No. 2023-00306 (attached). Mr. Nienaber is of the opinion that the removal of the building on the Catlett property would not violate that Order as removal of the building would be a point of public safety. Moreover, removal of the building would not, in Mr. Nienaber's opinion, be considered a part of the "construction project" for the WTP.

6. Mr. Nienaber shared with the Board Robert Miller's letter (attached) regarding the COSS study.
7. Mr. Nienaber reported on the status of the WTP Committee meeting. He shared with the Board an outline of issues to be discussed by the Committee. After discussion, the Committee members scheduled a meeting for Wednesday, January 15, 2025, at 9:00 a.m., at the District headquarters. Mr. Nienaber and KEG were requested to attend.

The next order of business was a report by Kentucky Engineering Group ("KEG") on the status of the WTP Project as follows:

- a) Mr. Carr reported that the plans and drawings for the WTP should be submitted to the DOW by February 1, 2025. A revised and updated cost estimate should also be completed by that date.
- b) Mr. Carr requested that the District schedule a meeting with the Kentucky Department of Fish & Wildlife sometime in February, 2025, to review with F & W the final WTP plans and drawings.

Bullock Pen Water District
Minutes
December 19, 2024

- c) Mr. Carr inquired as to whether or not conducting Geotech borings and other tests on the Catlett property would violate the PSC's previously entered Declaratory Order in Case No. 2023-00306 (see attached Order). Mr. Carr reviewed the Order and indicated that it was his opinion that the conduct of Geotech borings would not violate the Order. Mr. Nienaber stated that he would review the Order once again to insure there is no violation of that Order.
- d) Mr. Carr reviewed with the Board the Amendment to Owner-Engineer Agreement for professional engineering services. The attached revised Amendment should be executed by the District as an amendment to the original Professional Engineering Services Agreement. The revised Amendment predicts a design/bidding completion date of December, 2025. Bidding of the project would depend upon the confirmation of the financing. Mr. Carr requested authority for the District to sign the Amendment. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED that Chairman Givin be and he is hereby authorized to execute the attached Amendment to Owner-Engineer Agreement on behalf of the District, upon review and approval by counsel Thomas R. Nienaber.”

- e) Mr. Carr gave a report on funding status. He reported that KIA is still committed to advancing \$15,000,000.00 in funds for financing of the WTP Project. He requested that the remainder of the monies needed for the WTP Project come through the Rural Development Administration (“RDA”). Mr. Carr suggested that borrowing money through RDA would expedite PSC approval.
- f) Mr. Nienaber inquired of Superintendent Harp as to the lake levels over the last month. Superintendent Harp reported that the Bullock Pen Lake is maintaining a steady lake level.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

- 1. Mr. Hanson reported that the engineering plans for the various road projects have been approved by KYTC.

The next order of business was a report by Superintendent Harp as follows:

- 1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.

Bullock Pen Water District

Minutes

December 19, 2024

2. Superintendent Harp reported that the DOW has approved the drawings for Heartland Meadows Subdivision.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ashley Dyer reviewed with the Board the Salary Committee's report and recommendation as attached. Overall, Ms. Dyer reported that the District's total payroll is projected to be up to \$833,000.00 for the calendar year 2025. This represents an approximate \$14,000.00 increase from 2024. Ms. Dyer reported that the Salary Committee has recommended that raises be granted pursuant to the attached Report. After discussion, upon motion of Rodger Bingham, and second by Bryan Slaughter, it was unanimously,

"RESOLVED that salaries and wages for District employees for the calendar year 2025 be adopted as set forth in the attached Report."

2. Ms. Ruark requested the District to approve the Morris & Bressler engagement letter as attached. Mr. Nienaber stated that the Engagement Letter is the same as last year. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

"RESOLVED that the District engage the services of Morris & Bressler and that Chairman Givin be and he is hereby authorized and directed to execute the attached Engagement Letter."

3. Ms. Ruark reported that the District's budget for the calendar year 2025 needs final action. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

"RESOLVED that the District approve its annual 2025 Budget as attached."

4. Ms. Ruark reported that the District should conduct an election of officers. Thereupon, Chairman Givin opened the floor for nominations. Andrea Walton made the following nominations:

Chairman, Charles Givin
Vice Chair, Andrea Walton
Treasurer, Rodger Bingham
Secretary, William Wethington

No further nominations were received thereupon, nominations were closed. After discussion, Chairman Givin called for a vote. Thereupon, the following officers were unanimously elected for the calendar year 2025:

Bullock Pen Water District
Minutes
December 19, 2024

Chairman, Charles Givin
Vice Chair, Andrea Walton
Treasurer, Rodger Bingham
Secretary, William Wethington

5. Ms. Ruark reported that in light of Dianne Cook's retirement, it will be necessary to revise all of the District signatory authority and documentation at Forcht Bank. After discussion, upon motion of Andrea Walton and second by Bryan Slaughter, it was unanimously,

"RESOLVED as follows:

- 1) That Dianne Cook's name be removed as authorized signatory from all accounts held by the District at Forcht Bank.
- 2) The authorized signatory for all District bank accounts shall be Naomi Wilson, Ashley Dyer, Rodger Bingham, Paul Harp, Amy Ruark, and Charles Givin.
- 3) All checks shall require two signatures as follows: One signature from either Naomi Wilson, Ashley Dyer, or Amy Ruark; and one signature from Paul Harp, Rodger Bingham and/or Charles Givin.
- 4) All authorized signatories are hereby directed to execute any and all papers necessary in order to establish new accounts."

6. Ms. Ruark reported that the next meeting is scheduled for January 23, 2025.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

EXHIBIT B
REQUEST FOR REIMBURSEMENT AND PROJECT STATUS REPORT

Grantee: Bullock Pen Water District

WX/SX Number: WX21081022 KIA Grant #: 22CWW213
 Draw Number: 3 Date: 12/4/2024

Request Amount: \$34,915.00
 Is this the Final Draw? No

Project Costs	Project Budget	Total Prior Expenses	Expenses This Request	Balance After Draw
Administrative	-	-	-	-
Legal	-	-	-	-
Land/Appraisals/Easements/RofW	-	-	-	-
Relocation Expense	-	-	-	-
Planning	10,000.00	-	-	10,000.00
Engineering Fees - Design	294,464.00	90,000.00	60,000.00	144,464.00
Engineering Fees - Construction	-	-	-	-
Engineering Fees - Inspection	-	-	-	-
Engineering Fees - Other	-	-	-	-
Construction	-	-	-	-
Equipment	-	-	-	-
Contingency	-	-	-	-
Other	-	-	-	-
Totals	304,464.00	90,000.00	60,000.00	154,464.00
If expenses exceed the project budget, a revised budget must be submitted to & approved by the Authority before funds will be released.				
Project Funding	Project Budget	Total Prior Expenses	Expenses This Request	Balance After Draw
21CWW305	115,085.00	90,000.00	25,085.00	-
22CWW213	189,379.00	-	34,915.00	154,464.00
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
Totals	304,464.00	90,000.00	60,000.00	154,464.00

Bullock Pen Water District has entered into an Assistance Agreement with the Kentucky Infrastructure Authority (the "Authority") for the acquisition and construction of facilities described in the Assistance Agreement as the "Project."

Pursuant to the Assistance Agreement, Bullock Pen Water District hereby certifies that the following expenses were incurred in connection with the Project (WX21081022) and that the Authority's share of these expenses is in the amount so denoted in this request. Documentation supporting the expenses incurred and identified per this request are attached.

We certify that the expenses in this draw request were incurred pursuant to local procurement policies which conform to KRS 45A.

Exhibit 11 is included with this draw or has been sent:

No

Holly Nicholas
 Submitter Name

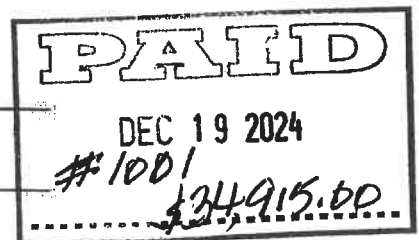
Holly Nicholas
 Authorized Official's Signature

12/5/24
 Date

859-333-9742
 Submitter Phone #

Holly Nicholas
 Project Administrator's Signature

10/16/2024
 Date



**EXHIBIT B
REQUEST FOR REIMBURSEMENT AND PROJECT STATUS REPORT**

Grantee: Bullock Pen Water District

WX/SX Number: WX21081022

KIA Grant #: 21CWW305

Draw Number: 3

Date: 12/4/2024

Request Amount: \$25,085.00

Is this the Final Draw? No

Project Costs	Project Budget	Total Prior Expenses	Expenses This Request	Balance After Draw
Administrative	-	-	-	-
Legal	-	-	-	-
Land/Appraisals/Easements/RofW	-	-	-	-
Relocation Expense	-	-	-	-
Planning	10,000.00	-	-	10,000.00
Engineering Fees - Design	294,464.00	90,000.00	60,000.00	144,464.00
Engineering Fees - Construction	-	-	-	-
Engineering Fees - Inspection	-	-	-	-
Engineering Fees - Other	-	-	-	-
Construction	-	-	-	-
Equipment	-	-	-	-
Contingency	-	-	-	-
Other	-	-	-	-
Totals	304,464.00	90,000.00	60,000.00	154,464.00
If expenses exceed the project budget, a revised budget must be submitted to & approved by the Authority before funds will be released.				
Project Funding	Project Budget	Total Prior Expenses	Expenses This Request	Balance After Draw
21CWW305	115,085.00	90,000.00	25,085.00	-
22CWW213	189,379.00	-	34,915.00	154,464.00
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
Totals	304,464.00	90,000.00	60,000.00	154,464.00

Bullock Pen Water District has entered into an Assistance Agreement with the Kentucky Infrastructure Authority (the "Authority") for the acquisition and construction of facilities described in the Assistance Agreement as the "Project." Pursuant to the Assistance Agreement, Bullock Pen Water District hereby certifies that the following expenses were incurred in connection with the Project (WX21081022) and that the Authority's share of these expenses is in the amount so denoted in this request. Documentation supporting the expenses incurred and identified per this request are attached. We certify that the expenses in this draw request were incurred pursuant to local procurement policies which conform to KRS 45A.

Exhibit 11 is included with this draw or has been sent:

No

Holly Nicholas
Submitter Name

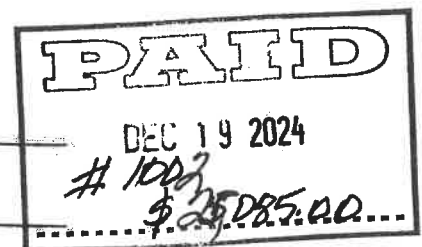
859-333-9742
Submitter Phone #

Holly Nicholas
Authorized Official's Signature

Holly Nicholas
Project Administrator's Signature

12/5/24
Date

10/16/2024
Date



**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
JANUARY 2025 MEETING**

The January 2025 meeting of the Bullock Pen Water District was called to order on January 24, 2025, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Superintendent Paul Harp, Commissioners William Wethington, Bryan Slaughter and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr KEG, Amy Ruark and Ashley Dyer. Commissioner Andrea Walton was absent.

The first order of business was a review of the December 2024 Minutes. After discussion, upon motion of Bryan Slaughter and second by William Wethington, it was unanimously,

“RESOLVED: the December 2024 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the December 2024 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of William Wethington and second by Rodger Bingham, it was unanimously,

“RESOLVED: the December 2024 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that he has not yet heard anything from Boone County regarding the Katie Drive Project. Superintendent Harp reported that the lines are in place and have been inspected. They are ready for tap-ins when the easement issue is resolved.
2. Mr. Nienaber inquired as to the status of the Catlett Lease. Superintendent Harp reported that the Catletts have paid all rent and the Lease matter is closed. Superintendent Harp reported that the District crew will undertake demolition of the barn and house when weather permits.
3. Mr. Nienaber reported that the WTP Committee met on January 15, 2025. He reviewed with the Board the attached Minutes of that meeting. Chairman Givin gave a summary of the Committee Meeting as well. He noted that the Committee has determined that the best way to move forward regarding communications with the various Fiscal Courts would be to prepare a short information sheet which would contain information including project costs, and a brief comparison of constructing a new water treatment plant versus a 100% water purchase business model. This information sheet should demonstrate that economically it is in the District's best interest to construct the new water treatment plant. He reported that the Committee believes this information should be shared with the Fiscal Courts of Boone, Kenton and Grant counties. Chairman Givin stated that he and Commissioner Wethington should meet with the Boone County Judge Executive and Grant County Judge Executive when the information sheet is available. Mr. Carr from

Bullock Pen Water District
Minutes
December 19, 2024

KEG said that he would begin preparing the information sheet and present it at the next meeting. Mr. Carr recommended that the information sheet be clear and brief. The information sheet should support the District's decision to construct a new water treatment plant versus a 100% water purchase business model. Commissioner Slaughter asked how he should respond to inquiries from the public-at-large regarding the upcoming project. Chairman Givin recommended that any Commissioner who is contacted regarding the project should communicate that information is available at any regular meeting of the District. It would be best not to explain specifics about the project until the information sheet is available. Commissioner Wethington inquired as to when the District should undertake the task of communicating the project details to its customers. Mr. Nienaber suggested that the District schedule a public hearing at some time and announce it through customer billing. Mr. Carr suggested that a notification through customer billing not be done. Rather, a simple legal notice and publications should suffice. Mr. Carr indicated that at some time prior to undertaking the commencement of construction, a public hearing will need to be held per KIA and/or RD. Chairman Givin stated that the Grant County Sanitary Sewer District conducted a public hearing before its last rate increase. Only five (5) people showed up. Commissioner Slaughter stated that he has heard that City of Crittenden officials are complaining about the Project. Commissioner Wethington stated that he has heard from Boone County representatives that the Boone County Water District wants the District to purchase more water. Superintendent Harp reported that he was contacted by State Senator Gex Williams on January 22, 2025. Senator Williams was inquiring about the WTP Project, fire suppression and hydrants; construction of a US 25 pipeline and an industrial park that is scheduled for construction on US 25. Mr. Nienaber suggested that Senator Williams be invited to attend the next meeting. Superintendent Harp stated that he gave Senator Williams Chairman Givin's contact information. Superintendent Harp also indicated that he was contacted by Richard Harrison of NKWD on January 21, 2025, to talk about the WTP Project and the possibility of selling more water to the District. Commissioner Bingham once again stated that the District make no contact with anyone until the information piece is completed and all information is confirmed. Mr. Nienaber once again recommended that the District undertake a communication project with customers and the effected Fiscal Courts in order to explain the Project and the underlying financial decisions made by the District. Mr. Nienaber then reviewed with the Board the various Water Purchase Agreement which the District has with NKWD, Boone County, City of Walton and City of Williamstown. Mr. Nienaber reviewed the NKWD Water Purchase Agreement (attached). He also reviewed with the Board the Boone County Water Purchase Agreement.

4. Mr. Nienaber reported that he has heard from KLC about legislation that will be considered by the General Assembly relating to fluoridation of water. There is talk in Frankfort that KRS 211.190 will be revised to allow individual water districts to make a decision whether or not to fluoridate their water. Superintendent Harp stated that cancellation of the District's fluoridation program would not save the District much money. The cost of fluoridating is not a significant expense. However, Superintendent

Bullock Pen Water District
Minutes
December 19, 2024

Harp reported that fluoride is a dangerous substance and he is in favor of dropping the fluoridation program.

5. Mr. Nienaber reported that he has heard nothing regarding the Garrison litigation.
6. Mr. Nienaber reported that he has heard nothing from the PSC regarding the Belden Gaines pending Complaint.
7. Mr. Nienaber reported that he had spoken with representatives of Napoli & Shkolnik regarding the status of the PFAS litigation. Currently, there have been no settlement distributions made through the MDL. Mr. Nienaber reported that Napoli & Shkolnik could not opine as to when any settlements would be distributed to MDL litigants.

The next order of business was a report by Kentucky Engineering Group, Inc., Mr. Ryan Carr, as follows:

1. Mr. Carr stated that he is working on a 1-page summary for use by the District as referenced above. He reported that the final plans and drawings for the WTP Project should be submitted to the DOW by January 30, 2025. Mr. Nienaber requested that once the final plans and drawing are complete, two copies be deposited at the District headquarters for use by the District. Mr. Carr reported that John Brady from KIA is going to present the District's loan request at the April/May, 2025 meeting of KIA. He also stated that KEG is currently putting together a Rural Development Loan Application which should be completed in the next two weeks. Mr. Carr stated that the RD Loan Application will need to be filed through the District's office. Representatives from KEG will walk Superintendent Harp through the process. Mr. Carr reported that the KIA loan will be for \$15,000,000.00 and RD Application will be in the amount of \$5,000,000.00. Mr. Nienaber inquired as to whether or not these loan commitments are able to be cancelled if the project is cancelled at some point in the future. Mr. Carr reported that they were. Bryan Slaughter inquired as to whether or not BABA requirements would apply to the project. Mr. Carr reported that he is still looking into that element of the Project. A waiver request will be submitted on behalf of the District. Mr. Carr stated that if BABA applies, the cost of the Project will definitely be higher. In any event, a final decision as to whether or not BABA will apply to the project must be made before construction plans are submitted for bidding. Mr. Carr is cautiously optimistic that BABA will not apply.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson had nothing new to report at this time.

The next order of business was a report by Superintendent Harp as follows:

Bullock Pen Water District
Minutes
December 19, 2024

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that the PSC conducted a thorough inspection last week. Everything went well. He indicated that the PSC inspection revealed three minor issues relating to equipment. There were no significant deficiencies reported in the inspection.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Ruark shared with the Board the Engagement Letter from Chamberlin & Owen regarding the District's December 31, 2024 year end audit. The Engagement Letter indicates that the cost of the Audit would not exceed \$14,200.00. Mr. Nienaber stated that the Engagement Letter is in order. After discussion, upon Motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that Chairman Charles Givin be and he is hereby authorized to execute the attached Engagement Letter with Chamberlin & Owen for the purpose of conducting the District's annual year-end audit for December 31, 2024, at a cost not to exceed \$14,200.00.”

2. Ms. Ruark reviewed with the Board the upcoming PSC training seminar schedule. Mr. Nienaber stated that these training seminars are very informative, and that Commissioners should be encouraged to attend if at all possible.
3. Ms. Ruark reported that the next scheduled meeting is February 20, 2025.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles D. Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
FEBRUARY 2025 MEETING**

The February 2025 meeting of the Bullock Pen Water District was called to order on February 20, 2025, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Superintendent Paul Harp, Commissioners William Wethington, Bryan Slaughter, Andrea Walton, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr, and Ashley Dyer.

The first order of business was a review of the January 2025 Minutes. After discussion, upon motion of William Wethington and second by Bryan Slaughter, it was unanimously,

“RESOLVED: the January 2025 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the January 2025 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: the January 2025 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that he received a letter penned by Senator Gex Williams sent to Boone-Florence Water Commission (“Commission”), Attention: Mr. Jeff Eger, Manager. A copy of that letter is attached. In summary, Williams’ letter invites the City of Walton and the District to participate in the Commission’s upcoming Study of water needs in Northern Kentucky. Senator Williams states in his letter that it is imperative that all Northern Kentucky Water Districts cooperate in this Study to ensure the highest quality water at the lowest cost for all rate payers. Mr. Nienaber stated that he had received the Williams’ letter earlier in the morning. After reviewing the letter, Mr. Nienaber stated that he had a number of questions in that the Williams’ letter is somewhat “vague” in counsel’s opinion. Mr. Nienaber stated that Williams’ letter could be interpreted to suggest that the District in some way “merge” with the Commission and/or other water districts in the area. Commissioner Wethington stated that he had two phone conversations, one with representative Tom Massey and one with Senator Williams. Commissioner Wethington reported that it was his understanding that Boone County is extending larger lines on U.S. Highway 25 to allow for major development in that area. Commissioner Wethington stated that while he concurs with Chairman Givin’s opinion that the District should continue to move forward with the WTP Project, he believes that the District should cooperate with the Commission to see what specifically the Commission has in mind. Mr. Nienaber stated that he agrees the District should reach out to the Commission. However, Mr. Nienaber cautioned the District that to participate in a “Study” could take a significant amount of time which could have adverse consequences to the WTP Project. Accordingly, Mr. Nienaber suggested that any meeting with the Commission should be planned as soon as possible. Chairman Givin

Bullock Pen Water District
Minutes
February 20, 2025

stated that it was his opinion that the District should wait for the Commission and/or other interested parties to reach out to the District. Otherwise, the District should move forward with the WTP Project. Mr. Nienaber further opined as to whether or not the District should reach out to Senator Williams, Representative Massey, and/or the Commission. Chairman Givin stated "No, they would contact us and set up a meeting". Superintendent Harp reported that he spoke with Senator Williams earlier and extended to Senator Williams an open invitation to attend the District's January meeting. Senator Williams did not accept that invitation. Commissioner Wethington stated that he agrees with Chairman Givin to some extent, however, the District should reach out to Mr. Eger. After considerable discussion, Commissioner Wethington stated he would call Mr. Eger and Senator Williams in an effort to schedule a meeting. Commissioners Bingham, Slaughter, and Walton agreed. Chairman Givin requested that he be informed as to the results of Commissioner Wethington's phone call with Mr. Eger and/or Senator Williams.

2. Mr. Nienaber reported that there have been no recent developments in the Garrison litigation.
3. Mr. Nienaber stated that he has not yet heard anything regarding the Katie Drive Project. Superintendent Harp stated that he has not received any word either.
4. Mr. Nienaber provided an update on the Belden Gaines Complaint now pending with the Public Service Commission. Mr. Nienaber shared with the Board a filing made by Mr. Gaines on February 17, 2025. He stated that the most recent filing by Mr. Gaines does not add anything "new" to the situation that has not already been said time and time again. The only additional comments are that Mr. Gaines asserts that the District is 100% at fault and that he has no responsibility whatsoever. A copy of Mr. Gaines' filing is attached.

The next order of business was a report by Kentucky Engineering Group, Inc., Mr. Ryan Carr, as follows:

1. Mr. Carr shared with the Board his financial analysis of the WTP Project. Copies of his analysis are attached. In summary, it is KEG's opinion that the WTP Project would be in the District's best interest, as well as the customer's best interest.
2. Mr. Carr reported that the engineering drawings and specifications for the WTP Project have been submitted to the DOW for approval. Mr. Carr does not know when that approval will be obtained.
3. Mr. Nienaber inquired as to some concerns he has about the KEG summary. Mr. Nienaber shared with the Board his summary of comments dated February 18, 2025. The following discussion occurred with respect to Mr. Nienaber's comments. In response to

Bullock Pen Water District
Minutes
February 20, 2024

the questions posed in Mr. Nienaber's February 18, 2025 correspondence, KEG responded as follows:

- 1) Mr. Carr stated that the assumed 1% inflation rate is immaterial in that any change would not affect the overall gap between water production costs and purchase costs.
- 2) Mr. Carr and Superintendent Harp believe that the 2.25% annual increase in water usage is an accurate number.
- 3) The \$4.59 per thousand gallons is the price currently charged by NKWD. The \$4.31 per thousand gallon rate is a "weighted average" of all other wholesale suppliers.
- 4) The 1% increase in water rates from wholesale customers is acceptable to Superintendent Harp and Mr. Carr.
- 5) Mr. Carr stated that the 500,000 gallon per day number used throughout the entire 30 year analysis period is acceptable.
- 6) Mr. Nienaber explained the current withdraw rates allowed by Kentucky Department of Fish and Wildlife (F&W). The withdraw rates assumed in Mr. Carr's analysis exceed the amounts of water allowed to be withdrawn from Bullock Pen Lake. Mr. Nienaber expressed concern over the withdraw rates and production rates assumed by KEG in its analysis. Mr. Nienaber also expressed concern over the F&W withdraw rates currently approved by that entity (attached). Mr. Nienaber also stated that an agreement must be entered into with F&W whereby there is a firm commitment to allow the District to withdraw established amounts of water from Bullock Pen Lake. Mr. Nienaber stated that in his opinion any financing entity for the WTP Project would require such an agreement to insure that the District has a "guaranteed" water source.
- 7) Mr. Nienaber believes that a 1% increase over water production costs during the 30 year analysis period is unrealistic. Superintendent Harp and Mr. Carr believe that this number is acceptable.
- 8) See response to number 6 above.
- 9) Mr. Carr suggested that the District schedule a meeting with F&W as soon as possible. Mr. Nienaber concurred. Chairman Givin suggested that before the meeting, Superintendent Harp prepare a summary of all available water withdraw numbers from Bullock Pen Lake and lake level statistics. Superintendent Harp reported that he could get those numbers together and would provide them to KEG and Mr. Nienaber. A discussion was held as to who should attend the F & W meeting. After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

"RESOLVED: A meeting be scheduled with F & W as soon as possible. That meeting should include Ryan Carr, Superintendent Harp, Chairman Givin, and counsel, Thomas R. Nienaber."

