Attachment 11

Board Meeting Minutes
2024, 2025, 2026

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

January 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, January 11th, 2024 at the Association's office, 147 East Somerset Church Road, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Dwight Faulkner, Grant Treado, Mark Davis and Wade Bumgardner.

Others present: RC Ryan, Keith Patrick, Melanie Rhodus, Brendan Welch, Morris Vaughn and Molly Hardy

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Mark Davis.

VISITORS

Introductions and roles were given by members of Southeastern Water association to the new Attorney Molly Hardy. Mrs. Hardy expressed her gratitude for being selected to represent the Board.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Dwight Faulkner, seconded by Wade Bumgardner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch informed the Board that President Joe Crawford needed to sign the Cleaner Water Certificate and Clean Water Audit. He also explained the attorney needed signatures regarding a resolution and a clear site certificate. Once signatures were obtained, he would email them. These signatures were required for the second round of the grant for approximately $790,000.

Mr. Welch discussed the need for signatures on an assistance agreement that needs to be signed by Joe Crawford and Mark Davis for SWA.

Burnside Project waterlines relocation: Mr. Welch presented the award allocation that was accepted by McKinney Contracting for the amount $28601.32 with cost to the Pulaski County Board of Education being $40,601.

Mr. Welch discussed the Pass-Through Rate increase would begin the day after the PSC accepts it. Stated this should happen January the with the SWA cost increase to begin on February 18th, 2024. He also explained the cost increase would be 3.75% over current rates and would affect April's water bill.

Mr. Welch gave Joe Crawford the notice regarding rate increases and a resolution pertaining to them. Joe Crawford read the notice from the City of Somerset to the Board. He then read the SWA resolution regarding the SWA future rate increase to the SWA Board members. Motion made by Dwight Faulkner to accept the resolution. Seconded by Grant Treado. Motion passed with no opposition.

Mr. Vaughn expressed concerns regarding loss of revenue and whether this process would have to be repeated annually or every three years. Mr. Welch explained many districts did the process annually partially due to usage.

MINUTES

Keith Patrick read November minutes. Motion made by Mark Davis to accept the reading of the minutes with three changes. Seconded by Grant Treado. Motion passed with no opposition.

OLD BUSINESS

Mr. Vaughn expressed concerns that one waterline on Cabin Hollow Road was not deep enough due to excavation of an entrance for a new development. He explained he had tried to call the developer but had not received any response. This had been a result of a verbal agreement, and the history was explained to the Board Attorney by Joe Crawford. Motion made by Dwight Faulkner to allow Board President, Joe Crawford, to oversee the lowering of the lines on Cabin Hollow Road and if it wasn't taken care of in 14 days then SWA would look to bid it out. Seconded by Grant Treado. Motion passed with no opposition.

Morris Vaughn discussed zone meters and where to place them as well as developing a plan to rank on where to place them. He then explained the [illegible] had a possible principal forgiveness and low interest loans regarding water loss. He informed the Board he would present to the Board at next month's meeting on these two subjects.

The SWA Board discussed United Systems' cost for new computers including support would be $13,640.

Mr. Treado asked about adding one more computer to the current bid to make a total of nine computers for the new office. After Boards discussion the Board decided to add one computer to current order.

NEW BUSINESS

Discussion centered around fencing for the Rush Branch and whether to leave the back of the building open, shorten the fence or add gates. The Board allowed Morris Vaughn to make the decision as to what would serve the project best.

Morris Vaughn informed the Board the dump truck was not running well. He inquired where he needed to take it to get fixed. The Board recommended, after discussion, to have it inspected and get an estimate of the repairs before any decision was made to repair vs trade in.

Dwight Faulkner inquired how the meters were working. Morris informed him that 90% were currently reporting.

Mr. Vaugh informed the Board that one customer had informed him children had left the outside faucet running, He explained to them the PSC would not allow for reduction of the charge.

Mark Davis reported there was an account with $31.29. He inquired if the account needed closed. The Board informed him to use his best judgment whether to leave it open or close it.

Motion made by Dwight Faulkner to adjourn, seconded by Dennis Faulkner. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved_____

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

February 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, February 8th, 2024 at the Association's office, 147 East Somerset Church Road, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Dwight Faulkner, Grant Treado, Mark Davis and Wade Bumgardner.

Others present: RC Ryan, Keith Patrick, Melanie Rhodus, Brendan Welch, Morris Vaughn, Lee Eldridge, Alex Godsey and Molly Hardy

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Joe Crawford.

VISITORS

Lee Eldridge inquired as to what the water pressure was supposed to be and explained he had spent monies installing pumps in his home to get the water pressure up to an acceptable level. He explained all he wanted was the water pressure supplied by SWA to be at the appropriate level that was feeding his home. It was discussed to possibly install a pump by SWA to get the appropriate water pressure to his home and SWA would be looking into the matter.

Derrick Sears and Alex Godsey discussed a development of a campground on Lisa Lane. They stated they had an easement with the current property owners and inquired as to the size of the line to be run. Morris suggested they could go with a one-inch line and set a meter. Brendan Welch stated he would need to check the pressure, but it should be sufficient.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Mark Davis to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Dixie Bend Project: Mr. Welch explained the drawings etc. should be in within the next week. Informed the Board cleaner water monies had to be obligated by December 2024. Suggested to use clean water monies first, however he would need to get a waiver from the state in order to do it. SWA Board informed him to get it accomplished as soon as possible.

Mr. Welch discussed that $427,000 currently obligated to Sandy Gap project should be moved to Eagles Nest project. He also explained he would get the bids and monies obligated by the due date.

PSC Rate: Mr. Welch informed the Board that he has gotten no information on the PSC rate, however Somersets rate had been approved.

Mark Davis inquired if the Dixie Bend tank would have to come down before the new tank installation. Mr. Welch explained it would have to come down prior to the new tanks' installation, however the current pump could handle the load. Dennis Faulkner inquired as to the completion date which Mr. Welch stated once he had the drawings he could inform the Board, however installation usually takes about 4 months. Morris Vaughn suggested adding an additional pump off ~~Blue John Road to~~ Dixie handle the load and was informed by the Board to use management skills to solve the issue.

PSC Report: Mr. Welch discussed the PSC report/audit that will be conducted by Randall Turpin for the amount of $16,500 by May 31st 2024, Mr. Crawford and Mr. Vaughn was given an engagement letter for signatures.

Mrs. Rhodus inquired as when to submit the audit report. The SWA Board suggested to submit it at the same time the PSC letter was submitted.

MINUTES

Keith Patrick read ~~November~~ Jan minutes. Motion made by Mark Davis to accept the reading of the minutes with three changes. Seconded by Wade Bumgardner. Motion passed with no opposition.

OLD BUSINESS

Melanie Rhodus inquired as to the retirement contributions and when they were effective. Motion made by Grant Treado to clarify the 5% contributions were effective January 1st, 2024. Seconded by Dennis Faulkner. Motion passed without opposition.

Wade Bumgardner inquired as to the tax exemption status for SWA. Mrs. Rhodus explained she had made several inquiries to the state however she had not received any information at the current time. Mr. Welch explained he would contact South Laurel water district and inquire, since they were also a water association.

Morris discussed a bill from Bruce Orwins office and needed to get a bill fixed for a clean title for the Dixie Bend Project.

Mark Davis reports he did not close the account with $31.06.

Currently there is no information from KIA.

Cabin Hollow project was finished this morning.

The Burnside contract had been sent forward this morning.

Computers have been ordered for the new office.

NEW BUSINESS

Morris Vaughn discussed the statute of limitations regarding claim for damages that the power company stated that SWA had damaged their lines. Mrs. Hardy explained there was a statute pf limitations and would look into the matter.

Morris Vaughn inquired Mrs. Hardy regarding easement forms and procedures and to clarify that SWA procedures etc. were correct. She informed him she would look handle it.

Morris inquired as to Upper Line Creek issues and whether SWA should refund their monies since there had not been enough people to sign up for SWA service. Mrs. Hardy recommended to return their monies.

Boards discussed interest rates on deposits would begin this year and what to do with the monies and how to handle them. The Board suggested to table the issue and inquire Mrs. Rhodus as to the best course of action.

Morris Vaughn informed the Board there were 3 Board member positions to be able to run/file this year.

R.C. Ryan informed the Board the cost of fencing around generators would be $13,805. Motion made by Dennis Faulkner to allow Benny Bullock Fence to fence six locations. Seconded by Dwight Faulkner. Motion passed no opposition.

R. C. Ryan informed the Board that property owner on Heavenly View is stating that SWA has a water leak and is causing land slide on the property owners' property. After visits, examining pictures and looking at location of line it was decided it was not the SWA water line causing the issue.

Motion made by Dwight Faulkner to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 3/14/2024

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

March 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, March 14th, 2024, at the Association's office, 147 East Somerset Church Road, Somerset, KY. Board members present: Joe Crawford, Earnest Stout Jr., Bobby Crowe, Dwight Faulkner, Grant Treado, Mark Davis and Wade Bumgardner.

Others present: RC Ryan, Keith Patrick, Melanie Rhodus, Brendan Welch, Melinda Elder, Mona Taylor, Gwen Kubatsch, Shawn Burke

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

Gwen Kubatsch and Shawn Burke discussed a broken water meter and inquired as what could be done for a reduced fee or a payment plan to rectify their account. After discussion, it was resolved through a motion to have the payments spread over the course of a year. Motion made by Wade Bumgardner, seconded by Grant Treado to allow payment to be spread over the course of 1 year. Motion passed, no opposition.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Mark Davis, seconded by Grant Treado to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Dixie Bend Project: Mr. Welch discussed the shop drawing of the tank and colors to be painted. He also discussed the first invoice for the tank project. He informed the Board the project should begin next month.

Clean Water Project: Mr. Welch informed the Board layout had been approved and was going to extend Eagles Nest project to the top of the hill that would add 3000 ft of line.

Burnside School Project: Mr. Welch informed the Board at the preconstruction meeting last week they were going from a 3inch to a four-inch ductile at the entrance to the school. He also informed the Board the Mueller valves were on backorder and suggested the Board order what they want to since it would not hold the Burnside Project up. He also discussed the need for casing around the outside curbs.

Mr. Welch informed the Board that he had investigated the water pressure issue brought forth by customer Lee Eldridge the previous month. He explained the service pressure was not within SWA guidelines for proper pressure. Boards discussion then centered as to what coursed of action to take: To possibly install an inline pump which could handle other customers as well, and to do it right. Motion

made by Grant Treado to fix the pressure issue with the engineer's guidance. Seconded by Mark Davis. Motion passed, no opposition.

MINUTES

Keith Patrick read the February 2024 minutes. Motion made by Grant Treado to accept the reading of the minutes with three changes. Seconded by Wade Bumgardner. Motion passed with no opposition.

OLD BUSINESS

Wade Bumgardner inquired as to the status of the tax exemption for the SWA. Melanie Rhodus explained she had completed a new application and had sent it forward to the state.

PSC Rate: Mr. Welch informed the Board the PSC rates have been approved and could go into effect. Suggested that SWA waits until they have received the stamped Tariff which should be in soon.

The Board was informed that the dump truck had been fixed at a cost of $7100 with the turbo repaired and the injectors repaired. The Board discussed to wait and get Morris Vaughn's input as to what to do with the truck.

New Building Update: Grant Treado informed the Board the new building project was going well, with some changes mainly due to engineering code. He also explained that he was pleased with the budget that had been spent so far. Mr. Treado did inform the Board of upcoming costs that would come with the move to the new building such as signage, internet hook up, furniture etc. Dwight Faulkner inquired as to any possible needs for the maintenance building and internet needs. Mr. Treado discussed the fiber vs coaxal service speeds and the needs of the SWA regarding internet. The Board decided it was best to leave the type of internet up to the manager to choose the best option. The Board did decide the maintenance building did need internet and wi-fi capabilities. The Board also discussed placing conduit for the fill station to run internet in the future.

Brandon Welch
Melinda Elder gave the Board an invoice from Kenvirons that is to be given to the Pulaski County Board of Education (PCBOE) for payment. Joe Crawford suggested to give all invoices to the PCBOE in one meeting to reduce confusion from involved parties.

NEW BUSINESS

Mark Davis informed the Board that a customer had inquired regarding the Tateville pump station and blacktop. After discussion Mr. Welch stated he would investigate the matter.

Wade Bumgardner discussed the possibility of getting plaques with past Board member names on it at the new office. Motion made by Wade Bumgardner to get plaques for past members to be placed in new office. Seconded by Mark Davis. Motion carried, no opposition. The Board then decided to pass this to a six-person committee to gather names of past members and decide on plaques.

RC Ryan informed the Board that a small VFD may need purchased for future jobs.

RC informed the Board that new seal at the Dixie Bend Pump Station have gone out but were still under warranty and he was trying to get the issue fixed.

RC Ryan discussed with the Board and ongoing issue with a customer on 51 Heavenly Way, Burnside, KY. He then presented and discussed a report with data compiled from Southeastern Water Association, The Division of Water, and the Energy Environmental Cabinet. After SWA Board full discussion of the issue. Motion made by Dwight Faulkner to accept the finding of the report by Brian M. Crump, Environmental Control Supervisor, Division of Water as being fact, unless further investigation is warranted. Seconded by Wade Bumgardner. Motion carried, no opposition.

RC Ryan informed the Board that Cooper Powerplant was wanting to do away with a 2" meter and may want it relocated. After discussion the Board decided that Cooper Power would have to follow current regulations and guidelines regarding this matter.

RC informed the Board that Brooke Ping may have to relocate a current line he is running, as it is crossing a sewage line.

Mr. Ryan discussed a section of line to be replaced on Campground Road.

RC informed the board that the generators are at Eagles nest and the only one that is not onsite is the Rush Branch generator.

Mark Davis reports that Mr. Bullock has started on fencing and still needs to add some posts and gates.

Melinda Elder informed the Board that new collectors may have to be purchased as some stops working when it rains. The Board discussed ways possibly get help and to fix the problem.

Motion made by Dwight Faulkner to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By_____

Keith Patrick

Respectfully Submitted

By_____

Mark O Davis, Secretary

Date Approved_____

By:_____

Joe Crawford, President

SOUTHEASTERN WATER ASSN.
BOARD MEETING SIGN IN SHEET
ANNUAL MEETING
APRIL 8,2024

Ernest Stuart	SEA
Billy Crow	SWA
Wade Brumgard	SWA
	SWA
	SWA
	SWA
Dwight Faulkner	SEWA
	SAM
	SWA

SOUTHEASTERN WATER ASSOCIATION
147 EAST SOMERSET CHURCH ROAD
SOMERSET, KY. 42503

APRIL 8, 2024 ANNUAL MEETING

The annual meeting for the Southeastern Water Association, was held April 8, 2024 at the office of the Association, at 7:30 pm, as pursuant to the by-laws of the Association. Members present at the meeting were (see sign in sheet attached).

Meeting called to order by President Joseph D. Crawford, Prayer given by Bobby Crow. Upon motion made by Wayde Bumbgardner and second by Bobby Crow to elect Morris Vaughn to serve as secretary of the /annual Meeting motion passed.

Motion made by Wayde Bumbgardner, second by Grant Tredo to elect Mollie Hardey as Chairman of the Annual meeting. Motion passed.

Motion made by Dwight Faulkner, second by Dennis Faulkner to retain all present officers. Motion passed.

Motion to adjourn by Wayde Bumbgardner second by Dennis Faulkner. Motion passed.

Secretary

Morris Vaughn

SOUTHEASTERN WATER ASSOCIATION
BOARD MEMBERS

JOE DALE CRAWFORD	PRESIDENT	4-15-26
GRANT TREADO	VICE-PRESIDENT	4-15-27
MARK DAVIS	SEC\TREASURER	4-15-26
ERNEST STOUT, JR	BOARD MEMBER	4-15-27
BOBBY CROW	BOARD MEMBER	4-15-25
DWIGHT FAULKNER	BOARD MEMBER	4-15-26
WADE BUMGARDNER	BOARD MEMBER	4-15-25
DENNIS FAULKNER	BOARD MEMBER	4-15-27

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

April 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, April 11th ~~March 14th~~, 2024, at the Association's office, 147 East Somerset Church Road, Somerset, KY. Board members present: Joe Crawford, Earnest Stout Jr., Bobby Crowe, Dwight Faulkner, Grant Treado, Dennis Faulkner and Wade Bumgardner.

Others present: RC Ryan, Keith Patrick, Melanie Rhodus, Brendan Welch, Morris Vaughn, Molly Hardy and Alex Godsey.

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

Alex Godsey presented plans for a 38-acre development on highway 39 that he wants to install 2164 feet of waterline that would be tied to an existing 8" waterline located near highway 39. Motion made by Dennis Faulkner to accept the plans as presented. Seconded by wade Bumgardner. Motion carried, no opposition.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Dwight Faulkner, seconded by Bobby Crowe to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Dixie Bend Project: Mr. Welch reports there is a progress meeting scheduled for April 24th @ 1:00 PM. He also explained that most future progress meetings would be scheduled late in the month. He reports that footers should be poured next week and that the clean water monies were being used first on this project.

Mr. Welch discussed the Resolution to use clean water monies on the US27 going to Tateville and the Eagles Nest Projects. He gave President Joe Crawford the letter regarding $416,203 regarding the resolution. After discussion, motion made by Bobby Crowe to Accept the Clean Water Monies Resolution. Seconded by Wade Bumgardner. Motion carried, no opposition. The Board then asked Attorney Molly Hardy, to put the resolution on the Boards letterhead and get her signature on it.

Burnside School Project: Mr. Welch informed the Board the Mueller valves would be delivered April 21st and the warrranty contract would be in effect after delivery.

Mr. Welch and the Board discussed the issues at Sandy Gap regarding pressure to a customer. After discussion the Board and the Boards Attorney, the Board agreed that best solution was to install a pump station at the meter with Brenden Welch and Morris Vaughn to take the lead on this issue.

MINUTES

Keith Patrick read the March 2024 minutes. Motion made by Wade Bumgardner to accept the reading of the minutes with one change. Seconded by Grant Treado. Motion passed with no opposition.

OLD BUSINESS

Wade Bumgardner inquired regarding progress on SWA paying taxes. Melanie Rhodus explained what she had already done and would be looking into the matter again next week. Dwight Faulkner suggested to let one person handle this issue. The Board agreed to let the Boards attorney handle this issue.

Morris Vaughn inquired if SWA should be charging taxes on the meters and labor cost. Mrs. Rhodus stated she would look into the matter.

The Board discussed options of what to do with an older truck that was recently repaired. Morris Vaughn suggest the best option was to sale it. Motion made by Dennis Faulkner for Morris to handle the sale of the truck and to speak with Ford Brothers regarding the sale at auction. Seconded by Wade Bumgardner. Motion passed without opposition.

Morris Vaughn discussed two other truck that were beginning to have some problems and suggested to the Board to sale them at auction. Motion made by Dwight Faulkner for Morris to determine need for new trucks and to work through Grant Treado for new trucks. Seconded by Wade Bumgardner. Motion passed without opposition.

PSC Rate: Mr. Welch informed the Board the PSC rates have been completed.

New Building Update: Grant Treado discussed making some changes to the parking lot to have more parking in the front of the building instead of at the side due to safety reasons and being able to accommodate elderly and handicapped customers. Motion made by Wade Bumgardner to authorize a committee to change the parking lot to make improvements. Seconded by Dwight Faulkner. Motion passed no opposition. Dennis Faulkner inquired regarding the new water filling station. After discussion the Boards decision was to let Morris Vaughn handle the installation at the new building.

NEW BUSINESS

Wade Bumgardner brought up the issue that water pressure regulators seemed to be out at a higher rate. Morris explained that the regulators customers were using was a cheaper version and they should be replaced with a higher-grade brass version when they go out.

