

March 21, 2000

A regular meeting of the Board of Commissioners of the Northern Kentucky Water Service District was held on March 21, 2000 at the Aqua Drive office. All Commissioners were present with the exception of Mr. Jackson and Dr. Sommerkamp. Also present were Mr. Barrow, members of the District staff and Mr. Pangburn.

Mr. Veatch called the meeting to order.

After review and on motion of Ms. Almoslechner, seconded by Mr. Koester, the Board unanimously approved the minutes for the regular meeting held on February 15, 2000. The Board reviewed correspondence received by the District since the last regular meeting.

Mr. Terrell Ross of Ross, Sinclaire & Associates presented a report on Debt Service Reserve Fund Investments, a proposed Investment Policy for the District, a proposed resolution for consideration by the Board which would authorize the investment of funds in the Kentucky Cooperative Liquid Assets Securities System, and a forecasting proforma. On motion of Mr. Hemmer, seconded by Mr. Koester, the Board unanimously approved Mr. Ross' recommended option of bidding out one investment agreement, as described in the report on Debt Service Reserve Fund Investments. On motion of Ms. Almoslechner, seconded by Mr. Koester, the Board unanimously approved and adopted the Investment Policy proposed by Mr. Ross. The Board also discussed a likely bond issue in the amount of \$15 million in the Fall of 2000.

Mr. Philip Ciafardini, City Manager of the City of Newport, presented a proposed rate increase for water purchased by the District from the City of Newport.

Mr. James Sparrow of Rankin, Rankin & Co. presented the final draft of the 1999 Auditor's Report relating to the District.

Mr. Barrow presented a brief financial review of the District. The Board reviewed current and future projects.

Mr. Harrison of the District staff presented bids received for the four phases of the Subdistrict D project. After review and on motion of Mr. Koester, seconded by Mr. Veatch, the Board unanimously agreed to award Phase 1 to Hartig Company, Phase 2 to Southeastern Contractors, Phase 3 to Hartig Company and Phase 4 to Destel Construction Company, in each case, the lowest bidder.

The Board reviewed bids received for the Kentucky Route 17 project between Harvest Hills Drive and Pelly Road. On motion of Ms. Almoslechner, seconded by Mr. Hemmer, the Board unanimously agreed to award the project to Paul Rack Excavating, the lowest bidder.

The Board reviewed bids received for new water service installations. Mr. Harrison informed the Board that S.H. & B. Construction, the lowest bidder, had withdrawn its bid. After discussion and on motion of Mr. Koester, seconded by Mr. Hemmer, the Board unanimously agreed to award the contract to Jack Gemmer & Sons, the next lowest bidder.

The Board reviewed bids received for ruggedized notebook computers. On motion of Ms. Almoslechner, seconded by Mr. Koester, the Board unanimously agreed to award the contract for nine computers to Pomeroy Computer Resources, the lowest bidder.

The Board reviewed a proposed Change Order to the R. E. Huber Construction Company contract for Phase 2 of the Subdistrict C project.

After review and on motion of Mr. Veatch, seconded by Ms. Almoslechner, the Board unanimously approved the change order. After review and on motion of Ms. Almoslechner, seconded by Mr. Hemmer, the Board unanimously approved a request from the Northern Kentucky Area Planning Commission for funds in the amount of \$23,040 for the performance of quality control on the Campbell County base maps.

The Board reviewed bids received for groundskeeping service. On motion of Ms. Almoslechner, seconded by Mr. Veatch, the Board unanimously agreed to award the contract to Merkel Lawn Care Co., Inc., the lowest bidder.

Mr. Gabbard of the District staff presented bids received for the painting of the old and new Dudley Tanks. On motion of Mr. Koester, seconded by Mr. Veatch, the Board unanimously awarded the contract for the painting of the two tanks to Loft Painting Co., the lowest bidder.

The Board reviewed bids received for a security fence at the Ft. Thomas Treatment Plant. On motion of Ms. Almoslechner, seconded by Mr. Hemmer, the Board unanimously agreed to award the contract to Mills Fence Co., Inc., the lowest bidder.

Ms. Joslyn of the District staff presented an overview of the District's participation in the Home Products Expo in February 2000. Ms. Joslyn also presented a Tour Video which the Board viewed.

After review and on motion of Mr. Koester, seconded by Mr. Hemmer, the Board unanimously approved a change order to its contract with Reynolds, Inc. for the demolition of the old laboratory at the Ft. Thomas Treatment Plant.

Mr. Lofland of the District staff presented the need of the District for an additional employee in the meter reading staff. After discussion and on motion of Mr. Veatch, seconded by Ms. Almoslechner, the Board unanimously approved the hiring of an additional employee for the meter reading staff.

The Board reviewed bids received for the installation of Advanced Automatic Meter Reading Systems. On motion of Mr. Hemmer, seconded by Mr. Koester, the Board unanimously agreed to award the contract to Neptune Equipment Company, the lowest bidder.

Mr. Lofland presented a pamphlet that will be utilized by the District to inform its customers of the new water bill format. After discussion and on motion of Mr. Veatch, seconded by Mr. Koester, the Board unanimously agreed to authorize the placement of appropriate newspaper advertisements to inform District customers of the new format.

The Board reviewed a proposed Payment and Tolling Agreement with the Brookwood Swim and Tennis Club, Inc. to address the Club's arrearage in water payments. On motion of Mr. Hemmer, seconded by Ms. Almoslechner, the Board unanimously approved the entry of the Agreement.

Mr. Barrow presented proposals received for the performance of a cost of service study. On motion of Mr. Hemmer, seconded by Ms. Almoslechner, the Board unanimously agreed to retain the firm of Kenvirons for the performance of the study.

Mr. Scott Sheppard of the District staff presented bids received by the District for cellular phone service. After review and on motion of Mr. Hemmer, seconded by Ms. Almoslechner, the Board unanimously agreed to award the contract to AirTouch, the lowest bidder.

The Board reviewed the District Safety Report and Department Reports.

Mr. Barrow presented a proposal for the District to participate in an informational pamphlet to be distributed in Kenton County which will describe government services. On motion of Mr. Veatch, seconded by Mr. Koester, the Board unanimously agreed to authorize the District's participation in the informational pamphlet.

After review and on motion of Mr. Hemmer, seconded by Ms. Almoslechner, the Board unanimously approved the expenditures of the District since the last Board meeting.

Other business of a general nature was discussed.

There being no further business to come before the Board, the meeting was adjourned.

March 23, 2000

A special meeting of the Board of Commissioners of the Northern Kentucky Water Service District was held on March 23, 2000 at the Aqua Drive office. All Commissioners were present with the exception of Mr. Jackson and Dr. Sommerkamp. Also present were Mr. Barrow and Mr. Pangburn.

Mr. Veatch called the meeting to order. The Board reviewed a proposed rate increase by the City of Newport. After discussion and on motion of Ms. Almoslechner, seconded by Mr. Koester, the Board unanimously agreed to accept a new water rate of \$1.10 per 1,000 gallons for the service option currently used by the District under its Water Supply Contract with the City of Newport, provided that the City of Newport covenants and agrees not to increase the new rate for a period of at least three (3) years after its effective date. The Board further authorized the Acting General Manager to execute any and all documents necessary to carry out its acceptance of the new rate as described above.

There being no further business to come before the Board, the meeting was adjourned.