Bullock Pen Water District
Minutes

February 20, 2025

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson had nothing new to report.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that the Elliston Bridge Project has a pre-construction meeting scheduled for next week. He will attend.
3. Superintendent Harp reported that Caleb Spray passed his Wastewater Collection Test. Pursuant to his employment agreement, he is entitled to a 2.5% pay increase effective February 28, 2025. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Caleb Spray receive a 2.5% pay increase effective February 28, 2025.”

4. Superintendent Harp reported that the District has an issue with customer, Justin Stallmeyer, 13839 Walton Verona Road, Walton, Kentucky. Apparently, there was a material “radio read” meter reading issue which lasted over a period of several months. The radio read machine was giving false reading numbers. During this period of time, there was also a leak at Mr. Stallmeyer’s residence. As a result, approximately 578,000 gallons of water ran though the meter that was undetected by the meter reading machine. Once the leak and error were detected, the issue was remedied and the customer notified. Superintendent Harp requested direction from the Board. Mr. Nienaber stated that the District should bill the customer for the customer’s average monthly usage and forgive any charges for water which leaked during the period that the meter reading machine was giving false readings. Superintendent Harp reported that one of the bills received by the customer was for 26,000 gallons which the customer paid without objection. Mr. Nienaber stated that a credit should be given to the customer for water usage over and above his average monthly amount. After discussion, upon motion of William Wethington and second by Andrea Walton, it was unanimously,

“RESOLVED: that Superintendent Harp adjust the Stallmeyer bill to reflect only charges for the average monthly usage during the period of false readings and that the customer receive a credit for the payment over the average monthly use during the month 26,000 gallons were charged.”

Bullock Pen Water District
Minutes
February 20, 2024

5. Superintendent Harp requested that he be given permission to purchase 150 meter heads at \$247.00 each. This would allow for a more productive replacement of meter heads. Superintendent Harp reported after inquiry by Counsel Nienaber, that the meter heads are specific to that particular meter manufacturer and cannot be quoted on the "open market". Basically, "meter heads" are replacement parts for the District's existing meters. Mr. Nienaber also noted that the current limitation on public bidding requirements is \$40,000.00. After considerable discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

"RESOLVED: that Superintendent Harp be and he is authorized to purchase 150 meter heads at a cost not to exceed \$247.00 each."

6. Superintendent Harp reported on the PSC inspection. Two issues were noted as set forth in the attached report from the PSC. In order to comply with one of the violations. Superintendent Harp reported the District will eventually need to purchase 20 meter setters at a cost of \$1,800.00 each. At this time, Superintendent Harp only needs to purchase 4 or 5.

The next order of business was a report by Ashley Dyer as follows:

1. Ms. Dyer gave a report on the Management Agreement review. A copy of her review is attached. In summary, Ms. Dyer stated that the Sixth Amended Management and Operational Services Agreement with the Grant County Sanitary Sewer District should be increased from \$17,998.00 per month to \$20,522.00 per month. This represents an increase of \$2,524.00 per month. After discussion, upon motion of Rodger Bingham and second by William Wethington, it was unanimously,

"RESOLVED: that the District approve an increase in the monthly payment charged to the Grant County Sanitary Sewer District increasing that payment from \$17,998.00 to \$20,522.00. Mr. Nienaber is hereby directed to prepare a Seventh Amended Management and Operational Services Agreement for presentation to the Public Service Commission."

2. Ms. Dyer reported changes in the St. Elizabeth Business Health Drug Testing Administration. Ms. Dyer presented a document detailing what the District currently drug tests for in regards to CDL licenses and non-CDL employees. Ms. Dyer's reported that it is incumbent upon the District to modify our drug policy in order to drug test all employees for the same substances regardless of CDL status. Commissioner Slaughter asked about the potential implications with the approval of medical marijuana in the State of Kentucky. Mr. Nienaber reported that this issue has not yet been resolved through the General Assembly, or through the courts. Mr. Nienaber stated that the presence of marijuana can remain detectable in a blood sample for weeks. Currently, there are zero

Bullock Pen Water District
Minutes
February 20, 2025

tolerance exceptions with respect to operators under a CDL. As of this time, Mr. Nienaber is unaware of any exceptions, guidelines, or standards which are in place for CDL operators, vis-à-vis the use of medical marijuana. Mr. Nienaber stated that he would contact the Kentucky Rural Water Association and Kentucky League of Cities to see if they have any information regarding this important issue. After considerable discussion, upon motion of Bryan Slaughter and second by Rodger Bingham, it was unanimously,

“RESOLVED: that the District adopt the revised drug testing policy recommended by St. Elizabeth Hospital as attached.”

3. Ms. Dyer reported that the Northern Kentucky Water District Training Seminar is scheduled for April 3, 2025. Anyone wishing to attend should notify Ms. Dyer as soon as possible.
4. Ms. Dyer reported that the District's Certificate of Deposit at Forcht Bank expired on February 18, 2025. Ms. Dyer reported that Forcht Bank is offering a 5 month certificate of deposit at 4.12% APR and 4.25% APY. The current certificate of deposit is \$792,000.00. Rodger Bingham also suggested that Amy Ruark be authorized to put additional funds into the CD as she sees fit. After discussion, upon motion by Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: that Ms. Dyer be and she is hereby directed to renew the certificate of deposit with Forcht Bank at a term not to exceed 5 months, and interest rate not less than 4.12% APR and 4.25% APY % interest. Amy Ruark will deposit an additional \$300,000.00 into the current CD”

5. Ms. Dyer reported that the next meeting is currently scheduled for March 20, 2025. There being conflicts, the meeting was rescheduled for March 27, 2025. Ms. Dyer is directed to make the appropriate notifications.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: 
CHARLES GIVIN, CHAIRMAN

ATTEST:

for 
WILLIAM WETHINGTON, SECRETARY



TOURISM, ARTS AND HERITAGE CABINET
KENTUCKY DEPARTMENT OF FISH & WILDLIFE RESOURCES

Andy Beshear
Governor

91 Speedbriar Lane
Frankfort, Kentucky 40601
Phone (502) 564-3400
Fax (502) 564-0506

Mike Berry
Secretary

Rich Storm
Commissioner

August 30, 2021

Bullock Pen Water District
Attn: Charles Given, Chairman
1 Furrell Drive
Crittenden KY 41030

Re: Bullock Pen Lake Water Withdrawal

Dear Mr. Given:

The Kentucky Department of Fish and Wildlife Resources has analyzed the model results produced by DOW for different withdraw rates from **Bullock Pen Lake**. We have determined we can allow a 1.5 Million Gallons per Day (MGD) withdraw rate until the lake lowers to elevation 759' MSL. Once the lake drops to elevation 759' MSL, then a withdraw rate of 0.5 MGD will be permissible until the lake rises above 759'.

In exchange for the water, KDFWR is requesting **Bullock Pen Water District (BPWD)** to provide routine maintenance to the boat ramp and associated parking area. Routine maintenance shall include **mowing** the grass, weed eating, picking up trash and spraying for noxious weeds in the rip rap.

KDFWR is also requesting for BPWD to fund the construction of an additional boat ramp lane allowing access to deeper water. BPWD **shall not be required to provide the funding until the lake drops to a level where the current boat ramp is not usable for a consecutive 2 weeks**. KDFWR shall determine at what level the boat ramp is no longer safe to use as the water is dropping. KDFWR is asking BPWD to agree to pay up to \$50,000 for the construction of this additional lane.

This letter is to serve as one intent for the water withdraw request. KDFWR and BPWD will formally enter into an agreement by executing a Memorandum of Agreement prepared by KDFWR. If BPWD is agreeable to the terms in this letter KDFWR will draft an MOA accordingly.

Sincerely,

Michael Scott, PE
Director
Engineering, Infrastructure and Technology Div.

Cc: Phillip Denton Hanson PE, HMB Professional Engineers, Inc.
Chloe Brantley, Division of Water



COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
 DEPARTMENT FOR ENVIRONMENTAL PROTECTION
 DIVISION OF WATER
 FRANKFORT, KENTUCKY 40601

PERMIT TO WITHDRAW PUBLIC WATER

Permit Number: #0486

Issued to: **Bullock Pen Water District**
One Farrell Drive
Crittenden, KY 41030

The Natural Resources and Environmental Protection Cabinet authorizes the above named party to withdraw Public Water of the Commonwealth of Kentucky. This permit has been issued under provisions of KRS Chapter 151.125, 151.140 and 151.150 and regulations promulgated with respect to the withdrawal of public waters. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits or licenses required by this Cabinet, or other state, federal or local agencies. Withdrawals are restricted to the stated quantities, times and locations specified below. This permit represents a limited right of use and does not vest ownership nor absolute right to withdrawal or use of Public Water, nor does it guarantee that requested amounts will be available for use at all times. In times of drought or emergency, the Cabinet may temporarily alter the conditions of the permit. Any violation of the Water Resources Act of 1966 as amended is subject to penalties as set forth in KRS 151.990 and other applicable provisions of law.

The location of the authorized water withdrawal is as follows:

Surface intake located in Bullock Pen Lake at RM 2.8 of Bullock Pen Creek, off of Highway 1548; Grant County; Latitude 38°47'53"N, Longitude 84°38'30"W.

Water withdrawals are limited to the following rates from the specified location:

Jan. 750,000 gpd	April 750,000 gpd	July 850,000 gpd	Oct. 750,000 gpd
Feb. 750,000 gpd	May 850,000 gpd	Aug. 850,000 gpd	Nov. 750,000 gpd
March 750,000 gpd	June 850,000 gpd	Sept. 850,000 gpd	Dec. 750,000 gpd

Conditions to this permit are as follows:

1. Withdrawal rates must be accurately measured by meter or other device approved by the Cabinet.

Issued: March 2, 1967

Latest Revision: April 16, 1997

A. Lee Smith

Manager, Water Resources Branch
 Division of Water

BULLOCK PEN WATER DISTRICT

1 Farrell Drive • P.O. Box 188 • Crittenden, KY 41030 • (859) 428-2112

Purpose and Need for the Project – February 2025

A *Water Treatment Plant Feasibility Study* was completed in June 2021 for Bullock Pen Water District (BPWD). The purpose of the study was to evaluate the water treatment system and determine improvements needed to meet current & future treatment requirements and increase water treatment capacity.

The existing water treatment plant was built in 1961 with minor improvements in 1977 and expanded in 1986. Most of the treatment components are nearly 40 years old and in poor condition. The existing plant poses safety risk to personnel and being out of compliance with permit regulations. It was determined that the treatment plant must be upgraded or replaced to continue operation and meet current/future treatment standards.

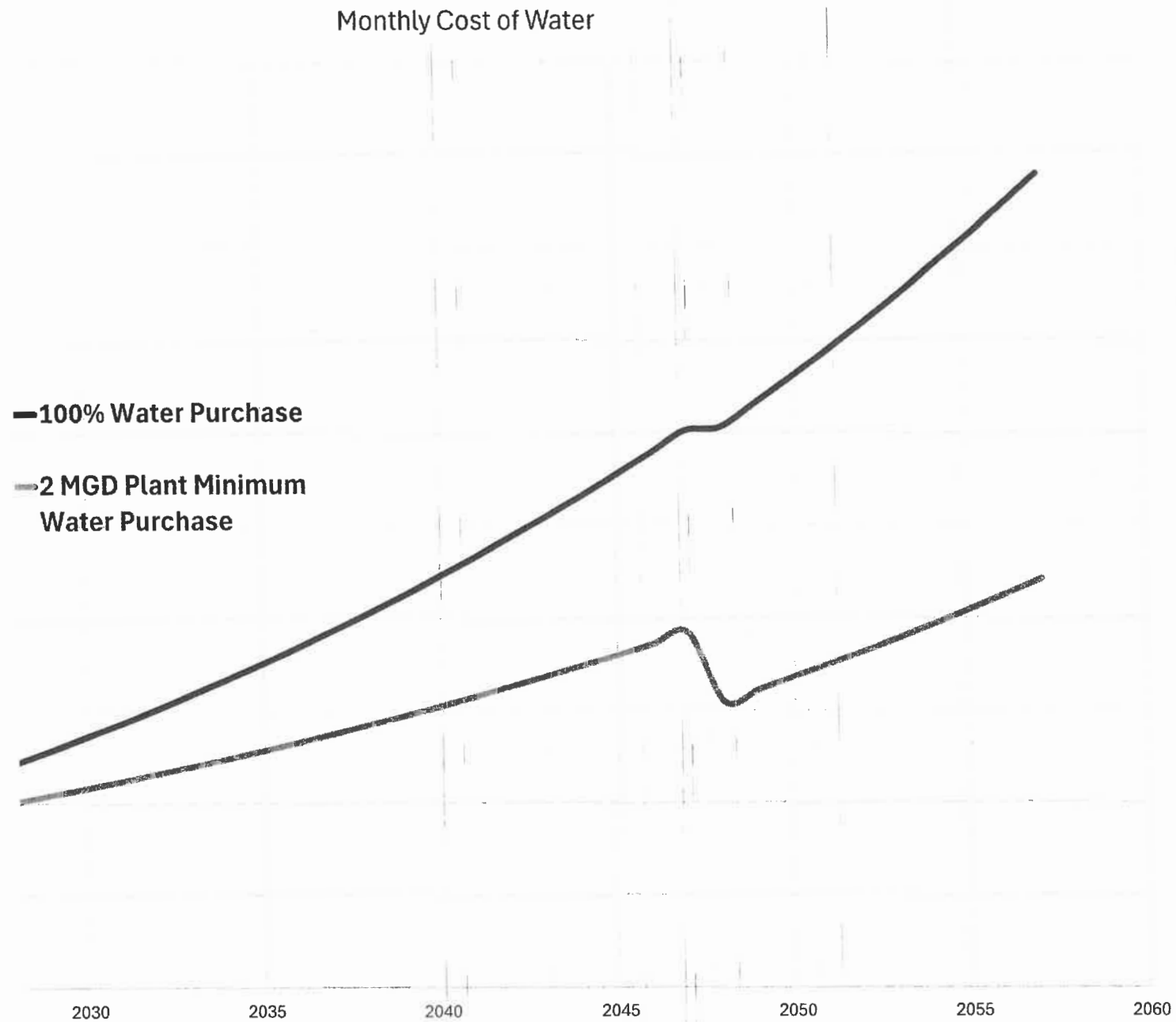
The selected size of the new water treatment plant of 2.0 million gallon per day (MGD) was determined to accommodate future growth and consider water purchase agreements. The conventional treatment process design along with granular activated carbon advanced treatment will help to ensure the plant's ability to meet future regulatory requirements.

The total estimated project cost is \$19,782,000. Project funding for the project is as follows:

- | | |
|--------------------------|--------------|
| • KIA SRF Fund F | \$15,200,000 |
| • Cleaner Water Grant | \$304,464 |
| • USDA Rural Development | \$4,277,536 |

BPWD evaluated 100% wholesale purchases of its water from neighboring utilities and decommissioning its existing water treatment plant. The total estimated project capital cost for improvements to the existing BPWD system is \$5,000,000. A 30-year life cycle cost analysis was completed for BPWD purchasing 100% of water versus constructing and producing water from a new water treatment plant. The results of the analysis are shown in Table 1-1 in terms of a monthly cost comparison. The new water plant is the more cost effective option from the day it goes into service and it becomes even more cost effective once the debt is retired.

The projected average rate increases to finance a new 2 MGD water treatment plant with the proposed funding is approximately 10%-15%. Rates will be finalized once construction is completed and all necessary financing is in place.



**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
MARCH 2025 MEETING**

The March 2025 meeting of the Bullock Pen Water District was called to order on March 27, 2025, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Superintendent Paul Harp, Commissioners Bryan Slaughter, Andrea Walton, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr, Amy Ruark and Ashley Dyer. Commissioner William Wethington was absent.

The first order of business was a review of the February 2025 Minutes. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: the February 2025 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the February 2025 Profit and Loss and Warrants Statement as attached. After discussion, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED: the February 2025 Profit and Loss and Warrants Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber stated that he has not heard anything regarding the status of the Katie Drive Project. Superintendent Harp stated that he has not heard anything either. Amy Ruark reported that two residents from Katie Drive (Williams and Whaley) called some time ago inquiring about the status of the Project. Other than that, no one has heard anything. Mr. Nienaber sought direction from the Board. After discussion, it was determined that the District should do nothing until the Boone County Fiscal Court calls.
2. Mr. Nienaber inquired as to whether or not any of the local Fire Department Officers were going to attend the District meeting to discuss fire protection within the District. Chairman Givin reported that he spoke to Calvin Crupper (Retired State Fire Marshal) and the Crittenden Fire Department inviting them to attend a meeting. No one showed for this meeting. Chairman Givin stated that he would contact Mr. Crupper and the Crittenden Fire Department once again. Superintendent Harp reported that two customers have sought pressure and flow tests relating to fire hydrant capacity in their area. Mr. Nienaber recommended that Superintendent Harp respond to those requests. Mr. Nienaber stated that he would assist Superintendent Harp in preparing a response once the pressure and flow tests are obtained.
3. Mr. Nienaber reported that he, Chairman Givin, Commissioner Wethington and Superintendent Harp attended a joint multi-district water meeting requested by Senator Gex Williams. This meeting occurred on Thursday, March 20, 2025, at the Boone County Water District (BCWD headquarters). Present at that meeting were the following: BCWD representatives, Mr. Harry Anness; Boone-Florence Water

Bullock Pen Water District

Minutes

March 27, 2025

Commission (BFWC), Mr. Jeff Eger; Ms. Lindsey Rehtin and Mr. Richard Harrison, Northern Kentucky Water District (NKWD); and Representative Thomas Massey Liaison, Robert Porter; and Senator Gex Williams. Mr. Nienaber gave a report of that meeting as follows.

The meeting was called to order by Senator Gex Williams for the purpose of discussing public water systems in the Northern Kentucky area. Senator Williams started the meeting by commenting that he has concerns with the ever expanding PFAS issue. He recognized that there are also fire protection issues in Walton and within other districts in Northern Kentucky. He stated that there are issues with silting of Bullock Pen Lake that could affect its future availability as a water source for raw water at the District Water Treatment Plant. Senator Williams commented that BFWC has room to expand its organization to a maximum of 5 Districts. He commented that Sanitation District No. 1 (SD1) should serve as an example of "economy of scale" for water districts in the Northern Kentucky area. He suggested that water districts in the Northern Kentucky area should attempt "regionalization" through merger or some other cooperative association. Specifically, Senator Williams suggested that districts should join BFWC. Senator Williams stated that "economy of scale" and "regionalization" should serve as a model for providing water to the Northern Kentucky community. Senator Williams suggested that Walton and the District should become part of the BFWC and purchase their future water needs from that entity. Chairman Givin explained to Senator Williams that "fire protection" by water districts (regardless of their size) is very misunderstood by the general public. Chairman Givin explained and cited examples. NKWD Representative Rehtin stated that as an entity, it has no interest in imposing their "policies and regulations" on any other districts in the area. It was made clear by all representatives at the meeting there was little to no interest in "consolidating" Northern Kentucky water districts under the BFWC umbrella. Mr. Nienaber gave a brief history of the District and its mission to provide water for residential use in rural communities. Mr. Nienaber also explained issues unique to the District which developed by adopting Governor Patton's plan to provide water to all residents in the Commonwealth of Kentucky. Mr. Nienaber explained that there are "unintended consequences" of meeting that mission objective. One of those "unintended consequences" resulted in the District's need to flush water on a rather large scale. BCWD acknowledged that issue as well. Senator Williams was insistent on and encouraged the District to join BFWC. Mr. Nienaber inquired as to what type of association Senator Williams envisioned for the District and BFWC. No specific details could be given. Senator Williams suggested that a "study" be conducted to determine the feasibility of consolidating and/or other districts joining BFWC. Senator Williams explained that he invited the City of Walton to attend this meeting

Bullock Pen Water District
Minutes
March 27, 2024

but for whatever reason, they didn't show. Chairman Givin explained that if the District were to purchase water from other sources as a future "business model" and take the water treatment plant out of service, significant infrastructure improvements would be needed. Mr. Nienaber then gave a brief history of the District's plans for a new water treatment plant and the process that was engaged in making that decision. He explained that previous engineering estimates from years ago indicated that over \$5,000,000.00 would be needed in infrastructure improvements if the District were to adopt a 100% water purchase business model. Mr. Anness indicated that it was his estimate those current infrastructure costs could be as high as \$12,000,000.00 to \$15,000,000.00. Mr. Anness also commented that the District's decision to construct a new water treatment plant was the right choice in his opinion. Chairman Givin explained that even though the District is in the process of undertaking a water treatment plant project, limited water quantities would still have to be purchased from other entities due to infrastructure issues and the nature of the District's expansive territory. Chairman Givin commented that due to the large service area of the District and its existing infrastructure of smaller water lines, it would be impossible for the District to have one water source, whether that be from wholesale water purchase and/or a water treatment plant. Again, Senator Williams encouraged everyone to go "regional". He cited Eastern Kentucky Water Districts as an example of "regionalization". Senator Williams indicated that if the District joined BFWC, it could purchase water at a much lower rate than the District could produce water. These numbers were challenged by the District. Mr. Anness disagreed with that position as well. Mr. Anness indicated that if the District were to purchase water through BFWC, there would be upcharges for using BFWC distribution lines, infrastructure, maintenance, etc. Mr. Anness stated that BFWC currently purchases water from Cincinnati Water at a rate of approximately \$2.50 per thousand gallons. Senator Williams cited complaints that there has been an increase across the state where rural water districts use public lakes for water treatment. He cited that silting issues of those water sources is becoming a more prevalent problem. Senator Williams stated that there is a huge development potential for Southern Kenton County, Southern Boone County, and Northern Grant County for large industrial developments. Commissioner Wethington commented that the District could not afford to fund major infrastructure improvements that would be required for any type of major industrial development. He stated that the infrastructure is just not in place. Chairman Givin also commented that any association with BFWC would need to be approved by the Grant County Fiscal Court and the Public Service Commission. Senator Williams asked that all attendees at the meeting create a committee to investigate possible cooperative agreements with BFWC. He requested that everyone schedule a meeting as soon as possible. Senator Williams stated that he is in the

Bullock Pen Water District

Minutes

March 27, 2025

process of writing an “op-ed” promoting regionalization of water in Northern Kentucky. Mr. Eger asked Senator Williams if there was any money available through the State or the Federal Government that could fund these very expensive infrastructure projects. Mr. Porter stated that he would research that issue to see if there were any grant monies available. At the conclusion of the meeting, Mr. Eger stated that he would get in touch with everyone to schedule a joint meeting for the purpose of further discussing the issue.

After the joint meeting referenced above, Mr. Nienaber received a phone call from Mr. David Koenig, counsel for BCWD. He requested a meeting between himself, Mr. Dale Wilson (BFWC counsel), and myself. Mr. Nienaber reported that during his meeting on March 27, 2025, Mr. Koenig reported that BCWD had no knowledge of the scheduled joint meeting held on March 20, 2025. Mr. Koenig also stated that he wanted to meet with Mr. Nienaber earlier in the day as, Mr. Eger was informed by Senator Williams that the District wanted to join BFWC. Mr. Nienaber reported that during his meeting with Messrs. Koenig and Wilson, he stated unequivocally that is not the case. Mr. Koenig stated that BFWC would probably not want the District to join its association.

