

**Lake Village Water Association, Inc.**  
**801 Pleasant Hill Drive**  
**Post Office Box 303**  
**Burkin, Kentucky 40310**

The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 10th day of December 2024 via Zoom webinar.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Director Hager moved to approve the minutes from the November 12, 2024 meeting. Vice President Carey seconded the motion. Motion carried.

Director Hughes moved to approve the invoices as presented. Vice President Carey seconded the motion. Motion carried.

Sanford presented the Financial Report for November, providing details of the monthly income and expenses, stating that the finances continue to look great headed into the last month of the year. Sanford reported that water sales were \$150,439.66. Sanford reported a Gross Profit for the month in the amount of \$112,711.93, with a Net Income of \$38,183.21. Sanford went on to note that the 911 Fee assessed by the Mercer County Fiscal Court was increased from \$1.75 to \$3.50 per month for all Mercer County water accounts. Sanford reported that YTD Water Sales were under budget by \$13,248, while Northpoint Sales exceeded the budget by \$10,354. Sanford went on to report that Water Costs exceed the YTD budget by \$6,110.47 and Operating Expenses are under budget by \$84,864.02, resulting in a Net Income \$149,471.27 after grant income in the amount of \$364,580.57 is deducted.

Sanford reported that the Association purchased 14,051,658 gallons during the last reading period and sold 13,155,700 gallons. Sanford stated that the Non-Revenue Water volume for the month was 6%. Sanford went on to note that after accounting for the leak volume, the Association can account for all the water that was purchased. Sanford stated that 7 service line repairs were made, and 3 water main leaks were located and repaired.

Sanford stated that Vice President Carey, Secretary/Treasurer Gross, and Director Hughes are up for reelection in 2025. Director Hager moved to nominate Vice President Carey, Secretary/Treasurer Gross, and Director Hughes for reelection. President Boyd seconded the motion. Motion carried. President Boyd commended the board members for the excellent work that they do.

Sanford presented the proposed 2025 Operating Budget for consideration. Director Hughes questioned how much time Association staff spend on Sanitation District duties. Sanford stated that staff get daily lift station readings while getting the daily master meter readings and occasionally replace pumps and perform other maintenance to the collection system. Sanford went on to note that Monson maintains the QuickBooks account, oversees sewer accounts and bills, and pays all of the bills for the District. Sanford stated that most of the work performed for the Sanitation District is performed by him through overall management of the operations and project related tasks. President Boyd questioned whether the

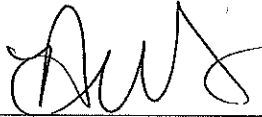
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fee would increase by 3.5% in 2025. Sanford stated that the fee will increase in 2025. Director Hughes questioned whether the management fee compensates the Association adequately. Sanford stated that he also has been looking at the management fee and has spoken to the Sanitation District Chair about a possible change in the fee amount. Sanford stated that he will continue to work on the fee matter. Director Hughes moved to approve the Operating Budget as presented. Vice President Carey seconded the motion. Motion carried.

Vice President Carey moved to adjourn the meeting. Secretary/Treasurer Gross seconded the motion. Meeting adjourned.

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President Jim Boyd



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Secretary/Treasurer Andrea Gross

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 12th day of November 2024 via Zoom webinar.

Vice President Kenny Carey called the meeting to order. Present are Secretary/Treasurer Andrea Gross, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, Mike Sanford, and Gwinn Island Marina owner Kevin Cooley.

Director Jeff Hughes moved to approve the minutes from the October 8, 2024 meeting. Director Hager seconded the motion. Motion carried.

Sanford presented the October invoices for approval, noting invoices that are not routine monthly expenses including the fence replacement at the Montgomery Lane tank site, master meter testing and Moore Lane Booster Pump Station repairs. Secretary/Treasurer Gross moved to approve the invoices as presented. Director Hughes seconded the motion. Motion carried.

Sanford presented the Financial Report for October, providing details of the monthly income and expenses, stating that the finances continue to look good headed into the close of the year. Sanford reported that water sales were \$151,564.76 and have begun to decline with the change in the season. Sanford reported a Gross Profit for the month in the amount of \$110,779.88, with a Net Income of \$37,174.13. Sanford went on to note that penalties were over budget due to Northpoint Training Center paying later in the month. Lastly, Sanford reported that the YTD Gross Profit exceeds the annual budget by \$37,242.33, water costs exceed the annual budget by \$9,592.76, Total Expense is under budget by \$79,253.50 and the YTD Net Income is ahead of the budget by \$111,281.79.

Sanford reported that the Association purchased 15,733,799 gallons during the last reading period and sold 13,075,400 gallons. Sanford stated that the Non-Revenue Water volume for the month was 15%. Sanford went on to note that after accounting for the leak volume, the water loss volume is reduced to 2%. Sanford stated that 6 service line repairs were made, and 3 water main leaks were located and repaired. Sanford noted that the Non-Revenue Water volume percentage is trending below 15% for the upcoming usage period as well.

Sanford reported that the Mercer County Fiscal Court has held first and second readings and approved Ordinance 2024-08 increasing the 911 Fee included on the water bills from \$1.75 to \$3.50 per month for Mercer County property owners. Sanford stated that the new rate went into effect on November 1, 2024 and will be reflected on the December water bill.

Sanford stated that a notification will be mailed to all customers with an unknown service line material. Sanford went on to note that he and staff were able to identify approximately 1,700 service lines by the October 16<sup>th</sup> inventory deadline. Sanford stated that he and staff will continue to perform inspections and gather data from the customers to comply with the EPA Lead and Copper Rule Revision. Director Hughes stated that the Association should keep record

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of all expenses associated with complying with the rule in the event that the expenses can be reimbursed at some point down the road. Sanford stated that the expenses are being tracked.

Sanford introduced Kevin Cooley, owner of Gwinn Island Marina. Sanford stated that he and Tucker have been working with Cooley and his attorney Wanda Dry for a few months concerning the service line for the property. Sanford reminded the board that the service line for the property is located on Steve Kiesler's property and the line had a leak and Cooley was not able to access the line to make the repair. Sanford stated that the easement for the service line is in question and that the circumstances are putting the property owners in a bind. Sanford stated that the Association does not have easement rights beyond the customer meter anywhere in the distribution system. Vice President Carey stated that he does not think the Association has any authority over the line and can not take action to address the problem. Director Hughes stated that until the easement issue is settled, the Association cannot take any action. Director Hager questioned whether the Public Service Commission could provide guidance. Secretary/Treasurer Gross agreed that guidance from the Commission is a good idea. Sanford stated that without initiating a case on the docket, the Commission may not provide comment. Tucker and Sanford both agreed that contacting the office of the General Council at the Commission may be a good place to start.

Sanford reported that Subham, LLC dba Quality Inn has changed ownership and that the previous owner's final payment was returned. Sanford reported that the balance on the account is \$3,227.93 and questioned whether the board would like to pursue collection of the balance due. Sanford stated that the previous owner is still involved with the new owner and is working on the property. Director Hughes stated that the previous owner owns property adjacent to his in Boyle County. Director Hughes moved to authorize Tucker to send a letter to Subham, LLC demanding payment for the outstanding balance. Secretary/Treasurer Gross seconded the motion. Motion carried.

Sanford presented a request for consideration for staff Christmas bonuses. Sanford stated that in 2023 the bonus to each staff member was \$750.00. Director Hughes moved to approve a Christmas bonus in the amount of \$750.00 for each staff member. Secretary/Treasurer Gross seconded the motion. Motion carried.

Sanford reported that an application to fund an Upper Salt River Basin Watershed Plan will be submitted to the Division of Water over the next couple of months. Sanford stated that several stakeholders have come together to support the application and that he will serve as the group contact for the project.