Motion made by Grant Treado to adjourn, seconded by Dennis Faulkner. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By_____

Keith Patrick

Respectfully Submitted

By_____

Mark O Davis, Secretary

Date Approved 5-9-2024

By:_____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

May 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, May 9th, 2024, at the Association's office, 147 East Somerset Church Road, Somerset, KY. Board members present: Joe Crawford, Mark Davis, Dwight Faulkner, Grant Treado and Wade Bumgardner.

Others present: Keith Patrick, Barry Daulton, Brendan Welch, Morris Vaughn, Molly Hardy and Kelly Wilson.

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Mark Davis.

VISITORS

Kelly Wilson presented insurance plans, rates, and comparisons from Neikirk Insurance. She explained there were basically 2 plans and outlined the differences between the current plan the SWA Board carried on its employee's vs the second plan offered. She explained the rates increase to continue their current plan would be less than the second plan offered. She recommended to continue with their current plan.

Motion made by Grant Treado to renew current health plan insurance. Seconded by Mark Davis. Motion carried with no opposition.

Kelly then explained the current Life, Vision, and Dental Insurance to the Board.

Motion made by Grant Treado to renew ancillary products. Seconded by Wade Bumgardner. Motion carried with no opposition.

Kelly then explained to the Board short- and long-term disability coverages.

Motion made by Wade Bumgardner to renew ancillary long- and short-term disability coverages. Seconded by Dwight Faulkner. Motion carried with no opposition.

Financial Report

Barry Daulton gave the monthly accountant's report. Motion made by Grant Treado, seconded by Wade Bumgardner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Dixie Bend Project: Mr. Welch explained the footers are being dug and demolition for the tank begins next week. Informed the Board construction on the new tank should begin on May 29th. He also explained the VFD is up and running.

Burnside School Project: Mr. Welch informed the Board the driveway shoulder relocation is done and needs cuts and caps that will be completed next week.

Sandy Gap customer issue: Mr. welch explained that a small 15 gallon per minute pneumatic pump station was designed that should increase pressure to 40 lbs. at the meter.

Mr. Welch turned in a statement of qualifications for US 27 and Eagles Nest Projects. Reported the project has been drawn up and ready to submit to the Division of Water. He did explain the Division of Water was behind on their end in issuing permits. Mr. Welch presented to the SWA Board 2 statements of qualifications on the US 27 and Eagles Nest Project. One from Eclipse Engineering and one from Kenvirons.

The Board rated the two companies on the following:

1. Experience and qualifications.
2. Past performance.
3. Capacity for performance.
4. Accessibility.
5. Familiarity.

Ratings were completed by members of the Board. Motion made by Grant Treado to procure Kenvirons based upon the ratings of the Board. Seconded by Wade Bumgardner. Motion carried, no opposition.

Discussion then revolved around the two projects. After input from the Board members and Morris Vaughn it was decided that US 27 project was the base project with Eagles Nest being alternate.

MINUTES

Keith Patrick read the April 2024 minutes. Motion made by Grant Treado to accept the reading of the minutes with one change. Seconded by Mark Davis. Motion passed with no opposition.

OLD BUSINESS

Molly Hardy informed the Board she had discussed the tax exemption issue with Frankfort. She also discussed and explained the differences between Water Board and an Association. Her suggestion was to wait until the legislative body changed the laws regarding the two. Joe Crawford suggested Molly Hardy to contact Damon Tally to come up with an idea to present to a legislator. Discussion then centered around Mr. Treado asking if it would be easier change the status from association to water board and inquired regarding difficulties in the change.

Wade Bumgardner inquired as to the status regarding the sale of the truck. It was explained it would not be sold at auction until June. After discussion regarding confusion on the truck issue the Board decided it needed one truck and one dump truck. Mr. Treado did inform the Board the dealers were currently looking for a suitable truck for the SWA Association.

New Building Update: Grant Treado informed the Board the building was almost complete except for asphalt and curbing. Explained all desks, tables, and cabinets was installed and the chairs would be arriving tomorrow. Also informed the Board the dirt was ready for the water filling station and the pump is at the new building.

Mark Davis informed the Board they had approximately $400,000 to pay for the parking lot.

Wade Bumgardner inquired as to what use the mezzanine could be used for in the new building. It was explained that it could be used for storage, just not for hazardous materials.

Dennis Faulkner inquired as to when computers would be installed in the new office. Morris Vaughn stated it would be the last three days in June.

NEW BUSINESS

Morris informed the Board he was notifying customers on their bill of the new office location and address.

Morris informed the Board that SWA had sold $38,643.51 worth of scrap.

Morris informed the Board that RC Ryan had resigned. His suggestion was to possibly have Lester act as foreman. The Board then discussed ways to recruit and possible future options for staffing.

Morris Vaughn also informed the Board of vandalism at Eagles Nest

Grant Treado brought up the issue of cleaning and mowing services for the new building. After discussion the Board suggested to put out bids for these two items. Grant also asked for Morris Vaughn to have Benny Bullock to contact him regarding fencing at the new office.

Mark Davis explained current rates and monies of SWA's Certificates of Deposit. The Board discussed how the monies should be used to improve current customers service and maintenance of current projects. Wade Bumgardner asked regarding replacing some of the existing waterlines utilizing these monies, however Morris Vaughn explained, there was a possibility that Legislator Shane Baker may have $300,000,000 coming with House Bill 1.

The Board was informed that Randall Turpin has already requested info for the audit, and it appears that he may be complete earlier than in past years.

The SWA Board decided to have the June's 2024 meeting at the new office location unless they were told otherwise.

Motion made by Mark Davis to adjourn, seconded by Wade Bumgardner. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 6-9-24

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

June 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, June 13th, 2024, at the Association's office, 147 East Somerset Church Road, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Dwight Faulkner, Grant Treado and Bobby Crowe.

Others present: Keith Patrick, Melanie Rhodus, Eddie Brown and Morris Vaughn.

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

No visitors presented at Junes meeting.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Dwight Faulkner, seconded by Bobby Crowe to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Burnside Project: Eddie Brown explained the relocation project is complete and gave paperwork to Joe Crawford for signatures. He also explained there would be a construction meeting on June 24th and there would be a state level meeting prior to the construction meeting in Frankfort.

Eagles Nest/US 27 Projects: Eddie Brown Informed the Board that the water line replacement for these had been submitted to the state. He also gave Mr. Crawford the agreement from Kenvirons for the US 27/ Eagles Nest water line replacement for signatures.

Dixie Bend Project: The Board was informed tank demolition was completed and there was progress on the footers and foundation.

Sandy Gap customer issue: Discussed the proposed pumpstation costs at $16,109 to increase pressure. The Board decided to move ahead on the project.

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

5516 Hw June 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, June 9th, 2024, at the Association's office, 147 East Somerset Church Road, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Dwight Faulkner, Grant Treado and Bobby Crowe.

Others present: Keith Patrick, Melanie Rhodus, Eddie Brown and Morris Vaughn.

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

No visitors presented at Junes meeting.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Dwight Faulkner, seconded by Bobby Crowe to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Burnside Project: Eddie Brown explained the relocation project is complete and gave paperwork to Joe Crawford for signatures. He also explained there would be a construction meeting on June 24th and there would be a state level meeting prior to the construction meeting in Frankfort.

Eagles Nest/US 27 Projects: Eddie Brown Informed the Board that the water line replacement for these had been submitted to the state. He also gave Mr. Crawford the agreement from Kenvirons for the US 27/ Eagles Nest water line replacement for signatures.

Dixie Bend Project: The Board was informed tank demolition was completed and there was progress on the footers and foundation.

Sandy Gap customer issue: Discussed the proposed pumpstation costs at $16,109 to increase pressure. The Board decided to move ahead on the project.

Field Supervisor Vacancy: Morris informed the Board that Lester had been performing well and would possibly be a good replacement for the current vacancy. Morris suggested to the Board that Lester come to the next Board meeting for the Board members to meet him and discuss possible future options.

Joe Crawford informed the Board that Brooke Ping had inquired regarding him (Mr. Ping) relocating a water line on a current project. Mr. Crawford informed the Board that he informed Mr. Ping of the engineering, state, and local requirements he would have to meet to relocate the line.

Joe Crawford informed the Board that Mark Davis wanted to know about an auction that when the property was advertised for sale the auctioneer stated it had water, however after the current owners took possession, they found the meters had been disconnected. After discussion the Board decided to table the item for future discussion/investigation.

Joe Crawford informed the Board that Mike Measle had inquired regarding the requirements for installing 4 meters on highway 39 to set up a small store, sandwich shop etc. He informed the Board that he had told Mr. Measle to contact Morris to identify needs and type of meters etc., he would need.

Morris informed the Board he had order map hangars for maps to place on walls for easier viewing and understanding of the water lines and locations.

Dwight Faulkner inquired as to how many meters SWA was setting per month. Morris explained they were setting, on average, 15 meters per month.

Motion made by Dwight Faulkner to adjourn, seconded by Bobby Crowe. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared
By _____
Keith Patrick

Respectfully Submitted
By _____
Mark O Davis, Secretary

Date Approved 7-11-2024

By: _____
Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

JULY 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, July 11th, 2024, at the Association's office, 147 East Somerset Church Road, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Dwight Faulkner, Grant Treado, Mark Davis, and Bobby Crowe.

Others present: Keith Patrick, Melanie Rhodus, Brendan Welch, Randall Turpin, Molly Hardy, Kim Cox, and Morris Vaughn.

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

Kim Cox, a customer, reported she had requested the water to be shut off at a residence on January 18th. She stated that the water had not been turned off and the pipes within her residence had frozen and burst. She requested that SWA to pay for the plumbing (approximately $9000) due to negligence on SWA's behalf for not shutting off the water. Mr. Crawford explained SWA would have to investigate the claim and that SWA falls under the Public Services Commission and would have to follow their guidelines as well.

Morris informed the Board that Doug Huntsman was needing a waterline extended 200 yards to his residence. The Board discussed options and decided to let Mark Davis discuss the matter with Mr. Huntsman to examine various solutions.

Randall Turpin presented to the Board the 2023 Audit Report. He explained that SWA was financially stable. Reported that fixed assets grew from 2022, cash income dropped minimally, long term debt was being reduced, water sales were up and the positive return for FY2023 was almost $900,000. Overall, there were no significant deficiencies in the control and compliance areas.

Mr. Crawford explained to Mr. Turpin the late audits and the PSC requirements of having the audit turned in on time. The Board discussed with Mr. Turpin various option to meet the PSC requirements for FY 2025 audit. After discussing Mr. Turpin stated he would have the FY2025 audit completed by May 31st, 2025. Motion made by Mark Davis to accept the audit as presented by Randall Turpin, seconded by Bobby Crowe. Motion passed without opposition.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Dennis Faulkner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Burnside Project: Brenden explained the Kentucky Transportation Cabinet was changing the entrance to the new school onto the bypass. This change would lead to an 8-inch line replacement approximately 700 feet long.

Eagles Nest/US 27 Projects: Brenden informed the Board that an encroachment permit was needed however he should have everything by the next meeting once he gets all the plans etc. Morris inquired regarding KIA monies and Brenden explained there were still monies left and SWA could request them if the bids come in over.

Dixie Bend Project: Brendan Welch informed the Board that 3 1/2 legs were up. Roof is complete, the bowl should be going up next week. Also informed them a progress meeting would be held July 24th at 1:00 PM.

Sandy Gap customer issue: Discussed quotes for the project. It was explained that WestKing was the cheapest with a 1 ½ HP pump. The Board discussed future development of this project such as raising the tank and installing a pressure reducing valve on the new tanks to manage pressure.

Brenden informed the Board that he and Morris had developed several project profile groupings to meet the less than half million-dollar requirement for replacement, repair, and underserviced lines in the SWA service area.

MINUTES

Keith Patrick read the June 2024 minutes. Motion made by Dennis Faulkner to accept the reading of the minutes with two changes. Seconded by Grant Treado. Motion passed with no opposition.

OLD BUSINESS

Motion made by Bobby Crow to bring to the table a water meter removal issue that was tabled last month. Seconded by Dennis Faulkner, motion passed without opposition. Mark Davis explained the history of the property and his discussion with the current owner. He stated the owner stated he may have to speak to the Master Commissioner to have the meter replaced. Molly Hardy, SWA Attorney, explained the issues with Master Commissioners sales and informed the Board there was a 10-day limit to file exceptions after a sale. She informed the Board the burden would probably fall on the client to replace the tap etc.

Morris informed the Board the F150 had been sold for $8000 and the work truck had been sold for $36,000 at auction.

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Water Testing Bench: Morris informed the Board of the costs of the new water testing bench. He discussed the following quotes: $36,000 for a six station, $32,000 for an 8 station, $38,000 for a 10 station. After discussing it was decided to let Morris make the decision on what station to purchase to meet the needs of the SWA.

The Board discussed filling a recently vacated field supervisor position with Lester. Discussion centered around hourly or salaried and various ways for compensation. Motion made by Grant Treado to give him a one dollar per hour raise to begin on Monday, the start of the new pay period. Seconded by Mark Davis. Motion passed without opposition.

NEW BUSINESS

The Southeastern Water Association Board members discussed the options and issues surrounding the sale of the old water board building. Morris suggested to get an approval from the Board if any member of the Board or relative may want to list the building for auction. Molly Hardy informed the Board that SWA may have to get a partial release form the mortgage company prior to the sale. The Board discussed getting with the Rural Development agency prior to the sale to get the property ready to sale. The Board also discussed possible options to allocate monies from the sale of the old building. After lengthy discussion the following motions were made:

Motion made by Grant Treado to have an appraisal completed on the old building, seconded by Dennis Faulkner. Motion passed without no opposition.

Motion made by Dennis Faulkner to add TJ Mounce to list of persons that may want to list the auction on the old building for sale, seconded by Bobby Crowe. Motion passed without opposition.

Motion made by Dwight Faulkner to authorize Morris Vaughn to dispose of the old water bench from the old building, seconded by Mark Davis. Motion passed without opposition.

Dennis Faulkner raised the issue of the new water fill station and any issues. Morris explained he would like to keep the fill station on a separate billing system. Morris inquire as to fencing the water station to reduce vandalism. It was decided to install signage informing persons that they were on camera in order to prevent vandalism.

Joe Crawford informed the Board he had an individual that was interested in co-working with Morris Vaughn and as a possible replacement if Morris retired. After discussion it was decided to meet the interested party on July 15th, 2024, in a special called meeting. Dennis Faulkner inquired as to the possibility of advertising for the position, Mr. Vaughn informed him there was a job advertising link on the state water associations website to advertise positions.

Mark Davis explained to the Board that Andrew Krause had hit a waterline with no malicious intent after calling 811. He explained that Mr. Krause was asking for the bill of $280.00 to be alleviated. Motion made by Dennis Faulkner to alleviate the bill for Mr. Krause, seconded by Grant Treado. Motion passed without opposition.

Bobby Crowe inquired regarding a timeclock for the new building. No action taken.

Motion made by Dwight Faulkner to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 8-8-24

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

AUGUST 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, August 8th, 2024, at the Association's office, [147 East Somerset Church Road, Somerset, KY. Board] members present: Joe Crawford, Dennis Faulkner, Dwight Faulkner, Grant Treado, Mark Davis, Wade Bumgardner and Bobby Crowe.

new addition

Others present: Keith Patrick, Melanie Rhodus, Brendan Welch, Shane Baker, TJ Mounce, Molly Hardy and Morris Vaughn.

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

Shane Baker inquired for permission to bid for renewal on various insurance policies.

T. J. Mounce reviewed proposals and surveys on options on how to list the auction of the old water building and land. After discussion the Board decided to have an online live auction and to sell the building and land together as one parcel.

Motion made by Grant Treado to allow Ford Brothers Auctions to move ahead with the contract and set up the auction. Seconded by Mark Davis. Motion passed without opposition.

Morris Vaughn informed the board that Todd Berkley had reported he did not have water pressure. It had been investigated and was found to have 35-40 lbs. of pressure at the meter.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Wade Bumgardner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Burnside Project: Brenden explained the Kentucky Transportation Cabinet relocation of the school entrance estimate has been turned into District 8 and the monies would come from the state.

Brendan informed the Board that he had developed 5 profiles to be submitted to the state to secure monies.

#1- Nelson Valley

#2- Elihu/Rush Branch - $608,000

#3- Melvin Hill Church Road-$209,000

#4- Dry Branch- $343,000

#5- Highway 39 waterline replacement- $2,162,000

Dixie Bend Project: Brendan Welch reports that painters are on site and the next construction meeting would be held the last week of August.

Tateville Project: Mark Davis brought up an issue that a waterline on this project does run under railroad tracks, under a grocery store, near homes and near septic systems. He asked if SWA could look at possibilities of moving/replacing this line as it would alleviate leaks at the railroad tracks. Morris stated this could possibly be done in house without a contractor and would investigate the issue.

Kentucky Waters Monies: Brendan gave the Board an authorization for signatures for submission to the state to secure Kentucky Water Monies. Motion made by Grant Treado to authorize Morris Vaughn to be in charge of all water monies that Southeastern Water Association may receive. Seconded by Dennis Faulkner. Motion carried without opposition.

The Board discussed a request by Mr. Ping to move the waterline on Dahl Road for a project development. After discussion it was decided to allow the waterline to be moved from its current location. Motion made by Dennis Faulkner to allow the waterline to be placed alongside the road. Seconded by Wade Bumgardner. Motion carried without opposition. The Board then discussed for Brendan Welch and to get with Mr. Gooch to examine the best options to move the waterline next to the road.

MINUTES

Keith Patrick read the August 2024 minutes. Motion made by Grant Treado to accept the reading of the minutes with one change. Seconded by Mark Davis. Motion passed with no opposition.

OLD BUSINESS

Motion made by Wade Bumgardner to have T.J. Mounce to represent SWA for the auction of the old office building and land. Seconded by Bobby Crowe. Motion carried no opposition.

Morris informed the Board he had decided to keep the old water testing bench and move it to the new building. He also informed the Board that the water filling station was ready to place into operation and explained to the Board the process on how customers would get water and ways to pay. He informed the Board that a possible person was interested in the co-management position. The Board decided to meet him at 2:15 on August 13th, 2024.

The possibility of a time clock was discussed by members of the Board. After discussion it was decided to leave the current accounting system in place.

The Board discussed the ongoing issue on with a client on ~~Waverly~~ Heavenly Way reporting leakage and erosion. Morris informed the Board that the Kentucky Division of Water, a neutral party, had investigated and had found no issue. Mr. Vaughn then informed the Board of all the actions taken by SWA Association to include but not limited to water testing, water pressuring monitoring, site visits and provided all the information to the Boards attorney, Molly Hardy. Molly Hardy informed the Board that she would get with Damon ~~Thayer~~ Talley to formulate a written response and present it to the Board at Septembers 2024 meeting.

Grant Treado informed the Board the last payment was $122,000 and they had just begun work on the yard.

NEW BUSINESS

Morris informed the Board that a person had place a fence near the Rush Branch Road valve. The Board decided to get him a gate.

Morris informed the Board he had spoken to Cooper Power regarding the relocation of the meter.

Mr. Vaugh inquired as to where to get fuel for the new generators. It was advised to get with Southern States and set them up on a regular rotation.

Mr. Vaughn inquired where he may purchase some heavy-duty shelving. He was advised to purchase from auction if possible.

Mr. Vaughn informed the Board that there were three old style pumps (unused) at the old building, and no one wanted to purchase them from SWA. The Board informed him to take them to a vendor and see if they could sell them.

Morris Vaugh informed the Board the office would be closing on August 9th at 3:00 PM and would be closed on the 12th, 13th, and 14th all day for system updates.

Kentucky Rural Water Association Meeting in Lexington, Kentucky: Joe Crawford and Mark Davis stated they would attend.

Morris suggested to get Kenny Estep to move the Flagpole to the new building.

Motion made by Dwight Faulkner to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared
By _____
Keith Patrick

Respectfully Submitted
By _____
Mark O Davis, Secretary

Date Approved 9-12-2024

By: _____
Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

October 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, October 10th, 2024, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Dwight Faulkner, Grant Treado, Mark Davis, Wade Bumgardner and Bobby Crowe.