Commissioner Bingham inquired as to whether or not the District should schedule a meeting with the Kentucky Department of Fish and Wildlife (F&W). Mr. Nienaber stated that it is imperative that the District schedule such a meeting as soon as possible. Chairman Givin stated that F&W’s position about the District’s withdrawal of water from Bullock Pen Lake has changed due to the improvements to Bullock Pen Lake Dam. Superintendent Harp stated that he is working on getting all lake elevation numbers to demonstrate that since the Dam has been reconstructed, there has been little change in lake levels even during periods of extreme draught. The Commissioners all agreed that under the current facts, there should be no merger between the District and BFWC. Chairman Givin reported that he has a meeting with Superintendent Harp and the Grant County Judge Executive Chuck Dills scheduled for March 28, 2025. Chairman Givin stated that he would report after that meeting occurs. Mr. Nienaber also reported that on Friday following the joint meeting, Senator Williams contacted Commissioner Wethington by phone. Commissioner Wethington prepared a summary of that meeting (attached). Mr. Nienaber inquired as to what the District’s response should be to a joint meeting to form a committee for the purpose of conducting a merger survey. Chairman Givin and Commissioner Bingham both stated that the District has already made its decision to construct a new water treatment plant. Commissioner Walton stated that she does not believe the District should participate.

Mr. Nienaber stated that he would begin the process of scheduling a meeting with F&W. Superintendent Harp, Chairman Givin and Ryan Carr stated that they would all attend.

Bullock Pen Water District

Minutes

March 27, 2024

4. Mr. Nienaber stated that he has not yet heard anything regarding the Belden Gaines Complaint pending with the PSC.
5. Mr. Nienaber shared with the Board the Supplemental Response which the District filed with the MDL PFAS litigation.
6. Mr. Nienaber stated that he has been informed that there may be an issue regarding the payment of Commissioners for meetings where a Commissioner is absent. Amy Ruark reported that she received an email from Commissioner Wethington stated that he was not paid for meetings which he missed last year. Commissioner Wethington reported that when he attended the local PSC training seminar, he inquired as to whether or not Commissioners could be paid for meetings that were missed. Commissioner Wethington reported to Amy Ruark that he was informed payment for missed meetings can be made by a District. Mr. Nienaber stated that he was unaware of any written policy at the District which addresses this issue. Amy Ruark reported that she understood the policy to be that a Commissioner could have one missed meeting and receive payment. After that, payment should not be made for missed meetings. Chairman Givin likewise stated that it was his understanding Commissioners should not be paid for meetings missed after 1 absence. Mr. Nienaber stated his opinion regarding this issue. He stated that the District should not have a firm policy restricting payment to Commissioners who miss more than one meeting. More importantly, the District should review each instance on a case-by-case basis. He cited that while attendance at meetings is important, of likewise importance is a Commissioner's involvement with the District, participation in other meetings, product knowledge of the District operation and similar issues. Therefore, the District should adopt a case-by-case policy. He stated that there is no requirement in the statutes or with the Public Service Commission that would restrict a District from paying a Commissioner for a missed meeting. Mr. Nienaber reviewed KRS 74.020 which addresses the compensation of Commissioners. He reported that Commissioners are permitted to receive \$300.00 per month (\$3,600.00 per year) as maximum compensation subject to the County Fiscal Court approval. There is no requirement contained in the Kentucky Revised Statutes which prohibits payment of a Commissioner for absence at a meeting. Commissioner Walton shared with the Board her position stating that Commissioners should receive payment for one missed meeting. After that, Commissioners should not be paid for missed meetings. Commissioner Walton inquired as to whether or not Commissioners should be paid for "special meetings" over and above the regularly scheduled monthly meeting. Mr. Nienaber stated that the statutes do not allow for that. Again, compensation is capped at \$3,600.00 per year, per Commissioner (unless additional training is received which allows additional compensation). Moreover, compensation for a Commissioner must be approved by the appropriate Fiscal Courts. Following a robust discussion, Commissioner Walton made a motion that the District adopt a policy that allows a Commissioner to receive compensation for only one missed meeting. After that, Commissioners would not be paid for regularly scheduled meetings that are missed. This motion was seconded by Commissioner Slaughter. Commissioner Bingham gave his thoughts on the issue. He

Bullock Pen Water District
Minutes
March 27, 2025

stated that he believes one missed meeting is not sufficient. Commissioner Bingham suggested that the motion of Commissioner Walton be amended to allow a Commissioner to miss two meetings with pay and after that no payment would be received for a missed meeting. Mr. Nienaber expressed his disfavor. After discussion, upon motion of Rodger Bingham, and second by Bryan Slaughter, it was unanimously,

“RESOLVED as follows:

1. The District adopt a policy that Commissioners be paid for each monthly meeting as authorized by the respective Fiscal Court. Commissioners are permitted to miss two meetings and receive monthly payment. Thereafter, Commissioner shall not be paid for absent meetings.
2. No compensation shall be made to a Commissioner for attending special meetings.
3. This policy shall be effective immediately.”

The next order of business was a report by Kentucky Engineering Group, Inc., Mr. Ryan Carr, as follows:

1. Mr. Carr shared with the Commissioners his Summary Fact Sheet for use by District representatives (attached).
2. Mr. Carr reported that the water treatment plant plans and drawings have been submitted to DOW. It is unclear as to when DOW will approve those plans. Mr. Carr reported that DOW is approving plans rather slowly at this time.
3. Mr. Carr reported that the Geotech engineers will be onsite in the very near future, weather permitting.
4. Mr. Carr reported that John Brady informed him that KIA will be addressing the District’s WWTP financing request at its May/June 2025 meeting. Mr. Carr stated that once a firm time, date and place is scheduled, he will advise District representatives for their attendance.
5. Mr. Carr reported that Rural Development (RD) will address the District’s request for financing at its April 9, 2025 meeting. This meeting is scheduled for the RD Headquarters, Frankfort, Kentucky, at 10:00 a.m. Mr. Carr requested Superintendent Harp and Chairman Givin to attend.
6. Bryan Slaughter inquired as to the current schedule for the WWTP Project. Mr. Carr reported that it is his plan that the Project be bid in late 2025 or early 2026. Commissioner Slaughter inquired as to whether or not “digital plans” were currently

Bullock Pen Water District

Minutes

March 27, 2024

available. Mr. Carr stated that once the plans and drawing are complete and approved by DOW a “digital plan” will be made available.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that he has nothing new to report.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Commissioner Slaughter inquired as to the current construction projects on Barnes Road. Superintendent Harp reported that is taking place within the City of Williamstown and not within the District’s territory.
3. Superintendent Harp reported that there is a meter on Baton Rouge Road that has been abandoned for some 20 years. It is the District’s meter. However, Superintendent Harp wants the District to convey the service line and meter to the City of Williamstown. Commissioner Bingham agreed. Mr. Nienaber stated that if Superintendent Harp contacts Williamstown to transfer this meter and service line, it should be done in writing.
4. Superintendent Harp reported that there have been recent issues faced by the District on Chetalou Drive located within the Highridge Mobile Home Park. He reported that someone had constructed a mobile home addition over the District’s meter. Superintendent Harp reported that there are a number of instances in Highridge Mobile Home Park and Indian Hill Mobile Home Park where mobile homes are placed over a water meter and/or service line. Superintendent Harp reported that meter reading is severely hampered by this practice and in some instances presents a danger to District employees. He also stated that it can present a danger to District employees who are required to crawl under a mobile home to take an accurate meter reading, check on equipment, lines, etc. Superintendent Harp requested whether or not the District can require a Mobile Home Park to pay for new meters and service lines. Mr. Nienaber stated that is the responsibility of the property owner to allow the District employees to make reasonable inspections, service, and meter readings of all meters and water service lines. Mr. Nienaber recommended that Superintendent Harp contact the mobile home park management for the purpose of discussing future plans in relocating meters, installing new meters, and service lines. Mr. Nienaber stated that the District should take the position the cost of this should be borne by the Mobile Home Park owners. Mr. Nienaber stated that it would be best for Superintendent Harp to meet onsite with the Mobile Home Park owners to discuss this issue. After discussion, Superintendent Harp

Bullock Pen Water District

Minutes

March 27, 2025

reported that he would meet with the Mobile Home Park owners to discuss this serious situation and report at the next meeting.

5. Superintendent Harp reported on a situation that has occurred on Carter Chapel Road. A resident reported low pressures and flows. Superintendent Harp reported that he will go out and make tests to determine the actual water flow and pressure. Superintendent Harp reported that a large portion of Carter Chapel Road is on a 4" line which is serviced by a 2" line. This disparity in line size could very well be the explanation for low pressure. After discussion, Superintendent Harp stated that he would go out and take pressure and flow tests and report at the next meeting.
6. Commissioner Slaughter inquired as to where the District stood in tearing down the old Catlett house on the property purchased by the District for the WWTP Project. Superintendent Harp stated that the District will work on that project in the near future. He also confirmed that the house and barn structures on the property are not worth saving and add little or no value to the property.
7. Commissioner Slaughter stated that Farrell Drive needs to be resurfaced. Superintendent Harp reported that is a "City street" and is the responsibility of the City of Crittenden. Superintendent Harp stated that he would get a rough estimate for the repaving of the street and then contact the City of Crittenden to address this issue.
8. Superintendent Harp presented a KURTS User Agreement submitted to the District by KYTC. This document allows KYTC and KYTC consultants access to various information of the District. Mr. Nienaber stated that it is appropriate for the District to sign. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

"RESOLVED: that Superintendent Harp be and he is hereby authorized to execute on behalf of the District the attached KURTS Agreement."

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Ruark reported that the PSC training program is scheduled for next Thursday at 8:30 a.m., at the Northern Kentucky Water District Headquarters.
2. Ms. Ruark reported that there are CDs at Forcht Bank which are ready for renewal. After discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

"RESOLVED: that Amy Ruark be and she is hereby authorized to renew the two Certificates of Deposit held at Forcht Bank at a term not to exceed 5 months and at a rate not to be less than 4.25%."

Bullock Pen Water District
Minutes
March 27, 2024

2. Ms. Ruark reported that she had approximately \$621,000.00 in the District's loan payment account as of February 28, 2025. There is no need to retain this amount of money in the account. With additional monies, she recommends that the District take \$600,000.00 from the money market account and invest it in a Certificate of Deposit. After discussion, upon motion of Rodger Bingham, and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that Amy Ruark be and she is hereby authorized to remove \$600,000.00 from the money market account and place it in an interest bearing account not less than 4.25% at a term not to exceed 5 months.”

3. Ms. Ruark reported that the next meeting currently scheduled for April 17th should be moved due to conflicts. After discussion, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the meeting be changed to April 24, 2025 at 1:00 p.m.”

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin

CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
APRIL 2025 MEETING**

The April 2025 meeting of the Bullock Pen Water District was called to order on April 24, 2025, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Superintendent Paul Harp, Commissioners Bryan Slaughter, William Wethington, Andrea Walton, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr, Amy Ruark and Ashley Dyer.

The first order of business was a presentation by Mr. Calvin Crupper, Dry Ridge Fire Department. Mr. Crupper made a presentation to the Board regarding the use of fire hydrants during fire emergencies. Mr. Crupper presented a list of fire hydrants within the Dry Ridge Fire Department ("DRFD") service area. Mr. Crupper stated that the DRFD does not service fire hydrants in the District territory. Mr. Crupper stated that if the District does want DRFD to service those hydrants which are jointly in the DRFD and District territory, they would accommodate us to that extent. He explained that fire hydrants are generally color coded. All are color coded within DRFD territory. Mr. Crupper explained the difference between concepts of water volume and water pressure. He explained that if a fire hose and pumper is hooked to a fire hydrant that does not have adequate pressure and volume capabilities, there is a risk of collapsing a water line. Consequently, DRFD frequently uses "duck tanks" which serve as portable ponds. These tanks are filled with water and a pumper truck pumps water from them to fight a fire. Mr. Crupper stated that most fire hydrants in rural areas do not have adequate volume and pressure to provide complete fire protection. Mr. Crupper stated that he would be willing to assist the District in any way possible to address its fire hydrants within District territories.

The next order of business was a presentation by Forcht Bank, Ms. Tena Webster and Mr. Craig Houchens. Mr. Houchens thanked the District for its business in allowing Forcht Bank to provide banking services. He acknowledged that the District has recently requested Forcht Bank to pay a higher interest rate on our deposit accounts. Amy Ruark reported that there are approximately 20 deposit accounts at Forcht Bank for the District and the Grant County Sanitary Sewer District. Mr. Houchens stated that Forcht Bank would be willing to pay the District interest on those deposit accounts at a rate equal to the Federal Fund Rate, less 1.75%. The current Federal Fund Rate is 4.75%. Accordingly, the District would be receiving 3% interest on its deposit accounts. Mr. Houchens stated that the Federal Fund Rate adjusts on a periodic basis. He stated that every time the Federal Fund Rate is changed, the interest rate paid to the District will likewise change. Amy Ruark reported that the District's most recent annual audit will show that the District is not receiving maximum interest on its deposit accounts. It is for this reason that Amy Ruark requested Forcht Bank to make a presentation. Mr. Houchens presented the attached letter to the District acknowledging its commitment to paying this increased interest rate on deposit accounts. The increased interest rate will be paid to both the Bullock Pen Water District and Grant County Sanitary Sewer District deposit accounts. (See attached Commitment Letter).

Bullock Pen Water District

Minutes

April 24, 2025

The next order of business was a report by Senator Gex Williams as follows. Senator Williams presented two letters which he had forwarded to Chairman Givin and copied various governmental entities in Northern Kentucky. Senator Williams also stated that he has prepared a financial analysis of the District's option to either build a new WTP or purchase water from Boone-Florence Water Commission ("BFWC"). Senator Williams stated that it is his firm belief and position that the District should enter into negotiations with BFWC to join that organization to purchase water from Cincinnati. Senator Williams stated that economically, this would be the best option for the District. Senator Williams reported that Cincinnati has unlimited supplies of drinking water available to the District through BFWC. Currently, Cincinnati and BFWC are studying the possibility of constructing a second pipe under the Ohio River to provide water availability to BFWC. Senator Williams highly suggested that the District join BFWC. He stated that regionalization of all water distributors in Northern Kentucky would be in all customers' best interest in providing quality water service at the lowest cost. Senator Williams stated that the District's spreadsheet prepared by KEG is faulty and not accurate. Senator Williams emphasized that he does not want the District to be taken over by BFWC or any other entity. He simply emphasized that regionalization of water service is in everyone's best interest. Senator Williams gave examples of how regionalization has helped other areas like Eastern Kentucky, Georgetown, Frankfort, etc. Senator Williams explained the relationship between BFWC and Boone County Water District ("BCWD"). Senator Williams said that it is a "no brainer" in that the District should join BFWC. He stated in a meeting with BFWC, BFWC would commit to work with the District in becoming a member. He then stated that it is incumbent upon the District to reach out to BFWC rather than BFWC reaching out to the District. Senator Williams shared with the District his letter and position statement as attached.

The next order of business was approval of March 2025 Minutes. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

"RESOLVED: the March 2025 Minutes be and the same are hereby approved as attached."

The next order of business was a review of the March 2025 Profit and Loss Statement and Warrants. Commissioner Wethington asked if the Warrants could be emailed to the Commissioners a couple days prior to the scheduled meeting in order to allow sufficient time to review them. Amy Ruark explained that Warrants are added to the Warrant list as they are received. If Warrants are distributed a couple of days before the next scheduled meeting, it would be incomplete. Commissioner Bingham also inquired about receiving a Warrant list before regularly scheduled meetings. Commissioner Slaughter asked about the 6.5% tariff surcharge on purchased meters. Superintendent Harp explained that this tariff is being charged by Neptune. After consideration, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

"RESOLVED: the March 2025 Warrants and Profit and Loss Statement be and the same are hereby approved as attached."

Bullock Pen Water District
Minutes
April 24, 2025

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that he has not heard any new developments in the Garrison litigation.
2. Mr. Nienaber reported that he has not heard anything new from Boone County regarding the Katie Drive Project. Commissioner Walton explained to Senator Williams the current Easement issue. Mr. Nienaber explained that the Katie Drive Project was a “turnkey” operation operated by Boone County. He explained that when the water lines on Katie Drive were constructed, there was not an Easement. In order to install meters on the water lines, there needs to be appropriate easements in place. Mr. Nienaber gave a brief history of his contacts with Boone County representatives regarding this issue. At this time, Mr. Nienaber explained that his most recent contact was with the Boone County Attorney’s Office. They reported that they would get back to Mr. Nienaber. No response has been received at this time. Mr. Nienaber also explained that similar Easement issues in other locations have presented problems in the past. It is for this very reason that the District requires the appropriate easements being in place before meters will be installed.
3. Mr. Nienaber reported that he has not heard anything from the Public Service Commission regarding the Belden Gaines matter.
4. Mr. Nienaber gave a brief update on the PFAS MDL litigation. He reported that the deadline for filing claims and information supporting claims is May 23, 2025. Mr. Nienaber stated that he submitted a claim to Napoli & Shkolnik for the GAC filtration system at the WTP. Mr. Nienaber requested Superintendent Harp and Ryan Carr at KEG to provide all detailed information available relating to the GAC filtration system for submittal to Napoli & Shkolnik. This would include engineering plans, invoices, cost estimates, etc. Mr. Carr stated that he would provide as much information as he can. Mr. Nienaber requested this information no later than May 1, 2025 to insure a proper filing with Napoli & Shkolnik.
5. Mr. Nienaber gave a report on the Kentucky Department of Fish & Wildlife Commission (F&W) meeting with the District on April 16, 2025. Mr. Nienaber shared with the Commissioners his notes from that meeting (attached). Overall, Mr. Nienaber reported that the meeting went very well with F&W. Superintendent Harp and Ryan Carr concurred with that assessment. Mr. Nienaber stated that at the end of our meeting with F&W, it was agreed that a Memorandum of Understanding (“MOU”) should be prepared by the District and submitted to F&W for signature. This MOU should follow the format and limitations set forth in F&W’s August 20, 2021 commitment (attached). Mr. Nienaber presented a draft MOU (attached). The MOU draft should be changed as suggested by Chairman Givin. Paragraph 3(a) should be changed to 1,500,000 gallons per day. Paragraph 3(b) should be deleted. Mr. Nienaber explained the legal effect of an MOU. He emphasized that this is not a legally binding agreement but rather a framework from which the District and F&W can formulate a formal agreement for presentation to

Bullock Pen Water District
Minutes
April 24, 2025

the District lenders for the WTP project and submittal to the Public Service Commission when filing its final Application for financing approval, rate increase, and Certificate of Convenience and Public Necessity. After considerable discussion, upon motion of Bryan Slaughter and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Chairman Givin be and he is hereby authorized to execute an MOU for presentation to F&W consistent with the draft as attached, subject to the changes recommended above.”

6. Mr. Nienaber gave an updated report on the outstanding financial analysis which has been prepared regarding the WTP Project. Mr. Nienaber explained that there are other analyses that have been submitted comparing the financial effect upon District customers as to a new WTP Project versus a purchasing water business model from BFWC. Superintendent Harp shared with the Commissioners his revised financial analysis (attached). Ryan Carr discussed his financial analysis. He recognized that the annual payment for the \$15,000,000 KIA loan was inaccurate. Superintendent Harp reported that his revised analysis reflects an accurate annual payment for the \$15,000,000 KIA Loan and \$5,000,000 RD loan. Mr. Nienaber recommended the District to engage an independent financial analyst to review and compare the various financial analysis presented thus far. This independent financial analysis should recommend which option the District should pursue, whether that be a new WTP Project or a 100% water purchase business model. Mr. Nienaber stated that an independent financial analysis is critical in that the previously submitted financial analyses show conflicting results. Mr. Nienaber stated in any event, when the District files its application with the Public Service Commission for approval, a detailed financial analysis would be required. Mr. Nienaber explained that an independent analysis is the best option. Mr. Nienaber reported that he called Chamberlin & Owens, Mr. John Chamberlin, to recommend someone for this analysis. Mr. Chamberlin recommended that the District engage Dean, Dorton & Ford to perform the analysis. Mr. Nienaber reported that he contacted Stephanie Allgier at Dean, Dorton & Ford. Mr. Nienaber explained the current situation to Ms. Allgier. She also spoke with John Chamberlin who had some knowledge of the current situation. Ms. Allgier stated that she would get back to Mr. Nienaber by the end of business on April 24, 2025, with a decision as to whether or not Dean, Dorton & Ford could perform the analysis. Mr. Nienaber inquired as to the general cost for this analysis. Ms. Allgier stated that she would have to get back to the District. Various Commissioners inquired as to the potential cost for this analysis. Mr. Nienaber stated that he had no idea what the ultimate cost will be. It was suggested that the analysis might cost somewhere in the area of \$10,000.00. After considerable discussion, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that Counsel Thomas R. Nienaber be and he is hereby authorized to engage Dean, Dorton & Ford to perform a financial analysis regarding the District’s options to either

Bullock Pen Water District
Minutes
April 24, 2025

undertake a water treatment plant project or adopt a 100% water purchase business model with BFWC. This financial analysis should compare and contrast the two options to determine which is in the best interest of District customers. The cost of this audit should not exceed \$10,000.00. If the cost projection for the analysis exceeds \$10,000.00, Mr. Nienaber is directed to contact Chairman Givin and report. If Dean, Dorton & Ford is unable to perform the analysis, Mr. Nienaber is authorized to contact other qualified auditors to engage their services at a cost not to exceed \$10,000.00.”

Mr. Wethington stated that he attended a joint BFWC/BCWD meeting last week. He reported that BFWC stated that they would consider an application by the District to join BFWC. Commissioner Bingham inquired as to what would happen if the waterline under the Ohio River and servicing BFWC was out of service for any prolonged period. Commissioner Bingham stated that there is currently no backup line under the Ohio River. A second backup line is currently under study. Chairman Givin stated that he spoke with Representative Matt Nunn and Grant County Judge Executive Chuck Dills regarding the WTP Project/BFWC water purchase model. Both representative Nunn and Judge Executive Dills stated that they are not in favor of joining BFWC. Commissioner Wethington stated that the initial financial analysis had inaccurate information. Commissioner Wethington apologized for not catching that error. This inaccurate information related to the annual interest payment for the \$20,000,000 loan for the WTP Project. He stated that the monthly payment was off 50%. Commissioner Wethington stated that he would commit to scrutinizing all future audits to insure accuracy.

The next order of business was a report by Kentucky Engineering Group, Inc., Mr. Ryan Carr, as follows:

1. Mr. Carr reported that the F&W meeting went well.
2. Mr. Carr reported that he would provide information regarding the GAC filtration system to Mr. Nienaber as soon as possible for submittal by the District in support of its PFAS MDL claim.
3. Mr. Carr stated that the Geotech survey will be conducted at the WTP Project site within the next two to three weeks.
4. Mr. Carr recognized that there was an error in KEG’s initial financial analysis. However, after revising that financial analysis, Mr. Carr stated that the WTP Project option is still economically in District customer’s best interest.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

Bullock Pen Water District
Minutes
April 24, 2025

1. Mr. Hanson reported that he has nothing new.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that in various mobile home parks within the District's system, water meters are located under mobile homes and are difficult (if not impossible) to access. Superintendent Harp reported that he will contact the mobile home park owners to inform them that they are required to removal all existing meters located under mobile homes for easier access by the District.
3. Superintendent Harp shared with the Commissioners a letter that he received from Neptune regarding the supply of parts for existing meters. Mr. Harp stated that Neptune is no longer manufacturing "replacement chambers" for existing meters. Therefore, the District is now required to replace the entire meter at a cost of approximately \$275.00 per meter rather than replacing "chambers" as the District has done in the past.
4. Superintendent Harp reported that he has checked water pressure and water flows on Carter Chapel Road. Superintendent Harp reported that there is sufficient water pressure, however, water flows are woefully inadequate. Superintendent Harp is going to obtain bids to replace the 2" service line with 4" lines to improve both pressure and flow.
5. Superintendent Harp shared with the Commissioners his revised financial analysis (attached). He apologized for his failure to detect the inaccurate listing of the mortgage payments in the KEG analysis. Superintendent Harp reviewed his survey as attached. Superintendent Harp concluded that based upon his revised survey, he believes the WTP Project is the best option.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Dyer reported that the District's property/liability insurance renewal is currently due (see attached analysis). Ms. Dyer reported that the total cost of the insurance package for both the District and Grant County Sanitary Sewer District would be \$58,000. The attached analysis shows the cost of insurance by class. Mr. Nienaber inquired as to whether or not the values assigned to various insured equipment and property have been increased or reevaluated. Ms. Dyer reported that KLC does that internally every 5 years. The next reevaluation analysis should be conducted in 2 years. Ms. Dyer reported that the attached premium survey provides the same coverage. She reported that "cyber" coverage is now included in the overall premium. The "crime" coverage is currently at \$75,000.00. KLC suggested an increase to \$100,000.00. Property line coverage has increased approximately 9.51%, plus a 5.2% inflation factor. Liability lines have

Bullock Pen Water District
Minutes
April 24, 2025

increased 3.77%. Overall, Ms. Dyer recommended that the District renew its insurance coverage through KLC. After discussion, upon motion of William Wethington and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the District renew insurance coverage through KLC as per the attached premium sheet. The split of insurance cost between the District and Grant County Sanitary Sewer District shall be as determined by Old Kentucky Insurance.”