Sanford stated that there is special called meeting scheduled for November 15<sup>th</sup> at 12:00 pm to discuss the proposed utility consolidation and questioned whether the board wanted to proceed with the meeting. President Boyd stated that if the newly formed utility must have a court appointed board that he is not interested in discussing the matter further. Vice President Carey agrees with President Boyd's position. Dienst recommended contacting the Kentucky

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Rural Water Association for guidance. Secretary/Treasurer Gross agrees with President Boyd and Vice President Carey on the matter. Director Hughes stated that he is not in favor of the appointments being made by the Fiscal Court due to the politics that could get involved. Director Hager stated that the existing bonds and loans could be an issue as well. Sanford stated that he will reach out to Bob Miller concerning the bonds and loans and the options for a utility looking at consolidation. Director Hager stated that is not opposed to being appointed by the fiscal court if the consolidation is in the best interest of the customer, but regarding the meeting, we need more information before the board meets for hours for nothing.

Sanford stated that he and Dienst are working on design for the Contract 15 project and that progress is being made to generate a set of plans.

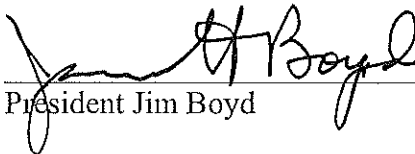
Sanford reported that the Ison Lane Standpipe Rehabilitation Project has been awaiting an update in the WRIS database to submit the project to the Kentucky eClearinghouse for comments from state agencies. Sanford stated that the update was completed this morning, and he will get the project submitted this week.

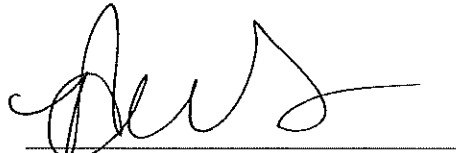
Sanford stated that the Shakertown Standpipe demolition is on hold to make sure the tank is not needed during the Ison Lane Standpipe rehabilitation.

Sanford stated that clean up at the Ison Lane Standpipe location is on the staff to do list to complete. Sanford stated that it will get done and staff have been very busy.

Sanford stated that the 2025 Operating Budget will be presented at the December meeting. Director Hager questioned where we were on hiring someone to help Sanford. Sanford stated that he will prepare a proposed budget with and without the additional staff member so that a discussion can be had. Director Hughes asked Sanford to include a cost of living adjustment in the proposed budget. Sanford stated that he will include the option for salary adjustments in the budget.

Director Hager moved to adjourn the meeting. Secretary/Treasurer Gross seconded the motion. Meeting adjourned.

  
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President Jim Boyd

  
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Secretary/Treasurer Andrea Gross

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 8th day of October 2024 at the Association office located at 801 Pleasant Hill Drive in Burkin, Kentucky.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst via conference call, Rita Monson, and Mike Sanford.

Vice President Carey moved to approve the minutes from the September 10, 2024 meeting. Director Hughes seconded the motion. Motion carried.

President Boyd noted that Sanford received information from the North Mercer Water District pertaining to the utility's operations. Sanford stated that the information request that was received was prepared by President Boyd and then sent to North Mercer Water District. Sanford went on to note that the same information regarding the Association's operations was sent to North Mercer Water District for review. Sanford stated that the information was just received and that he plans to review it and provide comment to the board as soon as possible. President Boyd recommended that each board member review the information and that a special called meeting be scheduled to discuss the information. All agreed that November 15<sup>th</sup> at 12:00 pm will work for the meeting date.

Vice President Carey moved to approve the invoices as presented. Director Hughes inquired about the payment to Micro-Comm in the amount of \$4,200. Sanford stated that the payment is for the annual maintenance contract that covers all parts for the locations that are equipped with SCADA. Sanford stated that the contract recently replaced the SCADA components at the KY 33 master meter after a recent lightning strike and that parts are expensive without the contract in place. Director Hughes questioned whether surge protection could be installed at the locations to prevent damage. Sanford stated that he will check into surge protection. Director Hughes seconded the motion. Motion carried.

Sanford presented the Financial Report for September, providing details of the monthly income and expenses, stating that both compared favorably to the budget and that the finances continue to look good. Sanford reported that water sales were good, but starting to make the seasonal decline. Sanford reported a Gross Profit for the month in the amount of \$140,716.93, with a Net Income of \$68,051.16. Sanford went on to note that 1 tap fees was received in September. Lastly, Sanford reported that Sales to Customers is under budget by \$8,718.19, Northpoint Water Sales were over budget by \$12,986.77, Water Purchase Costs are over budget by \$8,954.18, Gross Profit exceeds the YTD budget by \$49,998.09, Total Expense is under budget by \$80,963.05 and that the YTD Net Income is \$83,096.79, \$55,749.79 ahead of the YTD annual budget.

Sanford reported that the Association purchased 17,983,132 gallons during the last reading period and sold 15,893,400 gallons. Sanford stated that the Non-Revenue Water volume for the month was 11%. Sanford went on to note that after accounting for the leak volume, the

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water loss volume is reduced to 1%. Sanford stated that 6 service line repairs were made, and 1 water main leak was located and repaired. Sanford noted that the Non-Revenue Water volume percentage has been excellent for the past 4 months and is trending the same way for the current period.

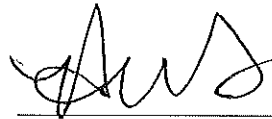
Sanford stated that the Contract 14 checking account needs to be closed at Farmers National Bank since the project has been closed out. Sanford stated that the account has a balance of \$118.47 which will be transferred to the Revenue Account once the account is closed. Director Hager moved to close the account. Vice President Carey seconded the motion. Motion carried.

Sanford stated that the fence at the Montgomery Lane tank site has been replaced. Sanford went on to note that he is still working with staff to get the Ison Lane tank site cleared and that he is trying to avoid having to hire someone to help.

Director Hager moved to adjourn the meeting. Director Hughes seconded the motion. Meeting adjourned.

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President Jim Boyd



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Secretary/Treasurer Andrea Gross

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 10th day of September 2024 via Zoom webinar.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Director Hager moved to approve the minutes from the August 13, 2024 meeting. Director Hughes seconded the motion. Motion carried.

Vice President Carey moved to approve the invoices as presented. Director Hughes inquired about the Citco invoice, specifically what service or material they supply to the Association. Sanford stated that Citco provides all meters and meter supplies. Director Hughes seconded the motion. Motion carried.

Sanford presented the Financial Report for August, providing details of the monthly income and expenses, stating that both compared favorably to the budget and that the finances continue/look good. Sanford reported that water sales were still in the seasonal peak and will continue for at least one more billing cycle before declining for the winter months. Sanford reported a Gross Profit for the month in the amount of \$122,210.74, with a Net Income of \$20,815.10. Sanford went on to note that 9 tap fees were received in July. Lastly, Sanford reported that the YTD Net Income is \$17,311.81 excluding the grant income, with a YTD budget of \$27,347.00.

Sanford reported that the Association purchased 17,698,317 gallons during the last reading period and sold 14,397,600 gallons. Sanford stated that the Non-Revenue Water volume for the month was 16.93%. Sanford went on to note that after accounting for the leak volume, the water loss volume is reduced to 6%. Sanford stated that 7 service line repairs were made, and 3 water main leaks were located and repaired.

Sanford presented for consideration the Grant Assistance Agreement with the Kentucky Infrastructure Authority for Grant No. 22CWW373 for the Ison Lane Standpipe Rehabilitation Project. Vice President Carey moved to authorize execution of the agreement. Director Hughes seconded the motion. Motion carried.

Sanford presented the Exhibit 4 resolution authorizing the execution of the Grant Assistance Agreement and designating President Boyd as the Authorized Official for the grant. Director Hager moved to pass the resolution and authorize execution of the resolution. Vice President Carey seconded the motion. Motion carried.

Sanford presented the Certificate of Recording Officer document for approval and execution. The certificate requires the signature of Secretary/Treasurer Gross. Director Hughes moved to authorize Secretary/Treasurer Gross to execute the certificate. Vice President Carey seconded the motion. Motion carried.