Others present: Melanie Rhodus, Brendan Welch, Molly Hardy, Morris Vaughn, Andy Tompkins, and Corey Knoff.

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

Corey Knoff inquired regarding installation of water lines to a property near Chimney Rock which he is getting ready to develop. Mr. Crawford explained to him that he would give him engineers to work with and that once the engineers had a plan, they could get with SWA's engineer to ensure that the project meets specifications. Mr. Crawford also informed him that SWA did not install waterlines, however once approved and installed SWA would take them over.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Bobby Crowe to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Motion made by Grant Seconded by Bobby Crowe to give t authority to Mark Davis, Secretary treasurer, to find and authorize Melanie Rhodus the ability to pull financial account up online regarding the Dixie Bend Project. Motion Carried, no opposition.

Engineering Report

Highway 27/Tateville Project: Brenden informed the Board the estimate for the Highway 27 Project and Tateville, due to the guardrails and moving lines would be approximately $825,000, however he did not have the exact figures with him. Discussion then centered around the possibility of moving the waterline on Beechview Road rather than Highway 27.

A resolution was brought forward regarding Cleaner Water Monies that President Crawford had signed a letter of commitment for last month. Motion made by Mark Davis to allow Joe Crawford to sign for the revised total of the Cleaner Waters monies and its supplemental funds. Seconded by Grant Treado motion carried, no opposition.

Sandy Gap: Brenden Welch asked the Board as to what way to go forward on the Sandy Gap project. He was informed to fix the project in line with the current customer's needs. Dennis Faulkner inquired regarding the new tank. Brendan informed him he was moving forward with R & D on that project.

Brendan informed the Board that ha had submitted all the applications on the KY Water Monies. He informed the Board they had gotten back with him and needed a few more documents to complete the packets.

Mark Davis brought up the issue that Burnside inquired as to SWA hooking into their systems in case of an emergency. After discussion it was decided that it was best to not do so as it was diverting away from SWA's customers. However, SWA would assist Burnside in the event of an emergency on the recommendation of the proper state authority. Morris also suggested getting with Burnside and creating operations agreement to follow in case of an emergency. After discussion it was decided to allow discussion to move forward to examine developing SOP's/ MOA's. Motion made by Dennis Faulkner to allow managers along with the Board Attorney to work with Burnside to develop a document regarding this issue and bring back next month for review. Seconded by Mark Davis. Motion passed with no opposition.

MINUTES

Motion made by Bobby Crowe to forgo reading of the previous months' minutes. Seconded by Grant Treado. Motion passed with no opposition.

OLD BUSINESS

Mr. Treado informed the Board his findings for the bullet proof glass and reported that the company had also recommended bullet proof Kevlar underneath the counters which was standard practice, he reported the cost would be $41,218.00. After discussion the following was decided. Motion made by Mark Davis to move forward on the proposal to fully secure the service area with the materials at recommended cost. Seconded by Dennis Faulkner. Motion passed with no opposition.

Mr. Vaughn discussed the purchasing of the safety equipment minus the fire extinguisher. He informed the Board the cost would be $2752.80. He was informed to move ahead on the purchase. No motion needed as this was a safety issue.

Morris Vaughn inquired into replacing pavement when setting new meters in parking lots and wanted to know whether SWA was to repair/replace the pavement of to get someone else to complete the repairs. After discussion it was decided to for Morris to utilize best judgment in selecting a vendor for repair.

NEW BUSINESS

Mr. Vaughn discussed the new system and informed the Boar there was no reason for work orders as the new system would be using tablets for workloads requirements. He informed the Board that trucks would need a tablet at the costs of $240.00 per tablet with an additional cost of $20 per month for service. He stated he wanted to put them in five trucks.

Morris discussed a problem with a bill from a client who stated they had paid a bill on time, but the father stated it was paid on time. After discussion it was decided to allow the customer to call and report when they had paid the bill and honor their word.

Morris and Andy discussed a contact hey they had Made who is Steve Brennon who was able to assist the SWA on several technology related issues.

Mr. Crawford informed the Board that Software Solutions wanted to present to the Board regarding a proposal versus United Systems regarding technology support. It was decided to allow the vendor to meet with office staff and see if they wanted to move forward or stay with current vendor.

Mr. Crawford inquired as how to handle the entry process for Board meetings for the public and safety. After discussion it was decided to keep the doors locked after the start of the meetings and place a sign the doors.

Joe Crawford brought forth the idea of having a Christmas dinner for SWA employees and their families. After discussion it was decided to have a Christmas dinner. Dennis Faulkner made a motion to have a Christmas dinner on the first Friday of December at Renos at 6 PM for employees their spouses and the Board. Seconded by Wade Bumgardner. Motion passed with no opposition.

Motion made by Grant Treado to authorize Molly Hardy to record the mortgage release on the old property by the USDA. Seconded by Mark Davis. Motion carried passed with no opposition.

Andy Tompkins reported to the Board that he was impressed with the working ability and ethics of the workers on the SWA team.

Motion made by Dwight Faulkner to adjourn, seconded by Wade Bumgardner. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared
By _____
Keith Patrick

Respectfully Submitted
By _____
Mark O Davis, Secretary

Date Approved 11-14-2024

By: _____
Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

November 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, November 14th, 2024, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Dwight Faulkner, Grant Treado, Mark Davis, Wade Bumgardner and Bobby Crowe.

Others present: Melanie Rhodus, Brendan Welch, Molly Hardy, Morris Vaughn, Keith Patrick, Linda Hensley, Lisa Sterns, Sheri Osbourne, Tom Warner, Jeremy Baird and Connie Abbey

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

Jeremy Baird was asking for a repair to a driveway at 1703 Talon Way that was torn up during a waterline repair. He informed the Board the cost to repair was $2675. Mr. Crawford informed him that Board would decide later in the meeting whether to provide restitution or not. Later in the meeting the following motion was made. Motion made by Dennis Faulkner to provide restitution for $2675.00. Seconded by Wade Bumgardner. Morion carried, no opposition.

Connie Abbey informed the Board that her water bill and usage had been going up even after replacing the water line and several inspections and still could not find a leak. After discussion she was informed to completely shut down the exterior water valve and monitor the usage to see if this would resolve the issue.

Tom Warner, Ben Baker Road, spoke of himself and neighbors requesting for a waterline to be installed for them. Mr. Crawford informed him of the time, cost and procedures involved in getting a new waterline installed and explained that SEWA might be able to incorporate it into future developments if possible.

The Board discussed with Derrek Sears a campground development on Lisa Lane and Coomer Road and the possibility of increasing the lines size. SEWA also asked for an easement onto the property. Mr. Sears stated he would have to investigate the issue and get back with SEWA.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Wade Bumgardner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Motion made by Mark Davis, seconded by Grant Treado, to authorize Melanie Rhodus to be on the online banking account at First and Farmers Bank. Motion carried, no opposition.

Engineering Report

Brenden Welch reported on the following:

- Dixie Bend Road is paved and there is a close out meeting on the project prior to next month's meeting.
- Burnside waterline relocation- the permit has been received and currently waiting on permission to move ahead.
- Eagles Nest materials will be moved prior to Thanksgiving and the project should be completed by mid-January.
- The paperwork for the Sandy Gap Project is currently in Frankfort with an upgraded pump. He reported that if needed, a bigger tank would cost approximately $500.00 - $1000.00 dollars.
- Brenden reports that the City of Somerset is supposed to request approval on an annual basis regarding the Purchase Water Adjustment. He informed the Board that he would have a resolution regarding the rates at the December meeting.
- Highway 27 Project- Informed the Board of possible solutions to maintain water usage during construction. After discussion the Board decided to continue to examine different solutions to maintain service for the end users.

MINUTES

Keith Patrick read the October meeting minutes. Motion made by Wade Bumgardner to accept the minutes with no changes. Seconded by Grant Treado. Motion passed with no opposition.

OLD BUSINESS

Mr. Treado informed the Board they were waiting on the Kevlar for the office and the company they were contracted with had flown in a team to measure for proper dimensions.

Wade Bumgardner inquired whether the punch list was complete on the new building. He was informed it was complete.

Morris Vaughn informed the Board that everything was going well at the current time.

Co-Managers Position:

The Board discussed the possibility of hiring a co-manager to work with Morris Vaughn to fill the absence due to Andy Tompkins leaving. Dennis Faulkner proposed a probationary period of 6-9 months and then send the person to the water managers training. After discussion the following motion was made. Motion made by Dennis Faulkner to hire a recent applicant with a probationary period. Seconded by Wade Bumgardner. Motion carried, no opposition. After further discussion and input by all Board members and Morris Vaughn, the following motion was made. Motion made by Grant Treado to rescind previous motion to hire applicant. Seconded by Wade Bumgardner. Motion carried, no opposition.

Discussion then centered around way to recruit and how to get the work out regarding a co-manager with Mr. Vaughn.

NEW BUSINESS

Raises for employees:

After discussion by the SEWA Board the following was decided: Motion made by Wade Bumgardner to give the two youngest guys $20.00 per hour and to give a 10% raise to all other employees across the Board to be effective January 1st, 2025. Seconded by Mark Davis. Motion carried, no opposition.

Molly Hardy gave the Board recent correspondence with Aramark (now Vestis) regarding the possibility of canceling or buying out SEWA's current contract. After discussion by Board members the following motion was made. Motion made by Grant Faulkner to authorize Mrs. Hardy to meet with the company to negotiate buy out options. Seconded by Dennis Faulkner. Motion carried, no opposition.

Mrs. Hardy informed the Board the USDA release is recorded and evidence provided for competitive bidding to move forward on the sale of the old office building.

Morris Vaughn informed the Board that SEWA could not tie into Burnside waterline due to possible contamination. He Discussed the possibility of installing VFD and suggested to get with the DPW to find a solution.

Joe Crawford informed the Board he was giving all employees fire blankets at the Christmas dinner.

Mark Davis informed the Board he was going to investigate the possibility of changing an $800,000 CD at First and Farmers to get a better rate at 4.5% from the current 4.25% rate on a 12-month obligation.

Motion made by Dwight Faulkner to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved_____

By:_____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

December 2024

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, December 12th, 2024, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Mark Davis, Dwight Faulkner, Grant Treado, Wade Bumgardner and Bobby Crowe.

Others present: Melanie Rhodus, Brendan Welch, Molly Hardy, Morris Vaughn, and Keith Patrick

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Bobby Crowe.

VISITORS

No visitors were present.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Dwight Faulkner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch reported on the following:

- Dixie Bend tank project is closed out and money should be coming from R and D on December 17th.
- Burnside waterline relocation: Should be able to accept bids by January 1st, 2025, and possibly open them by the third week in January.
- Dahl Road waterline relocation project has been approved by the Division of Water.
- Eagles Nest project is 50% complete and lines will be run prior to Christmas.

- 27 waterline replacement near Burnside: Brendan reports he has some calls out to examine various construction options and type of lines to continue service once the project begins. The Board also discussed with Mr. Welch the possible impact if the Burnside Island development goes through and future needs if it is developed. Brendan also reported he would have the final recommendation of the 27 Project next month.

- Brendan was asked regarding the Kentucky Water Monies and when it may be allocated. He informed the Board that the earliest he would know something would be by June at best, however it is more likely in October.

- Mr. Welch reported on the pass-through rate increase. He informed the Board the PSC had not approved the City of Somerset on the past 2 phases and the Board did not have to do anything at the present time. After discussion Morris Vaughn stated he would get with Brendan and investigate to see if they (Somerset) had changed the rates.

MINUTES

Keith Patrick read the October meeting minutes. Motion made by Grant Treado to accept the minutes with three changes. Seconded by Dwight Faulkner. Motion passed with no opposition.

OLD BUSINESS

Dennis Faulkner inquired regarding how the current meters are doing. Morris informed him the meters were doing well; however, one had been struck by lightning. Morris informed the Board most of the problems from the meters were due to improper installation.

The Board discussed the possibility of hiring an additional person in the office. Motion made by Wade Bumgardner to form a committee to recruit someone to work in the office. Seconded by Dennis Faulkner. Motion failed 6 nay-0 yeas. The Board then moved on to discuss options and what they needed if they were to hire someone for the office.

<u>Co-Managers Position:</u>

The Board discussed the options for a co-manager with Mr. Vaughn. One name was given as a possible interviewee. The Board decided for Dwight Faulkner to contact said person to see if they were interested in the position and would like to interview.

Morris informed the Board the quote for the radios has been received. Joe Crawford stated the quote was $62,000 for 30 radios. Mr. Crawford stated he would like to get with Morris and Ridgenet to examine reducing the number of radios to reduce costs and get exactly what SEWA workers needed to be effective.

Morris informed the Board he had sent a bill of approximately $600 to a member who had damaged a waterline on 452 during excavation. The member had stated that SEWA had informed them of the wrong location of the waterline. Morris informed the Board he had not heard anything back from them at the present time. Molly Hardy stated she would investigate the issue and offer guidance on options.

Uniform Contract: Morris informed the Board he had met with the representative and informed the representative of the issues and problems that SEWA had with their service. After discussion the Board decided to let Molly Hardy and Morris handle the issue and look at possibly buying out the contract.

Mark Davis informed the Board on the CD's at First and Farmers. He stated the rated had went down by ¼ of a percent and there would be no benefit to change them at the current time.

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NEW BUSINESS

Mr. Vaughn stated one customer had contacted him regarding a refund check for $53.20 that was issued in 2020 and wanted to know if SEWA could reissue the check. The Board decided it was OK to reissue the refund check.

Mr. Vaughn informed the Board he had been approached by a person inquiring about the possibility of getting water near Coal Pit Road for a possible future Dollar Store development. Mr. Crawford stated he had been in contact with the person and informed them of the process and procedures to install the waterline.

Molly Hardy gave Morris Vaughn the easements that have been filed.

Molly Hardy informed the Board on the Lake Cumberland Resort issue. She stated they (the resort) had a new attorney, and she has still not received any information from the geology specialist from Tennessee as he is still at home recovering from an illness.

Joe Crawford asked Mr. Vaughn regarding the member who had the unexplained leak from the previous month. Morris informed him she had not been back.

Mark Davis informed the Board he was getting with Melanie Rhodus to set up a new account.

Wade Bumgardner informed the Board the Kennedys are no longer interested in getting a waterline for a development they had previously approached SEWA with.

Motion made by Dwight Faulkner to adjourn, seconded by Dennis Faulkner. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 1/9/2025

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

January 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, January 9th, 2024, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Mark Davis, Dwight Faulkner, Grant Treado, Wade Bumgardner, and Bobby Crowe.

Others present: Melanie Rhodus, Molly Hardy, Morris Vaughn, Connie Abbing and Keith Patrick

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

Connie Abbing reported her water leak has been resolved and inquired about adjusting the bill as far back as possibly a year. It was explained to her that the SEWA's policy was to go back three months and she had to submit some paperwork for fixing the leak. It was explained to her that she could contact the PSC to see if they would allow SEWA to adjust the bill longer than the three-month period. Morris informed her the number was on her billing statement and Mark Davis gave her the PSC number as well.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Dwight Faulkner, seconded by Mark Davis to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

The SEWA Board decided to forgo the Engineering Report as the engineer was not present.

Morris Vaughn did inform the Board that he had spoken with Brenden regarding the 27-waterline replacement project in Burnside. After discussion the Board decided to have a special called meeting the following week with the engineer.

MINUTES

Keith Patrick read the December meeting minutes. Motion made by Dwight Faulkner to accept the minutes with one change. Seconded by Grant Treado. Motion passed with no opposition.

OLD BUSINESS

Uniforms: Morris informed the Board that Molly Hardy was examining options to cancel current contracts at the least cost to SEWA. Morris informed the Board the employees reported they would rather get a clothing allowance than the current service that was provided. Grant Treado suggested that SEWA identifies a dedicated provider for the clothing allowance to be spent at and explained problems if they do not have a dedicated provider. Joe Crawford suggested for Morris Vaughn to investigate the a dedicated provider for the clothing allowance.

Dennis Faulkner inquired regarding a collector that had been struck by lightning. Morris informed him that it still has not been fixed.

Morris informed the Board He has been in touch with KRWA to advertise for positions and to collect resumes. He also informed the Board that Mr. Ping was having difficulty finding waterlines on the Dahl Road development.

After discussion the following motion was made: Motion made by Grant Treado to allow Weddle Enterprise to go ahead and to complete the tie in on Dahl Road and tie it in to the existing waterline. Seconded by Dennis Faulkner. Motion carried with no opposition.

Office Position:

Dwight Faulkner informed the Board that Board members of SEWA had met with an applicant who was interested in coming to work with SEWA in a management positions. He explained they would need to meet with applicant again to verify all aspects of job duties and finalize compensation package with said applicant. Motion made by Dennis Faulkner for Dwight Faulkner and Joe Crawford to meet with applicant and discuss benefits and employment options. If fall parties agree then Dwight and Joe could him the position. Seconded by Dwight Faulkner. Motion carried, no opposition. Grant Treado inquired regarding a non-compete clause. Molly Hardy explained this issues with a non-complete clause and employment.

NEW BUSINESS

Molly Hardy informed the Board she had examined the options of buying out the three-year contract with Vestis or renewing the contract for two years. She informed the Board it would be more cost effective to renew the contract for two years @ $4752.00. Joe Crawford explained the options that SEWA was looking at regarding a clothing allowance for the workers. Motion made by Grant Treado to

authorize Molly Hardy to handle negotiation with VESTIS to get the best deal. Seconded by Mark Davis. Motion carried, no opposition.

Molly Hardy informed the Board she needs to contact Brian Krump and Jason Thayer regarding developing an SOP with Burnside regarding emergency services.

Molly Hardy informed the Board the mortgage has been turned over to USDA regarding the old property and buildings.

Molly explained she was going to contact a geologist regarding the issues at Lake Cumberland Resort.

Morris informed the Board the new water filling station was broken due to people pulling down on it while filling. He suggested to have a fixed distribution nozzle on the filling station.

Morris informed the Board the new radios, to be ordered, had not been looked at current time.

Joe Crawford read a letter to the Board from Ford Brothers Auctions thanking the Board and Morris Vaughn for doing business with them regarding the sale of the old property.

Dennis Faulkner inquired about employes being vested in the retirement system. It was explained they were vested after 3 years of employment. He also inquired regarding the employees 401 K plans and what the employees could do with it. Joe Crawford explained SEWA is currently paying contributions on employees @ $28,854.00 per year.

Motion made by Mark Davis to adjourn, seconded by Bobby Crowe. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved_____

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSN.
SPECIAL CALLED
BOARD MEETING SIGN IN SHEET
JANUARY 23, 2025

Bobby Crow	SWA
[illegible]	SWA
[illegible]	SWA
Wade Burgess	SWA
Mark Davis	SWA
Joe M. Crawford	SWA

*Bobby opening prayer
*Josh Holcomb told about himself

78,000 plus insurance
Phone
Vehicle

Wade made motion
Grant Seconded Motion

Voted unanimous to Hire Josh

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

February 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, Feb 13th ~~January 9th~~, 2025 at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dwight Faulkner, Dennis Faulkner and Wade Bumgardner.

Others present: Melanie Rhodus, Molly Hardy, Morris Vaughn, Jennifer Tindall, Brendan Welch and Keith Patrick

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

Jennifer Tindall presented from Edward Jones Financial Services. She discussed several investment options for SEWA employees that Edward Jones could offer employees. Dennis Faulkner and Joe Crawford suggested to take the information to other Board members and decide at a later date. Mrs. Tindall informed the Board she could return later and discuss options to individual employees as well.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Wade Bumgardner, seconded by Dwight Faulkner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch informed the Board the Kentucky Water Applications are being discussed in Frankfort and suggested that Board members contact legislators to see if they could assist in getting grant monies.

He also informed the Board the Rural Water Management conference will be held in Bowling Green next week.

