

**MINUTES OF THE
HARDIN COUNTY WATER DISTRICT NO. 2
BOARD OF COMMISSIONERS' MEETING
October 17, 2017**

The Board of Commissioners of Hardin County Water District No. 2 held its regular monthly meeting on October 17, 2017 at 4:00 p.m. at the Reesor Customer Service Center, 360 Ring Road, Elizabethtown, Kentucky. Present were Commissioners Mike Bell, Tim Davis, John Effinger, Morris L. Miller, and Cordell Tabb. Also present were General Manager James R. Jeffries, Scott Clark, Amber Pike, Shaun Youravich, Damon Talley, Mark Sneve, and Brandon Hamilton. Chairman Bell declared that a quorum was present and called the meeting to order.

VISITORS

No visitors were present.

SPECIAL RECOGNITION

Chairman Bell announced that Paul Goncher was retiring from the District on October 26, 2017 after 27 years of service as a District employee. The Commissioners congratulated Mr. Goncher and expressed their appreciation for his dedicated and valuable service. Mr. Goncher graciously accepted their thanks.

MINUTES & FINANCIAL REPORT

The Minutes of the September 19, 2017 meeting were reviewed. Motion was made by Commissioner Miller and seconded by Commissioner Effinger to approve the Minutes as prepared. Motion carried unanimously.

The Financial Report for the month of September was reviewed. Motion was made by Commissioner Tabb and seconded by Commissioner Effinger to accept the Financial Report as presented and to authorize payment of the bills that are due and payable at this time. Motion carried unanimously.

REPORTS

1. **Engineering Reports.** Brandon Hamilton and Shaun Youravich presented the engineering report for water. Mark Sneve presented the engineering report for wastewater.
 - A. **Engineering Reports – Water.** Brandon Hamilton presented an update on the status of the White Mills WTP Rehab Project. Bids were received for this Project on October 12, 2017 (**see Old Business Item 1 for Board Action**). Shaun Youravich presented status reports on various water projects
 - B. **Engineering Reports – Wastewater – Nolin River Watershed.** Mark Sneve presented a status report on the Nolin River Watershed Wastewater Project. He also distributed copies of his firm’s Recommendation of Award Letters for each of the four (4) contracts (**see Old Business Item 2 for Board Action**).
2. **Departmental Reports.** General Manager Jeffries presented the Departmental Reports.

OLD BUSINESS

1. **White Mills WTP Rehab Project.** The Commissioners reviewed the Final Engineering Report for the White Mills WTP Rehab Project, which includes the Bid Tabulations and the Engineer’s Recommendation of Award Letters for the two (2) contracts, which comprise the Project. Upon recommendation of Kenvirons and District Staff, motion was made by Commissioner Tabb and seconded by Commissioner Miller to take the following actions:
 - (a) To declare the bid submitted by Horizon Brothers in the amount of \$1,571,688.00 for Contract 28 – Interior Painting for the White Mills WTP Rehab Project to be the lowest and best bid for Contract 28;
 - (b) To award Contract 28 – Interior Painting for the White Mills WTP Rehab Project to Horizon Brothers;

- (c) To declare the bid submitted by Pace Contracting in the amount of \$297,000.00 for Contract 29 – Filters and Loading Dock Repairs for the White Mills WTP Rehab Project to be the lowest and best bid for Contract 29;
- (d) To award Contract 29 – Filters and Loading Dock Repairs for the White Mills WTP Rehab Project to Pace Contracting; and
- (e) To authorize the Chairman and, in the Chairman's absence, General Manager Jeffries to execute the Notice of Award, Notice to Proceed, Agreement, Pay Requests, and other contract documents concerning these Projects (only one signature required).

Motion carried unanimously.