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Sanford presented Exhibit 5 Opinion of Counsel for approval. Sanford stated that the opinion was prepared by Tucker upon review of the Grant Assistance Agreement. Vice President Carey moved to approve Exhibit 5 as presented. Director Hughes seconded the motion. Motion carried.

Sanford presented Service Line Replacement Project No. 2 for approval. Sanford stated that 10 service lines along Normans Camp Road, 4 along Hughley Lane and 5 along Paradise Camp Road will be replaced, as well as a reimbursement for the service line replacement expense along Cedar Lane. The total request to the Public Service Commission will be \$40,655 and the amount will include the cost of the material for the service lines. Vice President Carey moved to approve the project scope as presented. Director Hager seconded the motion. Motion carried.

Sanford stated that the fence at the Montgomery Lane Elevated Storage Tank needs to be replaced and that he was contacted by Jeff Bischoff who owns the farm around the tank site and Mr. Bischoff requested that a plank fence be installed since the fencing on the farm is plank. Sanford stated that Bluegrass Fencing submitted a bid in the amount of \$5,575. Sanford stated that he will try and get a second bid. Director Hughes stated that he had spoken to Mr. Bischoff and has seen the existing fence. Director Hughes moved to approve the expense to replace the fence. Vice President Carey seconded the motion. Motion carried.

Sanford stated that he is working with James Hill at 1507 Burkin Road to relocate the storage building that is in the water main easement. Sanford noted that the building needs to be moved approximately 10 feet towards the house.

Sanford stated that Dienst has prepared a letter summarizing the hydraulic model and the impact of taking the Shakertown Standpipe out of service. Sanford stated that the recommendation is to remove the standpipe and there will be no negative impact to the distribution system. Sanford stated that the PSC application is ready to go and will be submitted soon.

Sanford reported that the Public Service Commission conducted the annual facilities inspection in July and that one deficiency was noted related to water loss being above 15%. Sanford stated that the inspection went well and that all aspects of the operations were in compliance with the PSC regulations.

Sanford reported that he is currently serving as Vice Chair of the Bluegrass Area Development District and soon be nominated to serve as Chair at the upcoming annual meeting. Sanford noted that he will serve as a non-elected official.

Sanford stated that he has been asked to represent the Bluegrass Area Development District at the National Association of Developmental Organizations annual meeting to be held in New Orleans, LA on October 21-24. Sanford stated that one other board member and three BGADD staff members will also attend. Vice President Carey moved to allow Sanford to attend

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the conference. Director Hager seconded the motion. Motion carried. Sanford noted that all expenses will be covered by the BGADD.

Sanford stated that he was contacted by North Mercer Water District and that the District's position regarding consolidation and partnership discussions has not changed. President Boyd inquired about whether there had been any further communication with the City of Harrodsburg. Sanford stated that no communication has been had.

Vice President Carey moved to adjourn the meeting. Secretary/Treasurer Gross seconded the motion. Meeting adjourned.

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President Jim Boyd



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Secretary/Treasurer Andrea Gross

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 13th day of August 2024 via Zoom webinar.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Vice President Carey moved to approve the minutes from the July 9, 2024 meeting. Secretary/Treasurer Gross seconded the motion. Motion carried.

Secretary/Treasurer Gross moved to approve the invoices as presented. Vice President Carey seconded the motion. Motion carried.

Sanford presented the Financial Report for July, providing details of the monthly income and expenses, stating that both compared favorably to the budget and that the finances looked good. Sanford reported that water sales for the previous billing period were one of the highest that the Association had billed out and that water consumption was very high. Sanford reported a Gross Profit for the month in the amount of \$146,057.34, with a Net Income of -\$30,394.67. Sanford noted that the loss was due to the July debt service payments, further stating that all debt service payments for the year have been made. Sanford went on to note that Water Costs were over budget by \$5,192.40 and that sales exceeded the budget by \$31,621.18. Lastly, Sanford reported that the YTD Net Income is -\$26,975.67 excluding the grant income, with a YTD budget of -\$133,104.50.

Sanford reported that the Association purchased 21,338,868 gallons during the last reading period and sold 18,254,900 gallons. Sanford stated that the Non-Revenue Water volume for the month was 12.93%. Sanford went on to note that after accounting for the leak volume, the water loss volume is reduced to 2%. Sanford stated that 7 service line repairs were made, and two water main leaks were located and repaired.

Sanford presented a quote from Assured Partners for a Cybersecurity Insurance Policy. Sanford stated that the Association processes approximately 1,100 draft payments with Farmers National Bank monthly, sends all data to the cloud through the Bluegrass Area Development District and processes approximately \$20,000 in credit and debit card payments monthly. Sanford stated that the quoted premium is \$1,973 annually and provides coverage of up to \$1,000,000 per occurrence if losses are suffered from a data breach or cyber attack of some sort. Director Hager stated that putting the policy in place would be money well spent. All agreed that insuring this aspect of the business operations is in the best interest of the Association. Director Hager moved to accept the quote from Assured Partners and to implement the policy. Vice President Carey seconded the motion. Motion carried. Sanford stated that he will work with Assured Partners to get the policy in place immediately.

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Sanford stated that he is working with James Hill at 1507 Burkin Road to relocate the storage building out of the water line easement. Sanford reported that Mr. Hill responded to the letter that was sent and that the meeting went well on site. Sanford went on to state that the property owner stated that he did not know that the water main was along the front of the property and understands the need to move the building and provide access to the water main. Sanford stated that staff will locate the water main so that Mr. Hill will know how far to move the building.

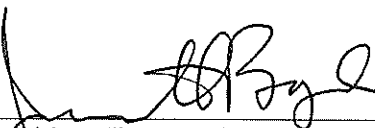
Sanford stated that staff are working to clean brush and fence rows at the tank and pump station sites. Sanford stated that they will be working as much as possible over the next couple of months to get the work done.

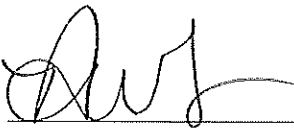
Sanford stated that services provided by Cintas have been terminated and that he was able to find good prices on rugs from U Line. Sanford stated that Cintas has not yet picked up their products and he expects that any day they will be on site.

Sanford stated that he contacted Shawn Moore at the Mercer County Planning and Zoning office regarding the A.T. Dean Road development. Sanford reminded the board that the property owner was seeking a Conditional Use Permit to build 10-12 cabins for rental. Sanford stated that according to Moore there was huge opposition to the project that included Shaker Village and many neighboring property owners. Sanford stated that a special-called hearing is scheduled for September 12<sup>th</sup> to make a decision on the application.

President Boyd suggested that Monson try and schedule a Staff and Board Member Appreciation Dinner. Monson stated that she will work on the dinner and send out an email with options.

Vice President Carey moved to adjourn the meeting. Secretary/Treasurer Gross seconded the motion. Meeting adjourned.

  
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President Jim Boyd

  
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Secretary/Treasurer Andrea Gross

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 9th day of July 2024 via Zoom webinar.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Vice President Carey moved to approve the minutes from the June 11, 2024 meeting. Director Thomas Hager seconded the motion. Motion carried.

Secretary/Treasurer Gross moved to approve the invoices as presented. Director Hughes seconded the motion. Motion carried.

Sanford presented the Financial Report for June, providing details of the monthly income and expenses, stating that both compared favorably to the budget and that the finances looked good for mid-point in the year. Sanford reported a Gross Profit for the month in the amount of \$111,693.96, with a Net Income of \$47,201.69. Sanford noted that penalties were higher than normal due to Northpoint Training Center paying late and that Miscellaneous Income was higher than normal due to several return draft payments, all of which have been paid. Sanford went on to note that Water Costs were over budget by \$2,725.85. Sanford reported that the Net Income for the month was \$47,201.69, \$13,278.19 ahead of the monthly budget. Lastly, Sanford reported that the YTD Net Income is \$35,339.39, \$75,417.39 ahead of the YTD Net Income budget. Director Hughes questioned the increase in the Cintas invoice for the month of June. Monson stated that the invoices were for more than one month. Director Hughes recommended searching U Line to see if it would be less cost to purchase rugs than maintain the service through Cintas. Sanford stated that he will check out the U Line options immediately.