Project Highway 27 Waterline Project: Brendan informed the Board that the best option for the project was the presentation he had given to the Board last month. Dwight Faulkner inquired about putting a "Rock Clause" into the proposal in instance that workers were to run into solid rock that would require

more extensive excavation. After discussion it was decided to advertise a maximum price per foot with the rock clause added to the bid proposal. The Board also discussed with Brendan the most cost-effective pipe to run the temporary line. After discussion it was decided to let Morris and Brendan decide on what would be the best typer of line to utilize for the temporary line. Morris also brought up the idea of finding a contractor to begin at both end of the 27 Project to minimize time on the project.

After discussion of the bidding contractors on the 27 Project Brendan suggesting on going with another contractor. Motion made by Wade Bumgardner to go with the second highest bidder on the 27 Project per the engineer's recommendation. Seconded by Dwight Faulkner. Motion carried, no opposition.

Eagles Nest Project: Brendan Informed the Board the project is not complete. He informed they had to move the tie in location, change several T valves to new locations and had several leaks possibly due to improper gasket installation.

Wade Bumgardner inquired about the Sand Gap Project. Morris informed him that he has not heard anything on it. Brendan stated the Division of Water had not given approval yet, however he should hear something in the next week or two.

MINUTES

Motion made by Wade Bumgardner to forego the reading of January minutes. Seconded by Dennis Faulkner. Motion passed with no opposition.

OLD BUSINESS

Morris informed the Board od the two options for Kentucky Power annual service. One time per year monitoring would cost $7425.00 and twice a year monitoring would cost $9900.00. Motion made by Wade Bumgardner to have the service conducted bi-annually @ $9900.00 per year. Seconded by Dwight Faulkner. Motion carried, no opposition.

Morris informed the Board on the following expenditures: Kamstrup $17,000 per year for licensing, software and meter exchange. Ridgnet $61,000 per year.

Morris Vaugh also informed the Board the water fill station has been repaired.

NEW BUSINESS

Molly Hardy discussed the following matters. She reported the Vestis uniform contract has been fully executed and would put on her calendar when to cancel the contract with the company. She informed the Board she has not received any calls back from an attorney regarding issues at Lake Cumberland Resort.

Mrs. Hardy informed the Board she has reached out to the Division of Water regarding hooking up to the Burnside water system in case of emergency. Morris Vaugh explained he did not think SEWA could do it due to meeting the requirements of the PSC.

The Board and Mrs. Hardy discussed estimated usage reporting from local fire departments. The bills have been sent out, however there have been difficulties in getting the department to self-report estimated usage. Mrs. Hardy suggested, after consultation with state level persons, that all fire departments need to report. The Board then discussed options for departments to report usage. Mrs. Hardy explained to the Board the history for reporting the monthly estimated usage by the fire departments and the water loss Tariffs associated with it. After discussion the Board gave Mrs. Hardy permission to develop a form and mail it to local fire departments to try to get them to report usage.

Motion made by Dwight Faulkner to adjourn, seconded by Dennis Faulkner. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 03/13/2025

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

March 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, March 13th, 2025, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dwight Faulkner, Bobby Crowe, Mark Davis, Grant Treado and Wade Bumgardner.

Others present: Melanie Rhodus, Molly Hardy, Morris Vaughn, Brendan Welch, Mr. Holcomb and Keith Patrick

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Dwight Faulkner.

VISITORS

No visitors presented at this meeting.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Wade Bumgardner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch informed the Board that the Montgomery Brothers Contractors have been paid regarding the Dixie Bend Project. He also informed the Board the Burnside relocation waterline would begin next week and completed in March. He also informed the Board that SEWA had not been selected as a grant recipient from the Kentucky Water Funding.

Project Highway 27 Waterline Project: Brendan informed the Board he would like to move forward on the bidding requirements on the project that he had presented to the Board the previous month. He informed the Board he was going to perform a field test on the 4-inch waterline to ensure it could meet the requirements of the end user during the project. He states he will have the test completed by next month and hopefully have the bid by March as well. Dwight Faulkner inquired as to keeping the new line at the same level as the existing waterline. Morris Vaughn informed him he could possibly get a letter from the state to allow it.

Sandy Gap Pump Station: Brendan Welch informed the Board the Kentucky Division of Water has approval and he is getting the quotes for installation. The Board then discussed different contractors for the installation and types of pump buildings to be built.

Eagles Nest Project: Brendan informed the Board the 8-inch waterline has been installed and the tie in has been completed. The contractors are currently installing the 3-inch waterlines. Brendan informed

Board of the various issues the contractors have experienced during the installation process. Grant Treado inquired regarding the cost of the project due to delays etc. After discussion the SEWA Board decided to meet with the contractor, at a later date, to discuss payments, "substantial completion" that has not been met, the delay of the project and liquidated damages. It was also discussed the project was supposed to have been completed by the 3rd week of February 2025. Discussion also centered around the amount of overtime the SEWA employees have had to put into the project.

Wade Bumgardner inquired about the Sandy Gap Project. Morris informed him that he has not heard anything on it. Brendan stated the Division of Water had not given approval yet, however he should hear something in the next week or two.

MINUTES

Motion made by Wade Bumgardner to forego the reading of February minutes. However, once change was made by Keith Patrick regarding a date. Seconded by Grant Treado. Motion passed with no opposition.

OLD BUSINESS

Morris Vaughn inquired regarding the depreciation reserve. Melanie Rhodus informed him it was not tied to one project. However, she would have Randall Turpin to investigate it when he prepares the audit. Mrs. Rhodus did inform the Board the Dixie Bend Project automated payments were supposed to begin in January. Morris informed the Board the Bank was supposed to have set it up however it has not been implemented at the present time.

Molly Hardy, SEWA Attorney, discussed the following matters. She informed the Board she had been inContact with Martin Hatfield regarding the estimate usage report the PSC requires from fire departments. She informed the Board it should suffice with a monthly call to the fire departments from SEWA to be documented on a form to turn into the state. This would be backed by a Memorandum of Agreement between SEWA and the local fire departments. Mrs. Hardy informed that herself and Morris Vaughn has been in contact with the attorney for the Davis Claim and a firm has requested waterline locations for Lake Cumberland Resort for testing results.

Mrs. Hardy informed the Board she has spoken to the PSC and they were going to be more strict on reporting guidelines and timelines in the future. The Board discussed possible option to meet these requirements.

Dwight Faulkner discussed hi concerns regarding the lack of progress on the Highway 27 project and the why there were issues in getting the project off the ground.

Mr. Crawford inquired as to whether the investment person had been back to discuss employee saving/retirement options. Morris stated she had called but had not received guidance on whether to move forward or not. Motion made by Wade Bumgardner for the representative to meet with SEWA employees and explain the options. Seconded by Bobby Crowe. Motion carried, no opposition.

NEW BUSINESS

Wade Bumgardner discussed the issue of a Board vacancy that led into discussion of By-Laws and how to properly update them. Motion made by Grant Treado to have Counsel to speak with Mr. Tally on the best ways to update By-Laws. Seconded by Dwight Faulkner. Motion carried, no opposition. The Board also discussed the number of Board members and how to replace them in the future. The Board also discussed the pros and cons of a small Board vs a larger Board. Morris informed the Board they would have a meeting in early April regarding election of Board members.

Wade Bumgardner asked if it were Ok for Lester to attend the monthly Board meeting. Morris and the board agreed it was OK for him to attend.

Motion made by Dwight Faulkner to adjourn, seconded by Grant Treado. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 4-10-25

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSN.
BOARD MEETING SIGN IN SHEET
ANNUAL MEETING
APRIL 14, 2025

	SWA
	SWA
Wade Bumgarner	SWA
Bobby Crow	SWA
	SEWA
Dwight Faulkner	SEWA
	SWA
Lester Moore	SWA
	SWA

SOUTHEASTERN WATER ASSOCIATION

ANNUAL MEETING APRIL 14/2025

7:30 PM

The annual meeting of the members of the Southeastern Water Association's meeting at the water office at 7:30 pm on April 14th, 2025, in accordance with the by-laws of the Association. Present were (see sign in roster attached).

Meeting was called to order by the President of the Association Joe D, Crawford.

Prayer was given by Dwight Faulkner.

Motion by Wayde Bumgardner to elect Molly Hardy as Chair and Morris Vaughn as secretary for the 2025 Annual meeting.

Minutes read by Molly Hardey.

Motion made by Joe Crawford to accept the 2024 minutes as read, motion second by Wayde Bumgardner motion passed.

Motion made by Joe Crawford to retain present Board members Bobby Crow and Wayde Bumgardner, second by Grant Tredo. Motion passed.

Motion by Wayde Bumgardner to retain all present officers on the board of directors, second by Joe Crawford motion passed.

Motion to adjourn by Joe Crawford, Second by Grant Tredo, the motion passed.

MEETING OF SOUTHEASTERN WATER ASSOCIATION

APRIL 14, 2025.

Meeting called to order by Joe Crawford.

Motion to retain all present officers of Southeastern Water Association by Bobby Crow. Second by Grant Tredo. Motion passed. Motion to adjourn by Wayde Bumgardner second by Joe Crawford motion passed.

SOUTHEASTERN WATER ASSOCIATION
SEPECIAL CALLED
BOARD MEETING SIGN IN SHEET
APRIL 17, 2025

	SWA
	SWA
	SEWA
	SEWA
JOE D. CRAWFORD	SEWA
	SWA
	SWA
	SWA
	SWA

SOUTHEASTERN WATER ASSOCIATION

CALLED MEETING APRIL 17, 2025

A special meeting of the Southeastern Water Association was held on April 17, 2025, at the office of the Association. The purpose of the meeting was to approve purchase of a two – way radio system for trucks, office, and possible other vehicles.

Present were (see sign in roster) attached.

Meeting called to order by president of the board, Joe D. Crawford.

Prayer by the secretary of the board, Mark Davis.

Discussion for purchase of radios, repeaters, and other necessary items at a cost of $65,248.80 which includes sales tax along with purchase of FCC license at a cost of $2,000.00. After a discussion, the board decided to accept the proposal.

The motion was made by Wade Bumgardner and seconded by Dwight Faulkner to accept the proposal that was made. Motion passed.

Motion to adjourn was made by Dwight Faulkner, seconded by Mark Davis. Motion passed.

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

April 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, April 10th, 2025, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Mark Davis, Bobby Crowe, Wade Bumgardner, Dennis Faulkner, Dwight Faulkner, Grant Treado.

Others present: Melanie Rhodus, Molly Hardy, Morris Vaughn, Brendan Welch, Keith Patrick, Lester Holcombe, Paul Mayfield, William Duncan, William Watson, Paul Cosson and Tim Blanton

President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Bobby Crowe.

VISITORS

Paul Mayfield inquired as to the prospect of getting a fill station at a volunteer fire department. Mr. Vaughn did inquire as to if the fire department could purchase the hydrant and Mr. Mayfield informed him that he would inquire to see if they could pay for it. After discussion the following motion was made. Motion made by Bobby Crowe to help accommodate the fire departments request for water after analysis by the engineer. Seconded by Wade Bumgardner. Motion carried, no opposition.

William Watson and William Duncan spoke on behalf of 5 families on Alonzo Stevens Road. They discussed the low water pressure at their meters (35 lbs.) compared to neighbors that had 80lbs of pressure at their meters. They also inquired about adding 100 feet of waterline or adding a stub off the main waterline to increase pressure. After discussion by the Board, President Joe Crawford explained to them that SEWA needed to investigate the matter and suggested to them to keep the lines of communication open to find possible solutions.

Tim Blanton, Kentucky Division of Water, informed the Board he had been contacted by an attorney regarding the Lake Cumberland Resort issue. He also congratulated the SEWA Board and employees on how well they operate and conduct business in a professional manner and that SEWA could be a role model for other Boards across the state.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Wade Bumgardner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch informed the Board the bids for the Highway 27 Project would be in the paper next week and looking to unseal the bids around the 6th or 7th of May. He did state the final design was for a 6-inch line to be installed. Dwight Faulkner inquired if the temporary waterline had to remain at the

same elevation as the existing waterline. Brendan informed him that it did have to remain at the same level.

Sandy Gap Project- Mr. Welch informed the Board that it needs electric ran to the pump station. Bobby Crowe inquired about the possibility of a new tank. Brendan informed him he was looking into the possibility and suggested a new tank in the future.

Eagle Nest- Brendan informed the Board the 3-inch has been installed and there was still clean up to do.

Burnside waterline relocation: Mr. Welch informed the Board the pay estimate has been signed and the tie in was going to happen the next day.

MINUTES

Motion made by Grant Treado to accept the March minutes with 4 changes. Seconded by Mark Davis. Motion passed with no opposition.

OLD BUSINESS

Melanie Rhodus informed the Board on the account of the depreciation reserve was currently at approximately $900,000 and after speaking with Leslie Hill (Rural Development) that SEWA only needed to keep $558,100 in the depreciation account to be fully funded. Motion made by Grant Treado to withdraw the excess monies to a second restricted account when the CD's mature, to continue to fund the restricted account, while at the same time to maintain the depreciation account at $558,100. Seconded by Dennis Faulkner. Motion carried, no opposition.

Mrs. Rhodus informed the Board that the end of year financial report has been submitted.

Molly Hardy reports she has been in Contact with Damon Talley regarding the By-Laws. She informed he suggested the Board members examine the By-Laws prior to making changes and examine the tariff rates at the same time. The Board suggested to do this at their annual SEWA meeting with Board members. The Board also discussed to meet with Tina ~~Serber~~ Fedric to have a discussion on how to move forward with the By-Laws and tariffs.

Mrs. Hardy informed the Board that she has not heard back from the Martins Hatfield's office regarding fire department reporting water usage. She also informed the Board she has received a request regarding the retention of electronic records relating to Lake Cumberland Resort water testing results. The Board decided that due to the possibility of legal actions that SEWA should inform their insurance carrier of a possible claim.

Morris Vaughn informed the Board that Jennifer Tindall from Edward Jones had spoken to SEWA employees, and they all were interested in the investment options. After discussion by the Board the following motion was made.

Motion made by Wade Bumgardner that beginning May 1st, 2025, the employees would move to the new contribution system with the following guidelines.

- A dollar-for dollar match of the employee's deferral (if any) up to 3% of the employee's annual compensation (no compensation cap). The match can be reduced to as low as 1% for two years out of any five-year period: or,

- A non-elective contribution of 2% of the employee's compensation, capped at $345,000 for 2024 and $350,000 for 2025, for eligible employees. It's given to employees who are eligible, regardless of whether they contribute.
- An optional non-elective contribution to each eligible employee is allowed up to 10% of compensation or $5,000 whichever is less. This optional non-elective contribution may be made even if the employer is making a matching contribution.

Seconded by Bobby Crowe. Motion carried, no opposition.

NEW BUSINESS

Mark Davis informed the Board that he has been notified by Citizens Bank that they would no longer cover deposits more than $250,000. Mr. Davis informed the Board that SEWA has several accounts which exceeds that limit. After the Boards discussion of the accounts and best ways to protect the monies, the following motion was made. Motion made by Grant Treado to identify accounts and withdraw monies exceeding the $250,000 limit and to invest them with LPL to keep the monies from exceeding the $250,000 limit insured by the Federal Government. Seconded by ~~Grant Treado.~~ Mark Davis Motion carried, no opposition.

The Board. discussed at length, the issue that was brought forward by customers on Alonzo Stevens Road. Mrs. Hardy informed the Board the past history regarding land sales, legal aspects and right of ways regarding this issue. The Board did decide they were meeting its required obligation with the pressure at the discussed meters; however, the Board wants Brendan Welch to investigate the issue.

Motion made by Grant Treado to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 5-8-25

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

June 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, June 12th, 2025, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Mark Davis, Wade Bumgardner, Dennis Faulkner, Dwight Faulkner, Grant Treado.

Others present: Melanie Rhodus, Brendan Welch, Molly Hardy, Wayne Taylor, Mr. McClain, Eddie Brown, Morris Vaughn. President Joe Crawford called the meeting to order and declared a quorum present. The invocation was given by Mark Davis.

VISITORS

Mr. McClain discussed the closeout on the Eagles Nest project and issues and problems they encountered during the project. The contractor specifically mentioned water runoff issues and two member's concerns regarding water runoff and unlevel ground. He wanted guidance on what they were required to do regarding these issues. After discussion it was decided to pay the contractor and have the county road install rip rap to slow down the runoff due to the excessive rains that have occurred this year.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Dennis Faulkner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch presented the engineering report. Sandy Gap Tower pump station, he is having issues finding contractors to give quotes. Stated he would keep looking to try to find someone.

Highway 27 Project: Lowest bid was from a contractor for $920,000 from Laurel County and references were solid. Reported that on the second lowest bidder he could not get any references on their work. Reports the third bidder was at $1.4 million dollars. Reported the 4th bidder was at $1.7 million dollars. He reported the total project cost estimate is $1.1 million dollars. Brendan suggested to go with the lowest bidder. The Board then discussed options and funding sources for the project as well as possibilities of KIA monies. Motion made by Dennis Faulkner to move forward on the Highway 27 Project with the lowest bidder. Seconded by Grant Treado. Motion carried, no opposition.

Brendan inquired from the Board did they want to put in KY Water Applications which are due June 1st. He discussed the applications from last year that he had put in for and inquired if they wanted to change them for the current year. It was suggested to focus on the Sand Gap project and the AC replacements on HWY 39.

Brendan Informed the Board that Eddie was retiring, and they were having a retirement celebration on July 24th from 3-6 PM and invited the Board members to the retirement celebration.

MINUTES

Motion made by Grant Treado to accept the May minutes with changes regarding the health insurance pricing. Seconded by Dennis Faulkner. Motion passed without opposition.

OLD BUSINESS

Morris sent the old truck to auction and withheld his truck from auction because he needed to keep a truck in spare due to issues with other trucks. Grant Treado informed Morris the new truck was in a ready to be picked up. Morris stated the truck had been dropped off, but the lights were not working, and he sent it back to be fixed. Morris did inform the Board that another truck needed some wiring fixed, and they were installing radios in the trucks. He did inform the Board they were having issues with radios, and they were currently troubleshooting the issues. He also suggested that moving forward that SEWA should move to 2500 pickups for purchase.

Morris informed the Board that White Lilly Fire Department valves have been installed.

Morris informed the Board that SEWA did not issue delinquent notices for the past month due to the extenuating storm damage from the tornadoes. He stated he did inform the PSC of the severe damage, and the PSC had issued a statement allowing leniency regarding billing due to the state of emergency.

NEW BUSINESS

Morris informed the Board the generator for the new office was not kicking on. He stated he had informed the installers of the issues and was concerned the warranty would be expired. He also stated there was a carbon monoxide detector that was not working, as well as water blowing into vents in the ceilings. He was given guidance to get it fixed.

Morris informed the Board that a tractor trailer had hit the building. Morris was given guidance to contact Chris the original installer to get it fixed.

Morris informed the Board that he would like to get speed bumps installed due to safety reasons because of people speeding. He was given guidance to contact LB Taylor to install the self-installation ones and contact the road department regarding installing a permanent one on the side access road.

The Board discussed the By-Laws with Molly Hardy. Molly Hardy discussed Section 10.12 regarding insurance. She informed the Board that she would recommend changing the "shall to a may" to avoid By-Law revisions in the future if the Board opted for health insurance for its members. Voting and running for office was discussed and it was decided to have Mrs. Hardy generate forms for all actions needed for voting and running for office based upon the new By-Law requirements.

The Board discussed number of members for the Board and areas that Board members represent. It was decided after lengthy discussion to table the Board Membership issue and areas of representation for a later date. There was no voting on the By-Laws.

Molly Hardy reports that the Brewer claim has not filed a lawsuit, however the Davis claim has filed a lawsuit and Morris has been served. She informed that SEWA has been assigned a defense counsel. She reports she has informed the proper authorities at the state level. Mrs. Hardy also suggested to start looking for experts (i.e. geologist) to hire regarding this litigation. Mrs. Hardy also discussed she could find no signed contracts with Lake Cumberland Resort and one past developer who had an interest in it. Mrs. Hardy informed the Board she would have a completed response at the next Board meeting.

