

September 18, 1997

A special meeting of the Northern Kentucky Water Service District was held on September 18, 1997 at 5:30 p.m. at the Edgewood office. All commissioners were present, as were Mr. Willaman and Mr. Barrow.

Mr. Dave Malone from Peck, Shaffer & Williams was present and presented to the Board two resolutions to authorize the advertisement and issuance of a proposed bond issue. On motion of Mr. Hatfield, seconded by Mr. Keeney, the Board unanimously approved a resolution to authorize advertisement of the bonds. On motion of Ms. Almoslechner, seconded by Mr. Veatch, the Board unanimously approved a resolution to authorize the issuance of the bonds for approximately \$11,240,000.

After discussion, the Board requested Mr. Willaman and Mr. Barrow to prepare a study which will examine the available funds for capital projects based upon projected annual rates. In connection with this matter, Mr. Barrow also stated that he will investigate the cost of an outside study of the cost of service to be performed approximately every three years by a private firm.

The Board discussed the development of a plan for the retention of individuals and firms that provide professional services. Mr. Willaman and Mr. Barrow were requested to recommend a procedure for evaluating and retaining professional service providers at the next Board meeting.

The Board requested that Mr. Pangburn, new counsel for the District, be requested to discuss at the next Board meeting the roles he and Mr. Bridges will fill in representing the District and the rates and procedures for their compensation.

The Board discussed the responsibilities and authority of the General Manager. Mr. Willaman and Mr. Barrow were requested to provide a report at the next Board meeting which sets forth the number of full time, part time, and temporary employees of the District, both at the time of merger and presently, as well as the District's employment plans and projections. The Board also discussed the General Manager's draft authority and agreed that it remain at \$10,000.00.

The Board discussed general issues regarding the expansion of the District into other areas of Kenton and Campbell Counties. After a brief discussion of a possible future merger with Sanitation District No. 1, the Board requested that Mr. Pangburn be asked to research what change, if any, in the Public Service Commission's regulation of the District would occur if the District merged with Sanitation District No. 1.

The Board briefly discussed the need to consider a possible reorganization of the top management of the District if the District experiences any additional, significant growth.

The Board generally discussed the importance of water conservation. Mr. Hatfield suggested that Dr. Sommerkamp and Mr. Willaman periodically meet with

representatives of the Louisville and Lexington water districts to discuss issues of common concern.

There being no further business to be brought before the Board, the meeting was adjourned. The next regularly scheduled meeting of the District is at 3:00 p.m. on October 15, 1997.