Sanford reported that the Association purchased 17,440,636 gallons during the last reading period and sold 14,156,900 gallons. Sanford stated that the Non-Revenue Water volume for the month was 19%. Sanford went on to note that after accounting for the leak volume, the water loss volume is reduced to 6%. Sanford stated that 10 service line repairs were made, and one water main leak was located and repaired.

Sanford presented an invoice from AY Landscaping and Construction in the amount of \$8,000 for four service line replacements along South Cedar Lane. Sanford noted that the cost will be reimbursed by the water loss surcharge funds once approved by the Public service Commission. Vice President Carey moved to approve the invoice as presented. Secretary/Treasurer Gross seconded the motion. Motion carried.

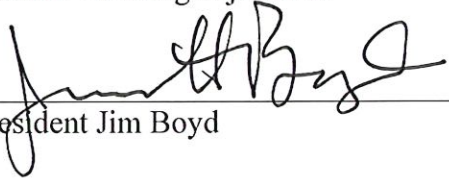
Sanford stated that the water main extension along A.T. Dean Road is on hold pending approval of a Conditional Use Permit from Mercer County Planning and Zoning. Sanford went on to note that the original plan to build a single dwelling home has now been changed to a 10-12 cabin retreat. Sanford stated that a public hearing is scheduled for July 16<sup>th</sup>.

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Director Hughes inquired about the building relocation on Burkin Road. Sanford stated that the building is still located within the easement. Director Hughes recommended that Tucker send a letter requesting that the building be relocated.

Sanford stated that the KIA grants have been closed for Contract 15 and that the balance of the RD funds has been deposited. Dienst stated that final payment is ready to be made to Lagco, Inc in the amount of \$99,347.52. Sanford stated that the punch list is complete. Secretary/Treasurer Gross moved to pay the final invoice to Lagco, Inc. Director Hughes seconded the motion. Motion carried.

Vice President Carey moved to adjourn the meeting. Director Hughes seconded the motion. Meeting adjourned.

  
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President Jim Boyd

  
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Secretary/Treasurer Andrea Gross

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 11th day of June 2024 via Zoom webinar.

Vice President Kenny Carey called the meeting to order. Present are President Jim Boyd, Secretary/Treasurer Andrea Gross, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Director Hager moved to approve the minutes from the May 14, 2024 meeting. Secretary/Treasurer Gross seconded the motion. Motion carried.

President Boyd moved to approve the invoices as presented. Secretary/Treasurer Gross seconded the motion. Motion carried.

Sanford presented the Financial Report for May, providing details of the monthly income and expenses, stating that both compared favorably to the budget and that the finances looked good. Sanford reported a Gross Profit for the month in the amount of \$123,136.10, with a Net Income of -\$19,589.28. Sanford noted that the loss was due to the Rural Development payment for the Contract 14 loan in the amount of \$81,504. Sanford went on to note that Water Costs were under budget by \$6,671.36. Sanford reported that Water Sales for the year were under budget by approximately \$16,000 and Water Costs were under budget by \$4,971.60. Sanford stated that the Gross Profit for the year was \$15,273.17 ahead of the budget and expenses are under budget by \$54,192.77 resulting in a YTD loss of \$4,056.11.

Sanford reported that the Association purchased 18,839,673 gallons during the last reading period and sold 14,193,700 gallons. Sanford stated that the Non-Revenue Water volume for the month was 25%. Sanford went on to note that after accounting for the leak volume, the water loss volume is reduced to 12%. Sanford stated that 9 service line repairs were made, and three water main leaks were located and repaired. Vice President Carey questioned whether the leaks were in the same area of the system. Sanford stated the leaks were repaired on Chatham Lane, Gwinn Island Road, Waterworks Road, and Sunshine Shores.

Sanford presented RD Draw 12 for the Contract 14 Project in the amount of \$41,370.94 for consideration. Director Hughes moved to approve the draw as prepared. Director Hager seconded the motion. Motion carried. Sanford noted that the draw is the final draw to RD for the project.

Sanford presented KIA Draw 3 for grant 22CWW003 in the amount of \$29,215.25 for consideration. President Boyd moved to approve the draw as prepared. Secretary/Treasurer Gross seconded the motion. Motion carried. Sanford noted that the draw is the final draw to KIA for the project.

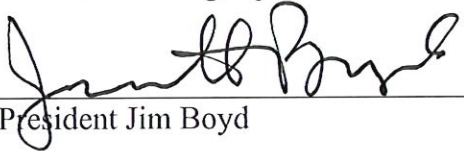
Sanford presented Exhibit 11 Certificate of Completion for the KIA grants for approval. Secretary/Treasurer Gross moved to approve Exhibit 11 for the two grants and authorized submittal to KIA to close out the project. President Boyd seconded the motion.


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Sanford stated that KIA recently approved the Reallocation Request for the Contract 15 CWP grant in the amount of \$72,589. Sanford stated that the grant has been reallocated to the Ison Lane Standpipe Rehabilitation Project and that the Association has received the Conditional Commitment Letter for Grant Number 22CWW373. Director Hughes moved to authorize the execution of the Conditional Commitment Letter. Director Hager seconded the motion. Motion carried.

Sanford presented Exhibit 1- Project Profile Update, Exhibit 2- Confirmation of Grantee Vendor Number and Exhibit 3- Transparency Act Reporting Information Form for Grant Number 22CWW373 for approval. Secretary/Treasurer Gross moved to authorize execution and submittal of the exhibits to KIA. Director Hughes seconded the motion.

President Boyd moved to adjourn the meeting. Secretary/Treasurer Gross seconded the motion. Meeting adjourned.

  
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President Jim Boyd

  
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Secretary/Treasurer Andrea Gross

**Lake Village Water Association, Inc.**  
**801 Pleasant Hill Drive**  
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**Burkin, Kentucky 40310**

The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 14th day of May 2024 at the Association office located at 801 Pleasant Hill Drive in Burkin.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst and Rebecca Stacy with Strand Associates, Rita Monson, Mike Sanford, Chad Robinson with Kerbaugh, Rodes and Butler and Greyson Evans with the Bluegrass Area Development District.

Sanford introduced Chad Robinson of Kerbaugh, Rodes and Butler to present the 2023 Financial Audit. Robinson reviewed the entire audit in detail, stating that the Association's financial performance had improved immensely from the previous audit. Robinson went on to note the significant increase in cash from the previous year. Robinson commended the board and management and noted that there were no findings in the audit. Director Hughes questioned how often the audit needed to be completed. Robinson stated that due to the Rural Development and Public Service Commission requirements, the audit must be completed annually. Director Hughes questioned whether the Association was at a point where cash could be converted to Certificates of Deposit. Robinson stated that the Association is headed in that direction based on the 2023 financial performance. Sanford referred to page 12 of the audit to note that Water Loss was reduced by 10% from 2022 to 2023. Director Hager moved to approve the audit as presented. Vice President Carey seconded the motion. Motion carried.