Mark Davis inquired regarding an incentive bonus for those who completed trainings, getting licenses etc. It was discussed that licensing was a 1-time bonus. It was suggested to wait and see result of testing etc. and performance and discuss the issue next month.

Motion made by Dwight Faulkner to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 7-10-25

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

July 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, July 10th, 2025, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Dwight Faulkner, Mark Davis, Bobby Crowe, Wade Bumgardner and Grant Treado

Others present: Melanie Rhodus, Brendan Welch, Molly Hardy, Jayce Ikerd, Gary ~~Seagraves~~ Seagraves, Morris Vaughn, Lester ~~Holcomb~~ Moore and Keith Patrick.

President Joe Crawford called the meeting to order and declared a quorum present.

The invocation was given by Dwight Faulkner.

VISITORS

Jayce Ikerd inquired as to who was responsible for fixing the road off New Haven near Eagles Nest that had sustained some damage due to recent work on waterlines in the area. He was informed that it was possibly a county road. Joe Crawford informed him he would contact Wayne Taylor regarding repairs and for Mr. Ikerd to contact him on Monday. Molly Hardy also informed him the county has a road index that shows the ownership of roads within the county.

Gary Seagraves, a resident of Lake Cumberland Resort, spoke regarding current legal actions taken by some members of the Resort and informed the Board that many residents were not supportive of their actions. He also thanked SEWA members and employees for their prompt response and efforts to maintain water to the resort.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Dwight Faulkner, seconded by Mark Davis to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch reported that he had received 2 bids on the Sandy Gap tower pump station project. Steven Whittaker's bid was $38,000 versus a high bid of $89,000 after discussion it was suggested to go with the lowest bid. The total would be close to $75,000 for the full installation.

Highway 27 Project: Brendan reports he has started on Part B of the application and handed out a resolution for the board stating they would seek monies in the amount of $617,824, he also stated that the form had to be signed by July 29th, 2025. He also reports that the final pay estimate for the Eagle's Nest project is $13,000.

Brendan also informed the Board the Kentucky water applications need to be in by the last week of August.

MINUTES

Motion made by Grant Treado to accept the May minutes with one change recommended by Keith Patrick. Seconded by Wade Bumgardner. Motion passed without opposition.

OLD BUSINESS

Board members discussed the bylaws revisions, number of members to be decided on October 30th annually. One suggestion was to change resident to member of SEWA members, discussion also centered around keeping areas of representation or to change it. The board then discussed the size of the areas represented. Motion made to accept the bylaws as presented by Dennis Faulkner. Seconded by Mark Davis. Motion carried, no opposition. After discussion of the motion. Dennis Faulkner made a motion to withdraw the previous motion. Seconded by Mark Davis. Motion carried no opposition.

Board members discussed the bylaws revisions, number of members to be decided on October 30th annually. The board then decided that there would be at least one, not more than two representatives from each district with the flexibility of having anywhere from 5 to 8 members on the board and adopting the bylaws in all other aspects. Motion made by Dennis Faulkner to except the bylaws with the changes. Seconded by Mark Davis. Motion carried with no opposition

Morris reports that the generator has been fixed but was sent a bill $55 for parts and $550 for the trip. Morris stated the bill was dated on June 25th and was questioning whether the generator should be under warranty. Dennis Faulkner recommended getting a service contract on the generator and informed Morris to investigate it.

Morris reports the new truck is in and the old truck has been fixed. Morris reports one worker had wrecked a truck at Hwy. 80 and 39 and that the truck may be totaled. He did inform the Board a police report was received on 7/9/25. Morris inquired regarding getting utility beds for the trucks and was told to take care of it. Morris informed the board the radios were still having issues in the trucks; however, the handheld radios are working fine. Motion made by Wade Bumgardner to put radios in remaining trucks. Seconded by Dennis Faulkner. Motion carried no opposition.

Molly Hardy inform the board that the insurance company who is representing the Davis case has not provided a defense yet. Lester gave Molly Hardy pictures of Lake Cumberland resort area in discussion showing no leaks.

Mrs. Hardy informed the Board that she has still not met with Martin Hatfield.

NEW BUSINESS

Melanie Rhodus informed the Board she has sent 40 attachments to Randall Turpin for the annual audit. Brendan reported he needs the 2024 audit for 2 project applications.

Morris stated the most recent inspection went well and a 3rd annual inspection was coming up soon.

Morris Vaughn presented the SOP and Water Plan to the Board and asked members if they needed any changes. Joe Crawford read the Water Usage and Shortage Plan as well as the SOP to Board members. Motion made by Grant Treado to adopt the SOP and requirements from the Division of Water as presented. Seconded by Dennis Faulkner. Motion carried, no opposition.

Morris informed the Board Mr. ~~Jack~~ Ray Hoffman had reached out and informed him it was nearing time to renew the contracts on the tanks.

Wade Bumgardner reports he has spoken with ~~Richard~~ Tim Inabinett Dick regarding his plans to develop land near Coal Pit Road and KY 80. He informed the Board that he explained to Mr. ~~Dick~~ Inabinett he would have to develop it with an engineer and follow all requirements per state guidelines.

Bobby Crowe brought up the previous month discussion regarding incentive bonuses/pay raise for employees who completed certifications while employees of SEWA. After discussion the following motion was made. Motion made by Wade Bumgardner to give a $500 bonus for each license completed along with a $1.00 per hour raise to those employees completing their license.

Motion made by Dennis Faulkner to double Keith Patrick's monthly stipend. Seconded by Grant Treado. Motion carried, no opposition.

Motion made by Bobby Crowe to adjourn, seconded by Wade Bumgardner. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By_____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved_____

By:_____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

August 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, August 14th, 2025, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dwight Faulkner, Mark Davis, Wade Bumgardner and Grant Treado

Others present: Keith Patrick, Brendan Welch, Lester Moore, Morris Vaughn, Allen Crawford, Randall Turpin, Molly Hardy, Melanie Rhodes, and Nick Jones.

President Joe Crawford called the meeting to order and declared a quorum present.

The invocation was given by Dwight Faulkner.

VISITORS

Nick Jones spoke on behalf of his father-in-law and stated that a company was cleaning a bank off and hit a water line. He was asking if Southeastern Water Association could bury the line deeper, due to construction. Joe Crawford informed him that it may be at his expense to cover/bury the line since the line was a service line. He was instructed to contact Morris Vaughn to see what options may be available.

Randall Turpin presented the annual audit to the board. He informed the board the audit was good with no issues. Motion made by Mark Davis to certify the audit as presented. Seconded by Grant Treado. Motion passed no opposition.

Allen Crawford spoke with Molly Hardy and the Board regarding legal issues at Lake Cumberland Resort. He provided an insurance perspective of covering various situations and the coverage provided by their insurance. He also discussed with the Board various options to provide a defense from an insurance perspective.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Mark Davis to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch reported they are looking at October to begin the construction for the pump station on the Sandy Gap Project.

Brendan reports that the Kentucky Waters application will be turned in next week. He does have a resolution ready for signatures from the board to submit with the water application.

Burnside 27 Project: There will be a preconstruction meeting soon.

KIA Application, Fund B is to be submitted next week, and he is asking for $617,234 from the KIA monies for the Highway 27 project. He reports that the repayment of the KIA monies, Fund B would be approximately $36,000 per year.

Eagles Nest Project: Brendan reported that he still does not know whether the road is a county road or not. Joe Crawford reported that the county had discussed annexing it, however it had never been voted on. After discussion, it was decided to have a contractor fix it and bill the contractors who damaged the road by deducting it from the contractors' contingency fund.

Morris informed the Board that he had been contacted by the Western Rockcastle Water District regarding the possible sales of water to them for future needs of a development near the county line. Brendan stated there were several questions regarding the demands that they would need and that he would need answers to prior to making a commitment to sell water. Morris informed the board he would get more information and report back to the board regarding the requirements and needs of the Western Rockcastle Water District.

Morris Vaughn and the Board discussed issues with the pump station at AppHarvest. He reports that it was kicking off at 70 lbs. of pressure. The Board questioned whether it the wrong design or other issues. Morris suggested that in looking forward they (SEWA) needs to focus on the Sandy Gap new water tank to ensure it has enough pressure to meet future demands.

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MINUTES

Motion made by Wade Bumgardner to accept the July minutes with name corrections. Seconded by Grant Treado. Motion passed without opposition.

OLD BUSINESS

Morris Vaughn inquired regarding the most recent accident by one of the employees in a Southeastern Water Association vehicle. Mr. Allen Crawford and the board discussed possible options moving forward due to new information presented by Lester and Morris..

NEW BUSINESS

Joe Crawford invited board members to the KRWA meeting next week and invited members of the Board/Employees to attend.

The board discussed generator maintenance contracts and the cost of maintaining the contracts. Morris suggested to not go with the company from Ohio but to go with Jack Judy for the maintenance contract on the building generators. Motion made by Grant Treado to go with Jack Judy for maintenance on the building generators and to retain Kentucky Emergency Power Inc. on the annual and bi-annual services on the 2K generators. Seconded by Mark Davis. Motion passed, no opposition.

Morris reports the work beds for the trucks cost would be around $10,000 and after discussion it was decided to keep the old beds from the trucks in storage to put back on the trucks for resale when the time came.

Morris reports the DEF systems are giving problems with the backhoes. He reports they had been worked on several times. Motion made by Dwight Faulkner to authorize Morris to investigate the backhoe issues and decide as he sees fit. Seconded by ~~Wade~~ Mark Davis. Motion carried no opposition.

Wade Bumgardner discussed the possibility of meeting every two weeks as a board. He just wanted input from members to see what everyone opinion was. No decision was made.

Molly Hardy informed the Board they were in the discovery phase in the Davis case. She stated there would probably be a motion to combine the two lawsuits. Molly Hardy suggested to have SEWA find water user agreements with the property owners. She also informed the Board that she may request home inspections, as well as a geological survey on the property. Joe Crawford suggested to also examine, during the home inspection, the depths of the piers for the house.

Motion made by Dwight Faulkner to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 9-11-2025

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

September 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, September 11th, 2025, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dwight Faulkner, Dennis Faulkner, Mark Davis, Wade Bumgardner and Bobby Crowe.

Others present: Keith Patrick, Lester Moore, Morris Vaughn, Molly Hardy, and Melanie Rhodus.

President Joe Crawford called the meeting to order and declared a quorum present.

The invocation was given by Dwight Faulkner.

VISITORS

Phillip Woodall and Richard Vanhook did not attend, however, Lester and Morris reported that Philip Woodall wanted a water line lowered due to Mr. Woodall moving a house extremely close to the waterline. After discussion it was decided to get it in writing whether SEWA could lower a water line without going through the proper procedures and methods. Morris informed the board that he had an e-mail stating this would fall under maintenance, however he stated regulations said something different and had a different set of guidelines. Morris stated the e-mail, he thought was a personal opinion but not regulations and requirements. The board informed Morris to investigate it and to get proper authorization/guidance prior to moving forward.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Dennis Faulkner, seconded by Wade Bumgardner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch was not in attendance and did not present.

MINUTES

Motion made by Mark Davis to accept the July minutes with one name change from Wade Davis to Mark Davis. Seconded by Bobby Crowe. Motion passed without opposition.

OLD BUSINESS

Eagles Nest Project: Morris reported that he had spoken to the original contractors regarding the fix on the road. He reported that the original contractors have fixed the road and has paid SEWA $985 for damages. Morris reports everyone is satisfied with the project end state.

Morris reported that they are having issues with the water fill station. He reported that people are not paying the bills and request a credit card reader for the water station or prepay for the water. Motion made by Dennis Faulkner to authorize Morris to look into a credit card reader for the water pump station and report back to the board. Seconded by Wade Bumgardner. Motion carried, no opposition.

Wade Bumgardner clarified that the Board had discussed meeting every two weeks and has decided no one wanted to. No action needed.

Joe Crawford read the water analysis report to the board. He reported there were no major issues and everything went well. He did discuss identified suggestions to the board from the report.

Morris reported to the Board that the Western Rockcastle Water District could possibly be needing 100,000 gallons of water a day if they hooked into SEWA's water lines. He also stated that Bronston's water district wants to buy water as well. After discussion the board suggested for Morris to get with the city of Somerset to see if they could provide that amount of water to SEWA.

Morris informed the Board the water user agreements had been shredded during the move to the new building and electronic scans had not been made.

Morris reports that both backhoes have been fixed, and the fix was approximately $4000 for both backhoes. However, one has been having problems with brakes. The Board reminded him that he was given permission through a previous motion to take care of the issues and deal with them as needed.

Morris informed the board that an employee is retiring. However, SEWA leaves a backhoe at his house. He asked Bobby Crowe if it were OK to park one of the backhoes at his house. Bobby Crowe agreed that it was OK to park one of SEWA's backhoes at his house.

NEW BUSINESS

Lester and Morris informed the Board of some management/personnel issues. The Board gave input as to possible solutions and how to handle it. Also discussed was employees lack of working overtime during the preceding months.

Insurance Renewal Discussion: Joe Crawford recused himself from discussion as he has a posted/public conflict of interest. The board discussed property liability auto and business auto renewals after discussion the following motion was made. Motion made by Bobby Crowe to accept renewal as offered with the new carrier as offered by our agent seconded by mark Davis. Motion carried no opposition motion made by Wade Bumgarner to add an additional $5,000,000 to bring the total coverage to $11 million. Seconded by Dennis Faulkner. Motion carried, no opposition.

Molly Hardy reported on the ongoing legal cases with the Brewers and Davis property owners. She reports there is no mortgage on the Davis property however the Brewers do have a mortgage on theirs. She stated there was no new information on the Brewer case. She informed that Morris has been contacted by the ~~Brewer~~ Davis case and would have to provide a deposition.

She also informed the Board that the Davis case is in discovery and ~~SEWA~~ has filed a Motion to Compel. She informed the Board a subpoena has been served to the Kentucky Rural Water Association for documents. The Board discussed with Mrs. Hardy actions taken by both parties' attorneys and what they were asking for during the discovery process.

Molly informed the Board regarding the recent accident and what her discussion had been with SEWA's insurance agent regarding the accident.

Joe Crawford informed the board that he, Wade Bumgardner and their spouses went to the Kentucky Rural Water Association meeting, and it had been very informative. They reported they ran into Jay, the tank painter, and Jay had informed them that he was retiring. However, he has recommended a person and crew to continue the paint jobs on SEWA's tanks.

Morris informed the Board the KRWA management conference that had been cancelled in February of 2025, due to snow has been moved to November 5th and 6th in Bowling Green. He invited board members to attend if they wanted.

Dwight Faulkner inquired to see if the Board had to be filled next month. Molly Hardy informed him the seat had to be filled in October. Dwight Faulkner inquired as to developing a drug testing policy and procedures for SEWA's employees. After discussion it was decided to have Molly Hardy inquire to companies to examine how testing and procedures are handled and report back in the near future.

Due to Molly Hardy and Keith Patrick having a previous engagement in October, they would both miss the next Board meeting. Joe Crawford inquired as to moving the next month's meeting back one week. Mrs. Hardy informed him that it could be done, with SEWA providing written notice one week in advance. It was decided to serve notice and have the next Board meeting October 16th at 5:30 PM after proper notification was given.

Motion made by Bobby Crowe to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared
By_____
Keith Patrick

Respectfully Submitted
By_____
Mark O Davis, Secretary

Date Approved 10/16/2025

By:_____
Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

October 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, October 16th, 2025, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dwight Faulkner, Mark Davis, Grant Treado and Bobby Crowe.

Others present: Keith Patrick, Lester Moore, Morris Vaughn, Molly Hardy, Brendan Welch and Melanie Rhodus.

President Joe Crawford called the meeting to order and declared a quorum present.

The invocation was given by Mark Davis.

VISITORS

No visitors present or presented.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Grant Treado, seconded by Dwight Faulkner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch reports that they had a preconstruction meeting on the Highway 27 project at 4:00 PM today. He reported the contractors would need a staging area for the equipment in Burnside. He informed the Board that he gave the contractors Mark Davis's phone number to identify a staging area for their equipment. Brendan also informed the Board the project completion date was to be scheduled 120 Calendar days from start of construction.

Sandy Gap Project: Brendan reports that the pneumatic pump should be in by Monday and the construction on the project should be starting before the next Board meeting in November.

Mr. Welch reports there should be approximately $107,000 in clean water monies and the excess debt reserve funds letter has been signed by President Joe Crawford and sent to KIA for approval

MINUTES

Motion made by Grant Treado to accept the September minutes with three changes. Seconded by Bobby Crowe. Motion passed without opposition.

OLD BUSINESS

Morris informed the board that the issue with the broken backhoe was the transmission. He reported the cost to fix the transmission would be $17,743. He stated the dealer offered them $12,000 for the broken backhoe. He informed the board that he was looking at getting a 575 model backhoe with 74.6 horsepower. The cost of the new backhoe would be $88,428, however, with the trade in offer on the old backhoe, the final cost would be $76,428.00. He also informed the board that the new backhoe does not require DEF. Motion made by Grant Treado to allow Morris to do what is best to replace the backhoe. Seconded by Dwight Faulkner. Motion carried no opposition.

Morris inquired as to the lowering of the main on Hinkle Road. Discussion centered around the developers not having insurance or being trained properly to lower the line. Discussion also centered around the possibility of changing tariffs and developing a policy of how to deal with similar issues in the future. The Board decided that Johnny Blankenship would be hired by SEWA to lower the lines and to change the tariffs to meet the requirements if a similar situation should occur again.

Water Fill Station: Morris reported to the Board that he had investigated a payment option for the water fill station. He informed the Board that it would be similar to a credit card reader at a gas station pump. Motion made by Bobby Crowe to allow Morris to move forward in purchasing the credit card reader for the water fill station. Motion seconded by Grant Treado. Motion carried no opposition.

The Board members discussed the Depreciation Reserve Account and how to place the monies into LPL's and CD's in order to ensure that the monies are covered by FDIC. The Board also discussed closing the Sweep account and moving the Dixie Bend account into a separate account.

NEW BUSINESS

President Joe Crawford informed the Board that one board member had requested to place his wife on the health insurance plan offered through the board.

Morris informed the Board that the Rockcastle water sales is still under consideration. He stated Bronston Water District is out of the picture at this time. Joe Crawford informed the board that there was a more than likely a possibility that SEWA would not be able to provide this amount through his discussion with the city members.

Morris informed the Board that SEWA was laying a new service line 200 feet long at Cedar Gap Church.

The Board discussed issues surrounding the possibilities of implementing a drug testing program and the positives and negatives regarding the implementation. No decision was made.

Molly Hardy reported to the Board the following: The Davis discovery is 100% complete. She informed the board she has not heard from Alex Godsey. She also reported to the Board the specialist were currently waiting for rain to get water samples from the said property involved in the litigation.

The Board discussed the annual number of members for the board. Molly Hardy informed the Board this decision was to be made this month, October 2025. Motion made by Dwight Faulkner to continue the Board size at the current number of positions. Seconded by Mark Davis. Motion carried. No opposition.

Morris Vaughn informed the Board the PSC inspection conducted today showed a 2 ½ percent water loss. He reports that is not a major issue and would keep track of it. 2.26

Lester Moore informed the Board he was distributing overtime more evenly among the employees with no issues.

Motion made by Dwight Faulkner to adjourn, seconded by Mark Davis. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared
By _____
Keith Patrick

Respectfully Submitted
By _____
Mark O Davis, Secretary

Date Approved 11-13-25

By: _____
Joe Crawford, President
Great Treeds

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

November 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting 5:30 PM, November 13th, 2025, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Grant Treado, Dennis Faulkner, Bobby Crowe, Wade Bumgardner, Mark Davis, Dwight Faulkner.