2. Ms. Ruark reported that the next regularly scheduled meeting is May 15, 2025. Ms. Ruark requested that the meeting date be changed to accommodate her distributing the necessary financial documents. It was suggested that the next meeting take place on May 22, 2025. Mr. Nienaber reported that he could not attend that day. After discussion, upon motion and second, it was unanimously,

“RESOLVED: that the next regular meeting take place on May 21, 2025, at 1:00. Ms. Ruark is hereby authorized to make the necessary notifications.”

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: *Charles W. Givin*
CHARLES GIVIN, CHAIRMAN

ATTEST: *Andrea Walton commissioner
for William Wethington*
WILLIAM WETHINGTON, SECRETARY

BULLOCK PEN WATER DISTRICT
Board Meeting Attendance
April 24, 2025

	<u>Name</u>	<u>Address/Affiliation</u>
1.	Charles Hark	Fouché Bank
2.	Tonia L. Webster	Fouché Bank
3.	Geoff Williams	KF Spoke
4.	Calvin Crupper	Dry Ridge F.D.
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		

April 22, 2025

Mr. Chuck Givin, Chairman
Bullock Penn Water District Board
1 Farrell Drive
P.O. Box 188
Crittenden, Kentucky 41030

Dear Chairman Givin and Board Members:

Attached please find the letter I sent to the Division of Water and the Kentucky Department of Fish and Wildlife, regarding the request you made to withdraw an average of 1,500,000 million gallon per day from Bullock Pen Lake. I hope the board will support reviewing the requested reports and a public meeting before a decision is made.

I lack confidence in your due diligence, given the unprofessional spreadsheet with misconfigured functions, calculation series, and multiple unreasonable and unrealistic assumptions. For instance, you used a 1 percent inflation rate, but the attached chart shows that since 2001, Boone County Water District's annual average of 2% was the lowest rate increase of any district selling water to BPWD. Northern Kentucky Water District average a 5 percent annual increase and BPWD itself, 3 percent

My "unprofessional" (I am a MS EE, not a profession civil engineer) spreadsheet showed that buying water could provide significant savings by making other (in my opinion, more realistic) assumptions and factoring in water storage. For this reason, I recommend conducting a comprehensive engineering study to assess alternatives for providing water to BPWD's customers over the next 30 years. This study should include demand and growth projections aligned with current county growth projections, a detailed evaluation of alternatives for providing water to customers, detailed descriptions of the capital improvements required for each alternative, and a life cycle cost analysis for each alternative.

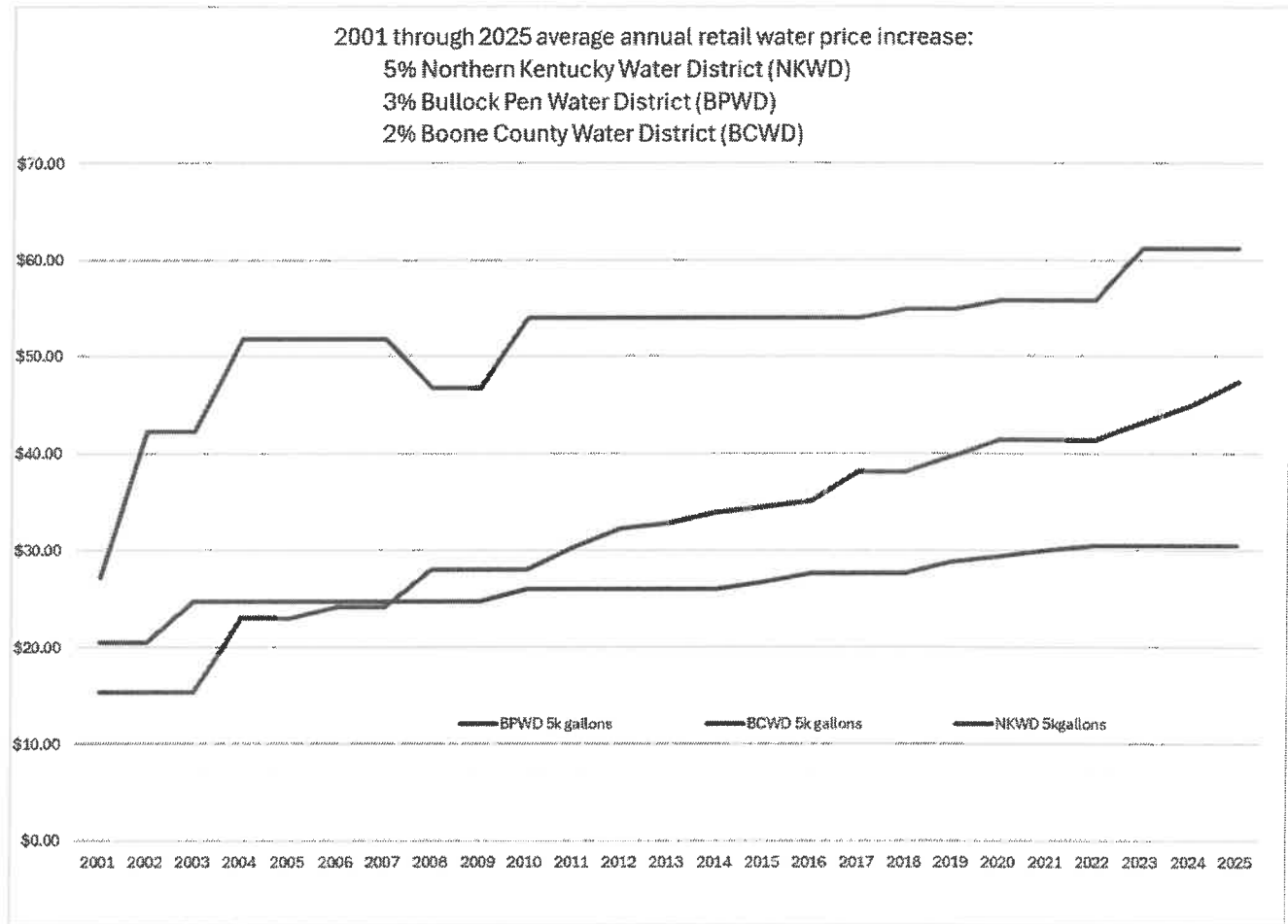
I don't expect the Kentucky Public Service Commission to require anything less when evaluating the rate increases your proposed plan will inevitably require. As both a senator and Bullock Pen Water District customer, I thank you for your consideration. I look forward to the board meeting this Thursday at 1:00.

Sincerely,



Senator Gex Williams, 20th District

p.s. Please note that the chart shows the cost increases after the Northern Kentucky Water District's decision to make water in a new plant compared to the Boone County Water District beginning to buy water from the City of Cincinnati at about the same time. Clearly, Boone County's "buy" decision was most cost effective for its citizens and customers.



cc: Rich Storm, Commissioner of KY Dept of Fish & Wildlife
 Dave Dreves, Director of Fisheries, Ky Dept of Fish & Wildlife
 Paul Harp, Superintendent of Bullock Pen Water District
 Chuck Givin, Chair, Bullock Pen Water District
 Jeff Eger, Manager Boone-Florence Water Commission
 Jim Parsons, Chair Boone-Florence Water Commission Board
 Mike Giordano, Chairman, Boone County Water District
 Harry Anness, General Manager, Boone County Water District
 Lindsey Rehtin, President/CEO Northern KY Water District
 Jody Lange, Chair, Northern KY Water District Board
 Gary Moore, Boone County Judge Executive
 Kris Knochelmann, Kenton County Judge Executive
 Charles Dills II, Grant County Judge Executive
 Terri Courtney, Mayor, City of Walton
 Jim Purcell, Mayor, City of Crittenden
 Mark Christopher, Mayor, City of Williamstown
 Steve Rawlings, Kentucky State Senator
 Matt Nunn, Kentucky State Senator
 Shelley Funke Frommeyer, Kentucky State Senator
 Marianne Proctor, Kentucky State Representative
 Savannah Maddox, Kentucky State Representative
 T.J. Roberts, Kentucky State Representative
 Mark Hart, Kentucky State Representative

April 17, 2025

Ms. Sarah Gaddis, Director
Division of Water
Kentucky Energy and Environment Cabinet
300 Sower Boulevard
Frankfort, Kentucky 40601

Dear Ms. Gaddis:

This letter is in regards to the Bullock Pen Water District's request to the Kentucky Division of Water and the Kentucky Department of Fish and Wildlife Resources for permission to withdraw up to 1.5 million gallons per day from Bullock Pen Lake to feed a proposed 2-million gallon-per-day water treatment plant. The district was previously approved for 800,000 gallons per day.

I request that the following take place before a ruling is made:

- a public meeting should be held (with sufficient public notice) at a location convenient with Bullock Pen Lake property owners and area sportsmen and after the reports below are publicly available.
- an up-to-date biological review on the lake should be provided including a determination from the director of fisheries on the effects on the aquatic ecosystem.
- a report regarding the downstream impact upon creek water flow, downstream aquifers, wells, and any issued ground water permits.
- a financial analysis on alternatives such as purchasing water from other districts, merging with a neighboring district, and becoming a member of the Boone-Florence Water Commission.

My concern is that Bullock Pen Lake has limited acreage and a limited amount of water available. A better long term capital expenditure may be investing in improving connections to neighboring districts and negotiating lower rates for increased purchases.

The Boone-Florence Water Commission and the Northern Kentucky Water District obtain water from the Ohio River, and capacity is essentially unlimited. Their treatment facilities provide the latest purification processes to inactivate viruses using ultraviolet light and removal of PFASs at the molecular level.

Please keep me informed on progress. Thank you for your time and consideration.

Sincerely,



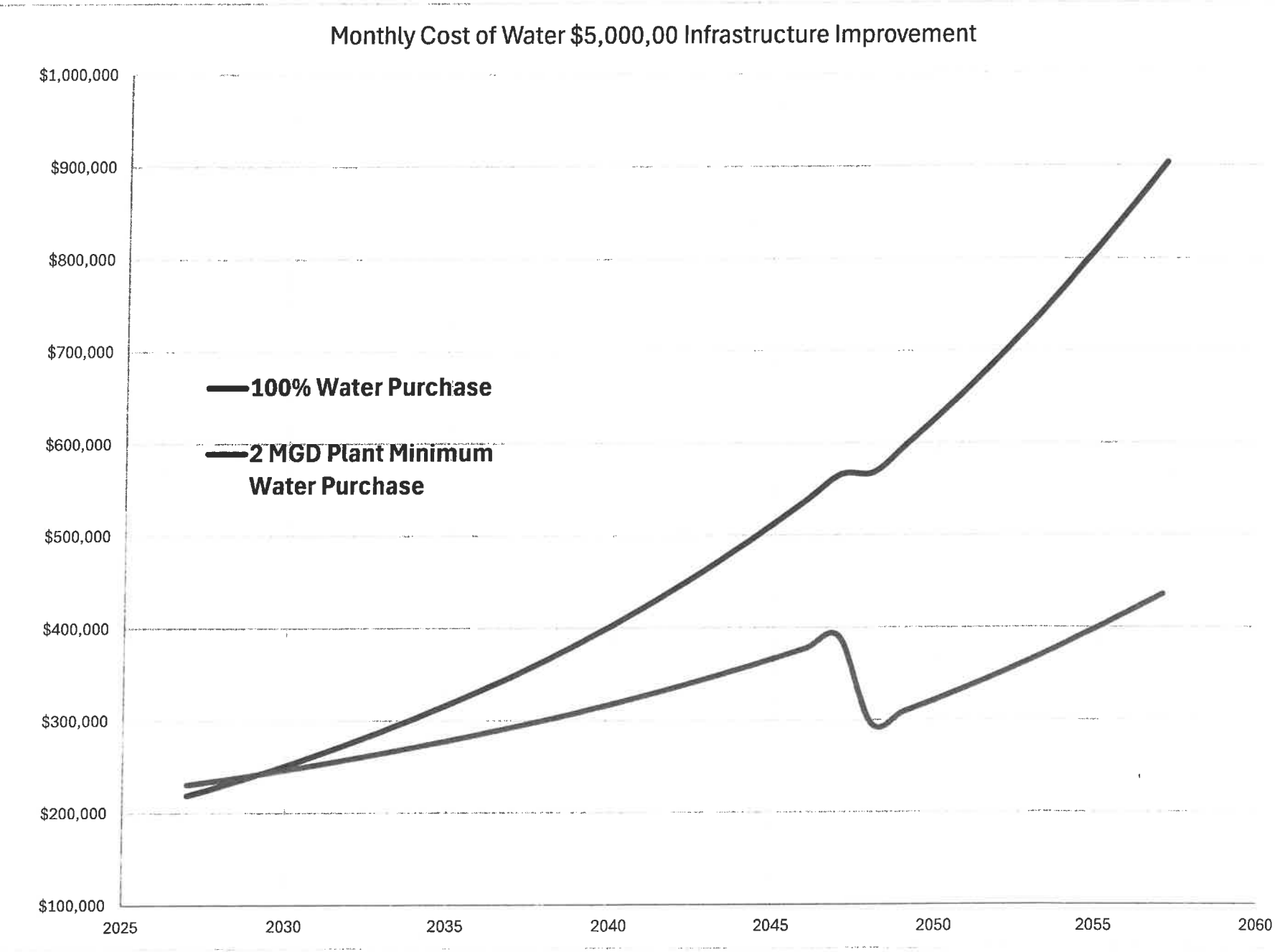
Gex Williams
State Senator
District 20

GW:al

cc: Rich Storm, Commissioner of KY Dept of Fish & Wildlife
Dave Dreves, Director of Fisheries, Ky Dept of Fish & Wildlife

Comparative Analysis Based on \$5,000,000 Infrastructure Improvement Cost Estimate

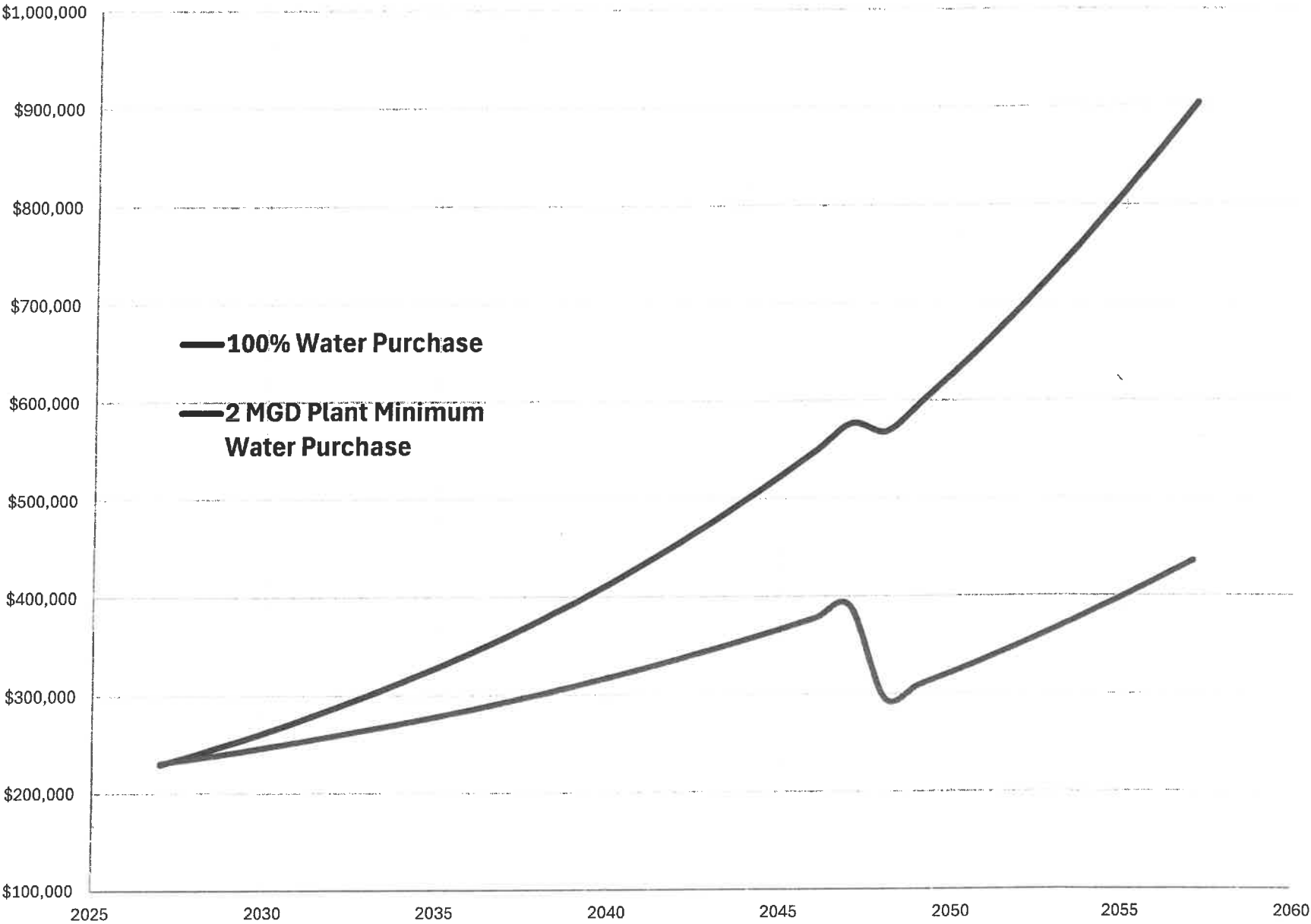
	inflation		2.97%							
	water usage annual increase		2.25%							
100% purchase										
	2027	2028	2029	2030	2031	2032	2033	2034	2035	
Capital Cost	\$5,000,000.00									
Interest Rate	2.5									
Annual Payment	\$317,941.74									
Monthly Payment	\$26,495.14	\$26,495.14	\$26,495.14	\$26,495.14	\$26,495.14	\$26,495.14	\$26,495.14	\$26,495.14	\$26,495.14	
Purchase Rate	\$4.31	\$4.44	\$4.57	\$4.71	\$4.85	\$4.99	\$5.14	\$5.29	\$5.45	
average daily water volume	1,470,000.00	1503075	1536894.188	1571474.307	1606832.479	1642986.209	1679953.399	1717752.351	1756401.778	
Annual gallons purchased	536,550,000.00	548,622,375.00	560,966,378.44	573,588,121.95	586,493,854.70	599,689,966.43	613,182,990.67	626,979,607.96	641,086,649.14	
Monthly purchase amount	\$192,710.88	\$202,899.16	\$213,626.09	\$224,920.12	\$236,811.26	\$249,331.05	\$262,512.75	\$276,391.34	\$291,003.67	
Monthly Cost	\$219,206	\$229,394	\$240,121	\$251,415	\$263,306	\$275,826	\$289,008	\$302,886	\$317,499	
2.0 MGD Plant										
Capital Cost	20,000,000.00									
Interest Rate	2.5									
Annual Payment	\$1,271,766.94									
Monthly Payment	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	
Purchase Rate	\$4.31	\$4.44	\$4.57	\$4.71	\$4.85	\$4.99	\$5.14	\$5.29	\$5.45	
average daily purchase volume	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	
Annual gallons purchased	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	
Monthly purchase amount	\$65,547.92	\$67,494.69	\$69,499.28	\$71,563.41	\$73,688.84	\$75,877.40	\$78,130.96	\$80,451.45	\$82,840.86	
Operating Cost	\$2.01	\$2.07	\$2.13	\$2.19	\$2.26	\$2.33	\$2.40	\$2.47	\$2.54	
Operating gallons per day	970,000.00	991,825.00	1,014,141.06	1,036,959.24	1,060,290.82	1,084,147.36	1,108,540.68	1,133,482.84	1,158,986.21	
Operating annual cost	\$711,640.50	\$749,263.69	\$788,875.95	\$830,582.44	\$874,493.88	\$920,726.84	\$969,404.06	\$1,020,654.75	\$1,074,614.98	
Monthly Operating Cost	\$59,303.38	\$62,438.64	\$65,739.66	\$69,215.20	\$72,874.49	\$76,727.24	\$80,783.67	\$85,054.56	\$89,551.25	
Monthly Cost	230,832	235,914	241,220	246,759	252,544	258,585	264,895	271,487	278,373	



Comparative Analysis Based on \$7,000,000 Infrastructure Improvement Cost Estimate

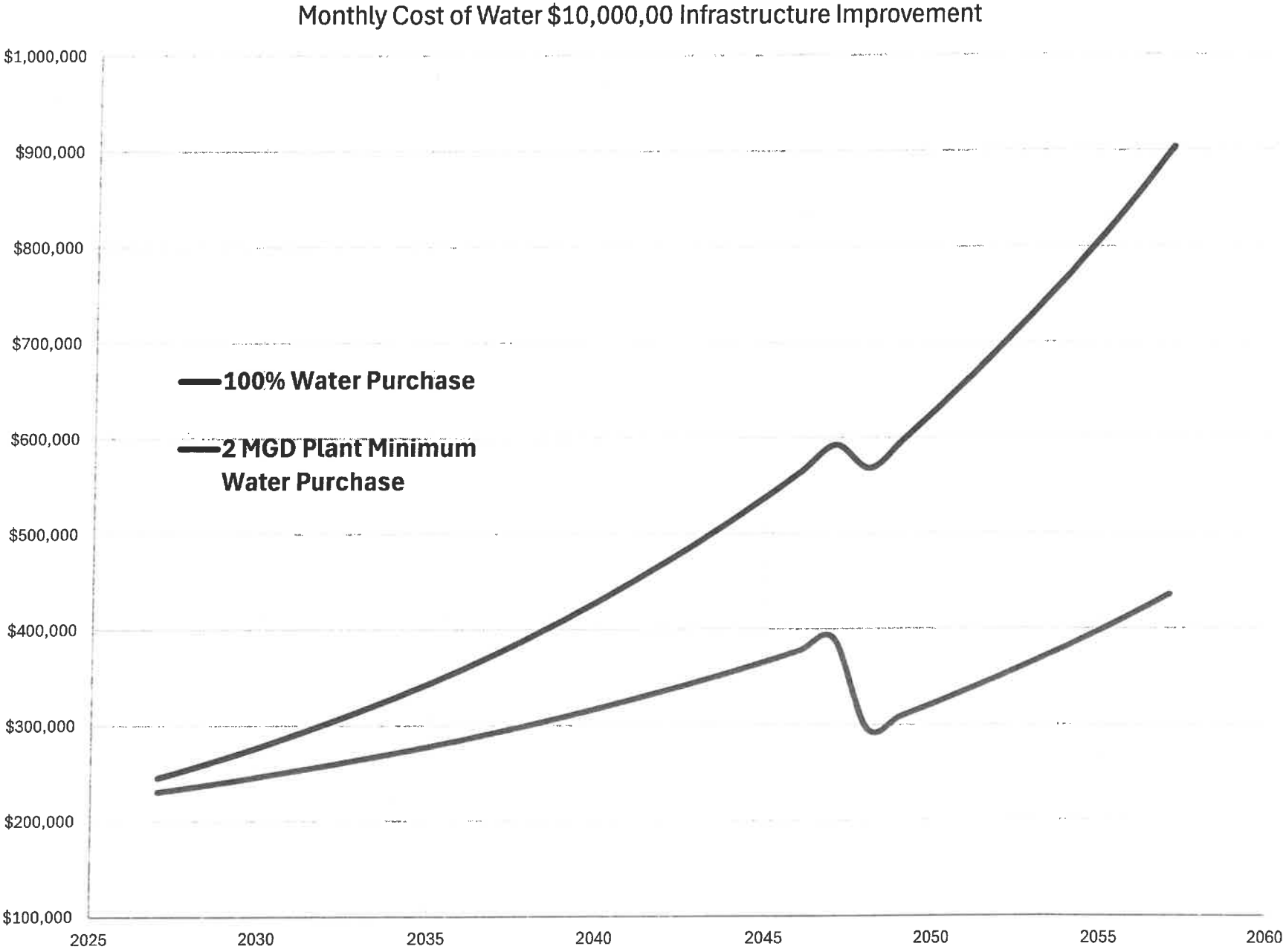
inflation		2.97%								
water usage annual increase		2.25%								
100% purchase										
		2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Cost		\$7,000,000.00								
Interest Rate		2.5								
Annual Payment		\$445,118.43								
Monthly Payment		\$37,093.20	\$37,093.20	\$37,093.20	\$37,093.20	\$37,093.20	\$37,093.20	\$37,093.20	\$37,093.20	\$37,093.20
Purchase Rate		\$4.31	\$4.44	\$4.57	\$4.71	\$4.85	\$4.99	\$5.14	\$5.29	\$5.45
average daily water volume		1,470,000.00	1503075	1536894.188	1571474.307	1606832.479	1642986.209	1679953.399	1717752.351	1756401.778
Annual gallons purchased		536,550,000.00	548,622,375.00	560,966,378.44	573,588,121.95	586,493,854.70	599,689,966.43	613,182,990.67	626,979,607.96	641,086,649.14
Monthly purchase amount		\$192,710.88	\$202,899.16	\$213,626.09	\$224,920.12	\$236,811.26	\$249,331.05	\$262,512.75	\$276,391.34	\$291,003.67
Monthly Cost		\$229,804	\$239,992	\$250,719	\$262,013	\$273,904	\$286,424	\$299,606	\$313,485	\$328,097
2.0 MGD Plant										
Capital Cost		20,000,000.00								
Interest Rate		2.5								
Annual Payment		\$1,271,766.94								
Monthly Payment		\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58
Purchase Rate		\$4.31	\$4.44	\$4.57	\$4.71	\$4.85	\$4.99	\$5.14	\$5.29	\$5.45
average daily purchase volume		500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Annual gallons purchased		182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00
Monthly purchase amount		\$65,547.92	\$67,494.69	\$69,499.28	\$71,563.41	\$73,688.84	\$75,877.40	\$78,130.96	\$80,451.45	\$82,840.86
Operating Cost		\$2.01	\$2.07	\$2.13	\$2.19	\$2.26	\$2.33	\$2.40	\$2.47	\$2.54
Operating gallons per day		970,000.00	991,825.00	1,014,141.06	1,036,959.24	1,060,290.82	1,084,147.36	1,108,540.68	1,133,482.84	1,158,986.21
Operating annual cost		\$711,640.50	\$749,263.69	\$788,875.95	\$830,582.44	\$874,493.88	\$920,726.84	\$969,404.06	\$1,020,654.75	\$1,074,614.98
Monthly Operating Cost		\$59,303.38	\$62,438.64	\$65,739.66	\$69,215.20	\$72,874.49	\$76,727.24	\$80,783.67	\$85,054.56	\$89,551.25
Monthly Cost		230,832	235,914	241,220	246,759	252,544	258,585	264,895	271,487	278,373