Sanford introduced Greyson Evans of the Bluegrass Area Development District. Sanford stated that Evans is on the local project team for the Wilkinson Farms Industrial Park Project. Evans stated that the City of Harrodsburg and Mercer County Fiscal Court have agreed to purchase 958 acres north of Harrodsburg to develop an industrial park and that utility service to the project is a priority. Evans reviewed a map of the property, along with service territory boundaries, potential industrial tenants and potential water and wastewater capacity requirements. Evans stated that the project could require water from multiple sources to meet the demand, noting the Association's current Water Purchase Contract with the City of Danville. Sanford stated that he is willing to meet with the City of Danville to discuss the availability of water and whether an increase in the current contract amount is possible. Sanford noted that the Association's existing contract allows for the purchase of 20,000,000 gallons monthly and that on average, the Association is purchasing approximately 8,000,000 gallons monthly. Evans went on to state that the utilities in Mercer County are going to have to work together to provide water and wastewater service to the industrial park and the citizens of Mercer County and that pooling resources and expertise may benefit everyone going forward. Sanford stated that the Kentucky Rural Water Association will be hosting a Mercer County Utility Meeting on June 12<sup>th</sup> at 11:00 am at the UK Extension Office located on Lexington Road. Sanford went on to note that utility consolidation and options going forward will be discussed and that everyone will have the opportunity to ask questions and hear from individuals with expertise. Evans stated that he and Sanford will be attending the North Mercer Water District board meeting on May 15<sup>th</sup> to discuss the project further.

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Director Hughes moved to approve the minutes from the April 9, 2024 meeting with corrections as noted. Vice President Carey seconded the motion. Motion carried.

Secretary/Treasurer Gross moved to approve the invoices as presented. Vice President Carey seconded the motion. Motion carried.

Sanford presented the Financial Report for April. Sanford provided details of the monthly income and expenses, stating that both compared favorably to the budget and that the finances looked good. Sanford reported a Gross Profit for the month in the amount of \$101,649.65, with a Net Income of \$42,265.84. Sanford went on to note that Water Costs were under budget by \$9,529.91. Lastly, Sanford reported that the YTD Net Income is approximately \$47,000 ahead of the YTD Budget.

Sanford reported that the Association purchased 16,206,616 gallons during the last reading period and sold 11,970,600 gallons. Sanford stated that the Non-Revenue Water volume for the month was 25%. Sanford stated that after accounting for the leak volume, the water loss volume is reduced to 13%. Sanford stated that 10 service line repairs were made, and one water main leak was located and repaired on Dix Dam Road.

Sanford presented the health insurance renewal from Anthem. Sanford stated that the premium is increasing by 8% on the medical policy and that there is no increase to the dental and vision policies. Sanford noted that historically bids have been obtained from United Healthcare and Humana, but that the premiums are drastically higher than the Chamber Advantage plan with Anthem. Sanford recommended approving the policy renewal as presented. President Boyd abstained from voting on the renewal. Director Hager moved to approve the Anthem renewal policy as presented. Director Hughes seconded the motion. Motion carried.

Director Hughes inquired about whether staff drive the company vehicles while off the clock or only on call. Sanford stated that the on call staff will often take a vehicle home after hours and Colby Harper and Lorne Patterson drive vehicles home because they are called out most often for every leak after hours. Director Hughes stated that he saw a company vehicle on Sunday and was wondering about the insurance policy. Director Hughes stated that a recent incident with another organization that he is affiliated with left the organization and the insurance carrier with a lawsuit after an incident that resulted in the death of an individual in the company vehicle. Director Hughes recommended that Tucker draft a policy regarding staff vehicle use. Director Hager recommended that Tucker review the current auto insurance policy to see what type of coverage the policy has for passengers in company vehicles. Tucker agreed to review the policy details.

Dienst reported that the Contract 14 project is complete, and that final payment will be made to Lagco, Inc. once all the disturbed areas have been fully restored. Sanford presented Requisition Certificate No. 11 in the amount of \$61,970.41 for consideration. Sanford noted that \$21,593.93 will be paid to Lagco, Inc. and \$40,376.48 will be paid to Strand Associates. Lastly,

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Sanford stated that one more draw will be prepared to close out the project. Secretary/Treasurer Gross moved to approve the draw as presented. Vice President Carey seconded the motion. Motion carried.

Sanford presented the Grant Assistance Agreement for Cleaner Water Program Grant Number 22CWW005 in the amount of \$72,589 for consideration. Secretary/Treasurer Gross moved to authorize execution of the agreement as presented. Director Hager seconded the motion. Sanford presented the resolution authorizing the acceptance of the grant and approval of the Grant Assistance Agreement for consideration. Secretary/Treasurer Gross moved to approve the resolution as presented. Director Hager seconded the motion. Sanford presented the Certificate of Recording Officer document for consideration. Director Hager moved to authorize Secretary/Treasurer Gross to execute the certificate. Vice President Carey seconded the motion. Motion carried.

Sanford presented a Cleaner Water Program Grant Reallocation Request for Grant Number 22CWW005. Sanford stated the grant is currently allocated to the Contract 15 Distribution System Improvement Project but will be reallocated to the Ison Lane Standpipe Rehabilitation Project if approved by KIA. Sanford stated that the grant is for \$72,589 and all the funds will be reallocated. Director Hager moved to execute the Reallocation Request. Secretary/Treasurer Gross seconded the motion. Motion carried.

Sanford stated that the Association is ready to proceed with Project No. 2 of the Service Line Replacement Project. Sanford stated that he and staff have identified areas where the funds could be used to eliminate leaks and that services on South Cedar Lane and Old Shakertown Road, along with Contract 13 service lines should be included in the project scope. Sanford stated that he and staff will develop a second project with a cost of \$30,000 and will utilize the water loss surcharge funds to pay for the project. Vice President Carey moved to submit a request to the Public Service Commission to utilize surcharge funds for the project. Secretary/Treasurer Gross seconded the motion. Motion carried.

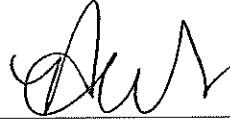
Sanford reported that the property owners located on A.T. Dean Road are ready to proceed with the Champion Woods Water Main Extension. Sanford stated that the Association agreed to install the water main under US 68 to the property line and that the property owners will extend the main at their expense along A.T. Dean Road.

Sanford stated that he is preparing the Public Service Commission application to demolish the Shakertown Standpipe and that it will be submitted once Tucker reviews the application.

Dienst stated that she and staff are working on the Contract 15 design and will be working with Sanford and staff to prepare a set of plans for review.

Vice President Kenny Carey moved to adjourn the meeting. Director Hager seconded the motion. Meeting adjourned.

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801 Pleasant Hill Drive  
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President Jim Boyd

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Secretary/Treasurer Andrea Gross

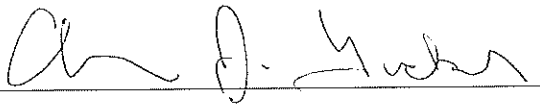
**AFFIDAVIT**

COMMONWEALTH OF KENTUCKY  
COUNTY OF BOYLE

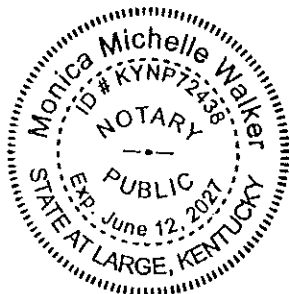
Comes the affiant, Christopher J. Tucker, being first duly sworn, and states and deposes as follows:

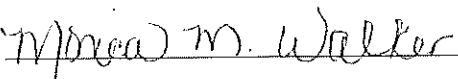
1. I am an attorney practicing in Danville, Kentucky.
2. I am currently licensed and in good standing to practice in all courts of the Commonwealth of Kentucky, including the Kentucky Supreme Court, and am a member of the Kentucky Bar Association.
3. I am the current attorney for the Lake Village Water Association Board of Directors.
4. That a nomination letter was sent to all Lake Village Water Association members for one seat on the Board of Directors and the following individuals were nominated: Thomas Hagar, Larry Inman and Zoe Strecker.
5. That an election letter and ballot was sent to all Lake Village Water Association members with a return deadline of April 5, 2024 at 5:00 p.m.
6. That as of April 5, 2024 at 5:00 p.m., a total of 180 ballots were returned with 81 votes for Thomas Hagar, 53 votes for Larry Inman and 46 votes for Zoe Strecker.

