

A regular meeting of the Board of Commissioners of the Northern Kentucky Water District was held on August 19, 2003 at the District's Aqua Drive office. All Commissioners were present. Also present were Mr. Lovan, members of the District staff, Mr. Spoor and those listed on the sign in sheets attached.

Mr. Koester called the meeting to order.

At the request of Mr. Koester, Ms. Mary Brown, Mayor of Fort Thomas, led those in attendance in the Pledge of Allegiance.

The Board reviewed correspondence received and news articles published since the last regular meeting.

The Board received comments from Ft. Thomas City Administrator Jeff Earlywine, Mayor Brown, Mr. Drees, Attorney Phil Taliaferro, Mr. Trauth, Mr. Shurr, Mr. Vardiman, Mr. Puthoff, Mr. Bittner, Ms. Masters, Mr. Schroer, Mr. Gorman, Mr. Galbert, Mr. Haas, Ms. Davis and Mr. Casey regarding security issues at the Fort Thomas Treatment Plant.

Ms. Joslyn of the District staff reviewed the background relating to and presented bids received for security fencing at the Fort Thomas Treatment plant.

On motion of Mr. Wagner, seconded by Dr. Sommerkamp, the Board unanimously agreed to go into executive session under the provisions of KRS 61.810 (1) (c) to discuss proposed litigation against the District regarding the possible erection of security fencing at the Fort Thomas Treatment Plant.

The Board returned to open session.

On motion of Mr. Wagner, seconded by Dr. Sommerkamp, the Board unanimously approved a perimeter fence at the Fort Thomas Treatment plant. Furthermore, the Board directed staff to work with the Board of Commissioners of the Northern Kentucky Water District, with input from the City of Fort Thomas and residents in the affected area, to make reasonable adjustments to the fence alignment. The Board rejected all bids for security fencing dated July 31, 2003. Finally the Board of Commissioners awarded the bid for fencing dated August 19, 2003 to Mills Fence Company, Inc. for the lowest compliant bid for alternative "A": Industrial strength aluminum fence.

After review and on motion of Mr. Wagner, seconded by Mr. Hemmer, the Board unanimously approved the minutes for the regular meeting held on July 15, 2003.

After review and on motion of Mr. Hemmer, seconded by Dr. Sommerkamp, the Board unanimously approved the expenditures of the District for the month of July, 2003.

Mr. Dierig of the District staff presented the bids received for the Independence Tank Painting. After review and on motion of Mr. Hemmer, seconded by Mr. Jackson, the

Board unanimously agreed to authorize staff to enter into a contract with Aaron Contractors.

Mr. Harrison of the District staff presented proposed engineering services to perform the Water Main Replacement along Clover Ridge Avenue, Rossford Avenue and Covert Run Pike in the City of Fort Thomas. After review and on motion of Mr. Wagner, seconded by Mr. Hemmer, the Board unanimously agreed to engage Jones & Henry to design the project.

Mr. Barrow of the District staff presented a petition for a rate adjustment by the District as required by the Public Service Commission order 2002-0105, dated April 30, 2003, and to issue bonds in the estimated amount of \$10,455,000 for needed capital projects and to unify the rates in the Newport service area as requested by the Public Service Commission. After review and on motion of Mr. Wagner, seconded by Dr. Sommerkamp, the Board unanimously agreed to authorize the Chairman to sign the rate adjustment petition to the Public Service Commission and execute other documents necessary for the rate case process, including the required Bond Resolution for the projects contained in the petition.

The Board reviewed the District finance reports and Department reports.

Other matters of a general nature were discussed.

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