Others present: Keith Patrick, Lester Moore, Morris Vaughn, Molly Hardy, Brendan Welch, Wayne Snyder, Aaron Snyder and Melanie Rhodus.

Grant Treado called the meeting to order and declared a quorum present.

The invocation was given by Mark Davis.

VISITORS

Aaron Snyder informed the Board that he had built a house on Good Hope Road off Hwy. 39. he was wanting to know if he installs the line could he put the meter at the end of his driveway. He also informed the Board there was a four-inch water line approximately 1400 feet from his house. Grant Treado explained the process and then explained how they could install it with Board guidance and engineering guidance from SEWA. Grant did explain the customers would have to pay for the installation. Dwight Faulkner suggested to come by the office to get the specifications and guidance on how to install the water line. Morris also informed them he would have to identify the size of the line to see if it would serve the purpose regarding water pressure. Finally, it was suggested for the Snyder brothers to get with Morris and Brendan Welch to get the rules and regulations regarding the proper installation of said waterline at SEWA's office.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Wade Bumgardner, seconded by Mark Davis to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch explained the Project 27 has been delayed several weeks and work should be starting the first week of December.

Brendan informed that Tina Frederick advised him to not start any construction until the final approval by the PSC due to the excessive water loss discussed the previous month. He stated this was due to interim financing that was needed for the construction project. He also informed the Board that the water loss issue could go into the report to help push through the project for project approval. Molly Hardy stated that a resolution with specific wording would need to be passed per Tina Frederick.

The Board discussed the PSC issues and constructions issues regarding the financing and the difference of the KIA monies, taking on debt and rate changes as well. Molly informed the Board she was going to clarify more on the construction issues with Tina regarding the PSC issues. Molly asked for the last two years projects by SEWA and funding sources to discuss with Tina, exactly what was considered construction projects to clarify for future projects. Also, Brendan is supposed to send proper procurement documents to Molly.

Molly Hardy read the Resolution to be sent to the PSC. Motion made by Mark Davis to accept the resolution as read. Seconded by Dennis Faulkner. Motion carried, no opposition.

Motion made by Wade Bumgardner to authorize Molly Hardy and Tina Fredrick to handle the paperwork and documentation from SEWA to the PSC. Seconded by Dennis Faulkner. Motion carried, no opposition.

Sandy Gap Project: Morris informed the Board the pump station was in, but Steve Whitaker has not shown up to begin the project.

MINUTES

Motion made by Dennis Faulkner to accept the October minutes with one change (water loss from 2.5 % to 2.26%). Seconded by Dwight Faulkner. Motion passed without opposition.

OLD BUSINESS

Morris informed the Board that the line has been lowered on Hinkle Rd. He also informed the Board that the new backhoe is in. Morris asked the Board was it OK to cash out end of year vacation days for those employees that did not use them. Motion made by Bobby Crowe to allowed employees to cash out their unused vacation days. Seconded by Dennis Faulkner. Motion carried, no opposition.

Dennis Faulkner inquired regarding the credit card reader at the pump station. Morris informed him that the app for prepay would charge 5% and did not think the PSC would approve it since it was an upcharge. The Board discussed prepay option in the office. Motion made by Dennis Faulker to go with the prepay option for the water pump station. Seconded by Wade Bumgardner. Motion carried, no opposition. After discussion, Dennis Faulkner made motion to withdraw previous motion. Seconded by Wade Bumgardner. Motion carried, no opposition. After discussions the Board decided to have Morris investigate the issue further and for Molly Hardy to investigate the 5% app charge.

Wade Bumgardner thanked the Board regarding the recent insurance plan he was able to purchase for his wife. Wade also inquired how the meters were reporting, Morris informed him the meters were reporting good.

Mark Davis inquired how the recently purchased radios were working. Morris informed him the radios were working, however there were still some issues regarding the handhelds.

Dennis Faulkner inquired about how many of the meters had been GPS located. Morris informed him all meters had been GPS located. The Board then discussed GPS locating all waterline breaks/leaks and how to use the information for possible problem areas.

Mark Davis informed the Board that First and Farmers had contacted him to inform him that they had found a way to assist with pledged assets. Mark recommended, after discussion with Melanie Rhodus, to move excess depreciation reserve account monies to the sweep account which currently has $42.14.

Grant Treado asked Morris to follow up on the pump station install on Sandy Gap.

Lester Moore brought up the shortage of pennies in the future, due to the government not producing them. Morris discussed possible issues with rounding up or down regarding the auditing process. Mrs. Hardy informed the Board she would investigate the issue.

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NEW BUSINESS

Morris Vaughn informed the Board he would like to purchase 2 new portable flow meters and two new listening devices for leak detection. Motion made by Wade Bumgardner to purchase two portable flow meters and two new listening devices. Seconded by Dennis Faulkner. Motion carried, no opposition.

Morris and the Board discussed a water fill station maintenance service contract. After discussion the Board decided to not enter into a maintenance contract.

Molly Hardy informed the Board that Tina Fredrick was working on a tariff amendment and a waterline relocation policy for SEWA.

The Board discussed Board membership elections for the upcoming year. Mrs. Hardy informed them to post the forms on the website.

Mrs. Hardy discussed the Davis case and reported she had found a geologist (Matt Crawford) who had completed a study in 2016-17 from the area in litigation. She reported that he has also written several scientific articles regarding geology. She stated she would like to conduct a visit to the area with President Joe Crawford and /or Board members. Discussion centered around doing another trip to the area with a Tommy Mabrier who had developed some of the areas in in the Resort. The Board discussed getting statements from people who had done development in the area in order gain information for possible future use. The water samples have been sent off from the Resort and she was going to speak with Chuck Mounce to gain more information. She reported that Alex Godsey informed her, that he could not support the Davis case without help from a Geotech firm or without digging in the area.

The Board discussed 2 CD's that were maturing next week. It was decided to leave them alone.

Discussion centered around setting salaries for employees at the next regular meeting and to have Mrs. Hardy get the information out to the proper people.

The Board discussed at length the possibility of how to develop an informational packet for customers to have access to, explaining the requirements for waterline and meter installation to make the process more customer friendly.

Motion made by Dwight Faulkner to adjourn, seconded by Wade Bumgardner. Motion passed without opposition. Meeting Adjourned.

Minutes Prepared
By _____
Keith Patrick

Respectfully Submitted
By _____
Mark O Davis, Secretary

Date Approved 12-11-25
By: _____
Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

SPECIAL CALLED MEETING DECEMBER 16, 2025

Present was see attached sign in sheet

Items to be discussed
1 tariff
2 Bulk water sale station Credit Card App
3 Penny rounding

Meeting called order by Joe Crawford, Prayer by Bobby Crow
Joe read memo from Molly and Tina
Discussion on Penny rounding, discussion to wait and take the PSC ruling as guidelines.
Discussion on Bulk Water Sales App for Credit Card take Tina and Molly's advice after they get approval from PSC
New Tariffs to be sent to PSC was discussed
Motion by Dennis Faulkner Second by Wayde Bumgardner to have Molly talk to Tina and proceed with total reform of the tariffs.
Motion to dismiss by Dennis Faulkner second by Wayde Bumgardner motion carried
Meeting dismissed.

Read + Approved
1-08-2026

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

December 2025

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, December 11th, 2025, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Bobby Crowe, Wade Bumgardner, Mark Davis, Dwight Faulkner.

Others present: Keith Patrick, Lester Moore, Morris Vaughn, Molly Hardy and Melanie Rhodus.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Dwight Faulkner.

VISITORS

No visitors presented.

Financial Report

Melanie Rhodus gave the monthly accountant's report. Motion made by Dwight Faulkner, seconded by Wade Bumgardner to accept the reports as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch was not present.

MINUTES

Motion made by Wade Bumgardner to accept the October minutes as presented. Seconded by Bobby Crowe. Motion passed without opposition.

OLD BUSINESS

Morris informed the Board the flow meter has arrived, and the listening devices have been ordered. Morris informed the Board the Highway 27 Project has not started due to waiting on the PSC. Morris informed the Board the utility beds for the trucks are supposed to be in at the first of the year and that

the beds for the trucks that came in would not fit. He also informed the Board the cost was approximately $16,000 to $17,000 for full accessories and installation.

The Board and Morris discussed trucks needing to be replace. Motion made by Dwight Faulkner to authorize Morris to get with Grant Tredo to negotiate the price of two trucks. Seconded by Bobby Crowe. Motion carried no opposition.

Morris informed the Board that the prepay for the water fill station has not been initiated due to the 5% charge. Molly Hardy is speaking to the PSC and Tina Frederick regarding this issue, but she thinks SEWA may be able to charge the 5% for the prepaid option.

NEW BUSINESS

Discussion centered around traffic going around the building as a shortcut. The decision was made to put a gate up with a lock to alleviate the through traffic.

Melanie Rhodus informed the Board the PSC needed financial reports for preceding 12 months, November of 2024 through October of 2025 for the Highway 27 Project. She was also inquiring if anything else was needed by the PSC. The Board discussed the PSC and how to move forward with the issues they are currently experiencing with the PSC and Highway 27 Project start date.

The Board discussed the possibility of purchasing water from the McCreary County to serve the southern end of the county in the future, if McCreary County gets new facilities.

Morris informed the Board that United Systems suggested to round up to the nearest nickel on bills regarding the penny issue. He stated this could be credited on the next bill, however we still needed to get permission from the PSC to implement the upcharge.

Lester Moore informed the Board that a Dixie Bend customer (Miles Mullins) wants the water association to pay for landscaping cost where Spectrum Internet had cut a water line. The Board discussed the issue surrounding the replacement and decided to wait and inform their insurance agent and for Morris to be the contact person if the customer calls back

After discussion of issues regarding driveways and fixing repairs the following motion was made. Motion made by Dwight Faulkner to have Taylor Asphalt to repair asphalt damage, and Jason Mink to repair concrete damage on future repairs. Seconded by Mark Davis. Motion carried, no opposition.

Morris informed the Board SEWA would be doing delinquent notifications and getting a report for next month's meeting. He also informed the Board that he does not cut water off until two months past due.

Motion made by Wade Bumgardner to go into executive session to discuss personnel and salaries. Seconded by Dennis Faulkner. Motion carried no opposition.

Motion made by Wade Bumgardner to give the ladies in the office a $2.00 hour raise; to give the new hires a $2.00 an hour raise plus a onetime 6% raise. To give the remainder of employees a 6% raise effective January 1st, 2026. Motion seconded by Dwight Faulkner. Motion carried no opposition

Motion made by Dwight Faulkner to exit executive session. Seconded by mark Davis. Motion carried, no opposition.

President Joe Crawford called regular session back to order.

made while out of executive session

The Board discussed water rates and how the PSC has cut a Tariff in another district to zero. Basically, the effects could force water districts to lose money. Dennis Faulkner discussed his concerns about not being able to adjust for inflation and how the PSC has lowered rates through indexing.

The CPCM application was discussed regarding the date of deficiency which was wrong. This will delay the application a little bit.

Molly Hardy informed the Board that depositions have been completed and the cost for them are $3.25 per page. She has requested an itemized billing for the depositions. She informed the Board on the Tarriff Amendment update and has a nomination petition for the Board to review. She also informed the Board there is a timeline on amending tariffs and they should be completed by Mid-February, however she would like to review it with the Board. She stated she would also set up a meeting with Tina Fredrick and the Board to discuss possible issues and current tariffs. She also discussed any amendments would have to go to the PSC for approval.

Davis Case: Molly informed the Board that Matt Crawford will not be working with SEWA however he could answer some questions. She stated that she would like to depose RC Ryan. Molly also informed the Board that Pennington Shale can make various chemicals through chemical reactions and has identified a good geological candidate for court, if needed. Morris informed the Board that the fluoride in the water samples that were previously tested on the property were higher than what had left the water plant. Morris also suggested to gather several samples from other houses in the area. Molly Hardy suggested to have a third party conduct the sampling to protect the chain of custody on the water samples.

Molly informed the Board that Tina Fredrick had suggested rounding down regarding the penny issue, however a credit card app charge would have to go through the PSC for approval and that any fees would constitute a rate change.

Motion made by Bobby Crowe to adjourn. Seconded by Dwight Faulkner. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared

By_____

Keith Patrick

Respectfully Submitted

By_____

Mark O Davis, Secretary

Date Approved 1-8-2026

By:_____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

January 2026

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, January 8th, ~~2025~~ 2026, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Wade Bumgardner, Dwight Faulkner, Mark Davis, and Grant Treado.

Others present: Keith Patrick, Lester Moore, Morris Vaughn, Molly Hardy and Brendan Welch.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Mark Davis.

VISITORS

No visitors were present. Wade Bumgardner did inform the Board that Rich Meadows had approached him regarding a waterline that had washed out and felt that the customer may want the waterline lowered. Lester informed the Board he had gone out and someone had covered it up. Morris informed the Board he did not think the waterline belonged to SEWA but he would go out to identify the line and what was needed to correct it if it did belong to SEWA.

Financial Report

Melanie Rhodus was not present; however, the Board discussed her financial records she sent to the meeting. Motion made by Grant Treado, seconded by Dennis Faulkner to accept the report as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch discussed the Sandy Gap Project reports that the lines have been tapped, however the pump station has not been installed.

MINUTES

Motion made by Wade Bumgardner to accept the December minutes as presented with ~~once~~ one change moving a motion to after the executive session had ended. Seconded by Dwight Faulkner. Motion passed without opposition.

Special Called (January) meeting minutes were read. Motion made by Grant Treado to accept the minutes as presented. Seconded by Dwight Faulkner. Motion passed without opposition.

OLD BUSINESS

Grant Treado informed the Board about the issues surrounding the purchasing of the new trucks with time delays and Franklin Auto going out of the fleet service sales. The Board discussed options of trucks, i.e. brands, gas vs diesel and the size of trucks to purchase as well as the length of time before receiving the trucks. After discussion the following motion was made. Mark Davis made the motion to purchase two 2500 Dodge Diesel trucks for SEWA. Seconded by Dennis Faulkner. Motion carried no opposition.

Mark Davis informed the Board that he had moved $100,000 dollars from the LPL account and $5000 from the overflow account to purchase a $105,000 CD to keep the LPL account in line with the FDIC insurance guidelines.

Morris Vaughn asked about the service charge for the water payment App. Molly Hardy informed him that the charges would have to be reflected in the Tariffs/Guidelines that would need changed first.

Morris discussed the cut-off policies and procedures/ He stated the current cutoff took two months however this was not reflected in the current Tariffs. He informed the Board that the was the procedures worked is what he would like to see in the updated Tariffs and Policies. The Board discussed how to get the Tariffs fixed to reflect current operating procedures.

NEW BUSINESS

Morris informed the Board he would be interested in dropping the $16.80 service charge to turn meters on and off. The Board discussed how dropping the service charge would have to be included in the new tariffs.

Morris and the Board discussed partial reimbursement of a waterline for a development that was developed by Joe Crawford. After discussion of Tariffs and reimbursements the following motion was made to ensure there was no conflict of interest or inappropriate actions made by the Board prior to reimbursement. Motion made by Dwight Faulkner to seek legal guidance and to table the action until the Board received guidance from Molly Hardy. Motion seconded by Wade Bumgardner. Motion carried, no opposition.

Davis Case: Molly Hardy informed the Board that Jim Freel has gone over a list of possible witnesses and is wanting to consolidate the two cases. She is hoping that the two cases can be dismissed, due to not following correct procedural processes.

Molly informed the Board of two options for the penny issue. Option one is to let customers underpay where SEWA bills down on the charge. Option two is to let customers round up and can credit this to their account. She also informed the Board this will not trigger a late fee if it does not get over $1.00. Morris stated this would only effect cash paying customers and he would get a list of how many cash

paying customers for the next Board meeting. Grant Treado asked if SEWA could require exact change for payment. Molly stated she would inquire with Tina Fredrick regarding this option.

Morris informed the Board the new backhoe was in and being used. He stated some of the employees did not like it due to the controls being different.

Motion made by Mark Davis to adjourn. Seconded by Dwight Faulkner. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 2-12-2026

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

February 2026

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, February 12th, 2026, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Dennis Faulkner, Wade Bumgardner, Dwight Faulkner, Mark Davis and Bobby Crowe.

Others present: Keith Patrick, Lester Moore, Molly Hardy, Morris Vaughn, ~~Molly Hardy~~ and Brendan Welch.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Mark Davis.

VISITORS

No visitors were present.

Financial Report

Melanie Rhodus presented the Financial Report to the Board. Motion made by Mark Davis, seconded by Dwight Faulkner, to accept the report as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch reported that everything has been done on the Sandy Gap Project without having power to the site, however it should be completed in 4-5 days once power is restored.

Highway 27 Project: Brendan reported that PSC approval has been granted for the project. He also reports that he has been in contact with the contractors and informed them they would need to push for a Memorial Day completion timeline.

Brendan informed the Board he would also investigate alternate rate filing.

Brendan and Morris informed the Board of the possibility of moving the underground stations at Keno and Blue John to above ground stations due to the age and conditions of the stations. He informed the Board the cost would be approximately $250,000 to $300,000 per station. Brendan, Morris and Lester would plan a visit to the stations to begin the planning process and to gather more information. Morris informed the Board that WASCON contracting could install a skid building pumpstation for $80,000 vs the higher cost stations. The Board discussed future upgrades and longevity of the skid type stations. The Board suggested Morris investigate these skid buildings and report once he had gathered the information.

MINUTES

Motion made by Mark Davis to accept the January minutes as presented with suggested changes. Seconded by Dwight Faulkner. Motion passed without opposition.

OLD BUSINESS

Morris informed the Board the waterline discussed last month was covered up at the present time.

Morris brought up the issue of dropping the current service charge with the new Tariffs. Molly informed the Board that Tina Fredrick had suggested $31.00 charge. However, any change would have to be included in the new Tariffs.

The bulk water sales issues were discussed. Molly Hardy suggested that the Board vote to do what SEWA has always done or change it. Motion made by Dennis Faulkner, that all credit card sales for bulk water would happen during the day and after-hours charges would be taken care of by invoicing the customers. Seconded by Wade Bumgardner. Motion carried, no opposition.

Molly informed the Board that Joe Crawford could not be given any reimbursed for water line installation. The Board also discussed keeping this tariff to a bare minimum to the 1st 50 feet of water line at actual cost. The Board discussed ways to incorporate waterline reimbursement and costs into the new tariffs. Morris asked about leaving a rock clause in the new tariffs when setting meters due to the geography of Pulaski County. The Board discussed this and requested that Molly investigate leaving the current rock clause in their tariffs.

Morris informed the Board that the work trucks were on order.

Molly asked the Board what the pleasure of the Board on adoption of the tariff amendments with the Boards new input and after their most recent meeting with Tina Frederick. After discussion, it was suggested to look at the tariffs some more and try to approve the new tariffs at the March meeting. Motion made by Dennis Faulkner to authorize Morris to review tariffs and to approve the tariffs discussed tonight, pending Morris's review and approval of the tariffs, with his recommendations to be included at next month's meeting. Seconded by Bobby Crowe. Motion carried, no opposition.

NEW BUSINESS

Melanie informed the Board that Randall Turpin would not be conducting audits anymore due to a shift in his business focus. The Board discussed who they could hire to conduct the audit, and they also discussed with Melanie for her to identify some possible names by next month's meeting to get an auditor. The Board discussed the urgency of finding an auditor and having recommendations by next month's meeting or before. Molly informed the Board that she must amend the 2024 PSC report now that the PSC has reopened the report online.

Proposed rate study: Discuss procedures to comply with the PSC and what help Tina Frederick could provide to comply with the PSC and to have tariffs in line for the study. Molly suggested SEWA and Kenvirons conduct an alternate rate filing to assist with the rate study. She also asked to investigate if Kenvirons has completed a study more recently.