FURTHER affiant sayeth not.

  
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CHRISTOPHER J. TUCKER

Subscribed and sworn to me, a notary public in and for said County and State, by Christopher J. Tucker, to be his free act and deed in due form of law, this 8<sup>th</sup> day of April, 2024.



  
\_\_\_\_\_  
NOTARY PUBLIC  
My commission expires: 6-12-27

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 9th day of April 2024 at the Association office located at 801 Pleasant Hill Drive in Burkin.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes via Zoom, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Secretary/Treasurer Gross moved to approve the minutes from the March 12, 2024 meeting as presented. Director Hager seconded the motion. Motion carried.

Director Hager moved to approve the invoices as presented. Vice President Carey seconded the motion. Motion carried. Director Hughes inquired about the Spectrum invoices, specifically why there is more than one payment. Monson stated that Spectrum was incorrectly posting the payments and that Spectrum requested separate checks for the phone and internet invoices. Director Hughes inquired about the payment made to Citco in the of \$2,650. Sanford stated that the payment is for annual Sensus and meter reading support. Sanford stated that the support is not used frequently, but if a problem arises and the support is not available issues related to meter reading are possible.

Sanford presented the Financial Report for March. Sanford provided details of the monthly income and expenses, stating that both compared favorably to the budget and that the finances looked good. Sanford reported a Gross Profit for the month in the amount of \$81,220.35, with a Net Income of \$21,893.91. Sanford noted that \$23,285 was received from the Kentucky Infrastructure Authority for Contract 14 expenses. Sanford went on to note that Water Costs were over budget by approximately \$3,000 but should be under budget next month. Sanford stated that YTD Sales to Customers is under budget by \$148.24, Northpoint Sales exceed the YTD budget by \$12,935.54, Water Costs exceed the YTD budget by \$11,229.67 and Total Expenses are under budget by \$17,325.35. Lastly, Sanford stated that the YTD Net Income exceeds the budget by \$15,024.72.

Sanford reported that the Association purchased 15,168,327 gallons during the last reading period and sold 11,147,500 gallons. Sanford stated that the Non-Revenue Water volume for the month was 25%. Sanford stated that after accounting for the leak volume, the water loss volume is reduced to 16%. Sanford stated that staff are conducting leak detection in the Shakertown zone and that valves will be installed in the Chimney Rock area of KY 152 to help isolate the area. Sanford noted that at the intersection of Chimney Rock Road, Ashley Camp Road, KY 152 and Carmichael Lane, the water feeds in five directions making leak detection challenging. President Boyd questioned whether we needed another employee that was dedicated solely to leak detection. Sanford stated that dedicating an employee would be ideal, by the expertise is found in experienced staff that is needed for all other kinds of work.

Sanford presented an invoice from AY Landscaping and Construction in the amount of \$3,040.00 for service line replacements. Sanford stated that the invoice will be presented to the

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Public Service Commission for reimbursement from the Water Loss Surcharge fund. Director Hager moved to approve payment of the invoice. Secretary/Treasurer Gross seconded the motion. Motion carried.

Dienst provided an update on the Contract 14 Distribution System Improvement Project reporting that the work is complete. Dienst presented Change Order No. 5 in the amount of \$100,179.00. Dienst stated that the change order adjusts all the final quantities to reflect exactly what was installed by the contractor. Dienst went on to state that the main item that caused the increase in the contract amount were the driveway bores. Sanford stated that there is \$155,841.60 in funding remaining at RD and KIA and that the project should come in on budget or a little over. Secretary/Treasurer Gross questioned where the funds would come from if the project is over budget. Sanford stated that the balance would be covered by the O&M account or Depreciation account. Vice President Carey moved to approve the Change Order as presented by Dienst. Director Hager seconded the motion. Motion carried.

Sanford reported that a sink hole opened along US 127 under the newly installed main. Sanford went on to state that a bid was requested from Lagco to repair the sink hole per the recommendation made by Dienst. Sanford stated that the bid was \$11,000, therefore a second bid was requested from AY Landscaping and Construction. The AY bid was \$4,500 to perform the same scope of work. The excavation and repair have been completed and the sink hole has not returned.

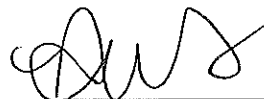
Sanford presented a cost estimate from Currens Construction for demolition and replacement of the Shakertown Standpipe. Sanford stated that the demolition cost is \$16,840.00 and the replacement cost is \$250,000.00. Sanford recommended that the standpipe be taken out of service. Vice President Carey moved to demo the standpipe and remove it from the distribution system. Secretary/Treasurer Gross seconded the motion. Motion carried. Sanford stated that he and Tucker will prepare the PSC application for submittal.

Dienst stated that she is preparing the plan set for the Contract 15 design and working towards having a plan set for review very soon.

Director Hager moved to adjourn the meeting. Vice President Carey seconded the motion. Meeting adjourned.

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President Jim Boyd



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Secretary/Treasurer Andrea Gross

**Lake Village Water Association, Inc.**  
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**Burkin, Kentucky 40310**

The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 12th day of March 2024 via Zoom webinar.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Vice President Carey moved to approve the minutes from the February 13, 2024 meeting as presented. Secretary/Treasurer Gross seconded the motion. Motion carried.

Director Hughes moved to approve the invoices as presented. Director Hager seconded the motion. Motion carried. Director Hughes inquired about the payment to Consolidated Pipe and Supply. Sanford stated that the invoice was for Contract 14 related material. Sanford went on to note that the monthly payment to Farmers National Bank for the Toyota Tacoma is now being posted to Fixed Assets-Transportation instead of being reflected in the Profit and Loss statement. Sanford reported also that he and Monson contacted Cintas and were able to reduce the services and the frequency of service to reduce the monthly invoice amount. Sanford stated that the bill should drop to \$115.00 per service.

Sanford presented the Financial Report for February. Sanford provided details of the monthly income and expenses, stating that both compared favorably to the budget. Sanford reported a Gross Profit for the month in the amount of \$88,537.62, with a Net Income of \$39,332.07. Sanford noted that \$312,080.32 was received from Rural Development and the Kentucky Infrastructure Authority for Contract 14 expenses. Sanford went on to note that Northpoint Training Center usage was down by 1,000,000 gallons from the previous month. Sanford stated that cash on hand was good, and that the Association was maintaining approximately \$215,000 in the accounts at Farmers National Bank in addition to project related funds.

Sanford reported that the Association purchased 17,689,819 gallons during the last reading period and sold 13,246,108 gallons. Sanford stated that the Non-Revenue Water volume for the month was 22%. Sanford noted that staff are currently leak detecting in the Shakertown zone and that valve insertions will need to be done to isolate certain areas of the zone.

Tucker reported that two nominations for the Board of Directors were received in addition to Director Hager. Tucker stated that Zoe Strecker and Larry Inman were nominated and will join Director Hager on the election ballot that will go out in the coming days. Tucker concluded by stating that the ballots will be due to his office by April 5, 2024. Vice President Carey moved to accept the nominations for the election. Director Hughes seconded the motion. Motion carried. President Boyd questioned whether the ballot should indicate that Director Hager is an existing Director. All agreed that indicating that Director Hager is currently serving would be fine.

Sanford presented the Rural Development Annual Reports for approval. Sanford noted that the reports include the current budget, projected cash flow, current officers, and water

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connection information. Vice President Carey moved to approve the reports as presented. Director Hughes seconded the motion. Motion carried.

Sanford presented an invoice from AY Landscaping and Construction for service line replacements in the amount of \$8,475.00. Secretary/Treasurer Gross moved to approve the invoice as presented. Director Hager seconded the motion. Motion carried.

Dienst provided an update on the Contract 14 Distribution System Improvement Project reporting that the work is complete, and that the contractor is cleaning the final sections of the work. Dienst noted that the Substantial Completion letter has been issued to the contractor and that a final adjusting change order is being prepared. Vice President Carey thanked Dienst and Sanford, stating that they did a great job managing the project.

