

**Northern Kentucky Water District
Board of Commissioners Meeting
November 20, 2008**

A regular meeting of the Board of Commissioners of the Northern Kentucky Water District was held on November 20, 2008 at the District's facility located at 2835 Crescent Springs Road in Erlanger, Kentucky. All Commissioners except Commissioner Jackson were present. Also present were Ron Lovan, Bari Joslyn, Richard Harrison, Mark Lofland, Jack Bragg, Bob Buhrlage, Bill Wulfeck, Don Gibson, Jim Dierig, Melissa Bielo, Colleen Medert, Debbie Kircher, Lori Simpson, Sherril Cook, Joan Verax, Greg Deimling, Pam Gossitt, Christopher Fralick and Charles Pangburn.

Commissioner Macke called the meeting to order.

Ms. Verax of the District staff led those in attendance in the Pledge of Allegiance.

Ms. Medert, Ms. Kircher, Ms. Simpson, Ms. Cook and Ms. Bielo, all of the District staff, presented an update to the Board on the District's education and communication efforts.

Ms. Verax of the District staff presented to the Board the Association of Metropolitan Water Agencies 2008 Platinum Award recently awarded to the District.

The Board reviewed correspondence received and articles published since the last regular Board meeting on October 16, 2008.

On motion of Commissioner Koester, seconded by Commissioner Wagner, the Commissioners present unanimously approved the minutes for the regular Board meeting held on October 16, 2008.

On motion of Commissioner Sommerkamp, seconded by Commissioner Collins, and after discussion, the Commissioners present unanimously approved the expenditures of the District for the month of October, 2008.

On motion of Commissioner Wagner, seconded by Commissioner Collins, and after discussion, the Commissioners present unanimously agreed to award the Alexandria Pike Main Replacement project to Larry Smith Contractors and authorized the District staff to execute appropriate contract documents.

On motion of Commissioner Koester, seconded by Commissioner Sommerkamp, and after discussion, the Commissioners present unanimously approved a proposed Agreement with the City of Wilder for the Three Mile Road/Gibson Land Water Main Extension project, approved the award of the project to Bray Arnsperger Excavating and authorized the District staff to execute all appropriate contract documents.

Commissioner Jackson joined the meeting.

On motion of Commissioner Sommerkamp, seconded by Commissioner Wagner, and after discussion, the Board unanimously agreed to award the West Pike Street Water Main Replacement project to Hartman & Smith Contractors and authorized the District staff to execute appropriate contract documents.

On motion of Commissioner Collins, seconded by Commissioner Koester, and after discussion, the Board unanimously agreed to award contracts for the following water treatment chemicals to the vendors indicated for the periods indicated and authorized the District staff to execute appropriate contract documents.

50% Caustic Soda	JCI Jones Chemicals	12 months
23% Hydrofluorosilicic Acid	KC Industries, LLC	12 months
Corrosion Inhibitor (Bulk)	Pristine Water Solutions	6 months
Corrosion Inhibitor (Drums)	Pristine Water Solutions	6 months
Alum-Polymer Blend	SAL Chemical	6 months
Polyaluminum Chloride	Kemira Water Solutions, Inc.	12 months

On motion of Commissioner Wagner, seconded by Commissioner Sommerkamp, and after discussion, the Board unanimously agreed to award the Taylor Mill Clearwell Baffling Replacement project to Ameritcon Inc. and authorized the District staff to execute appropriate contract documents.

On motion of Commissioner Collins, seconded by Commissioner Koester, and after discussion, the Board unanimously agreed to accept a proposal from Charles H. Bilz Agency for Travelers property and liability coverage for the year 2009 with potential renewals for years 2010 and 2011.

On motion of Commissioner Koester, seconded by Commissioner Wagner, and after discussion, the Board unanimously agreed to retain the firm of JJ&G for value engineering of advanced processes at a cost not to exceed \$472,500.00 and authorized the District staff to execute appropriate contract documents.

The Board reviewed the District's financial reports and Department reports.

On motion of Commissioner Collins, seconded by Commissioner Wagner, the Board unanimously agreed to go into executive session under the provisions of KRS 61.810(1)(c) to discuss proposed or pending litigation against or on behalf of the District and to protect the District's legal interests and strategy in connection with such litigation.

The Board took a brief recess from executive session.

Mr. Pangburn departed the meeting.

The Board reconvened in executive session.

The Board returned to open session.

Mr. Pangburn returned to the meeting.

On motion of Commissioner Koester, seconded by Commissioner Macke, and after discussion, the Board unanimously approved the District staff's recommendation to appeal the Franklin Circuit Court's Opinion and Order of November 12, 2008 in the case of *Northern Kentucky Water District v. Public Service Commission, Crestbrook Properties, LLC and Greater Cincinnati Northern Kentucky Apartment Association*.

Commissioner Collins departed the meeting.

Mr. Bragg of the District staff and Mr. Fralick of the firm of King + Company PSC provided an update to the Board on the District's review of banking services.

On motion of Commissioner Sommerkamp, seconded by Commissioner Koester, and after discussion, the Commissioners present unanimously agreed to reject the proposals reviewed at the August 21, 2008 Board meeting for general banking services to allow the District to solicit new proposals that would permit diversification.

Other matters of a general nature were discussed.

On motion of Commissioner Wagner, seconded by Commissioner Jackson, the Commissioners present unanimously agreed to adjourn the meeting.

CHAIRMAN

SECRETARY