Monthly Cost of Water \$7,000,00 Infrastructure Improvement



Comparative Analysis Based on \$10,000,000 Infrastructure Improvement Cost Estimate

	inflation		2.97%						
	water usage annual increase		2.25%						
100% purchase									
	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Cost	\$10,000,000.00								
Interest Rate	2.5								
Annual Payment	\$635,883.47								
Monthly Payment	\$52,990.29	\$52,990.29	\$52,990.29	\$52,990.29	\$52,990.29	\$52,990.29	\$52,990.29	\$52,990.29	\$52,990.29
Purchase Rate	\$4.31	\$4.44	\$4.57	\$4.71	\$4.85	\$4.99	\$5.14	\$5.29	\$5.45
average daily water volume	1,470,000.00	1503075	1536894.188	1571474.307	1606832.479	1642986.209	1679953.399	1717752.351	1756401.778
Annual gallons purchased	536,550,000.00	548,622,375.00	560,966,378.44	573,588,121.95	586,493,854.70	599,689,966.43	613,182,990.67	626,979,607.96	641,086,649.14
Monthly purchase amount	\$192,710.88	\$202,899.16	\$213,626.09	\$224,920.12	\$236,811.26	\$249,331.05	\$262,512.75	\$276,391.34	\$291,003.67
Monthly Cost	\$245,701	\$255,889	\$266,616	\$277,910	\$289,802	\$302,321	\$315,503	\$329,382	\$343,994
2.0 MGD Plant									
Capital Cost	20,000,000.00								
Interest Rate	2.5								
Annual Payment	\$1,271,766.94								
Monthly Payment	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58
Purchase Rate	\$4.31	\$4.44	\$4.57	\$4.71	\$4.85	\$4.99	\$5.14	\$5.29	\$5.45
average daily purchase volume	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Annual gallons purchased	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00
Monthly purchase amount	\$65,547.92	\$67,494.69	\$69,499.28	\$71,563.41	\$73,688.84	\$75,877.40	\$78,130.96	\$80,451.45	\$82,840.86
Operating Cost	\$2.01	\$2.07	\$2.13	\$2.19	\$2.26	\$2.33	\$2.40	\$2.47	\$2.54
Operating gallons per day	970,000.00	991,825.00	1,014,141.06	1,036,959.24	1,060,290.82	1,084,147.36	1,108,540.68	1,133,482.84	1,158,986.21
Operating annual cost	\$711,640.50	\$749,263.69	\$788,875.95	\$830,582.44	\$874,493.88	\$920,726.84	\$969,404.06	\$1,020,654.75	\$1,074,614.98
Monthly Operating Cost	\$59,303.38	\$62,438.64	\$65,739.66	\$69,215.20	\$72,874.49	\$76,727.24	\$80,783.67	\$85,054.56	\$89,551.25
Monthly Cost	230,832	235,914	241,220	246,759	252,544	258,585	264,895	271,487	278,373



**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
MAY 2025 MEETING**

The May 2025 meeting of the Bullock Pen Water District was called to order on May 21, 2025, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Superintendent Paul Harp, Commissioners Bryan Slaughter, Andrea Walton, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr, Amy Ruark and Ashley Dyer. Commissioner William Wethington was absent.

The first order of business was approval of the April 2025 Minutes. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: the April 2025 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the March 2025 Profit and Loss Statement and Warrants. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: the April 2025 Warrants and Profit and Loss Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that he has not heard any new developments in the Garrison litigation. Superintendent Harp reported that Mayor Purcell had called Judge Executive Dills to discuss the litigation. Superintendent Harp was informed that Judge Executive Dills is going to call Plaintiff's counsel, Mr. Pete Whaley, in an effort to resolve this matter.
2. Mr. Nienaber reported that he has not heard of any developments in the Katie Drive Project. Superintendent Harp confirmed that as well.
3. Mr. Nienaber reported that he has not heard anything from the Public Service Commission regarding the Belden Gaines' Complaint. No one else has heard anything either.
4. Mr. Nienaber shared with the Board additional correspondence he received from Napoli Shkolnik regarding the revised Retainage Agreement. Mr. Nienaber reviewed with the Board the revised Retainage Agreement. This is the same revised Retainage Agreement submitted to the District for approval last year. The Board unanimously rejected that revised Retainage Agreement last year. After considerable discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

Bullock Pen Water District
Minutes
May 21, 2025

“RESOLVED: that the proposal to revise the Retainage Agreement (attached) as submitted by Napoli Shkolnik is rejected.”

5. Mr. Nienaber inquired as to the status of the Certificate of Deposit update. Ms. Ruark presented the attached Certificate of Deposit Summary. She reported that the District has received \$44,014.64 in interest since November 30, 2024.
6. Mr. Nienaber reported on the status of obtaining an independent financial analysis for the WWTP Project. Mr. Nienaber reported that Dean Dorton CPAs rejected the District's request for a financial analysis. Mr. Nienaber stated that Munninghoff and Lange likewise declined to prepare a financial analysis. Ms. Dyer contacted KRWA for any references they might have. KRWA submitted a list of references, most of which were engineers. Mr. Nienaber stated that he reviewed that list and contacted Mr. Jerry Shelton. He contacted Mr. Shelton by phone at the request of the District for a financial analysis. Mr. Shelton requested some information regarding the scope and extent of the financial analysis needed by the District. Mr. Nienaber sent Mr. Shelton the same letter he sent to Munninghoff and Lange with the three summaries received from Senator Gex Williams, KEG, and Superintendent Harp. Mr. Shelton could not commit one way or the other to providing a financial analysis. He stated that he would review the information I prepared for him and get back to me at his earliest convenience. Mr. Nienaber will report as soon as he hears from Mr. Shelton. Commissioner Slaughter inquired as to whether or not the District could place an article in local newspapers outlining the expenses that Senator Williams is costing the District in following his proposal that the District not undertake a WTP Project, but rather purchase water from BFWC. Mr. Nienaber stated no. Chairman Givin stated that initially he wanted to respond to Senator Williams' article which appeared in *The Grant County News* (attached). Chairman Givin had second thoughts after he received no adverse responses to Senator Williams' article. Everyone in the room inquired as to whether or not they had heard anything adverse as a result of Senator Williams' article. Everyone reported that they heard nothing. Given that lack of reaction from the general public and particularly District customers, after considerable discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: that the District not respond to Senator Williams' article appearing in *The Grant County News*.”

7. Chairman Givin inquired as to whether or not Mr. Nienaber requested a formal opinion of the Attorney General's Office relating to the payment of fees to Commissioners when the Commissioner does not attend a meeting. Mr. Nienaber stated that he has not sent a request to the Attorney General's Office. Mr. Nienaber was directed to do so.
8. Chairman Givin and Superintendent Harp reported that they met with BFWC representatives on May 12, 2025. Mr. Jim Parsons and Mr. Jeff Eger represented BFWC

Bullock Pen Water District
Minutes
May 21, 2025

at that meeting. Chairman Givin reported that he wanted to hear directly from BFWC what they wanted the District to do. Superintendent Harp stated that they informed BFWC that Bullock Pen does not want to join BFWC. BFWC stated that if the District wants to join, then they will have to initiate that process. If the District requests participation with BFWC, the Boone County Water District would then be contacted to see if they had any objections given the fact that the District's entry to BFWC would terminate the District's water purchase from BCWD. If BCWD had no objections, BFWC would then need to do a feasibility study to establish what infrastructure would need to be constructed in order for the District to purchase all water from BFWC. Chairman Givin was informed that the cost of this Study and any subsequent infrastructure improvements would be at the expense of the District. The cost of covering infrastructure improvements would either be an upfront charge to the District or it would be included in the charge for BFWC water rates. Chairman Givin stated that BFWC informed the District in the meeting that any and all upfront costs of investigation, engineering, etc., would be borne by the District. Superintendent Harp reported that his preliminary general review indicates that if the District were to join BFWC, infrastructure improvements would include, among other things, connections under I-71; under Bullock Pen Lake; two creeks; and several roads. This line would be approximately 11 miles in length. BFWC reported that if the District were to join, it would be at least 5 years before the District could begin purchasing water from BFWC. After discussion, Benton Hanson was directed to perform a preliminary cost estimate for infrastructure that would need to be constructed if the District were to begin purchasing water from BFWC. It was determined that the District should wait for Benton Hanson's Study and the financial analysis from Jerry Shelton before making any final decision. Superintendent Harp reported that his preliminary investigation would include three potential paths to bring water service to the District from BFWC. One of those paths is 13 miles in length, one 12 miles in length, and the last 11 miles in length. In any event, each of these paths would require a minimum 500' feet of boring under I-71, major creeks, roads, and a railroad. Mr. Nienaber once again emphasized the need for an independent financial analysis. Commissioner Walton stated that she is opposed to even considering a wholesale water purchase business model option at this time. She recommends that the District move forward with the WTP project post haste. After considerable discussion, upon motion of Andrea Walton and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the District stay the course and move forward with the WTP Project at this time. The District should also move forward with obtaining an independent financial analysis and an infrastructure cost summary from Benton Hanson.”

9. Mr. Nienaber reported that he had finally received word from Mr. Michael Scott at Kentucky Department of Fish & Wildlife. Mr. Scott reported that F&W was going to meet on February 22, 2025, with the Department Commissioner to review the District's Memorandum of Understanding. Mr. Nienaber will report when he hears something.

Bullock Pen Water District
Minutes
May 21, 2025

The next order of business was a report by Kentucky Engineering Group, Inc., Mr. Ryan Carr, as follows:

1. Mr. Carr reported that the DOW currently has the engineering plans and drawings. They are currently under review by the DOW.
2. Mr. Carr reported that the Geotech Engineering Company intends to be on site in the next week to begin test borings. Structural design of the WTP will begin after the Geotech reports are received.
3. Mr. Carr reported that John Brady will take the District's application for financing to the KIA Board meeting next month. Mr. Carr will attend that meeting. He also requests that Superintendent Harp and Chairman Givin attend with him.
4. Mr. Carr reported that the Geotech work at the WTP site is not a violation of the PSC Order entered in Case #2023-00306. Mr. Carr reported that a Geotech survey is no different than a normal boundary survey. Superintendent Harp agreed with Mr. Carr stating that the PSC Order is confusing.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson reported that the Ashley Subdivision Extension Plans have been reviewed and are satisfactory. Superintendent Harp agrees.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that the Elliston Bridge Project should start in the very near future.
3. Superintendent Harp forwarded the attached letter to mobile home park owners, including Indian Hill Pointe and Aspen Pointe relating to the cost of meter replacement and line relocation in mobile home parks. Superintendent Harp has not yet heard any response.
4. Superintendent Harp shared with the Board his revised comparative analysis of the WTP Project and the 100% water purchase model (attached). Superintendent Harp reported that the major changes in his revised comparative financial analysis include a capping of water withdrawal from Bullock Pen Lake at 1,500,000 gallons per day. He also used a weighted average purchase price per 1,000 gallons which the District is now paying. With these two changes, Superintendent Harp's revised financial analysis shows even

Bullock Pen Water District
Minutes
May 21, 2025

better savings to the District by opting for the WTP Project. He also reported that the more growth that the District realizes in the future will increase District savings. His revised financial analysis also reflects an infrastructure cost of \$11,000,000.00 with the wholesale water purchase model. Superintendent Harp reported that as time has passed, he believes the \$11,000,000.00 is probably a low number. Superintendent Harp reported that while preparing his revised financial analysis, he went through District records over the last 10 years to determine how much growth the District incurred. Based upon total water production/water purchase, the District has grown a total of 1.5% (cumulative) over the last 10 years.

5. Superintendent Harp reported that one of the District employees has terminated their employment. The application process for replacing that employee is now in progress.
6. Commissioner Slaughter inquired into whether or not the District has torn down the Catlett house. Paul Harp stated no.
7. Superintendent Harp reported that Mr. Bill Massey has a trailer in the barn. Mr. Nienaber recommended that Mr. Massey be directed immediately to remove the trailer from the barn.
8. Commissioner Slaughter inquired as to whether or not the District can have water tested as it purchases water from each wholesaler. Superintendent Harp stated that all of the District wholesalers are only required to meet state minimums for water quality. All water purchased to date has met state standards.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Dyer shared with the Board her health insurance renewal analysis. Ms. Dyer reported that the best option is for the District to go with KLC's coverage. An answer must be received by KLC no later than June 7, 2025. Ms. Dyer reported that she will need a little more information from KLC to complete her analysis. With that said, Ms. Dyer stated that she would send out her plan recommendation as soon as it is complete. She did report that the maximum increase in cost for similar coverage through KLC will be approximately 9%. Ms. Dyer reported that outside of KLC quotes, all other insurance provider quotes were far more expensive for less coverage. After considerable discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Ms. Dyer be and she is hereby directed to finalize her summary of health insurance coverage and distribute it to all Commissioners as soon as it is complete. Commissioners are then directed to cast their vote for or against the KLC Plan. In no event shall the KLC Plan represent a cost increase greater than 9% and all health insurance coverages must be substantially the same

Bullock Pen Water District
Minutes
May 21, 2025

as those currently being received. A final vote on the KLC plan shall then be taken from all Commissioners.”

The board voted to keep the HRA funding for the single and family plan at ½ of the deductible for each. It will be paid out after the employee pays a certain amount in deductible costs.

2. Ms. Dyer reported that an employee submitted a worker’s compensation claim for a hernia operation. That procedure was covered by the carrier. The employee should be back to work in the next month.
3. Ms. Dyer reported that the next meeting is scheduled for June 19, 2025, which is a federal holiday, Juneteenth. After discussion, it was unanimously,

“RESOLVED: that the next regular meeting take place on June 30, 2025. Ms. Ruark is hereby authorized to make the necessary notifications.”

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William M. Wethington
WILLIAM WETHINGTON, SECRETARY

to learn out there

ed became
pic with my
arm. Picking up
rash and debris
and chopping and
and-spraying
histles took all
ny time at first.

Then there were
he ruts. They
were everywhere.
hated the ruts
hen, and I still do
oday. I asked an
old farmer friend
what I could do
e ruts and his
as simple, "Stop
g about them
nature take its

I looked
d, he explained
r time,
nd-thaw would
e of it. And it did.
a learned.

the work on the
histles and ruts
on ring the
d tearing out old
id replacing it
bed wire. Day
ht my young sons
orked at that.
was a small pile
and limbs down
reek bottom, and

from day one I wanted
to pick them up, but I
just couldn't make time.
I became somewhat
aggrevated with the
presence of that old pile
of sticks.

It was then that my
friend Kenton and I were
walking around on my
farm, and we came to that
pile of sticks. I mentioned
to him my frustration
with not having time to
pick them up.

Kenton said to me,
"I hear you Mark, but
an old country boy like
me wouldn't give them
a thought. We would
know that nature would
take care of it, and that
in time, the limbs would
rot into the ground." And
that is what happened.
Another lesson learned.

I began to see that
Mother Nature is a
real friend to the land
owner, always working to
resolve the problems and
mistakes of man and to
heal his blunders. Maybe
it's time to give her a little
more freedom and let her
work. As the old farm-boy
advised, "Let nature take
its course."

le of good ion is to connect

erlooked —
save the lives
of thousands of
Americans and
win the war.

It's a story I
come back to
often—because
it reminds me
of a powerful
and obvious
language can be.
But I also know
how language
can exclude
as easily as it can
Words matter.
as can divide or

like "fellowship,"
"salvation," and
"communion" feel
second nature. But I
sometimes wonder how
those words sound to
someone who's never
darkened the door of a
sanctuary. Do they land
with warmth and clarity
—or do they confuse,
intimidate, and distance?

Nearly every religion
and denomination
say they want to be
welcoming. And I believe
them to be sincere in
that sentiment. Yet they

Bullock Pen Water District's decision has generational impact

BY SENATOR GEX "JAY"
WILLIAMS

This month Bullock Pen Water District (BPWD) requested permission from the Kentucky Department of Fish and Wildlife Resources (KDFWR) to double its permitted withdrawal from Bullock Pen Lake to an average of 1.5 million gallons per day. This is to feed a proposed two million-gallon water treatment plant.

The district's forecast indicates in about 20 years it must begin taking even more from Bullock Pen Lake to meet demand. More realistic growth models indicate the district must start taking more out of the lake within 10 years to justify borrowing \$20 million dollars.

KDFWR anticipates a longer boat ramp will be needed to reach deep water after BPWD begins withdrawing an extra one million gallons of water per day. BPWD will be required to pay for a new ramp on state property, but who will pay to extend the docks of residents when the water levels drop?

Current projections show the lake staying at minimum levels for 12 weeks during the best recreation months of the year. Will the fish population drop because critical spawning areas in what used to be shallows will be dry?

BPWD has other available options but is relying on a critically flawed internal study. That study is

rife with unrealistic assumptions and incorrect spreadsheet programming. Not only will Bullock Pen Lake residents and sportsmen be subsequently harmed, but also BPWD members will pay more by taking water from Bullock Pen Lake rather than purchasing low-cost water from Boone-Florence Water Commission (BFWC) and/or other districts.

More realistic inflation, growth, and water purchase rates show that BPWD could save over \$20 million dollars in the next 20 years by becoming a member district in the Boone Florence Water Commission. BFWC member districts purchase water at \$3.68 per thousand gallons instead of the \$4.59 that the district now must pay other districts.

BFWC also funds new water towers and transmission lines as needed for member districts' water storage and pays for maintaining towers. This saves the Bullock Pen Water District significant expense.

Instead of borrowing twenty million dollars (\$20 million) to build a treatment plant that does nothing to improve water distribution and fire prevention capability, the BPWD could invest into in-ground infrastructure that supports lowering members' home insurance costs.

Once members were happy to get small

4-inch lines that provide reliable clean water, but no firefighting. With the high cost of building and home insurance, members now need bigger lines with sufficient pressure to fight fires and lower home insurance rates.

Sportsmen and Bullock Pen Lake homeowners should let both KDFWR and BPWD know that they want to maintain Bullock Pen Lake's current water levels and downstream flow. BPWD members should ask the BPWD board to commission a "make vs. buy" study by a professional civil engineer.

BPWD members should also ask the BPWD board to make reducing home insurance rates a priority by planning on providing the water storage and fire hydrants needed to fight fires and lower insurance rates.

Building a new water treatment plant to draw more water from Bullock Pen Lake is likely a terrible ecological and economic idea. As a member of the BPWD whose kids, grandkids and great grandkids will be homeowners and sportsmen in the future, now is the time we need to get it right for them!

Sen. Gex "Jay" Williams, R-Verona, represents the 20th Senate District, which encompasses Carroll, Franklin, Gallatin, and Owen Counties, southern Boone County, and southwestern Kenton County.

TURNING BACK THE CLOCK

10 YEARS AGO ... MAY 7, 2015

prisoners from other counties bring in

A2 GRANT COUNTY NEWS Thursday, May 15, 2025

Around Town

The Grant County News publishes items in the Community Calendar free of charge: **Send items to:** Calendar, 1406 N. Main Street, Williamstown, KY 41097 or email them to: bsmith@cynthianademocrat.com or fax them to 824-5888 by noon on Thursday

AROUND THE COUNTY

THURSDAY, MAY 15

- Fitness For Life Around Grant County, Google Meets Meetings at 3:30 p.m. to 4:45 p.m. For more information and to get the link, contact jodi.cesene@nkyhealth.org.
- Williamstown City Council, 400 North Main Street, Williamstown at 6 p.m. For more information, contact the City Office at (859) 824-6351.

FRIDAY, MAY 16

- Williamstown Senior Center, 400 North Main Street, Williamstown, 9 a.m. to 3 p.m. For more information, contact Cindy Ray at (859) 824-6415.
- Individuals with Disabilities Social Group, 318 North Main Street, Williamstown, 6:30 p.m. Open to all adults 17 and over.

MONDAY, MAY 19

- Grant County Chamber of Commerce at 105 Barnes Road, Williamstown, at

8 a.m. For more information contact Jamie Baker at (859) 393-8390.

- Dry Ridge City Council, 31 Broadway, Dry Ridge at 6 p.m. For more information, call the City Office at (859) 824-3335.
- Williamstown Senior Center, 400 North Main Street, Williamstown, 9 a.m. to 3 p.m. For more information, contact Cindy Ray at (859) 824-6415.

TUESDAY, MAY 20

- Williamstown City Council, 400 North Main Street, Williamstown at 6 p.m. For more information, contact the City Office at (859) 824-6351.
- Grant County Fiscal Court, at Old Courthouse 101 North Main Street at 6 p.m. Contact the Fiscal Court Office at (859) 823-7561 for more information.

WEDNESDAY, MAY 21

- Williamstown Kiwanis, LaRosa's, 96 C Blackburn Lane, Dry Ridge at noon. For more information, contact

WilliamstownKy
KiwanisClub@Gmail.com

- Williamstown Senior Center, 400 North Main Street, Williamstown, 9 a.m. to 3 p.m. For more information, contact Cindy Ray at (859) 824-6415.
- Grant County Resource Team NKU Grant Campus, 390 North Main Street, Williamstown; 10 a.m. For more information (859) 824-3600.