Morris informed the Board that they had received a $945.00 bill from Silent Guard Security where keypads would not work to due to a screw being struck through a wire. He felt that SEWA did not owe it. After discussion with Board council Molly suggested paying the bill due to the amount in dispute.

Motion made by Bobby Crowe to enter executive session. Motion seconded by Wade Bumgardner. Motion carried, no opposition. Motion made to exit executive session made by Dennis Faulkner. Seconded by Wade Bumgardner. Motion carried, no opposition. After executive session the following motion was made; Motion made by Bobby Crowe to allow Morris to hire two more employees. Seconded by Wade Bumgardner. Motion carried no opposition. Motion discussed starting pay for new hires considering those with experience versus no experienced and discussed starting pay similar to current employees with similar experience.

Lester informed the Board that he was ~~getting his~~ Tested for Class 3 license next week along with two other employees.

Morris informed the Board of the upcoming PSC training's and gave them a handout with training dates for the current year.

Motion made by Bobby Crowe to adjourn. Seconded by Dennis Faulkner. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 3-12-2026

By: _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

March 2026

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, March 12th, 2026, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Grant Treado, Wade Bumgardner, Dwight Faulkner, Mark Davis and Bobby Crowe.

Others present: Keith Patrick, Lester Moore, Molly Hardy, Morris Vaughn, Melanie Rhodus and Brendan Welch.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Bobby Crowe.

VISITORS

No visitors were present.

Financial Report

Melanie Rhodus presented the Financial Report to the Board. Motion made by Grant Treado, seconded by Wade Bumgardner, to accept the report as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch reports that they are continuing to wait for RECC to connect power to the Sandy Gap Project.

Highway 27 Project: Brendan reported the contractors have developed a pipe yard in Burnside, they are moving equipment to a staging area, and the traffic control equipment should be in next week.

Brendan reports he has met with Lester and Morris on the Burnside project and have decided to cut and tap each side of the water main to relocate the homeowners and the grocery stores meters. He also needs the number of customers the line will feed once completed.

Keno and Blue John pump stations: Brendan reported the old plans showed above ground pump stations. He has looked at moving the pump stations closer to Highway 27, however the pressure would be too high on the end user. He reports they will probably keep the pump stations in the same spots they are located.

Brendan informed the Board on the possible Stanford Project. He stated that each pump station would be approximately $260,000, not including concrete pads and other miscellaneous items for installation.

MINUTES

Motion made by Mark Davis to accept the February minutes as presented with recommended changes. Seconded by Bobby Crowe. Motion passed without opposition.

OLD BUSINESS

Melanie Rhodus Discussed a proposal letter with the Board to advertise for auditors to replace Randall Turpin. Motion made by Grant Treado to accept the letter for advertisement. Seconded by mark Davis. Motion carried no opposition.

Molly reported that she has received a letter of resignation from Randall Turpin to share with the PSC. She also stated he had given her references for possible auditors to look at to replace him. The Board then discussed the auditors with her and Melanie.

Molly Hardy discussed with the Board the tariffs and changes that were made and summarized those with the Board. More specifically she stated that the rock clause language has been added, discussed the language regarding electronic billing, and discussed the return check fees. She discussed the fire hydrants and rural fire station purposes. She also reported that bulk water sales charges are part of the sales system and discussed with the Board the purchasing of the point-of-sale system as well as posting a notice of the charges at the bulk water distribution station.

Molly and the Board continued discussing the water line extension agreement i.e. the 1st 50 requirements and issues regarding pressure by the end user. Miss Hardy contacted (via telephone call) Tina Frederick to get guidance on the 50 feet rule and how it could meet guidelines. Tina Frederick informed the Board that the Hyden/Leslie Tariffs had dealt with these issues in the past and had specific languages to deal with this issue. She emailed it to Molly Hardy and read the tariffs to the Board. Tina agreed to add the issues discussed with changes into the tariffs and e-mail them to Mrs. Hardy.

Tina Frederick also had examples of tariffs to deal with a specific current issue that SWA is dealing with and would forward it to Molly as well.

The Board and Mrs. Hardy discussed items that were not included in the tariffs such as third-party meter testing, fire departments not reporting usage and incorporating pass through rate case. Molly explained how the Board needs to adopt a resolution regarding tariffs to include the two items discussed tonight at the meeting.

Mrs. Hardy also discussed the advertising process with the Board about hiring a new accountant.

Motion made by Dwight Faulkner to accept the current tariffs with revisions discussed by the Board tonight. Motion seconded by Grant Treado. Motion carried no opposition.

The Board discussed the rate case. It was suggested to increase the service charges. Also discussed was possibly having office members trained by the Kentucky Rural Water Association.

Morris discussed how to get fire departments to pay for the water they use and discussed the number of fire hydrants on the systems, locations and flow rates with the Board

NEW BUSINESS

Morris informed the Board that one customer reported they had several water meters and broken boxes. The customer reported the county had broken them. He asked for guidance to proceed in repairing the issue. The Board informed him to deal with it on a case-by-case basis and to try to help the customers.

Morris also discussed the trucks on order would possibly be in next week. Morris informed the Board that he has hired a new employee, Mr. Daniel Terry and has also interviewed John Mounce who is to begin work next week.

Morris and Lester informed the Board that a building contractor, Chris Hurd, has a house needing water and was requesting that meters be placed in a specific location for the development. After discussion Morris was informed by the Board to place the meters where SEWA has always placed meters, near the main water line and place them together.

Morris informed the Board that a lady had called requesting a fire hydrant. The Board informed him to relay to her that SWA is in the process of providing water to customers and not installing fire hydrants.

Dwight Faulkner inquired regarding a past issue regarding reimbursement to Joe Crawford. It was explained that it had been taken care of and there would be no reimbursement given.

Mark Davis inquired about the dependability of employees and overtime discrepancies. Lester explained it was during the ice storm, and they went ahead and fixed the lines when people could not come in.

The Board discussed testing and the employees passing and failing the test to included reimbursements of expenses. After discussion: Motion made by Bobby Crowe for SEWA to pay for the test three times. Seconded, by Wade Bumgardner. Bobby Crowe, Wade Bumgardner voted Aye. Mark Davis, Grant Treado and Dwight Faulkner voted Nay. Motion Failed.

Discussion continued around reimbursement and payment for certification test for field employees. Motion made by Mark Davis for employees to be reimbursed for the test, only after they pass the test. Seconded by Bobby Crowe. Mark Davis, Grant Treado, Bobby Crow, Wade Bumgardner voted Aye. Dwight Faulkner abstained from voting.

Motion made by Bobby Crowe to adjourn. Seconded by Mark Davis. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared
By_____
Keith Patrick

Respectfully Submitted
By_____
Mark O Davis, Secretary

Date Approved 4.9.2020

By:_____
Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

April 2026

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, April 9th, 2026, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Grant Treado, Wade Bumgardner, Dwight Faulkner, Dennis Faulkner, Mark Davis and Bobby Crowe.

Others present: Lester Moore, Molly Hardy, Morris Vaughn, Melanie Rhodus, Jerry Clayham, Ariash Patel, Robert Lawson, Mr. Durbin of Durbin's Bait and Tackle store, Tina Fox and Brendan Welch.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Bobby Crowe.

VISITORS

Jerry Clayham spoke regarding getting a meter replaced due to the ice storm that may have frozen it and possible damage due to a backhoe. Mr. Lawson spoke regarding traffic issues in Burnside due to the current waterline project being installed along Highway 27. Mr. Patel spoke regarding the traffic and the impact of the traffic on his business. Mr. Durbin spoke of the negative impact the traffic flow has had on his business. The Board explained the history of the project and the delay of the original start date due to the PSC delaying the project. The Board also discussed ways to improve traffic and contacting the state highway traffic department for suggestions to improve the traffic flow. Tina Fox spoke regarding getting water on Herrin Lane. She informed the Board that four households did want meters installed. It was explained that SWA had tried in the past to get people to sign up and no one wanted the meters in the past. It was also explained the cost was prohibitive and it would be best to pursue a grant. The Board also explained the easement procedures for waterline installation. Another option offered was for the customers to install their own line.

Financial Report

Melanie Rhodus presented the Financial Report to the Board. Motion made by Mark Davis, seconded by Grant Treado, to accept the report as presented and authorize the accountants to pay the bills for the month. Motion passed without opposition.

Engineering Report

Brendan Welch reported the power poles have been marked to be set on the Sandy Gap Project.

Bendan reported that he has had the surveyor on the Keno and Blue John projects, and he should have plans within a month to six weeks.

Brendan received signatures needed for the financing of the Burnside project.

MINUTES

Motion made by Bobby Crowe to forego the reading of the minutes. Seconded, by Wade Bumgardner. Motion passed without opposition.

OLD BUSINESS

The Board discussed purchasing of pumpstation buildings. Joe Crawford had an appointment to look at them and invited Brendan Welch to attend as well.

Grant Treado informed the Board that one truck was almost complete with the other one currently in transit.

NEW BUSINESS

Molly Hardy discussed Tariff revisions, the rate case and the Davis litigation. She reported that R.C Ryan's deposition was scheduled, and it would be conducted April 13th at SWA's office.

Molly Reported that Tina Fredrick has filed a motion for a deviation on the rate case. She reported that Tina had asked for additional time to conduct the rate case.

She reported the PSC has highlighted several things on the Tariff revisions which she felt indicated the PSC was trying to help SWA complete their revised tariffs. She then discussed each issue the PSC had highlighted with the Board along with suggested changes per Tina Fredrick.

The Board also discussed the frozen meter issue and possible ways to deal with it to stay in line with the Tariffs.

Bobby Crowe inquired if the employees are to be paid on the days they are taking a test. He was informed they were paid on those days.

Wade Bumgardner expressed his concern regarding paying for only one test contributed to changing the rules.

Motion made by Dennis Faulkner to adjourn. Seconded by Mark Davis. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared
By _____
Keith Patrick

Respectfully Submitted
By _____
Mark O Davis, Secretary

Date Approved 5-14-2026

By: _____
Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION
6615 HIGHWAY 914
SOMERSET, KY. 42501

2026 ANNUAL MEETING OF THE MEMBERS APRIL 13TH 2026 7:30 P.M.

Meeting called to order by Joe Crawford

Prayer by Dwight Faulkner

Members present (see sign in sheet attached)

Reading of 2025 minutes by Joe Crawford
Motion to accept the 2025 minutes as read by Bobby Crow
Second by Wade Bumgardner, motion carried.

Motion to move Molly Hardy to residing President and Morris Vaughn to Secretary
Made by Dennis Faulkner
Second by Grant Treado, motion carried.

Motion to retain Joe Crawford, Mark Davis, and Dwight Faulkner as board members.
by Bobby Crow
Second by Dennis Faulkner, motion carried.

Motion to nominate Joe Crawford as President by Dwight Faulkner
Second by Wade Bumgardner, motion carried.

Motion to adjourn by Dwight Faulkner
Second by Grant Treado, motion carried.
Meeting adjourned

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

May 2026

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, May 14th, 2026, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Grant Treado, Wade Bumgardner, Dwight Faulkner, Dennis Faulkner, Mark Davis and Bobby Crowe.

Others present: Lester Moore, Molly Hardy, Morris Vaughn, Melanie Rhodus, Keith Patrick, Mike Hemphill and Kelly Wilson.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Bobby Crowe.

VISITORS

Kelly Wilson presented current insurance options carried by SWA through Neikirk insurance agency and discussed the plan rates for the 2026 year for health, dental, vision, life and disability explaining the slight increase in rates for the upcoming year. Motion made Grant Treado to renew the current policy with Neikirk Insurance for the upcoming year effective June 1st, 2026. Seconded by Dennis Faulkner. Motion carried no opposition.

Mike Hemphill spoke regarding he felt there had been incorrect surveys and land sales completed in the past and he thought that a surveyor in the early 2000's had omitted a little over 5 acres from his land ownership and he felt that a SWA water tower was located on his land. He presented and gave surveys, deeds, sales and other documentation to Molly Hardy for research into the issue.

Financial Report

Melanie Rhodus presented the Financial Report to the Board. Motion made by Bobby Crowe to accept the report as presented and authorize the accountants to pay the bills for the month. Seconded by Dennis Faulkner. Motion passed without opposition.

Engineering Report

Brendan Welch did not report.

MINUTES

Motion made by Wade Bumgardner to accept the minutes of Aprils minutes with one name correction. Seconded by ~~Wade Bumgardner~~ Grant Treado. Motion passed without opposition.

OLD BUSINESS

Joe Crawford reported he had spoken with the auditors regarding the most recent audit, and the final report should be soon.

Joe Crawford reported he and Brendan Welch had visited Outdoor Adventure to look at the pumpstation buildings. He explained how it could be built to size and installed within one week. The Board also discussed other options with Morris referring to another design that was pre-built as well. Morris was informed to examine the second design and to get cost and estimates.

Morris reports one truck has been received, and the other one is somewhere in transit.

Mrs. Hardy discussed billing issues regarding deposition and informed the Board she would handle it.

NEW BUSINESS

Joe Crawford discussed an invoice from Brian Wilson in the amount of ~~$1716~~ 1716.56 ~~1765~~ for work that had been completed for landscaping for Tom Garner. This was due to a water line movement in December 2025 that could not be fixed until the Spring of 2026, some of which was on the county right of way. After discussion the Board decided not to pay the bill.

Wade Bumgardner asked Morris regarding the new hires and how they were working out. Morris informed the Board they were doing fine; their names are Danny Terry and John Mounce.

Molly Hardy reported to the Board that the PSC has accepted the new tariffs, and SWA needs to file it. Molly reported on the new water line extension agreement and the tariffs. She discussed the waterline extension agreement in depth with the Board and how to handle it going forward with developers/individuals. She also discussed specific guidance regarding the water line extension agreement given by Tina Frederick. Molly informed the Board that the rate case was granted with a deviation by the PSC. She reports this must be filed by August 31st.

The Board discussed the issue regarding Mike Hemphill's presentation earlier in the meeting. Molly explained to the Board adverse possession land laws and ways to move forward on this issue. Molly Hardy asked the Board if she could hire a surveyor. She discussed two reputable surveyors and after discussion the following motion was made. Motion made by Grant Treado to hire Anthony Thompson as a surveyor to investigate the Hemphill issue. Seconded by Mark Davis. Motion carried no opposition.

Morris reported that two customers wanted to do work on water lines. One wanted to move a water line, the second wanted to lower a water line. Molly and the Board discussed the new tariffs and how the new tariffs would apply in this situation. After discussion, guidance was given to follow the new tariffs and procedures.

Mark Davis discussed the issue of adding more signatures for signature authority on checks at First and Farmers, other than he and Joe Crawford, due to sometimes having difficulty in obtaining signatures. The Board discussed the issue and the following motion was made; Motion made by Mark Davis to allow the following people to sign checks at First and Farmers, Mark Davis, Joe Crawford, Morris Vaughn, Bobby Crowe and Grant Treado. Seconded by Dennis Faulkner. Motion carried. No opposition.

Motion made by Dwight Faulkner to adjourn. Seconded by Bobby Crowe. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared

By _____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 6-11-2026

By _____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

June 2026

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, June 11th, 2026, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Grant Treado, Wade Bumgardner, Dwight Faulkner, Dennis Faulkner, Mark Davis and Bobby Crowe.

Others present: Lester Moore, Molly Hardy, Morris Vaughn, Melanie Rhodus, Keith Patrick, Brendan Welch, Ambria Jandrew, Emily Abner and Melanie Rhodus.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Dwight Faulkner.

VISITORS

Ambria Jandrew spoke regarding lowering a water line on her property on Cabin Hollow Rd. She had previously been given an informational packet regarding the issue and stated the contractor did not know what to do after reading it. Morris explained the process from the packet and what she had to do to lower the water line.

Emily Abner with Abner and Cox, CPA's, gave a report on the annual audit recently completed by their firm. She explained the audit to the Board and gave a clean opinion on the audit.

Financial Report

Melanie Rhodus presented the Financial Report to the Board. Motion made by Mark Davis to accept the report as presented and authorize the accountants to pay the bills for the month. Motion seconded by Grant Treado. Motion passed without opposition.

Engineering Report

Brendan Welch Reported 75% completion on the Highway 27 Burnside project.

Brendan discussed the water line behind the Davis grocery with a possible plan to move forward on the project. The Board discussed the Davis project and after discussion the following motion was made. Grant Treado made a motion to move forward with the Davis project contingent upon a quote and fair market value to allow engineering to move forward on the Davis Project. Seconded by Bobby crow. Motion carried. No opposition.

Brendan reported that the Sandy Gap project is complete but is not up and running. However, it should be turned on next week. Brendan was informed to speak with the customers regarding the activation of the water line and make sure that they had installed a pressure regulator.

Brendan reports that Keno and Blue John plans are being finalized, discussed options of pump station buildings with one being a military grade tongue and groove design. He also discussed the issues with the difficulty of block buildings and problems of finding masons to lay the blocks.

Brendan informed the Board that Kentucky water applications are due Monday, and he has identified 2 projects to include in the submission Hwy. 39 Project with line replacement and the ~~Blue John Project~~ Sandy Gap

Molly Hardy asked Brendan for a sample of a water line relocation agreement for Tina Frederick. She also asked for information from Brendan for her to develop a policy with a list of criteria when giving awards and recommendations for contractors and subcontractors.

MINUTES

Motion made by Wade Bumgardner to accept the minutes of May's minutes with two corrections. Seconded by Grant Treado. Motion passed without opposition.

OLD BUSINESS

Molly informed the Board that Mike Hemphill has filed 2 lawsuits. 1) First lawsuit SEWA was named as prime defendant. 2) Second lawsuit SEWA was named as secondary defendant regarding easement on another person's property.

Molly informed the Board that Anthony Thompson is meeting with her and Morris next week. She informed the Board that preliminary evidence looks favorable to SEWA. She informed the Board that she had informed the insurance company of the lawsuits and asked if it would be OK if she could represent SEWA as legal counsel in the current case. Motion made by Dennis Faulkner to obtain Molly Hardy as legal counsel regarding the lawsuits with Mr. Hemphill. Motion seconded by Mark Davis. Motion carried, no opposition.

Molly informed the Board that Mr. Hemphill and Mr. Blankenship has filed an open records request from SEWA. Molly informed the Board that SEWA is not subject to an open records request laws, however she suggested working with the customers in obtaining records and to educate them why SEWA was not subject to an open records request laws.

Davis and Brewer Case: Mrs. Hardy reports there is nothing new in the Davis case. She reported that last month that Mr. Brewer was digging on his property. She informed the Board that Stuart Spillman from the health department informed her that the Brewer house and property had been in a previous lawsuit. She also discussed how the Brewer septic system possibly could have been moved by previous owners, and it possibly was not on Brewer's land. Molly suggested mapping the septic lines with the previously hired engineer since the lawsuit is in the discovery phase.

Mrs. Hardy informed the Board that she was developing a form letter to approve/disapprove contractors for water line extensions and movements. She also informed the Board that Tina Frederick is completing a water line relocation agreement form for SEWA's use.

Grant Treado informed the Board that one truck has still not been delivered. He also asked if SEWA needs to wait, look at other options or order another truck, since some members were currently using their own vehicles on calls. Motion made by Dennis Faulkner to reimburse the two employees for mileage who have been called in without a truck after hours. Seconded by Wade Bumgardner. Motion carried. No opposition. The Board then discussed the need of purchasing another truck. Motion made by Dennis Faulkner to order another 2500 diesel pickup. Seconded by Wade Bumgardner. Motion carried. No opposition.

The Board discussed the hiring of experts in the most recent lawsuits. Motion made by Mark Davis to authorize SEWA's legal counsel to move forward as she deems, to hire the experts as needed. Seconded by Grant Treado. Motion carried. No opposition.

Morris ask questions about getting a gate for the back of the building and about signage for the water fill station. He was informed to take care of it at his discretion.

NEW BUSINESS

Mrs. Hardy discussed security issues with the new building and possibly adding peepholes in exterior doors. Motion made by Grant Treado to put a peephole in the conference room door and lock the front door during all meetings. Seconded by mark Davis. Motion carried. No opposition.