Sanford presented RD Draw No. 9 in the amount of \$299,649.83 for approval. Sanford noted that \$260,049.63 will be paid to Lagco, Inc., \$39,600.20 will be paid to Strand Associates. Secretary/Treasurer Gross moved to approve the draw as presented. Director Hughes seconded the motion. Motion carried.

Sanford presented the board with the rate adjustment history dating back to 2007. All agreed that rate adjustments in 2022 and 2023 were more frequent than any other year but were ordered by the PSC and that the factors were out of the Association's control due to the increases from the City of Harrodsburg, the Contract 14 project and the rate case ordered by the PSC. Sanford then presented the board with a debt service forecast for the Contract 15 project based on the estimated cost and current RD and KIA interest rates. Sanford noted that borrowing from KIA has a higher annual debt service payment, but the repayment term is 20 years versus 40 years with RD. All agreed that the longer term significantly reduces the annual payment and impact to the rate. Director Hughes questioned what projects we are currently still paying on and when they will pay off. Sanford stated that the Association paid off the original loans from the 1970's right after he was hired in 2006 and that the Association will not pay off another loan for decades. Sanford stated that he feels that the decisions on Contract 15 feel rushed and suggested letting Contract 14 close out and allowing more time to plan the next project would be a good idea. Sanford went on to recommend reallocating the CWP grant in the amount of \$72,589 to the Ison Lane Tank Project to make the necessary repairs without borrowing funds. Sanford stated that the CWP grant funds did not need to impact the decision making for Contract 15 and that reallocating the funds will allow for use of the grant funds for another project. Director Hughes stated that he agrees with Sanford. Secretary/Treasurer Gross questioned the timing of Contract 15, specifically whether the project would still be planned for 2025. Sanford stated that the project will continue to move forward at a comfortable pace, but without the CWP program deadlines. Director Hughes moved to request reallocation of the \$72,589 CWP grant to the Ison Lane Tank Project. Vice President Carey seconded the motion. Motion carried.

Sanford presented a new project profile for the Ison Lane Tank Project with a total cost of \$100,000. Sanford presented a second project profile for the Crozier Elevated Tank Rehabilitation Project in the amount of \$300,000. Sanford stated that the total project costs are

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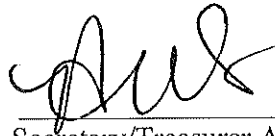
based on the cost estimates provided by Currens Construction Services, LLC. Sanford stated that he will present the project profiles to the Area Water Management Council on April 19, 2024 to begin the process of reallocation.

Director Hager moved to enter executive session to discuss a legal matter. Vice President Carey seconded the motion. Motion carried.

Vice President Carey moved to return to the regular meeting. Director Hager seconded the motion. Motion carried. No action was taken in executive session.

Director Hughes moved to adjourn the meeting. Secretary/Treasurer Gross seconded the motion. Meeting adjourned.

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President Jim Boyd



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Secretary/Treasurer Andrea Gross

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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 13th day of February 2024 via Zoom webinar.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Director Hughes moved to approve the minutes from the January 9, 2024 meeting as presented. Vice President Carey seconded the motion. Motion carried.

Director Hughes moved to approve the invoices as presented. Secretary/Treasurer Gross seconded the motion. Motion carried. Director Hughes inquired about the \$2,500 payment to Farmers National Bank. Sanford stated that the payment was for the Toyota Tacoma and that he is working to determine whether the payment should be posted to Transportation or Fixed Assets. Sanford noted that the payments are not budgeted in Transportation. Sanford will provide an update at the March meeting. Director Hughes inquired about the Cintas invoice. Sanford stated that the service is weekly and includes rugs, paper towel dispensers, paper towels, hand soaps. Director Hughes recommended taking a closer look at the service to see if the monthly expense can be reduced or eliminated. Sanford and Monson agreed to reduce the expense.

Sanford presented the Financial Report for January. Sanford provided details of the monthly income and expenses, stating that both compared favorably to the budget. Sanford reported a Gross Profit for the month in the amount of \$113,843.55, with a Net Income of -\$89,532.24 due to semi annual debt service payments in the amount of \$111,285.00. Sanford went on to note that Northpoint Training Center's usage was very high resulting in a bill for \$31,736.53. Sanford went on to state that staff have contacted Northpoint to let them know they may have a leak and to offer assistance if needed. Sanford stated that sales were strong for this time of year, totaling \$125,116.14 for the most recent billing period. Sanford went on to note that water cost is under budget for the month, but due to the increased usage and Northpoint and KU, the cost will increase for February. Director Hughes questioned whether KU was charged at the same rate as the rest of the customer base. Sanford stated that the rate to KU is the same as the rate charged to all residential and commercial customers. Director Hager recommended adjusting the sales to reflect the usage trends throughout the year to reflect the income more accurately. Sanford apologized and stated that he will make the adjustment and reflect the revised income in the February report.

Sanford reported that the Association purchased 19,654,000 gallons during the last reading period and sold 14,811,000 gallons, of which 1,608,700 gallons can be accounted for through 1 water main break, 2 service line repairs and 6 busted meters. Sanford stated that prior to accounting for the leaks, the Non-Revenue Water volume was 23% and that after accounting for the leak volume, 15% of the water purchased is unaccounted for. Director Hughes stated that the water loss cost is awful, and we need to continue working to get it down.

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Sanford stated that Director Hager's term expires in April and that if he is willing to serve, a nomination will need to be made. Director agreed to be nominated for a second term. Vice President Carey moved to nominate Director Hager for a second term. Secretary/Treasurer Gross seconded the motion. Motion carried.

Sanford presented the annual Staff SEP contribution totals for consideration. Sanford presented various percentages including an 8% contribution in the amount of \$31,499.55, 9% contribution in the amount of \$35,436.99 and a 10% contribution in the amount of \$39,374.44. Sanford noted that the 2023 operating budget included a 10% contribution, and that the contribution is accrued monthly and adjusted in the financial statement once a contribution amount has been determined by the board. Vice President Carey moved to contribute 10% of the annual wages to the staff SEP accounts. Director Hager seconded the motion. Motion carried. All agreed that the Association had a great year and that the staff worked very hard for the Association.

Dienst provided an update on the Contract 14 Distribution System Improvement Project stating that the contractor is installing the water main on the last property. Dienst went on to note that the contractor should have all the cleanup completed by the end of March if the weather allows. Sanford stated that he is working towards closing out the CWP grants and RD loan funds.

Sanford presented RD Draw No. 8 in the amount of \$141,492.85 for approval. Sanford also presented a KIA Draw for Grant No. 22CWW003 in the amount of \$23,285.00 for approval. Sanford noted that \$140,849.18 will be paid to Lagco, Inc., \$643.67 will be paid to Strand Associates and \$23,285.00 will be paid AY Landscaping and Construction Inc for service line installations. Director Hughes moved to approve the draws as presented. Director Hager seconded the motion. Motion carried.