• Bullock Pen Water District (Grant County Sewer District) will meet at 1 p.m. at 1 Farrell Drive, Crittenden. For more information call (859) 428-2112.

THURSDAY, MAY 22

- Fitness For Life Around Grant County, Google Meets Meetings at 3:30 p.m. to 4:45 p.m. For information and to get the link, contact jodi.cesene@nkyhealth.org.
- Bullock Pen Water District (Grant County Sewer District) will meet at 1 p.m. at 1 Farrell Drive, Crittenden. For more information call (859) 428-2112.

Grant County News

Serving Grant County since 1906

Phone: 859-824-3343

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Comparative Analysis Based on \$11,000,000 Infrastructure Improvement Cost Estimate
Weighted average Purchase Rate Including Boone Florence

inflation 2.97%
water usage annual increase 2.25%

100% purchase

	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Cost	\$11,000,000.00								
Interest Rate	2.5								
Annual Payment	\$699,471.82								
Monthly Payment	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32
Purchase Rate	\$3.89	\$4.01	\$4.12	\$4.25	\$4.37	\$4.50	\$4.64	\$4.77	\$4.92
average daily water volume	1,470,000.00	1,503,075.00	1,536,894.19	1,571,474.31	1,606,832.48	1,642,986.21	1,679,953.40	1,717,752.35	1,756,401.78
Annual gallons purchased	536,550,000.00	548,622,375.00	560,966,378.44	573,588,121.95	586,493,854.70	599,689,966.43	#####	626,979,607.96	641,086,649.14
Monthly purchase amount	\$173,931.63	\$183,127.09	\$192,808.69	\$203,002.15	\$213,734.52	\$225,034.29	\$236,931.46	\$249,457.61	\$262,646.00
Monthly Cost	\$232,221	\$241,416	\$251,098	\$261,291	\$272,024	\$283,324	\$295,221	\$307,747	\$320,935
Yearly Cost	\$2,786,651.32	\$2,896,996.85	\$3,013,176.15	\$3,135,497.65	\$3,264,286.07	\$3,399,883.31	\$3,542,649.34	\$3,692,963.16	\$3,851,223.81
2.0 MGD Plant									
Capital Cost	20,000,000.00								
Interest Rate	2.5								
Annual Payment	\$1,271,766.94								
Monthly Payment	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58
Purchase Rate	\$4.31	\$4.44	\$4.57	\$4.71	\$4.85	\$4.99	\$5.14	\$5.29	\$5.45
average daily purchase volume	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Annual gallons purchased	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	#####	182,500,000.00	182,500,000.00
Monthly purchase amount	\$65,547.92	\$67,494.69	\$69,499.28	\$71,563.41	\$73,688.84	\$75,877.40	\$78,130.96	\$80,451.45	\$82,840.86
Operating Cost	\$2.01	\$2.07	\$2.13	\$2.19	\$2.26	\$2.33	\$2.40	\$2.47	\$2.54
Operating gallons per day	970,000.00	991,825.00	1,014,141.06	1,036,959.24	1,060,290.82	1,084,147.36	1,108,540.68	1,133,482.84	1,158,986.21
Operating annual cost	\$711,640.50	\$749,263.69	\$788,875.95	\$830,582.44	\$874,493.88	\$920,726.84	\$969,404.06	\$1,020,654.75	\$1,074,614.98
Monthly Operating Cost	\$59,303.38	\$62,438.64	\$65,739.66	\$69,215.20	\$72,874.49	\$76,727.24	\$80,783.67	\$85,054.56	\$89,551.25
Monthly Cost	\$ 230,832	\$ 235,914	\$ 241,220	\$ 246,759	\$ 252,544	\$ 258,585	\$ 264,895	\$ 271,487	\$ 278,373
Yearly Cost	\$ 2,769,982.44	\$ 2,830,966.91	\$ 2,894,634.28	\$ 2,961,110.31	\$ 3,030,526.95	\$ 3,103,022.62	#####	\$ 3,257,839.11	\$ 3,340,472.24

Comparative Analysis Based on \$11,000,000 Infrastructure Improvement Cost Estimate
Weighted average Purchase Rate Including Boone Florence

2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046
\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32	\$58,289.32
\$5.06	\$5.21	\$5.37	\$5.53	\$5.69	\$5.86	\$6.03	\$6.21	\$6.40	\$6.59	\$6.78
1,795,920.82	1,836,329.04	1,877,646.44	1,919,893.49	1,963,091.09	2,007,260.64	2,052,424.00	2,098,603.54	2,145,822.12	2,194,103.12	2,243,470.44
655,511,098.75	670,260,098.47	685,340,950.68	700,761,122.07	716,528,247.32	732,650,132.89	749,134,760.88	765,990,293.00	783,225,074.59	800,847,638.77	818,866,710.64
\$276,531.63	\$291,151.38	\$306,544.04	\$322,750.49	\$339,813.74	\$357,779.10	\$376,694.25	\$396,609.42	\$417,577.47	\$439,654.06	\$462,897.80
\$334,821	\$349,441	\$364,833	\$381,040	\$398,103	\$416,068	\$434,984	\$454,899	\$475,867	\$497,943	\$521,187
\$4,017,851.42	\$4,193,288.34	\$4,378,000.31	\$4,572,477.67	\$4,777,236.72	\$4,992,821.01	\$5,219,802.87	\$5,458,784.86	\$5,710,401.41	\$5,975,320.49	\$6,254,245.38
\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58
\$5.61	\$5.78	\$5.95	\$6.12	\$6.31	\$6.49	\$6.69	\$6.88	\$7.09	\$7.30	\$7.52
500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00
182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00
\$85,301.23	\$87,834.68	\$90,443.37	\$93,129.54	\$95,895.48	\$98,743.58	\$101,676.26	\$104,696.05	\$107,805.52	\$111,007.35	\$114,304.26
\$2.62	\$2.69	\$2.77	\$2.86	\$2.94	\$3.03	\$3.12	\$3.21	\$3.31	\$3.40	\$3.51
1,185,063.40	1,211,727.32	1,238,991.19	1,266,868.49	1,295,373.03	1,324,518.92	1,354,320.60	1,384,792.81	1,415,950.65	1,447,809.54	1,480,385.26
\$1,131,428.00	\$1,191,244.61	\$1,254,223.63	\$1,320,532.24	\$1,390,346.47	\$1,463,851.65	\$1,541,242.93	\$1,622,725.75	\$1,708,516.42	\$1,798,842.69	\$1,893,944.36
\$94,285.67	\$99,270.38	\$104,518.64	\$110,044.35	\$115,862.21	\$121,987.64	\$128,436.91	\$135,227.15	\$142,376.37	\$149,903.56	\$157,828.70
\$ 285,567	\$ 293,086	\$ 300,943	\$ 309,154	\$ 317,738	\$ 326,712	\$ 336,094	\$ 345,904	\$ 356,162	\$ 366,891	\$ 378,114
\$ 3,426,809.73	\$ 3,517,027.71	\$ 3,611,311.01	\$ 3,709,853.63	\$ 3,812,859.23	\$ 3,920,541.57	\$ 4,033,125.05	\$ 4,150,845.29	\$ 4,273,949.63	\$ 4,402,697.79	\$ 4,537,362.48

Comparative Analysis Based on \$11,000,000 Infrastructure Improvement Cost Estimate
Weighted average Purchase Rate Including Boone Florence

2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057
\$58,289.32										
\$6.98	\$7.19	\$7.41	\$7.63	\$7.85	\$8.09	\$8.33	\$8.57	\$8.83	\$9.09	\$9.36
2,293,948.53	2,345,562.37	2,398,337.52	2,452,300.11	2,507,476.87	2,563,895.10	2,621,582.74	2,680,568.35	2,740,881.14	2,802,550.96	2,865,608.36
837,291,211.63	856,130,263.89	875,393,194.83	895,089,541.71	915,229,056.40	935,821,710.17	956,877,698.65	978,407,446.87	1,000,421,614.42	1,022,931,100.74	1,045,947,050.51
\$487,370.39	\$513,136.81	\$540,265.46	\$568,828.35	\$598,901.31	\$630,564.17	\$663,900.99	\$699,000.28	\$735,955.20	\$774,863.86	\$815,829.56
\$545,660	\$513,137	\$540,265	\$568,828	\$598,901	\$630,564	\$663,901	\$699,000	\$735,955	\$774,864	\$815,830
\$6,547,916.53	\$6,157,641.75	\$6,483,185.50	\$6,825,940.17	\$7,186,815.68	\$7,566,770.05	\$7,966,811.94	\$8,388,003.34	\$8,831,462.40	\$9,298,366.36	\$9,789,954.72
\$105,980.58										
\$7.74	\$7.97	\$8.21	\$8.45	\$8.70	\$8.96	\$9.22	\$9.50	\$9.78	\$10.07	\$10.37
513,693.92	547,752.04	582,576.46	618,184.43	654,593.58	691,821.93	729,887.93	768,810.41	808,608.64	849,302.33	890,911.64
187,498,280.80	199,929,494.60	212,640,407.90	225,637,316.95	238,926,656.70	252,515,004.45	266,409,094.45	280,615,799.65	295,142,153.60	309,995,350.45	325,182,748.60
\$120,922.63	\$132,769.36	\$145,404.38	\$158,874.19	\$173,227.86	\$188,517.22	\$204,797.01	\$222,124.97	\$240,562.11	\$260,172.79	\$281,024.97
\$3.61	\$3.72	\$3.83	\$3.94	\$4.06	\$4.18	\$4.30	\$4.43	\$4.56	\$4.70	\$4.84
1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
\$1,976,034.10	\$2,034,722.32	\$2,095,153.57	\$2,157,379.63	\$2,221,453.81	\$2,287,430.98	\$2,355,367.68	\$2,425,322.10	\$2,497,354.17	\$2,571,525.59	\$2,647,899.90
\$164,669.51	\$169,560.19	\$174,596.13	\$179,781.64	\$185,121.15	\$190,619.25	\$196,280.64	\$202,110.18	\$208,112.85	\$214,293.80	\$220,658.32
\$ 391,573	\$ 302,330	\$ 320,001	\$ 338,656	\$ 358,349	\$ 379,136	\$ 401,078	\$ 424,235	\$ 448,675	\$ 474,467	\$ 501,683
\$ 4,698,872.56	\$ 3,627,954.63	\$ 3,840,006.18	\$ 4,063,869.89	\$ 4,300,188.11	\$ 4,549,637.65	\$ 4,812,931.75	\$ 5,090,821.78	\$ 5,384,099.48	\$ 5,693,599.07	\$ 6,020,199.49

Comparative Analysis Based on \$11,000,000 Infrastructure Improvement Cost Estimate

Weighted average Purchase Rate Including Boone Florence

	2027	2028	2029	2030	2031	2032	2033	2034	2035
Yearly Savings	\$16,668.88	\$66,029.94	\$118,541.87	\$174,387.34	\$233,759.12	\$296,860.70	\$363,906.80	\$435,124.05	\$510,751.57

Comparative Analysis based on \$11,000,000 Infrastructure Improvement Cost Estimate

Weighted average Purchase Rate Including Boone Florence

Weighted Average Purchase Rate Including Boone Florence										
2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046
\$591,041.69	\$676,260.63	\$766,689.30	\$862,624.04	\$964,377.49	\$1,072,279.44	\$1,186,677.82	\$1,307,939.57	\$1,436,451.78	\$1,572,622.70	\$1,716,882.90
\$3,483,332.59										

Comparative Analysis based on \$11,000,000 Infrastructure Improvement Cost Estimate

Weighted average Purchase Rate Including Boone Florence

2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057
\$1,849,043.98	\$2,529,687.12	\$2,643,179.32	\$2,762,070.28	\$2,886,627.57	\$3,017,132.40	\$3,153,880.19	\$3,297,181.56	\$3,447,362.92	\$3,604,767.30	\$3,769,755.23
\$16,218,921.61									\$47,330,565.50	

BULLOCK PEN WATER DISTRICT
Board Meeting Attendance
June 30, 2025

Name	Address/Affiliation
1. Michelle Ballard	923 Catlett Dr. Crittenden, Ky
2. Brett Harris	884 Catlett Dr. Crittenden Ky
3. Molly Stephens-Harris	884 Catlett Dr. Crittenden Ky 41030
4. Nathan Granger (not speaking)	LINK nky
5. Robert Sanders	932 Catlett Dr. Crittenden
6. Ron Williams	390 Rainbow Dr. Crittenden 41030
7. Gex Williams	14142 Walter Verona Rd Verona Ky 41030
8. Bob Porter	CONGRESSMAN MASSIE FIELD Dist. Dir.
9. Pat Abeling	220 Ransom Cove Crittenden
10. Kim Harris	" " " "
11. Dorothy Sauter	883 CATLETT DRIVE
12. Rick Sordini	883 CATLETT DRIVE
13. Steve Noble	1914 GUN CLUB RD
14. James Fisk	1914 Gun Club R
Robert Peck	15856 Teal Rd Verona
Elizabeth Peck	15856 Teal Rd Verona
Jessie Morris	140 Maple Ridge St Crittenden
GREG Powell	205 Ridgeway Dr. Crittenden
Curtis + Leslie Knight	200 Rainbow Dr. Crittenden
Ed Turner	250 RANSOM COVE CRITTENDEN
Bill Greyson	225 Ransom Cove Crittenden
Dan Arlinghaus	1945 VIOLET RD CRITTENDEN

BULLOCK PEN WATER DISTRICT
Board Meeting Attendance
June 30, 2025

<u>Name</u>	<u>Address/Affiliation</u>
1. Julie Arlinghaus	1945 Violet Rd
2. Jill Arlinghaus	1945 VIOLET RD
3. Michelle Heim	165 Largsdale Pt.
4. Dave Dedden	410 Rainbow Dr
5. Jeanne Kennedy	958 Catlett Dr
6. Sohn HAMANTH	240 RAN SOM COVE
7. John Chamberlain	CNO CPA's
8.	
9.	
10.	
11.	
12.	
13.	
14.	

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
JUNE 2025 MEETING**

The June 2025 meeting of the Bullock Pen Water District was called to order on June 30, 2025, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Superintendent Paul Harp, Commissioners Bryan Slaughter, William Wethington, Andrea Walton, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr and Matt Baker, Amy Ruark and Ashley Dyer.

The first order of business was a request to be heard from a group of citizens generally residing in the area around Bullock Pen Lake. These citizens (approximately 30 in all) requested information regarding the District's plans to construct a Water Treatment Plant ("WTP Project"), and how that Project would affect Bullock Pen Lake. Chairman Givin announced that the room was approved by the local Fire Marshal for a maximum capacity of 30 visitors over and above District Commissioners and representatives. After the meeting was called to order, the room capacity exceeded the allowable capacity. Chairman Givin announced that the meeting would need to be continued until a later date to a larger venue. At that time, several citizens voluntarily exited the room. Chairman Givin assured everyone that no one had to leave and that if they did so it was voluntary. The meeting then continued. Chairman Givin gave a brief opening statement regarding the WTP Project. Chairman Givin reported that the pool level of Bullock Pen Lake since the dam remediation project was completed is a steady 761 feet. Chairman Givin and Superintendent Harp then gave a brief history of the lake levels over the last 4-5 years since the dam has been repaired. Visitor Knight stated that they live on the lake near the dam. Mrs. Knight stated that she heard that the State filed a Complaint against Bullock Pen and that Bullock Pen was fined. She believes it had something to do with "algae issues." Commissioner Bingham announced to the visitors that they could attend a meeting conducted by Kentucky Department of Fish and Wildlife ("F&W") which is currently scheduled for July 15, 2025, at 6:00 p.m., at the Grant County Library, 201 Barnes Road, Williamstown, Kentucky. Commissioner Bingham stated that the purpose of the Public Meeting was for Fish & Wildlife to take comments regarding the District's request to withdraw water from Bullock Pen Lake. Commissioner Slaughter announced and explained that the District is indeed governed by the Public Service Commission ("PSC") and that F&W governs Bullock Pen Lake. Several of the visitors announced that they heard that water levels at Bullock Pen Lake were going to be drastically lowered by the Project. Some heard the lake was going to be drained altogether. Some visitors announced that they had called the District headquarters and requested agendas for the meeting which were not made available. Visitor Ballard stated that they had no information about the WTP Project and that they only heard of it by virtue of an article which appeared in the *Grant County News*. It was announced that someone heard Bullock Pen had already purchased land. Several visitors complained as to why they were not notified earlier. Visitor Ballard stated that it was her opinion that it would be more cost effective if the District would purchase water rather than produce water from the new WTP Project. Chairman Givin stated that the District's Financial Analysis would indicate that the District can produce water less expensively than purchasing water. Commissioner Bingham stated that the District's engineering firm has

analyzed the efficiency of a WTP Project versus purchasing water. Commissioner Bingham stated that HMB Professional Engineering, Inc. ("HMB") most recent cost estimate for infrastructure improvements required if the District elected to purchase water wholesale from BFWC is approximately \$18,000,000. Visitor Ballard is very concerned about her property value if the lake is drained. Ballard also has issues with fire protection. Visitor Ballard requested a final resolution of the fire protection issue. Commissioner Walton gave a brief history of the District. She informed the visitors that all of the Commissioners at the District are customers of Bullock Pen. Bullock Pen is a rural water district and that fire hydrants are concerns for all customers. Commissioner Walton related her personal fire issue which recently occurred at her home. Commissioner Walton stated that water purchase versus the WTP Project would not solve the fire protection issue. Commissioner Walton stated that she has been a Board member for 18 years. She explained that the District is controlled by the PSC and that the District answers to the PSC. Chairman Givin stated that the WTP Project has been in the preliminary study phase for 2 years plus. He stated that the District does not have any control over the dam project. The dam project was 100% controlled by F&W. Chairman Givin related briefly the history of meetings between F&W and the District. Chairman Givin stated that the District has been monitoring lake levels on a monthly basis since the dam remediation project was completed. Chairman Givin stated that there has been misinformation being distributed which stated the District was going to unreasonably drain Bullock Pen Lake. Chairman Givin and Commissioner Walton assured the visitors that the District is not going to drain Bullock Pen Lake. Commissioner Wethington explained that the District is controlled by and subject to F&W and PSC as it relates to Bullock Pen Lake. The District is legally bound to follow all rules and the District must do what F&W says. He informed everyone that F&W owns Bullock Pen Lake and not the District. Commissioner Wethington informed the visitors that the District will need to enter into an agreement with F&W regarding the withdrawal of water from Bullock Pen Lake and that the District must follow the terms of that agreement. He also stated that the District and F&W have had a great partnership working with each other over the last 60 plus years.

The visitors wanted to know where the F&W lake analyses are. Commissioner Wethington also explained a brief history of the District's role as an entity providing fire protection. He explained that the District's infrastructure system will not handle fire protection in most areas. Chairman Givin also addressed fire protection. The District water lines are there to assist in fire protection but not provide a primary means of fighting fires. Commissioner Wethington stated that the District is in the process of obtaining financial analyses to ensure that the District does what is best for its customers. A visitor asked if the WTP Project is to cover future growth and expansion in the District's area. Superintendent Harp reported that at this time, the District's primary concern is servicing customers that the District has at this time. One visitor referred to the January 2024 Minutes. Again, visitors requested copies of the financial analyses. Mr. Nienaber explained the Open Records Request system. Anybody wanting public records may make a formal request for those records. Mr. Nienaber explained that "oral requests" for documentation and public records will not be honored. Mr. Nienaber explained that it is in everyone's best interest to request documents in writing. Visitors were informed that an Open Records Request for documents is on the District website. Mr. Nienaber stated that if a request is made for public records and those public records are subject to an Open Records Request, the District will honor that request. Commissioner Bingham stated that everyone in the room and

the District members are all neighbors. The District would not do anything that was not in the best interest of District customers. Visitor Hammonds inquired as to whether or not the District could save water that pours over the spillway at the dam. Another visitor inquired as to whether or not Bullock Pen Lake could be enlarged. A visitor inquired as to when the District is required to stop withdrawing water from Bullock Pen Lake. Chairman Givin explained the current situation with F&W. The District may withdraw up to 1,500,000 gallons per day until the lake level reaches 759 feet. At that time, the District may only withdraw 500,000 gallons per day. Commissioner Bingham stated that if lake levels got too low, the District would stop withdrawing water altogether. Commissioner Slaughter stated that “we are all in this together” and the District would not do anything that would adversely impact District customers. One visitor inquired as to what the water level is on the intake valve. Superintendent Harp didn’t know. Engineer Carr stated that the current intake valve is approximately 8 feet below the surface.

Senator Jay Williams took the floor to make a presentation. He reported that the Kentucky General Assembly enacted legislation which encouraged rural water districts to consolidate and “regionalize.” He stated that the District cannot produce water as cheaply as NKWD or BFWC can sell water to the District. This is common sense and based on the element of “economy of scale.” Senator Williams has many issues with the District’s preliminary study done by KEG. Senator Williams stated that 38% of the water produced by the District is dumped. He stated that a new WTP Project will not reduce dumping water. He stated that the District’s underlying Financial Analysis is flawed. Senator Williams requested to see the District’s spreadsheet and information used in conducting our Financial Analysis. He reported that if the District entered into an agreement with BFWC, the District would not have to dissolve. Senator Williams stated that infrastructure costs and infrastructure improvements would be paid by BFWC if the District were to purchase water from BFWC. Superintendent Harp and Chairman Givin stated that is simply not true. Senator Williams reported that if the District would increase valve sizes at US 42, the District could provide fire protection for its customers. Senator Williams also stated that in purchasing water from BFWC, the District would naturally need to include loop lines which could save the District significant water dumping. Senator Williams stated that Bullock Pen Lake has shallows where fish breed and withdrawing water from Bullock Pen Lake would destroy wildlife in the area. He also stated that the Bullock Pen Creek Ecosystem below the dam would be destroyed. Senator Williams then made references to the Public Service Commission Order relating to the District’s purchase of the Catlett Property. Senator Williams implied that the District has violated that Order. Mr. Nienaber responded stating that the District has not violated the PSC Order. Again, Chairman Givin informed the visitors that there is going to be a public meeting conducted by F&W on July 15, 2025, at 6:00 p.m., at the Grant County Public Library. He encouraged everyone to attend.

The next order of business was a review of the May 2025 Minutes. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: the May 2025 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the May 2025 Profit and Loss Statement and Warrants. Commissioner Bingham inquired as to the payments made to KLC for insurance costs. Ms. Ruark reported that payment is made every 6 months. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: the May 2025 Warrants and Profit and Loss Statement be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that there has been no activity in the Garrison litigation since the last meeting.
2. Mr. Nienaber reported that he has been in contact with Mr. Bill Knoebel, Assistant Boone County Attorney regarding the Katie Drive Project. Mr. Nienaber was contacted by Mr. Knoebel in an effort to move the project along. Boone County Fiscal Court is requesting that residents on Katie Drive be permitted to sign a Consent & Release (attached) in order to obtain water service. The Consent and Release would be signed in lieu of a formal Easement at this time. Mr. Knoebel explained that the Fiscal Court is currently in the process of having the Easements surveyed. It will take some time to complete that aspect of the project. Therefore, the Fiscal Court is asking the District to accept a Consent and Release until the formal Easements can be prepared and signed. Mr. Nienaber said that this suggested resolution is acceptable to him. Mr. Nienaber stated that residents on Katie Drive could indeed obtain water service and have a meter set upon signing the attached Consent and Release; signing a formal Water User Agreement; and paying their tap-in fee. Mr. Nienaber requested the District to pass a resolution approving that process. After discussion, upon motion of Bryan Slaughter and second by Rodger Bingham, it was unanimously,

“RESOLVED: the Katie Drive Project customers may sign a Consent and Release (attached) in order to obtain water service. Once a customer signs the Consent and Release, a Water User Agreement, and pays the tap-in fee, the District would then be authorized to install a water meter.”