Morris informed the Board that he has ordered 150 new meters. He informed the Board they were going up 5% at the end of May. Morris informed the Board the Kentucky Rural Water Association meeting will be held in Lexington KY the 24th through 26th of August at the central bank center and invited Board members to attend.

Wade Bumgardner informed the Board that a customer at HWY 1675 had requested relocating a meter and trying to get it at a reduced cost due to expanding a parking lot. After discussion the Board decided the final decision would be that the new water meter would be set at actual cost in accordance with current tariffs.

Dwight Faulkner Made a motion to open the floor for discussion of a proposed motion by him for future hiring of a water manager that read "Motion for Board of Directors to approve a committee consisting of Morris Vaughn, Grant Treado, Dennis Faulkner, Mark Davis, for purpose of developing a plan for SEWA to transition from present manager to future manager. This plan should make every effort possible to work with Morris to recognize his contribution to the success of SEWA, also to use his experience and knowledge to help move SEWA forward with new management in the future. This committee will be asked to present a plan of action to the Board of Directors for approval ASAP.

Remember our primary goal is to seek the successful future of SEWA." Motion seconded by Wade Bumgardner. Motion carried. No opposition.

The Board discussed the motion in depth with Morris Vaughn requesting to be off the committee. After discussion Dennis Faulkner made motion to accept the motion as presented with the amendment that Morris stays on the committee. Seconded by Grant Treado. Motion carried. No opposition.

Lester Moore informed the Board that storage units are being developed in the Holmes Bend area, and the developer wants SEWA to e-mail him permission to build. Morris explained he felt the developer is building over or filling in over the current water line. Decision was made to not send an e-mail, however Molly Hardy stated she would send Morris the tariffs that relate to this issue. Morris stated SEWA would have to go mark the water line and ensure where the water line was located.

Motion made by Grant Treado to adjourn. Seconded by Wade Bumgardner. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared
By _____
Keith Patrick

Respectfully Submitted
By _____
Mark O Davis, Secretary

Date Approved 7/9/2026

By: _____
Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

July 2026

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, July 9th, 2026, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Grant Treado, Wade Bumgardner, Dennis Faulkner, Dwight Faulkner, Mark Davis and Bobby Crowe.

Others present: Molly Hardy, Morris Vaughn, Melanie Rhodus and Keith Patrick.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Mark Davis.

VISITORS

No visitors presented.

Financial Report

Melanie Rhodus presented the Financial Report to the Board. Motion made by Grant Treado to accept the report as presented and authorize the accountants to pay the bills for the month. Motion seconded by ~~Bobby Davis~~ Mark Davis. Motion passed without opposition.

Engineering Report

Brendan Welch was not in attendance.

MINUTES

Motion made by Dwight Faulkner to accept the minutes of Junes minutes with one correction to identify Davis Grocery Project separately from the Davis litigation case. Seconded by Grant Treado. Motion passed without opposition.

OLD BUSINESS

Grant Treado reports there has been no luck in receiving the trucks that have been on order from Don Franklin Dealership. He has identified 2 trucks that are available at similar cost from other dealers. The Board discussed what type of trucks to buy gas versus diesel, Chevy, Dodge or Ford. Motion made by

Dennis Faulkner to purchase 2- 250 Diesel Ford Trucks. Seconded by Wade Bumgardner. Motion carried no opposition.

Joe Crawford presented options on the gate estimates. The gate would be 20 foot long 48 inches tall. Both were sliding gates however the manual gate was $7125.78, the automatic gate with 10 remotes would be approximately $9020.00 dollars. Mark Davis made a motion to purchase the automatic gate with the 10 remotes. Seconded by Dennis Faulkner. Motion carried no opposition

Morris reported the electrical contractor Sandy Gap Project had installed 2-inch conduit versus 3-inch conduit and is currently trying to get it replaced.

Morris reports the Highway 27 Burnside Project is going well.

Morris reported on the Dixie Bend flooding of a mobile home. He reports SEWA's insurance company has informed the homeowners that SEWA was not at fault.

Mark Davis presented on the Committee's plans for moving forward on a possible management candidate. He reports SEWA is working with Kentucky Rural Waters Association to look at candidates across the state and the ability to post on their job board. Dennis Faulkner reported he needs a job description from Morris for posting at the University of Kentucky to possibly recruit a Co-op worker from the engineering department.

NEW BUSINESS

Morris reported the future increase in the costs of pumps and that he would like to purchase a new pump for each station. Motion made by Bobby Crow for Morris to purchase new pumps for each station due to rising costs. Motion seconded by Mark Davis. Motion carried no opposition.

Morris reported that Cooper Power has been calling regarding low pressure. He explained the reason for the low pressure, and he stated that he felt this would be a good opportunity to get a grant for a new tank to provide customer service. The Board discussed ways to move forward in securing a grant.

Molly Hardy reported there was not a lot of activity on the Davis and Brewer case. She reports she has not heard from the Health Department and may have to get a court order to map the septic lines.

Mrs. Hardy discussed the Facilities Relocation Agreement. She stated that Tina Frederick had created it and she was going to ask about how to work around out of normal issues with Tina and see if she couldn't find a way to add this to the Facilities Relocation Agreement. Morris reported that after reading the Facilities Relocation Agreement that he liked it. The board Concurred and agreed to stay with the most recent agreement. Molly informed the Board the Board needed a policy to add to the agreement dealing with the process of approval and disapproval of contractors.

Wade Bumgardner made a motion to adopt the Facilities Relocation Agreement. Seconded by Dennis Faulkner. Motion carried no opposition.

Hemphill Case: Mrs. Hardy informed the Board that Travelers Insurance is to provide legal counsel on the Hemphill Case. Molly reports that 2 suits had been filed on the same day by Mr. Hemphill against

SEWA with one claim number and she is attempting to get the second number from Travelers insurance. She reports that in discussion with Anthony Thompson that he feels solid on the current survey that is utilized by SEWA. It was reported that Mr. Hemphill has filed an informal complaint with the PSC that has been dismissed. She informed the Board her next plans were to file a motion for dismissal for failure to include all parties.

Motion made by Wade Bumgardner to adjourn. Seconded by Dwight Faulkner. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared
By _____
Keith Patrick

Respectfully Submitted
By _____
Mark O Davis, Secretary

Date Approved 8-13-2026

By: _____
Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

August 2026

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, August 13th, 2026, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Grant Treado, Wade Bumgardner, Dennis Faulkner, Dwight Faulkner, Mark Davis and Bobby Crowe.

Others present: Molly Hardy, Morris Vaughn, Melanie Rhodus, Lester Moore, Brendan Welch, Donnie Nix, Residents from Herrin Lane, Sam Reed and Keith Patrick.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Dwight Faulkner.

VISITORS

A representative of Herrin Lane residents spoke requesting a way forward on how to receive water and gave the history and issue of past attempts to receive water lines in their community. She also gave a handout of the demographics of possible future customers and explained that they were willing to purchase water meters. Joe Crawford explained that he has spoken with the county judge executive regarding possible grants. He gave past reasons for the denials of the grants and explained many were passed over because no one would purchase a water meter. He also explained the cost to the water association and that a grant would have to be specifically earmarked for the community.

Donnie Nix explained that he needed a water test valve moved because he was trying to complete a parking lot. After discussion, Morris explained that it would be possible to put the valve inside of Adam's grocery to check the water at the store, if it were approved by the division of water. Donnie stated he was OK with that as long as he could get his parking lot complete.

Sam Reed, a consultant with the Kentucky Rural Water Association, discussed the water loss of SEWA that has increased over the past few years. He explained a 9.9% rate increase plus a possible surcharge per meter that would be $1.18 for each customer. Mr. Reed suggested to do the rate increase by a vote and possibly add the surcharge to it. Joe Crawford asked about splitting the increase of the 9.9% rate between you 2 years as opposed to one increase. Sam suggested to ask the PSC if they could split the rate raise over 2 years. Miss Hardy, legal counsel, suggested that due to the timeline the Board needed to vote this evening since August 31st is the deadline. The Board discussed the surcharge with each member giving input. Motion made by Dwight Faulkner to increase the rate by 9.99% with no surcharge for the meters. Motion seconded by Dennis Faulkner. Motion ~~carried no opposition~~. One Person voted no. Mark Davis. motion carried.

Financial Report

Melanie Rhodus presented the Financial Report to the Board. Motion made by Mark Davis to accept the report as presented and authorize the accountants to pay the bills for the month. Motion seconded by Grant Treado. Motion passed without opposition.

Engineering Report

Brendan Welch reported the Highway 27 Project in Burnside is in service. Reported it is pushing 100 gallons a minute more, with increased pressure to the end user.

Davis Store Project: Brendan suggested moving the store meter to out front and gave a quick update on the project.

Brendan reported on the Sandy Gap Project. He reports the pump station is working, has electricity however it is leaking.

Brendan reported that he cannot find an electrical engineer for the Blue John and Keno projects.

Joe Crawford asked about the Outdoor Adventure buildings. Brendan stated he felt uncomfortable with the lifetime of the prefabbed buildings. They discussed the cost of the prefab buildings, the wind rating and design of the buildings. The Board also discussed possible 3D concrete buildings for the pump stations, The Board discussed the options of 1- 3D concrete building versus 1 prefab building. Mr. Crawford stated he was going to get with the Somerset Community College to discuss possibly printing the 3D buildings. Dwight Faulkner made a motion that Mr. Welch should exhaust all efforts to ensure the best design for the buildings based upon his engineering expertise. Motion seconded by Wade Bumgardner. Motion carried no opposition.

Grant Treado asked for a one-page water loss report to be included in future meeting packets.

Brendan Welch gave Joe Crawford and the Board the authorizing resolutions for Kentucky Water Monies for the Board Members signatures. Mr. Crawford inquired of the Board of any business disclosures/conflict of interest that any members may have with SEWA to complete/sign the Resolutions. The members, after consultation with Mrs. Hardy, signed the resolutions.

Motion made by Grant Treado to rescind the previous month's vote on purchasing the gates. Motion seconded by Mark Davis. Motion carried no opposition. Motion made by Grant Treado to purchase the automatic gate with the installation and 10 remotes for $9020.00. Motion seconded by Bobby Crow. Motion carried no opposition.

MINUTES

Motion made by Mark Davis to accept the minutes of Julys minutes with one correction. Seconded by Grant Treado. Motion carried, without opposition.

OLD BUSINESS

Grant Treado reported that he did complete the bid process on the two new trucks and the best offer was given by a business in Corbin. He reported both trucks are in and at a cheaper cost. He reported the beds are installed and are currently getting the electronics installed.

Morris reports the number 11 truck is at auction and is looking at 2 vendors to possibly purchase the pumps for the pump stations from.

Molly Hardy gave an update on the Hemphill case. She reports insurance has picked up on both claims. She also explained the process to possibly recover expenses depending on how this case moves forward.

Davis and Brewer Case: Mrs. Hardy reports that she has informed Mr. Friel of ongoing digging on both parcels of land.

Morris Vaughn asked regarding the sales tax exemption by ~~CWA~~ SE. Molly explained after investigation that SEWA is not exempt from sales tax.

Dwight Faulkner inquired as to what liberty the recently formed personnel committee has to move forward with hiring someone. Molly suggested to take a vote to expand the committee's authority. Motion made by Dwight Faulkner to expand the duties of an exploratory committee to be able to present an applicants and recruits for management positions. Motion seconded by Wade Bumgardner. Motion carried no opposition.

Motion made by Bobby Crow to go into executive session to discuss personnel and overtime. Motion seconded by Wade Bumgardner. Motion carried no opposition.

Motion made by Grant Treado to exit executive session. Seconded by mark Davis. Motion carried no opposition

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NEW BUSINESS

Mark Davis reported he has moved $25,000 into a ~~CD~~ LPL Account from Cumberland security bank in order to receive a higher interest rate.

Morris reports one truck has been sent to auction and another truck is currently having issues.

Joe Crawford explained to Morris that he needs to be the only employee at the meetings due to confidentiality purposes.

SEISD

Dwight Faulkner ask Morris regarding GPS information and locations after the most recent employee has left. Morris stated all was secure and working well.

Morris explained to Lester Moore to split the overtime up into a more equitable fashion.

Lester brought up the previous month's issue of 1 broken water meter that had frozen by customer James Taylor on 2800 Elrod Rd. After discussion the following motion was made. Motion made by Dennis Faulkner to replace the water meter with no cost to the customer. Seconded by Wade Bumgardner. Motion carried no opposition.

After discussion of replacing broken meters and issues with customers. Motion made by Grant Treado allow Morris the authority to decide when to replace meters. Seconded by Dennis Faulkner. Motion carried no opposition.

Motion made by Bobby Crowe to adjourn. Seconded by Dwight Faulkner. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared

By_____

Keith Patrick

Respectfully Submitted

By _____

Mark O Davis, Secretary

Date Approved 9-10-2026

By:_____

Joe Crawford, President

SOUTHEASTERN WATER ASSOCIATION

BOARD OF DIRECTORS

MINUTES

September 2026

The Board of Directors, Southeastern Water Association, met for its regular monthly meeting @ 5:30 PM, September 10th, 2026, at the Association's office, 6615 Highway 914, Somerset, KY. Board members present: Joe Crawford, Grant Treado, Wade Bumgardner, Dennis Faulkner, Dwight Faulkner, Mark Davis and Bobby Crowe.

Others present: Molly Hardy, Morris Vaughn, Melanie Rhodus, Brendan Welch, Marshall Todd, Two Residents from Herrin Lane, and Keith Patrick.

President Joe Crawford called the meeting to order and declared a quorum present.

The Invocation was given by Mark Davis.

VISITORS

2 representatives from Herrin Lane reported 5 water meters have been purchased, with the possibility of two more water meters to be purchased. Brendan reported to them he was getting estimates on engineering for possible water line placement. Joe Crawford explained to the representatives that those who purchased water meters would also need to have an easement granting access for the water line and explained how to do that.

Marshall Todd, Pulaski County, Judge Executive, explained to the Board that he was currently in talks with Congressman Hal Rogers in obtaining water grant monies for Pulaski County. He reported that he needed estimate packages for Herrin Lane and other roads that need water service or have requested water service, with a detailed cost analysis to submit to Congressman Rogers. He reported the estimates needed to be submitted to him by October 1st.

Financial Report

Melanie Rhodus presented the Financial Report to the Board. Motion made by Wade Bumgardner to accept the report as presented and authorize the accountants to pay the bills for the month. Motion seconded by Dwight Faulkner. Motion passed without opposition.

Engineering Report

Brendan Welch reports Hwy. 27 Project needs a PRV installed and is currently in talks of getting pavement to finish the project.

Sandy Gap Project is operational.

Keno and Blue John proposed buildings. He explained that he met with Outdoor Adventures and has consulted with other engineers regarding the buildings they fabricate. He the engineers felt comfortable with these prefab buildings and is looking at getting a gabled roof for them. He stated that if and when the buildings are installed, he wants Epperson electric to do the electrical.

Kentucky waters application and 39 project engineering have been submitted.

Brendan explained that he has looked Herrin Lane and Bolton Hollow Road for engineering estimates.

The Board with Brendan discussed project options for including into the packet for submission to Congressman Rogers for water expansion.

He explained that he has received an invoice for the pump station for the Sandy Gap Project and it was approximately $9000.

MINUTES

Motion made by Mark Davis to accept the minutes of Augusts minutes with one correction that reflected a no vote by him on the increase in the rates. Seconded by Dennis Faulkner. Motion carried, without opposition.

OLD BUSINESS

Melanie Rhodus reported to the Board that the old depreciation reserve account should be closed and move to another account or CD with a better interest rate.

Grant Treado reported that he had met with Donnie Nicks in person and explained that there had been some miscommunication, but after discussion with Mr. Nix the issue with the water test valve relocation was resolved

Morris Vaughn Reported that one truck has been sold.

Morris reported that he was having problems finding pumps and motors to stock for future use.

Morris reported to the Board that it was time to send a letter to the company to not renew the current uniform contract. The Board discussed options such as buying shirts for employees to wear and maintain themselves. The Board also discussed proper enforcement of dress policy by employees. Motion made by Mark Davis to authorize Molly Hardy to send a letter to the current uniform vendor to start the process to cancel the uniform contract. Motion seconded by Grant Treado. Motion carried no opposition.

Motion presented by Grant Treado to put a policy in place where employees wear shirts, long pants and to be given a boot allowance. Motion failed due to not having a second.

Molly Hardy reported the rate case has been officially filed with a Case # 2026 – 00233.

Molly Hardy explained with the adoption of the water line extension agreement and the facilities relocation agreement that SEWA needed some ancillary documents to be included with them. Number one was a Policy #2 form letter. Miss Hardy handed out both documents to members of the Board explain the process of what to do with a policy and form letter when giving them to the customers. Motion made by Dennis Faulkner to accept the documents as presented. Motion seconded by Grant Treado. Motion carried no opposition.

Hemphill Case. Mrs. Hardy explained he has filed an amended complaint and explained she hopes the case may go to Pulaski Circuit Court.

Davis and Brewer Case: Mrs. Hardy explained that a trial date has been set for July 12th 2027, for a 7 day trial. She explained the process of going forward and thinks it will be a bench trial.

NEW BUSINESS

Morris explained to the Board that collectors on the tanks were giving trouble and the parts on them are obsolete. He explained that if they could find the parts SEWA may have to stockpile them or go to another collector system. The Board discussed tech issues with the collectors and the reporting problems. Dwight Faulkner showed an example of a collector that had been damaged to the Board. Morris was told to call Kamstrup the next day to seek a solution to the problem.

Insurance: The Board discussed insurance renewal, with Joe Crawford recusing himself from any discussion and allowing Molly Hardy to chair the meeting. Morris explained the insurance has increased from $95,000 from last year up to $105,059 dollars for the current year. Motion made by Dennis Faulkner to accept the bid for insurance for the upcoming year. Wade Bumgardner seconded the motion. Motion carried no opposition. At this time Mrs. Hardy turned the meeting over to Joe Crawford.

Morris Vaughn explained current water loss and reports a 24% water loss the previous month. The Board then discussed ways to reduce water loss by installing water jetties for each station with a water flow meter and test valves for measuring differences. The Board discussed possibly installing new lines if granted by monies by the federal government. The Board also discussed the cost of water being lost per month. Morris explained to the Board what he has done recently to slow the water loss, however he still feels it is in the jetting issues. The Board also discussed zone meters and would need 15 to 20 and to develop a pit to install them. Dwight Faulkner also discussed with the Board to not place one project into the packets for submission to the county judge due to the cost of flushing lines.

Motion made by Dennis Faulkner to purchase 15 zone meters. Seconded by Grant Treado. Motion carried, no opposition. After discussion, Dennis Faulkner made motion to rescind previous motion. Seconded by Grant Treado. Motion carried no opposition.

After further discussion on the issue by the Board. Motion made by Dennis Faulkner to purchase 2-3 zone water meters at a time and have them installed at Morris's discretion. Motion seconded by Grant Treado. Motion carried no opposition.

Dwight Faulkner inquired regarding personnel and their possible lack of concern regarding water loss. The Board discussed employees, doing their jobs, and the chain of command between employees, management and the Board. The Board discussed developing a position with a title in a field outside the manager's position with the possibility of paid insurance. Molly Hardy supported developing a title for this purpose. Mark Davis made motion to enter executive session. Motion failed due to lack of a second.

Morris reported the SEWA has recently completed 2 inspections by the state he reports that inspection s were positive, except for the water loss issue on the PSC inspection.

Motion made by Dennis Faulkner to adjourn. Seconded by Dwight Faulkner. Motion carried without opposition. Meeting Adjourned.

Minutes Prepared
By _____
Keith Patrick

Respectfully Submitted
By _____
Mark O Davis, Secretary

Date Approved 10/8/2026

By: _____
Joe Crawford, President