Dienst presented a discussion pertaining to the Contract 15 Distribution System Improvement Project. Dienst stated that the timeline needs to be established, as well as a decision made on what will be included in the project scope. Dienst stated that the CWP grant needs to be obligated by December 31, 2024 to retain the funds. In addition, Dienst stated that to meet the deadline, a contract must be awarded by the end of 2024 and that plans and specifications will need to be submitted to the Division of Water by September 1, 2024 to award the contract by the end of the year. Sanford noted that one of the most pressing decisions is how large of a project to build and the potential rate increase associated with the loan. Sanford stated that the current project scope is approximately \$4.6 million and is a large project for the Association to build all at once. Dienst noted that the project includes the replacement of Waterworks Road, Sunrise Shores, and Dix Dam Road, in addition to the portions of Contract 14 that were removed for budgetary reasons. Director Hager questioned Sanford on his recommendation for the project scope. Sanford recommended sticking with the plan that is in place and to continue to work towards determining the size of the project by prioritizing the proposed replacement sections based on the number of leaks and operation and maintenance costs. Secretary/Treasurer Gross questioned the size of the potential rate increase. Sanford

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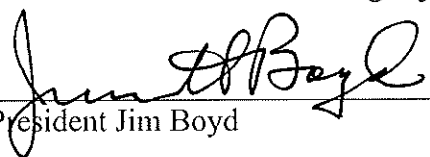
stated that the current project has a loan in the amount of \$2,089,000 and carries an annual debt service payment of \$81,000 with an interest rate that is lower than the current market rate. President Boyd stated that the proposed \$4.6 million project will be more than twice the payment on Contract 14. Sanford stated that he does not think that the customer base can handle the rate increase needed to do the entire project. Director Hughes stated that \$4.60 per month customer is an approximate increase. Secretary/Treasurer Gross questioned whether there is anything being replaced that does not need to be replaced right now. Sanford stated that each of the areas were in Contract 1 and that all the proposed scope is old. Vice President Carey recommended replacing the worst sections of line. Dienst stated that Waterworks Road, Sunrise Shores, and Dix Dam Road are the worst sections included in the project scope. Director Hughes questioned Dienst on whether Lagco could stay on since they did a great job with the current project. Dienst stated that all the work would have to be advertised for bids. President Boyd stated that the project would result in a rate increase approximately 12 months from now. Secretary/Treasurer Gross stated that she would hate to have another rate increase so soon. Director Hager questioned the frequency of rate increases over the past several years and asked Sanford if he could provide the information. President Boyd agreed with Director Hager on the need for the rate increase information. All agreed that more information is needed for further discussion to take place on the project. Sanford stated that he will prepare the rate increase history and forecast the potential debt service obligation and impact to the rate for the March board meeting.

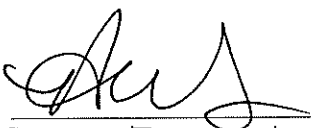
Sanford presented the tank inspection report that was completed by Currens Company. Sanford stated that the Northpoint Training Center Elevated Tank is in great shape, with only mildew formation on portions of the bottom of the tank. Sanford reported that the Ison lane Standpipe has corrosion at the seams of the glass lining and that Terry Currens stated that over time new bolts and mastic covering is routine maintenance. Sanford stated that the anticipated cost for the improvement is \$75,000. Lastly, Sanford reported that Currens Company recommended full sandblasting and new coating at the Crozier Elevated Storage Tank located on Montgomery Lane. Sanford stated that the existing coating will last long enough for the Association to decide how to plan and pay for the project. Sanford stated that the anticipated costs for the blasting and new paint is \$275,000.

Vice President Carey moved to enter executive session to discuss a legal matter. Secretary/Treasurer Gross seconded the motion. Motion carried.

Director Hager moved to return to the regular meeting at 2:04 pm. Secretary/Treasurer Gross seconded the motion. Motion carried. No action was taken in executive session.

Director Hager moved to adjourn the meeting at 2:04 pm. Secretary/Treasurer Gross seconded the motion. Meeting adjourned.

  
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President Jim Boyd

  
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Secretary/Treasurer Andrea Gross

**Lake Village Water Association, Inc.**  
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The regular monthly meeting of the Lake Village Water Association, Inc. was held at 12:00 p.m. on the 9th day of January 2024 at the Association office located at 801 Pleasant Hill Drive in Burkin, Kentucky.

President Jim Boyd called the meeting to order. Present are Vice President Kenny Carey, Secretary/Treasurer Andrea Gross, Director Jeff Hughes via Zoom, Director Thomas Hager, Attorney Chris Tucker, Liz Dienst, Rita Monson, and Mike Sanford.

Director Hager moved to approve the minutes from the December 12, 2023 meeting as presented. Secretary/Treasurer Gross seconded the motion. Motion carried.

Vice President Carey moved to approve the invoices as presented. Director Hager seconded the motion. Motion carried.

Sanford presented the Financial Report for December. Sanford provided details of the monthly income and expenses, stating that both compared favorably to the budget. Sanford reported a Gross Profit for the month in the amount of \$91,709.66, with a Net Income of \$26,949.56. Sanford reported that the Year-to-Date Net Income is \$241,560.80, with a Year-to-Date budget of \$218,388.00. Sanford stated that 2023 was one of the Association's most successful years to date.

Sanford reported that the Association purchased 16,450,352 gallons during the last reading period and sold 12,227,800 gallons, of which 2,214,000 gallons can be accounted for by 7 service line repairs and 3 main line repairs. Sanford stated that prior to accounting for the leaks, the Non-Revenue Water volume was 23% and that after accounting for the leak volume, 10% of the water purchased is unaccounted for.

Dienst and Sanford provided an update on the Contract 14 Distribution System Improvement Project, stating that Burkin Road and portions of Montgomery Lane passed the pressure test and samples have been gathered and delivered to Fouser for analysis. Sanford stated that results will be available within the next day. Sanford stated that the contractor has approximately 5,000 feet of water main remaining to complete the work. Sanford stated that clean up will occur on disturbed properties closer to spring ahead of the project close out.

Sanford presented RD Draw No. 7 in the amount of \$200,091.95 for approval. Sanford also presented a KIA Draw for Grant No. 21CWW149 in the amount of \$110,489 and a KIA Draw for Grant No. 22CWW003 in the amount of \$192,351 for approval. Sanford noted that \$466,903.44 will be paid to Lagco, Inc., \$26,787.94 will be paid to Strand Associates and \$9,240.57 will be paid to the Association for service line material reimbursement. Director Hager moved to approve the draws as presented. Secretary/Treasurer Gross seconded the motion. Motion carried.

Sanford reported that the Grant Increase Request in the amount of \$35,000 for Grant No. 22CWW003 was approved by KIA. Sanford presented the Grantee Resolution for consideration

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Sanford stated that he is currently working on the Distribution Operator SOP and that most of the duties and responsibilities are currently found in the Operation and Maintenance Manual. Sanford stated that he is working to update both documents.

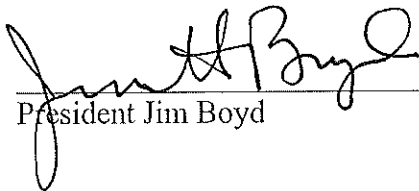
Sanford reported that the Sanitation District was informed recently that the Gwinn Island Sanitary Sewer Project will be receiving an EPA OSG grant in the amount of \$2,300,000 from the Division of Water. Sanford noted that the project will be fully funded with grant funds.


Sanford stated that Dave Patel, owner of the Quality Inn in Harrodsburg was planning to speak to the board about the Association's Leak Adjustment Policy. Sanford stated that Monson applied the policy to the account and Mr. Patel was not agreeable to the amount of the adjustment. Sanford stated that he reiterated the policy and adjustment to Mr. Patel, but he insisted that the adjustment was not enough and would like to request more from the board. Sanford noted that the adjustment follows the PSC approved formula found in the tariff that is applied to all requested leak adjustments throughout the distribution system. Director Hager recommended enforcing the PSC approved policy for adjustments. All agreed with Director Hager.

Vice President Carey moved to enter Executive Session to perform Sanford's annual evaluation.

Vice President Carey moved to return to open session at 1:55 pm. President Boyd stated that Sanford's job performance over the past year was great, and that the Association had a fantastic year. President Boyd went on to state that the cost of living has risen and is taken into consideration along with job performance. President Boyd stated that the Board moved to provide Sanford with a one time bonus in the amount of \$12,000 for his contributions to the Association and thanked Sanford for his hard work.

Secretary/Treasurer Gross moved to adjourn the meeting. Vice President Carey seconded the motion. Meeting adjourned.

  
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President Jim Boyd

  
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Secretary/Treasurer Andrea Gross