3. Mr. Nienaber reported that the Belden Gaines proceeding pending before the Public Service Commission has been resolved in the District’s favor. Amy Ruark reported that Mr. Gaines came to the office and paid his water bill of approximately \$1,700.00. Mr. Nienaber was pleased to receive that favorable decision.
4. Mr. Nienaber reported that the Napoli & Shkolnik firm has forwarded the District various documents relating to a proposed settlement with 3M in the PFAS MDL litigation. Mr. Nienaber stated that Napoli & Shkolnik are requesting participants and the District in the MDL litigation to agree to take structured payments in a lump sum form at a discounted rate. For example, if a plaintiff in the MDL litigation is awarded \$10,000.00 payable in

\$1,000.00 annual installments for 10 years, under the new program suggested by Napoli & Shkolnik, a participating plaintiff (e.g., the District) could take a one-time immediate payment of \$4,000.00 (present cash value). Mr. Nienaber cautioned everyone that while this program is being offered for plaintiffs, including the District, there has been no formal decision as to how much money each plaintiff will receive from the 3M settlement. That will be decided at a later date. Mr. Nienaber could not give any indication as to how much money the District will receive from that litigation, if any at all. After considerable discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: that the District execute the Letter of Intent Accelerated Payment Opportunity in the 3M settlement of the PFAS MDL litigation.”

5. Mr. Nienaber reported that he has heard from Michael Scott at the Kentucky Department of Fish & Wildlife (“F&W”). Mr. Scott informed Mr. Nienaber that F&W plans to schedule a Public Meeting regarding the District’s request to withdraw water from Bullock Pen Lake. That Public Meeting is scheduled for July 15, 2025, at 6:00 p.m., at the Grant County Public Library, 201 Barnes Road, Williamstown, Kentucky. Mr. Nienaber stated that he has not yet received a copy of the formal Public Notice issued by F&W. As soon as that is received by the District, Mr. Nienaber recommended that the District put that Notice on the District’s website and post it conspicuously at the District headquarters. Mr. Nienaber also suggested that District representatives get together prior to July 15, 2025, to prepare for the public meeting. Superintendent Harp stated that he would schedule such a meeting.
6. Mr. Nienaber inquired as to the health insurance status. Ms. Dyer reported that the Commissioners unanimously voted by email to accept the KLC proposal for employee health care benefits. Mr. Nienaber suggested that the District pass a Resolution *nunc pro tunc*. After discussion, upon motion of Andrea Walton and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the District accept and adopt the KLC health insurance proposal for District employees recommended by the Health Insurance Committee as attached.”

7. Mr. Nienaber reported that Mr. Jerry Shelton informed him that his accounting firm could not conduct the District independent financial analysis regarding the WTP Project. After that information was related, Mr. Nienaber contacted KRWA once again. Mr. Robert Miller (the individual engaged by the District to conduct our COSS Study) indicated that he could prepare our independent financial analysis provided he engaged the services of a colleague for assistance. Mr. Miller stated that the financial analysis could be conducted in approximately 30 days. He offered an estimated budget of \$10,000.00. Mr. Nienaber stated that Robert Miller has experience testifying before the Public Service Commission.

Mr. Nienaber made it clear to Mr. Miller that PSC testimony would in all likelihood be necessary. Mr. Nienaber feels comfortable with Robert Miller and would recommend his engagement. After discussion, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the District engage the services of Robert Miller to prepare its independent financial analysis regarding the WTP Project.”

The next order of business was a report by Kentucky Engineering Group, Inc., Mr. Ryan Carr, as follows:

1. Mr. Carr reported that the Geotech report is complete. The structural engineering plans for the WTP Project are underway.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson completed a cost estimate for infrastructure improvements needed to be implemented if the District were to adopt a water purchase business model with Boone Florence Water Commission. The projected and estimated cost of that infrastructure improvement would be approximately \$18,475,000 as attached. Mr. Hanson reported that his GIS survey indicated that the length of the new infrastructure line would be approximately 12 miles. Commissioner Slaughter inquired as to how long it would take to implement the infrastructure improvements (from start to project completion) if a water purchase business model were adopted. Mr. Hanson estimated that from start to finish, it would take approximately 4 years.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that a new turn lane is being installed at the Verona Mudlick School. This will require the District to relocate one of its main transmission lines.
3. Superintendent Harp reported that the Elliston Bridge Project is now complete.
4. Superintendent Harp reported that there was a main water leak at Reeves Road which was successfully repaired.
5. Superintendent Harp shared with the Commissioners his revised financial spreadsheet comparing the WTP Project to the 100% water purchase business model. This updated

spreadsheet (attached) uses updated growth figures and the revised infrastructure cost estimate prepared by HMB.

6. Superintendent Harp reported that he has heard back from the mobile home parks regarding the relocation of meters which are currently situated under mobile home units. He reported that mobile home park management has contacted Superintendent Harp with a list of those units where water meters need to be relocated. This list is different than Superintendent Harp's list. Accordingly, Superintendent Harp is going to meet on-site with mobile home park management to review the situation and determine which units need to be relocated. Superintendent Harp did report that the mobile home park management acknowledged their obligation to relocate water meters where necessary.
7. Superintendent Harp reported that two new employees have been hired, Mr. Gary Spiegel and Mr. Jordan Coby. After discussion, upon motion of Andrea Walton and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the District confirms the employment of Gary Spiegel and Jordan Coby.”

The next order of business was a review of the District's annual financial audit conducted by Chamberlin Owen, Certified Public Accountants, Mr. John Chamberlin. Mr. Chamberlin shared with the Commissioners the attached Audit Letter dated May 29, 2025, and the Chamberlin Owen Report dated May 29, 2025. Mr. Chamberlin noted the Report recommended the District consider other banking alternatives in order to maximize the District's investment return for cash on hand. Amy Ruark reported that change has already been implemented. Mr. Chamberlin made a PowerPoint presentation (attached). He reported that the financial summary represents an overview of the 2024 financial performance for the District. His audit opinion is an unmodified opinion and given with the highest level of assurance. He reported that the financial statements of the District present fairly in all material respects the respective financial position of the Bullock Pen Water District as of December 31, 2024. The only issue noted was the District cash accounts were bearing interest between 0% and 1.26% annual interest. John Chamberlin recommended that the District reassign those cash balances to other accounts in order to obtain better interest rates. He reported that a conservative interest rate would be 3.5%. Amy Ruark reported that move has already been made with Forcht Bank accounts. Mr. Chamberlin reported that there were no matters involving internal control over financial reporting and operations which are deemed to be material weaknesses or significant deficiencies in internal controls. All financial analysis was conducted in accordance with government auditing standards. He reported that there were no issues of bond compliance with bond covenants, debtor agreements, and/or Kentucky Revised Statutes. Only one management comment was made this year (see above). Mr. Chamberlin reviewed with the Commissioners various aspects of the financial report including Cash Comparison (PowerPoint, page 2); Capital Asset Comparison (PowerPoint, page 3); Revenues and Expenses, Analysis of Income, and Analysis of Liability (PowerPoint, pages 3 and 4). Overall, Mr. Chamberlin reported that the District is in excellent financial condition. After discussion, Chairman Givin recommended that

all Commissioners review the attached Financial Audit Report over the next few days and be prepared at the next regular meeting to take final action on the Financial Audit.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Ruark reported that the Boone County Water District has lowered its rate being charged to the District for bulk water purchases. The rate has been reduced from \$4.31 per thousand gallons to \$4.28 per thousand gallons.
2. Ms. Ruark reported that it is no longer necessary to maintain the Money Market account with Forcht Bank since all of the accounts have the same interest rate. She plans to close that account.
3. Ms. Ruark reported that the next regular meeting is scheduled for July 17, 2025. She stated that Morris & Bressler will not have the monthly reports available for that date so the District can schedule its July meeting for July 17th.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: 
CHARLES GIVIN, CHAIRMAN

ATTEST:


WILLIAM WETHINGTON, SECRETARY



Water Resources
Transportation
Surveying
Environmental

Project: 4222.00
Date: 6/18/2025
Engineer: PBH
Page: 2 of 2

**Opinion of Probable Project Cost
for
Boone Florence Transmission Main (2.0 MGD)
Bullock Pen Water District**

Construction: **\$16,500,000**

Engineering:

Design and Preliminary Engineering	\$780,000
Advertising & Bidding	\$110,000
Construction Administration	\$220,000
Construction Observation	\$520,000
Subtotal	\$1,630,000

Permitting:

I-71 and KYTC Crossing Surveys	\$25,000
Permit Applications	\$10,000
Stream Crossings	\$15,000
Subtotal	\$50,000

Legal and Admin:

Local Counsel	\$40,000
Funding Administration	\$25,000
Environmental	\$30,000
Easements(estimate 200)	\$200,000
Subtotal	\$295,000

Grand Total **\$18,475,000**

Comparative Analysis Based on \$18,975,000 Infrastructure Improvement Cost Estimate
Weighted average Purchase Rate Including Boone Florence

inflation 2.97%
water usage annual increase 1.30%

100% purchase

	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Cost	\$18,475,000.00								
Interest Rate	2.5								
Annual Payment	\$1,174,794.71								
Monthly Payment	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56
Purchase Rate	\$3.89	\$4.01	\$4.12	\$4.25	\$4.37	\$4.50	\$4.64	\$4.77	\$4.92
average daily water volume	1,470,000.00	1,489,110.00	1,508,468.43	1,528,078.52	1,547,943.54	1,568,066.81	1,588,451.67	1,609,101.55	1,630,019.87
Annual gallons purchased	536,550,000.00	543,525,150.00	550,590,976.95	557,748,659.65	564,999,392.23	572,344,384.32	579,784,861.32	587,322,064.52	594,957,251.36
Monthly purchase amount	\$173,931.63	\$181,425.66	\$189,242.58	\$197,396.31	\$205,901.35	\$214,772.83	\$224,026.56	\$233,678.99	\$243,747.30
Monthly Cost	\$271,831	\$279,325	\$287,142	\$295,296	\$303,801	\$312,672	\$321,926	\$331,579	\$341,647
Yearly Cost	\$3,261,974.21	\$3,351,902.64	\$3,445,705.73	\$3,543,550.43	\$3,645,610.87	\$3,752,068.70	\$3,863,113.39	\$3,978,942.56	\$4,099,762.35
2.0 MGD Plant									
Capital Cost	20,000,000.00								
Interest Rate	2.5								
Annual Payment	\$1,271,766.94								
Monthly Payment	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58
Purchase Rate	\$4.31	\$4.44	\$4.57	\$4.71	\$4.85	\$4.99	\$5.14	\$5.29	\$5.45
average daily purchase volume	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Annual gallons purchased	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00
Monthly purchase amount	\$65,547.92	\$67,494.69	\$69,499.28	\$71,563.41	\$73,688.84	\$75,877.40	\$78,130.96	\$80,451.45	\$82,840.86
Operating Cost	\$2.01	\$2.07	\$2.13	\$2.19	\$2.26	\$2.33	\$2.40	\$2.47	\$2.54
Operating gallons per day	970,000.00	982,610.00	995,383.93	1,008,323.92	1,021,432.13	1,034,710.75	1,048,161.99	1,061,788.10	1,075,591.34
Operating annual cost	\$711,640.50	\$742,302.31	\$774,285.23	\$807,646.16	\$842,444.48	\$878,742.13	\$916,603.70	\$956,096.58	\$997,291.05
Monthly Operating Cost	\$59,303.38	\$61,858.53	\$64,523.77	\$67,303.85	\$70,203.71	\$73,228.51	\$76,383.64	\$79,674.71	\$83,107.59
Monthly Cost	\$ 230,832	\$ 235,334	\$ 240,004	\$ 244,848	\$ 249,873	\$ 255,086	\$ 260,495	\$ 266,107	\$ 271,929
Yearly Cost	\$ 2,769,982.44	\$2,824,005.53	\$2,880,043.55	\$ 2,938,174.03	\$ 2,998,477.55	\$ 3,061,037.90	\$3,125,942.18	\$ 3,193,280.93	\$ 3,263,148.30

	2027	2028	2029	2030	2031	2032	2033	2034	2035
Yearly Savings	\$491,991.77	\$527,897.10	\$565,662.17	\$605,376.40	\$647,133.32	\$691,030.80	\$737,171.21	\$785,661.62	\$836,614.05

Weighted average Purchase Rate Including Boone Florence

2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	
\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	\$97,899.56	
\$5.21	\$5.37	\$5.53	\$5.69	\$5.86	\$6.03	\$6.21	\$6.40	\$6.59	\$6.78	\$6.98	
1,672,675.86	1,694,420.64	1,716,448.11	1,738,761.94	1,761,365.84	1,784,263.60	1,807,459.02	1,830,955.99	1,854,758.42	1,878,870.28	1,903,295.59	1,928
610,526,687.67	618,463,534.61	626,503,560.56	634,648,106.84	642,898,532.23	651,256,213.15	659,722,543.92	668,298,936.99	676,986,823.18	685,787,651.88	694,702,891.35	703,734
\$265,204.04	\$276,630.65	\$288,549.58	\$300,982.06	\$313,950.20	\$327,477.09	\$341,586.80	\$356,304.45	\$371,656.22	\$387,669.43	\$404,372.60	\$421
\$363,104	\$374,530	\$386,449	\$398,882	\$411,850	\$425,377	\$439,486	\$454,204	\$469,556	\$485,569	\$502,272	\$
\$4,357,243.19	\$4,494,362.49	\$4,637,389.72	\$4,786,579.43	\$4,942,197.15	\$5,104,519.83	\$5,273,836.35	\$5,450,448.07	\$5,634,669.30	\$5,826,827.90	\$6,027,265.87	\$5,061
\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	\$105,980.58	
\$5.78	\$5.95	\$6.12	\$6.31	\$6.49	\$6.69	\$6.88	\$7.09	\$7.30	\$7.52	\$7.74	
500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500
182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500,000.00	182,500
\$87,834.68	\$90,443.37	\$93,129.54	\$95,895.48	\$98,743.58	\$101,676.26	\$104,696.05	\$107,805.52	\$111,007.35	\$114,304.26	\$117,699.10	\$121
\$2.69	\$2.77	\$2.86	\$2.94	\$3.03	\$3.12	\$3.21	\$3.31	\$3.40	\$3.51	\$3.61	
1,103,738.49	1,118,087.09	1,132,622.22	1,147,346.31	1,162,261.81	1,177,371.22	1,192,677.04	1,208,181.84	1,223,888.21	1,239,798.76	1,255,916.14	1,272
\$1,085,081.20	\$1,131,833.11	\$1,180,599.39	\$1,231,466.81	\$1,284,525.91	\$1,339,871.12	\$1,397,600.95	\$1,457,818.12	\$1,520,629.82	\$1,586,147.83	\$1,654,488.75	\$1,725
\$90,423.43	\$94,319.43	\$98,383.28	\$102,622.23	\$107,043.83	\$111,655.93	\$116,466.75	\$121,484.84	\$126,719.15	\$132,178.99	\$137,874.06	\$143
\$ 284,239	\$ 290,743	\$ 297,493	\$ 304,498	\$ 311,768	\$ 319,313	\$ 327,143	\$ 335,271	\$ 343,707	\$ 352,464	\$ 361,554	\$ 2
\$ 3,410,864.29	\$ 3,488,920.49	\$ 3,569,920.78	\$ 3,653,979.57	\$ 3,741,215.82	\$ 3,831,753.25	\$ 3,925,720.49	\$ 4,023,251.33	\$ 4,124,484.92	\$ 4,229,565.95	\$ 4,338,644.91	\$ 3,180,

[illegible]

2050	2051	2052	2053	2054	2055	2056	2057
\$2,087,406.62	\$2,197,986.30	\$2,313,943.48	\$2,435,528.06	\$2,563,001.26	\$2,696,636.08	\$2,836,717.91	\$2,983,544.97
							30-year savings \$44,953,865.46

Bullock Pen Water District
Minutes
July 17, 2025

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
JULY 2025 MEETING**

The July 2025 meeting of the Bullock Pen Water District was called to order on July 17, 2025, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Superintendent Paul Harp, Commissioners Bryan Slaughter, William Wethington, Andrea Walton, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr, Amy Ruark and Ashley Dyer.

The first order of business was a presentation by Mr. Jason Chasteen, 105 Carla Court, Crittenden, Kentucky, regarding water main breaks on his property. Mr. Chasteen reported that over the last few years, there have been several water main breaks on water lines running through his yard. Mr. Chasteen wanted to know why these water main breaks continue with great frequency and when the situation will be repaired. Superintendent Harp reported in 2015 a pump station was installed in the area. Superintendent Harp believes when the pump station kicks on, there may be vibrations in the transmission lines which cause friction and subsequent breaks in the line. Commissioner Bingham inquired as to how much line needs to be replaced to solve this problem. Superintendent Harp did not have a fixed number but estimated it to be several hundred feet. Commissioner Slaughter inquired as to how much pressure is in the line. Superintendent Harp reported approximately 100 psi. Superintendent Harp stated that he would install a pressure meter for 30 days and monitor pressure changes. Mr. Chasteen again inquired as to why the line wasn't installed properly in the first place. Chairman Givin reported that the original lines were installed by Perkins Construction in or around 1985. Commissioner Bingham inquired as to how the situation can be resolved. Superintendent Harp stated that he will monitor the pressure to determine the cause. If the lines were to be replaced, Commissioner Slaughter inquired as to how many driveways would be disturbed. Superintendent Harp did not know at this time. Superintendent Harp did state that if Carla Court is replaced, we should also replace the lines on Beverly Drive. Superintendent Harp reported that he would monitor the situation over the next month and prepare estimates for repair to be presented at the next meeting.

The next order of business was a report by Michelle Ballard regarding the Fish & Wildlife Public Meeting and Bullock Pen Lake. Ms. Ballard stated that she had ten questions as follows:

- 1) She inquired as to what the F& W representatives were talking about when they referred to "9 ½ weeks of water draw". No one knew the answer. Superintendent Harp stated that he would see if he could find out and get back to the District.
- 2) Ms. Ballard inquired as to the cost of water production. Superintendent Harp stated that the District can produce water at a rate of approximately \$2.01 per thousand gallons.

Bullock Pen Water District
 Minutes
 July 17, 2025

- 3) Ms. Ballard inquired about the monitoring of lake levels on Bullock Pen Lake. Superintendent Harp stated that Mr. Baker reported that the District has agreed to install a telemetry measuring system that would provide daily water level recordings.
- 4) Ms. Ballard inquired as to the effect that withdrawing additional water would have downstream. The District does not believe any adverse consequence will occur, however, the District would defer to Fish & Wildlife to address that issue.
- 5) Ms. Ballard inquired as to whether or not the District could return “flushed water” back into the lake. She also raised the issue of “looping lines.” Ms. Ballard was informed that returning flushed water to the lake is impossible.
- 6) Ms. Ballard inquired as to the water production versus water purchase ratios. She commented that the District indicated that it is currently 70% purchase and 30% production. She confirmed that the District wants to go to a 60% production versus 40% purchase. Ms. Ballard commented that to her knowledge, there are three prospective farms in the District territory that are contemplating being turned into new subdivisions. Chairman Givin stated that a more significant issue relating to residential growth is sanitary sewer service rather than water service.
- 7) Commissioner Bingham discussed the issue that Senator Williams made regarding BFWC’s commitment to pay for infrastructure improvements if the District were to purchase its water from BFWC. Commissioner Bingham also addressed Senator Williams’ comment that 11 miles of line at a cost of \$11,000,000 would be needed. Based upon HMB Professional Engineering Services, Inc. survey, those numbers are 12 miles of line at a cost of approximately 18.5 million dollars. Chairman Givin also commented that he and Superintendent Harp met with representatives of BFWC and were informed that BFWC will not pay for District infrastructure improvements. Chairman Givin Stated that this is just one more example of Senator Williams inaccurate information which he is spreading.
- 8) Commissioner Slaughter complained that the District, and its employees, are being “killed” on Facebook with hateful statements and slanderous comments. He stated that this is not right and that those comments are prompted by misinformation and/or inaccurate information. Commissioner Slaughter stated that he and other District Commissioners are serving on the Board to serve the community. They could be much more productive working at their respective jobs, however, they feel committed to serving the public. It is not right that a few people on Facebook make hateful and slanderous statements.
- 9) Ms. Ballard inquired as to whether or not the District could purchase water from additional sources in the event the treatment plant were to fail. Superintendent Harp stated that in an emergency situation, the District could purchase additional water to meet customer needs from its existing wholesale customers. He did comment that the quantity of water would be at the discretion of the wholesale suppliers. Mr. Nienaber commented that the District’s current Water Purchase Agreements with wholesale customers do have maximum limitations.

Bullock Pen Water District
Minutes
July 17, 2025

- 10) Ms. Ballard inquired into whether or not the District has conducted any population surveys. Superintendent Harp stated that over the last 10 years population growth in the District is approximately 1.3%. Superintendent Harp took exception with Senator William's quote that the HMB 2021 Water Treatment Plant Study was based upon fatally flawed information, including a 0% growth rate. Mr. Nienaber explained Matthew Baker's response to Senator Williams' comments made at the F & W Public Meeting. Mr. Nienaber also referred to the HMB 2021 Study.
- 11) Ms. Ballard inquired as to whether or not the District has a District Service Map. Superintendent Harp reported that we do. Commissioner Walton made an interesting comment. She researched the issue and concluded that a reduction of 1" in water level on the 134 acre Bullock Pen Lake is the equivalent of approximately 3,600,000 gallons of water. 1" of water on 1 acre of water surface is the equivalent of 27,954 gallons.

The next order of business was a review of the June 2025 Minutes. After discussion, upon motion of William Wethington and second by Bryan Slaughter, it was unanimously,

"RESOLVED: the June 2025 Minutes be and the same are hereby approved as attached."

The next order of business was a review of the June 2025 Profit and Loss Statement and Warrants. Commissioner Bingham inquired as to why there are two separate bills from NKWD. Superintendent Harp and Ms. Ruark reported that there are two separate master meters and, therefore, two separate bills. Commissioner Slaughter inquired as to the reimbursement of cell phones for District employees. Ms. Ruark reported that office employees are reimbursed for their phones if they are used for District business. Amy Ruark also stated that employees are paid mileage when using personal cars for District business. Commissioner Bingham inquired as to whether or not the District should purchase a road plate. Superintendent Harp stated that he would investigate and report at the next meeting. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

"RESOLVED: the June 2025 Warrants and Profit and Loss Statement be and the same are hereby approved as attached."

The next order of business was a review of the District's Annual Audit submitted by Chamberlin Owen CPAs. After discussion, upon motion of Andrea Walton and second by William Wethington, it was unanimously,

"RESOLVED: that the December 31, 2025 year end annual audit be approved as attached."

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

Bullock Pen Water District
Minutes
July 17, 2025

1. Mr. Nienaber reported that there have been no developments in the Garrison litigation.
2. Mr. Nienaber reported that the Napoli Shkolnik Retainer Agreement proposal could not be signed electronically as it had expired.
3. Mr. Nienaber reported that the F&W Public Meeting went very well. He reported that F&W stated that Bullock Pen Lake is one of the finest fishing destinations in the state. They reported that the fish population at Bullock Pen Lake is very healthy and plentiful.

The next order of business was a report by Kentucky Engineering Group, Inc., Mr. Ryan Carr, as follows:

1. Mr. Carr reported that the Division of Water currently has the Water Treatment Plant plans. As soon as F&W reports to DOW regarding water withdrawal limitations, DOW will be approving those plans. Mr. Nienaber inquired as to whether or not funding for the WTP Project will require BABA compliance. It appears that currently there is a BABA exemption in place. Commissioner Bingham inquired as to what the District can do to expedite the F&W report regarding the water withdrawal limitations from Bullock Pen Lake. Mr. Carr stated that he would call F&W to see if there is anything they can do to assist in expediting that process.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson stated that he has nothing to report.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp wanted to make various comments in response to statements made during the F&W meeting. Superintendent Harp addressed the issue of water loss and water flushing statistics that were discussed during the F&W Public Meeting. Superintendent Harp reported that the District needs to come up with a process to address some of the inaccurate and false information being presented to the public-at-large through various sources. Superintendent Harp suggested that the District post a FAQ page on the District's website. A fact sheet should also be put together for publication. After considerable discussion, Superintendent Harp stated that he would put together a fact sheet and an FAQ page together for presentation at the next meeting.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

Bullock Pen Water District

Minutes

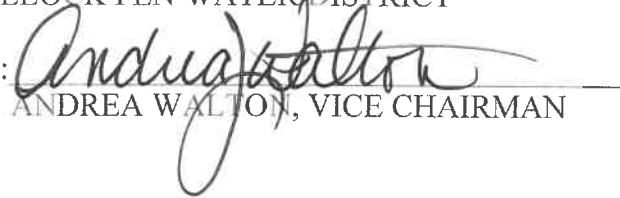
July 17, 2025

1. Ms. Dyer reported that Caleb Spray gave the District his two week notice. Superintendent Harp stated that the District will do a rotation of employees at the Sanitary Sewer Treatment Plant which should be able to provide adequate service after Mr. Spray leaves. No new employees are necessary.
2. Ms. Ruark reported that the next meeting is scheduled for August 21, 2025.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY:


ANDREA WALTON, VICE CHAIRMAN

ATTEST:


WILLIAM WETHINGTON, SECRETARY

Bullock Pen Water District
Minutes
August 21, 2025

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
AUGUST 2025 MEETING**

The August 2025 meeting of the Bullock Pen Water District was called to order on August 21, 2025, at the hour of 1:00 p.m. Those in attendance were Superintendent Paul Harp, Commissioners Bryan Slaughter, William Wethington, Andrea Walton, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr and Mr. Matt Baker, Amy Ruark and Ashley Dyer. Chairman Charles Givin was absent. Andrea Walton served in her capacity as Vice-Chair.