2. Nolin Wastewater Project. Mark Sneve presented the Bid Tabulations for the four (4) contracts, which comprise the Nolin Watershed Wastewater Project. He also presented his firm's Recommendation of Award Letters for each of the four (4) contracts. District Staff and Mark Sneve then provided detailed information concerning their investigations into the financial condition of the apparent low bidders, previous projects similar to the Nolin Wastewater Project performed by the apparent low bidders, and other matters concerning the qualifications of the apparent low bidders. The Commissioners then reviewed the draft Resolution prepared by Attorney Talley for each of the four (4) contracts. The Commissioners then took the following actions:

- (a) Motion was made by Commissioner Effinger and seconded by Commissioner Tabb to adopt Resolution No. 2017-10-01, which awards Contract 1-2017 – Pump Stations to Cumberland Pipeline, LLC. Motion carried unanimously.
- (b) Motion was made by Commissioner Effinger and seconded by Commissioner Tabb to adopt Resolution No. 2017-10-02, which awards Contract 2-2017 – Force Mains to Cumberland Pipeline, LLC. Motion carried unanimously.
- (c) Motion was made by Commissioner Tabb and seconded by Commissioner Miller to adopt Resolution No. 2017-10-03, which awards

Contract 3-2017 – Glendale Gravity Sewers to Norris Bros Excavating, LLC. Motion carried unanimously.

(d) Motion was made by Commissioner Effinger and seconded by Commissioner Tabb to adopt Resolution No. 2017-10-04, which awards Contract 4-2017 – Interchange Area Work to Twin States Utilities & Excavation, Inc. Motion carried unanimously.

3. Nolin Wastewater Accounting Matters. Pursuant to the directions provided by the Board at its September 19, 2017 meeting, General Manager Jeffries presented a draft Promissory Note to document the \$500,000.00 borrowed by the District's Sewer Division from the District's Water Division. Motion was made by Commissioner Miller and seconded by Commissioner Effinger to approve the draft Promissory Note prepared by District Staff, subject to some minor technical changes to be made by Attorney Talley, and to authorize Chairman Bell to execute the Promissory Note on behalf of the District. Motion carried unanimously.

NEW BUSINESS

1. CSX Railroad Crossing Permits. General Manager Jeffries reported that the City of Elizabethtown has recently discovered a CSX Railroad Crossing Permit concerning a raw water line. This Permit should have been assigned to the District, along with the numerous other permits that were assigned, on October 31, 2014 when the District acquired Elizabethtown's water system assets. CSX proposes to charge a fee of \$1,000.00 for assigning the Permit at this time. Following discussion, no action was taken.

2. Brenntag Pricing Change. Shaun Youravich presented a price increase request from Brenntag for sodium hydroxide used at the Water Treatment Plants. The unprecedented disruption caused by Hurricane Harvey to the chemical industry located in Texas is the reason for the price increase. The current price is \$0.087 per pound. The requested increase is \$0.025 per pound. The new price will be \$0.112 per pound. Upon recommendation of District Staff and the need to ensure the continued delivery of sodium hydroxide, motion was made by Commissioner Miller and seconded by Commissioner Effinger to accept Brenntag's price increase. Motion carried unanimously.

3. Executive Session. Motion was made by Commissioner Tabb and seconded by Commissioner Effinger to go into Executive Session to discuss real property acquisitions, pending litigation, potential litigation, and personnel matters involving one or more specific employees. Motion carried unanimously.

*** * * EXECUTIVE SESSION DISCUSSION * * ***

Motion was made by Commissioner Miller and seconded by Commissioner Tabb to return to open session. Motion carried unanimously. Chairman Bell announced that it would be necessary to take action at this time concerning one of the matters discussed during the Executive Session.

4. Crain Eminent Domain Lawsuit. Upon recommendation of Attorneys Royse and Talley, motion was made by Commissioner Tabb and seconded by Commissioner Effinger to accept the proposed settlement offer made by Mr. and Mrs. Crain. Motion carried unanimously.

ADJOURNMENT

There being no further business to come before the meeting, motion was made by Commissioner Davis and seconded by Commissioner Tabb to adjourn the meeting. Motion carried unanimously.

HARDIN COUNTY WATER DISTRICT NO. 2

BY: _____
Morris L. Miller, Secretary

Date Approved: _____

BY: _____
Michael L. Bell, Chairman