

September 15, 1998

A regular meeting of the Board of Commissioners of the Northern Kentucky Water Service District was held on September 15, 1998 at the Aqua Drive office. All Commissioners were present with the exception of Ms. Almoslechner. Also present were Mr. Willaman, Mr. Barrow, Mr. Pangburn, members of the District staff and Mr. Richard Spoor of the law firm of Taft, Stettinius & Hollister LLP.

Dr. Sommerkamp called the meeting to order. On motion of Mr. Veatch, seconded by Mr. Hatfield, the Board unanimously approved the minutes of the meeting held on August 18, 1998.

The Board reviewed correspondence received by the District during the month of August 1998 and also discussed measures being taken to ensure that the District's systems are year 2000 compliant.

Mr. Spoor presented the status of the proposed issuance of \$33,645,000 in District revenue and refunding bonds. After discussion, and on motion of Mr. Veatch, seconded by Mr. Hemmer, the Board unanimously approved the proposed sale of the bonds if investigation indicates that such a sale is permissible and the cancellation of the proposed offering and the rebidding of a smaller amount of approximately \$11,500,000 if investigation indicates that the originally proposed sale should not go forward.

The Board reviewed the status of the main replacement schedule and current and future projects.

Mr. Harrison of the District staff presented a proposed change order to the Highland Pike (Reeves to Werner) water main project which would increase the size of the project to allow for better coordination with impending Kentucky Department of Transportation ditch work. On motion of Mr. Hatfield, seconded by Mr. Veatch, the Board unanimously approved the proposed change order.

The Board reviewed a proposal by the City of Wilder for the District and the City to share equally in the cost of an upgrade from an 8 inch to a 12 inch water main from John's Hill Road to Steffen Road in conjunction with the Kentucky Department of Transportation Route 9 project. The upgrade costs are estimated to not exceed \$150,000. On motion of Mr. Hatfield, seconded by Mr. Keeney, the Board unanimously approved the District's participation in the project on a 50% basis with the City of Wilder.

The Board reviewed the bids received on the Licking Pike water main project. After review, and on motion of Mr. Hatfield, seconded by Mr. Veatch, the Board unanimously approved the rejection of all 8 inch bids and the awarding of a contract for a 12 inch project to Paul Rack Excavating as the lowest bidder.

The Board reviewed the bids received for a reading management system. On motion of Mr. Keeney, seconded by Mr. Veatch, the Board unanimously approved the award of a contract to Sensus Technologies as the lowest bidder to submit a conforming bid.

Mr. Harrison presented a report on the Subdistrict D project and also requested authority from the Board to solicit alternative bids for a 12 inch and 16 inch main for approximately 21,000 feet of Kentucky Route 17 adjacent to the Subdistrict C project. The Board approved the request. At the suggestion of Mr. Willaman, the Board established a committee for the Subdistrict E project consisting of Dr. Sommerkamp and Mr. Hatfield.

The Board reviewed the PSC order of September 4, 1998 which approved, with some revision, a new mainline extension policy.

Dr. Sommerkamp volunteered to serve on a long-range planning committee to evaluate new regulatory requirements.

After review, and on motion of Mr. Veatch, seconded by Mr. Hemmer, the Board unanimously approved the expenditures of the District for the month of August 1998.

Mr. Willaman presented a proposed Supplemental Agreement with CSX Transportation to substitute one lump sum payment for several recurring license fees for various pipeline crossing agreements. On motion of Mr. Hemmer, seconded by Mr. Veatch, the Board unanimously approved the entry of the Supplemental Agreement and authorized Mr. Willaman to execute the Agreement on behalf of the District.

On motion of Mr. Hatfield, seconded by Mr. Hemmer, the Board unanimously agreed to go into Executive Session under the provisions of KRS 61.810(1)(c) to discuss proposed and pending litigation.

The Board returned to open session. Other business of a general nature was discussed.

Dr. Sommerkamp announced that the next regular meeting of the Board will take place on Tuesday, October 20, 1998, at the Aqua Drive office. There being no further business to come before the Board, the meeting was adjourned.