The first order of business was recognition of William Wethington's reappointment as Commissioner to the Bullock Pen Water District Board. Thereupon, William Wethington took the oath of office and executed the attached Certification.

Vice Chair Andrea Walton recognized a group of citizens in attendance at the meeting regarding the Water Treatment Plant Project. The sign-in sheet for those residents is attached.

The next order of business was a review of the July 2025 Minutes. After discussion, upon motion of Bryan Slaughter and second by Rodger Bingham, it was unanimously,

“RESOLVED: the July 2025 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the July 2025 Profit and Loss Statement and Warrants. After discussion, upon motion of Bryan Slaughter and second by Rodger Bingham, it was unanimously,

“RESOLVED: the July 2025 Warrants and Profit and Loss Statement be and the same are hereby approved as attached.”

The next order of business was a presentation by residents regarding the WTP Project. Mr. Arlinghaus stated that he resides at Violet Road. He is concerned that Bullock Pen Lake will dry up from water withdrawal by the District. Residents Lampe, Ballard, Soutar, and Peck had nothing to add. Senator Gex Williams made a few comments. He commended the District on engaging Robert Miller of KIA to conduct a financial analysis. Senator Williams indicated that the State of Kentucky has over 360 Water Districts. He emphasized that regionalization is imperative. Senator Williams gave examples of how other Districts are in the process of developing “cooperative Water Treatment Plants.” Senator Williams commented about the KIA Committee's deferral of the District's request for financing. He stated that the Kentucky General Assembly will undoubtedly require regionalization of water districts in the future. Senator

Bullock Pen Water District

Minutes

August 21, 2025

Williams stated the District is looking at a 17% rate increase if a new water treatment plant is constructed. Senator Williams believes that the rate increase is more likely to be in the 20% range. Time and time again Senator Williams stated that the District is “putting the cart before the horse.” He stated that it is imperative that the District immediately file for a Certificate of Convenience and Public Necessity with the Public Service Commission before any other action is taken. Senator Williams stated that BFWC informed him that they would charge \$15,000.00 to conduct a Study to see if the District could become a member. Senator Williams thanked the District for responding to this Open Records Request. He is going to call within the next couple of weeks to schedule a meeting to inspect the records presented. Mr. Nienaber showed Senator Williams the amount of documents that have been gathered pursuant to his request. Senator Williams emphasized that Northern Kentucky should combine services and not cities. Senator Williams stated that the District knew from the very beginning that a rate hike would be necessary. Commissioner Wethington stated that the District and he in particular want to do what is best for its customers. He stated that regionalization does not work in all cases. The District is currently working diligently to determine what is in the best interest of its customers. Commissioner Wethington stated that the District has cooperated in the past and has met with Boone County Water District, Boone-Florence Water Commission, and Northern Kentucky Water District. In the end, it is imperative that the District do what is best for its customers. Vice-Chair Andrea Walton stated that a 17% rate increase may be coming, however, no matter what course of action the District takes, there will be a rate increase. Commissioner Bingham stated that there will be a rate increase no matter which way the District moves forward. Senator Williams stated that the District has a serious water dumping problem. He commented that 38% of the water purchased and/or produced by the District is dumped. Senator Williams believes that the purchasing water option would help alleviate that problem. Benton Hanson stated that the current Water Treatment Plant is in such poor condition that it could be out of service in a moment’s notice. Any major problem at the Treatment Plant could cause the Plant to be down for weeks or even months. It is imperative that the District address the Water Treatment Plant issue immediately. Mr. Hanson stated that the Water Treatment Plant for the most part produces water which services the Crittenden area. If the Water Treatment Plant were to shut down, outlying suppliers would need to get water to the Crittenden area. Our current infrastructure lines are not designed to achieve that goal. Senator Williams then raised the issue of the property purchase. Mr. Nienaber explained that the District, in an overabundance of caution, petitioned the Public Service Commission for authority to purchase that property. That authority was granted. Contrary to some comments being made in the public domain, there is no work being conducted on the Catlett property. Ryan Carr and Matt Baker also confirmed that there is no construction work being conducted on the Catlett property regarding the Water Treatment Plant.

Mr. Nienaber discussed with the Commissioners the PSC Order that was entered in Case No. 2025-00259. He stated that the Order does not immediately require the District to do anything. It only opens an investigation into where the District is on the WTP Project at this time. Mr. Nienaber stated that the Order allows Intervenor to join the proceeding. After that, the PSC and/or Intervenor can request information from the District. A detailed timeline is set out in the Order. Mr. Nienaber stated that upon receipt of the Order, he called Mr. Gerald Wuetcher, Stoll, Keenon & Ogden for comment. Mr. Wuetcher stated that he reviewed the Order and was

Bullock Pen Water District

Minutes

August 21, 2025

confused as to why the Order was entered. Mr. Wuetcher also commented that he watched the KIA Committee meeting regarding the District's request for financing. Mr. Wuetcher stated that he was somewhat surprised that the PSC Executive Director would say that the District should have filed a proceeding with the Public Service Commission to obtain a Certificate of Convenience and Public Necessity. This is extraordinary. Matt Baker of KEG commented that he believes someone informed the Executive Director that the District had started construction on the WTP Project. That is simply not accurate. Mr. Nienaber stated that he would recommend that the District engage the services of Mr. Wuetcher for representation during the new PSC proceedings. Mr. Nienaber commented on the qualifications of Mr. Wuetcher which are outstanding. Mr. Wuetcher has served as counsel with the Public Service Commission for 26 years and has been in private practice since his retirement from the Public Service Commission. A considerable discussion followed. Vice-Chair Andrea Walton inquired as to Mr. Wuetcher's fees and charges. Mr. Nienaber stated that if there are no conflicts, Mr. Wuetcher would send an engagement letter to the District for consideration. Mr. Wuetcher stated that he does provide legal representation for NKWD, Boone County Water District and BFWC. If there is no conflict there, he will work for the District on this matter. After discussion, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that Mr. Nienaber work with Stoll, Keenon & Ogden, Mr. Gerald Wuetcher, for the purpose of securing representation during the PSC proceeding in Case #2025-000259. This engagement is subject to the District and Stoll, Keenon & Ogden agreeing upon an Engagement Letter and terms of representation.”

One of the residents requested when the next KIA Committee meeting was scheduled. That is to be determined.

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber reported that there have been no developments on the Garrison litigation. Superintendent Harp reported he heard a “rumor” the City of Crittenden is considering purchasing the dam property and surrounding area. He reported that the “rumor” also included the City of Crittenden was going to place a guardrail on the west side of Waller Drive thereby blocking the downhill access Easement. Superintendent Harp stated he would report on any developments in that regard. Mr. Nienaber stated he would contact the District's counsel for an update.
2. Mr. Nienaber's comments regarding the WTP Project, KIA Committee Meeting, PSC Order, Case No. 2025-00259 and Mr. Gerald Wuetcher have already been discussed.

The next order of business was a report by Kentucky Engineering Group, Inc., Mr. Ryan Carr, as follows:

Bullock Pen Water District

Minutes

August 21, 2025

1. Mr. Carr stated that everything he had to report was already discussed.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson, as follows:

1. Mr. Hanson had nothing to report.

The next order of business was a report by Superintendent Harp as follows:

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that he met with the Rod & Gun Club Officials. Everything is working out in that regard. Superintendent Harp gave an update on the Carter Chapel issue. He commented that there will need to be a road bore on that project. He is currently getting quotes from Lonkard Construction.
3. Superintendent Harp updated the Board on the Carla Court matter. He reported that the total cost of pipe is approximately \$10,000.00. The PRV and meter pit would be approximately \$10,000.00 to \$15,000.00. In any event, the situation needs to be repaired as there have been six leaks in the last few years. Superintendent Harp wants to replace the whole section of line which is approximately 175 feet. This would solve the issue. However, there is a chance that the situation could be alleviated with a smaller line replacement. Superintendent Harp will undertake that project and report at the next meeting. Superintendent Harp stated that he did install a pressure logger. He reported the pressure in the area ranged anywhere from 80 psi to 120 psi. This is not out of the ordinary.
4. Superintendent Harp stated that he has all of the documents requested in the most recent ORR from Jeff Harmon. Superintendent Harp stated that he informed Mr. Harmon that the records are available for inspection.
5. Superintendent Harp reported that the service truck replacement is underway. He quoted several prices through the state purchasing system. A one ton truck is \$58,770.00. A three quarter ton is \$57,000.00. Mr. Nienaber stated that if the truck is purchased through the state purchasing system we do not have to bid. Superintendent Harp stated that he did receive a bid through Bob Hook Chevrolet for \$56,315.00. Again, this is through the state purchasing system. After considerable discussion, upon motion of William Wethington and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Superintendent Harp be and he is hereby authorized to purchase a service truck through Bob Hook Chevrolet at a cost not to exceed \$56,315.00. The purchase of this truck must be made through the state purchasing system.”

Bullock Pen Water District
Minutes
August 21, 2025

6. Superintendent Harp reported on recent issues at the Water Treatment Plant. He stated that the high service pump was down and the raw water pump is bad. The telemetry electric supply was down creating an 18 hour cessation of Water Treatment Plant operations.
7. Bryan Slaughter took a few moments to thank Superintendent Harp for his outstanding service to the District. Everyone agreed with Paul Harp's service and thanked him for his work.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Dyer reported that Jordan Covey, a new employee, has passed his Class II Operator's test. Pursuant to the District's personnel guidelines, he is entitled to a 2 ½% pay increase for each Class Level he attains, thereby warranting a total 5% pay increase. Superintendent Harp reported that Mr. Covey is working out very well. After discussion, upon motion of Bryan Slaughter and second by William Wethington, it was unanimously,

“RESOLVED: that Jordan Covey receive a 5% pay increase retroactive to August 15, 2025.”

2. Ms. Dyer reported that the District's personnel policy and employee handbook should be updated. She reported that the Kentucky League of Cities has a department that works with governmental entities in formulating their personnel policies and employee handbooks. Ms. Dyer reported that KLC will assist the District in so doing at a cost of \$5,900.00. This service includes a 4-year legal case update for both state and federal decisions. Ms. Dyer reported that the District would qualify to receive a \$1,500.00 grant, leaving the bottom line cost of \$4,400.00. Mr. Nienaber stated that KLC's services in this regard are outstanding. He highly recommended that the District engage this service. After discussion, upon motion of Bryan Slaughter and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Ashley Dyer be and she is hereby authorized to engage the services of KLC, Mr. Michael Simon for the purpose of updating the District's personnel policy and employee handbook at a cost not to exceed \$4,400.00.”

3. Ms. Ruark reported that Forcht Bank was requesting the District to update its policy regarding certificates of deposit and investments in order to expedite the District's ability to purchase Certificates of Deposit. Ms. Ruark stated that currently, the Board must approve a Certificate of Deposit and then the Minutes approved at the next month's meeting. Ms. Ruark requested that the District allow her to purchase Certificates of Deposit after a first meeting in order to engage better terms and conditions. Mr. Nienaber suggested that if the District were to allow that, the signature authority must include dual signatures, one of which

Bullock Pen Water District
Minutes
August 21, 2025

must be a Commissioner. After discussion, upon motion of William Wethington and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that Amy Ruark be and she is hereby authorized to initiate the purchase of certificates of deposit through Forcht Bank and that the District’s investment policy change to so reflect upon the signature of Amy Ruark and Rodger Bingham. In addition, all purchases of certificates of deposit must be approved by the full Board on a *nunc pro tunc* basis.”

4. Ms. Ruark reported that the next meeting is scheduled for September 18, 2025.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: _____
CHARLES GIVIN, CHAIRMAN

ATTEST:

WILLIAM WETHINGTON, SECRETARY



Water Resources
 Transportation
 Surveying
 Environmental

Project: 4222.00
 Date: 6/18/2025
 Engineer: PBH
 Page: 2 of 2

Opinion of Probable Project Cost
for
Boone Florence Transmission Main (2.0 MGD)
Bullock Pen Water District

Construction: **\$16,500,000**

Engineering:

Design and Preliminary Engineering	\$780,000
Advertising & Bidding	\$110,000
Construction Administration	\$220,000
Construction Observation	\$520,000
Subtotal	\$1,630,000

Permitting:

I-71 and KYTC Crossing Surveys	\$25,000
Permit Applications	\$10,000
Stream Crossings	\$15,000
Subtotal	\$50,000

Legal and Admin:

Local Counsel	\$40,000
Funding Administration	\$25,000
Environmental	\$30,000
Easements(estimate 200)	\$200,000
Subtotal	\$295,000

Grand Total \$18,475,000

**INVOICE**

Invoice Date:

August 6, 2025

CLIENT:

Bullock Pen Water District
PO Box 188
1 Farrell Drive
Attn: Paul Harp

Invoice No.

2025-137

Proj. No.

22020

Job Description: New Water Treatment Plant
Billing Period: June 24 to August 1, 2025

SERVICES	Total	Fee	% Complete	Amount Earned to Date	Amount Paid to Date	Amount Due This Period
Preliminary Engineering/Planning	\$	20,000.00	100%	\$ 20,000.00	\$ 20,000.00	\$ -
Engineering Design	\$	768,000.00	55.00%	\$ 422,400.00	\$ 384,000.00	\$ 38,400.00
Bidding	\$	51,200.00	0%	\$ -	\$ -	\$ -
Construction Administration	\$	204,800.00	0%	\$ -	\$ -	\$ -
Resident Inspection	\$	658,000.00	0%	\$ -	\$ -	\$ -
Additional Engineering:				\$ -	\$ -	\$ -
Funding Administration	\$	25,000.00	25%	\$ 6,250.00	\$ 5,000.00	\$ 1,250.00
Permitting	\$	10,000.00	50%	\$ 5,000.00	\$ 3,000.00	\$ 2,000.00
Surveying	\$	10,000.00	100%	\$ 10,000.00	\$ 10,000.00	\$ -
Geotechnical	\$	25,000.00	100%	\$ 25,000.00	\$ 25,000.00	\$ -
Environmental	\$	10,000.00	50%	\$ 5,000.00	\$ 3,000.00	\$ 2,000.00
Archeological	\$	20,000.00	0%	\$ -	\$ -	\$ -
O&M Manuals	\$	35,000.00	0%	\$ -	\$ -	\$ -
Start-Up Services	\$	20,000.00	0%	\$ -	\$ -	\$ -
Total Engineering Fee	\$	1,857,000.00		\$ 493,650.00		
				Total Paid to Date	\$ 450,000.00	
				Total Amount Due This Invoice		\$ 43,650.00

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THURSDAY, AUGUST 21, 2025

Plant or no plant for Bullock Pen Water District?

BY DEBORAH LUCAS ANGEL
 NEWS CORRESPONDENT

On July 15, the Kentucky Department of Fish and Wildlife hosted a public meeting at the Grant County Public Library concerning the Bullock Pen Water District's (BPWD) proposed plan for a new Water Treatment Plant. While the district itself believes a new, bigger plant is needed, some residents around the lake are fearful a new

plant will "draw down" (take out) too much water to the point of ruining their properties' value and the quality of life on the lake.

Along with residents, Kentucky District 20 Senator Edwin "Gex" Williams believes this, as well.

According to Paul Harp, Bullock Pen Water District superintendent, there will be another public meeting held that will be "very similar to the Fish [and] Wildlife public forum." In this second meeting, the "actual

project and potential costs" will be discussed. There was no time set for the meeting yet.

Harp said BPWD began "serious discussion about a possible new treatment plant" in 2021 to replace the current plant, which was built in early 1961. Harp said "the district would like to build a two million gallon per day (gpd) treatment plant with the expectation of operating that plant 12 hours per day, which translates to 1 million gallons

per day" initially. He said "as [the] area grows more water would be produced per day." The new plant would have a "life expectancy [of] 30 plus years."

At the meeting, Williams, who lives in and whose district also includes a small part of Boone County serviced by BPWD, noted he believes the area would be better served if, instead of a new plant, BPWD would increase pipe sizes and connect to "Boone-Florence Water Commission

(BFWC) and/or other districts." He said this would save both money and time and serve the area as well, if not better, than a "costly" new plant.

While Williams maintains it would be cheaper for BPWD to purchase water, Harp said, "In the longterm plan, a water treatment plant will most likely always be a cheaper option ... For our particular situation, if

SEE PLANT/PAGE A3

78 10-12-25
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 CRITTENDEN, KY 41030-0188
 5-DIGIT 41030
 78 4N
 60

PLANT

FROM PAGE A1

no infrastructure needed to be put in place, purchasing all our water may, and most likely would be, a cheaper alternative.

"However, the district would need to construct significant infrastructure to be able to purchase 100% of our water-infrastructure that is almost the same cost as constructing a new water plant. When you add in that infrastructure cost and the fact that, like most things, it is cheaper to produce water per gallon than to purchase, the new water plant is a more financially responsible path."

Additionally, Thomas Nienaber, BPWD attorney, explained the new plant would, initially, cost more, however over the long term it would better serve the rural community to provide quality drinking water.

Williams argued the new plant could cause reduced water levels during peak fishing tournament months, loss of some fish and bird habitats as well as docks "left without compensation."

Indeed, the Fish and Wildlife service will be building a longer boat ramp, ostensibly to compensate for any lower levels in the lake.

Citizens, including Bill Wetherington, Carla Hardy, Bobby Young, Rich Storm and Joe Dusing, spoke to the group both for and against the plant. Several said their docks would be come "mud pits."

Conversely, Harp noted should there be a "drought year the lake,

regulatory agencies."

Baker noted to keep up with requirements the area would need a new plant to replace the aging one.

At this time, BPWD plans to move ahead with the project. Currently, they are "waiting on an independent financial analysis to be conducted by Kentucky Rural Water Association (KRWA)."

The KRWA is described as an organization "established in 1979 as a private, non-profit organization by a core group of utility leaders who shared the vision of building a self-governed, member-driven association."

Addressing the concerns, Harp noted "A healthy lake level is as important to the

district as it is anyone else. With reduced water in the lake, the district wouldn't be able to withdraw from it." Harp said a new dam was constructed, and the "lake maintains it's level better" in that it "isn't losing water due to a leak in the dam," as with the older dam.

BPWD maintains that they will monitor lake levels daily once the new plant is constructed.

Both representatives at the meeting and Harp said that "if the lake level starts to trend downward, withdrawal amounts would be reduced to help avoid significant lake level deficiencies."

Harp said, "The water district has been a mainstay

in the community since the early 1960's with the sole purpose to provide safe, potable drinking water to its consumers and will to continue to do so."

The BPWD Board is comprised of five board members, many whom have

lived in the communities they serve most, if not all their lives. Monday Page 256 Friday

The nearly 700-page plan and application for the treatment plant can be viewed at the Grant County Sanitary Sewer District offices at 1 Farrell Drive, Crittenden, during regular working hours

The District has regular monthly meetings the third Thursday of each month at their offices at 1 p.m. Questions can be directed to (859) 428-2112.



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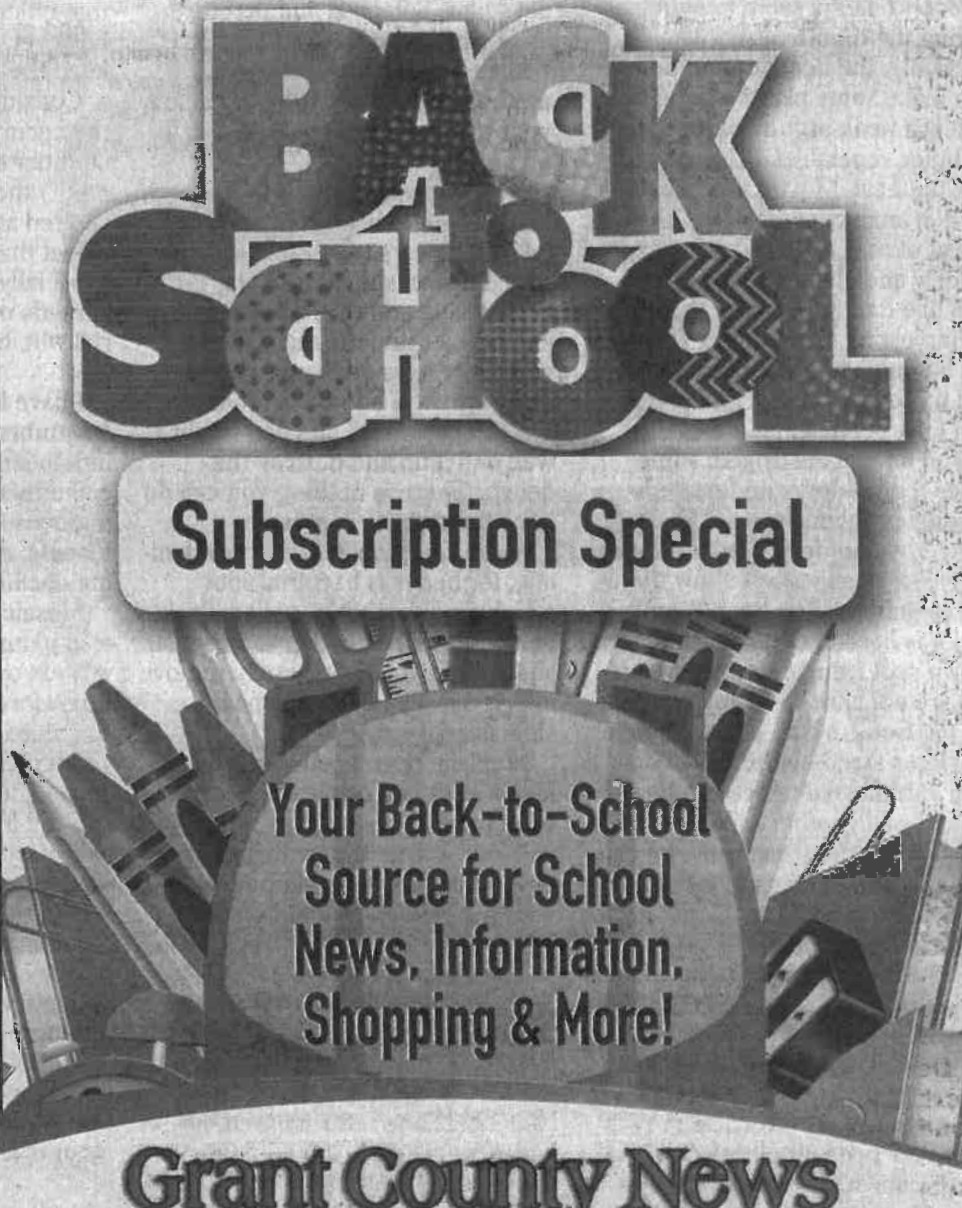
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Conversely, Harp noted should there be a "drought year the lake, [would] be at reduced levels with or without a new treatment plant and during wet rainy season, the lake level will remain at a healthy level."

Matt Baker, Professional Engineer and Project Manager with Kentucky Engineering Group, PLLC discussed the need for the new plant due to updated requirements for increasing amounts of chemicals in the waters including "PFAs" (per- and polyfluoroalkyl substances), the so-called "forever chemicals."

Baker's company's focus is described on their website as "assisting the rural municipality or utility district with capital improvement projects, expansions and improvements to existing systems and compliance with

Harp noted. A healthy lake level is as important to the district has been a mainstay



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