

**MINUTES OF THE
GRANT COUNTY SANITARY SEWER DISTRICT
SEPTEMBER 2021 MEETING**

The September 2021 Meeting of the Grant County Sanitary Sewer District was called to order on September 22, 2021, at 3:00 p.m. at the District Headquarters, One Farrell Drive, Crittenden, Kentucky. Present at the meeting were the following: Chairman Charles Givin, and Commissioners, Rodger Bingham, Danny Northcutt, Leo Saylor, and Robert Worthington. Also present were HR Director Ashley Dyer, Dianne Cook, Mr. Christopher Stewart and Mr. Benton Hanson of HMB Professional Engineers, Counsel Thomas R. Nienaber, Paul Harp, and Brian Simpson.

The first order of business was a review of the August 2021 Minutes as attached. After discussion, upon Motion of Leo Saylor and second by Robert Worthington, it was unanimously,

“RESOLVED: that the August 2021 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the August 2021 Profit and Loss Statement and Warrants as attached. After discussion, upon motion of Rodger Bingham and second by Danny Northcutt, it was unanimously,

“RESOLVED: that the August 2021 Profit and Loss Statement and Warrants, be and the same are hereby approved as attached.”

The next order of business was a report by Counsel Thomas R. Nienaber as follows:

1. Mr. Nienaber gave a report on the status of the EQ Project. Benton Hanson reported that the bid opening is currently scheduled for September 30, 2021, at 11:00 a.m. Mr. Hanson expects to receive 4 or 5 bids. Mr. Hanson reported that he is receiving inquiries from various contractors as to whether or not the District would consider adjusting the contract price after construction is commenced if a successful contractor incurs significant increases in material costs. Mr. Hanson stated that some of the bidders have suggested that their material suppliers are quoting prices for materials with a caveat that if a price increase is incurred subsequent to the initial quote, that additional cost would be passed onto the contractor. Mr. Nienaber stated that the original bid package does not require the District to allow a successful contractor to pass on that additional cost to the District. Mr. Nienaber also cautioned Mr. Hanson that any inquiries seeking “price relief” from potential bidders should not be addressed prior to the bid opening. Addressing such inquiries prior to the bid opening could give one contractor an advantage over another and put into question the bidding process. Mr. Nienaber stated that if a successful contractor does incur significant increases in materials after the contract is awarded, it would be within the discretion of the District to allow that price increase to be passed

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onto the District through additional compensation to the contractor. Mr. Nienaber also indicated that giving a successful contractor leeway in passing on price increases could be very problematic to the District. For example, what constitutes a “substantial increase” in material costs? In addition, it should be the responsibility of the contractor to anticipate price increases in preparing his or her initial bid. Mr. Nienaber also commented that the EQ Project, for the most part, has two main material components being concrete and steel. The bidding contractors should consider that when preparing their bids. Mr. Nienaber also inquired as to whether or not a successful contractor would agree to lower their price for the EQ Project if material prices are reduced in cost? Probably not.

2. Mr. Nienaber presented to the District a new utility funding program being made available to utility services in Kentucky. This program is known as the CDBG – CV Coronavirus Response Grant Program (“CDBG”). This program makes funding available for utility customers who have delinquent utility bills. Utilities covered under this program include water, sewer, electric, and gas. Mr. Nienaber does not know if it covers telephone and internet service. Mr. Nienaber reviewed with the Commissioners his September 21, 2021 correspondence which outlines the program. Ashley Dyer also provided comment. Mr. Nienaber indicated that the positive thing about this program is that it is completely administered by the Northern Kentucky Community Action Commission (“NKCAC”). The District would not be required to determine customer eligibility or make a determination as to the amount of benefits due. That will be exclusively covered by NKCAC. After considerable discussion, upon motion of Robert Worthington and second by Leo Saylor, it was unanimously,

“RESOLVED: that the District participate in the CDBG - CV Coronavirus Response Grant Program. Ashley Dyer is hereby authorized to execute the CDBG – CV Utility Provider Certification (attached), and submit the executed copy to the appropriate governmental entities.”

3. Mr. Nienaber gave a report on the status of the Garrison litigation. Mr. Nienaber reviewed with the Commissioners the response to various discovery Requests submitted by Plaintiff’s counsel to the Bullock Pen Water District. Mr. Nienaber commented that he is still puzzled as to why the District has not been made a party to the overall litigation. Mr. Nienaber has scheduled a meeting with the insurance counsel on Wednesday, September 29, 2021 to review the status of the case and to prepare responses

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to the various discovery Requests. At that time, Mr. Nienaber will discuss the possibility of filing a Motion to Dismiss the Bullock Pen Water District.

4. Mr. Nienaber inquired as to the status of availability of Stimulus Funding. Mr. Stewart gave a full report. Currently, Senate Bill 36 has set aside \$250,000,000 for development projects. Of this sum, \$150,000,000 is allocated to Water & Sewer Projects only. The money is distributed to counties based on population. \$50,000,000 of the overall fund is earmarked for providing additional funding for base projects that do not have sufficient funds. The remaining \$50,000,000 is for waterline projects that generate new customer service. Mr. Stewart reported that the \$250,000,000 fund is administered by the Kentucky Infrastructure Authority (“KIA”). Based upon preliminary reports, it appears that Grant County will receive \$920,000.00.

These funds are to be distributed by the County through the NKADD. Utilities within a County will be given the opportunity to reach an amicable distribution of the County funding. If that is not possible, then the NKADD will make that decision. The Commissioners and Chairman Givin suggested that the District stay in constant contact with the NKADD (Mr. Jeffrey Burt) to express the District’s request for as much money as possible. Mr. Hanson reported that the District is already on the Agenda with Grant County. He also reported that project profiles have been submitted to NKADD for consideration. The deadline for utilities to submit project profiles is November 15, 2021. Superintendent Simpson reported that he has been communicated with Judge Executive Dills. No definitive word has been received as to how much funding the District will receive from Grant County. Mr. Nienaber suggested that the District appoint a “contact person” to serve as a liaison to the NKADD. After discussion, it was decided that Brian Simpson serve in that capacity.

5. Mr. Nienaber inquired as to the status of the new website. Ashley Dyer reported that a preliminary draft of the website has been completed. She shared that with the Commissioners. Mr. Nienaber recommended that copies of the website be sent to all Commissioners for their review and comment. Ashley Dyer reported that she intends to make a few minor modifications to the website over the next couple of weeks or so. Ashley Dyer reported that she would keep the Commissioners updated as to any changes.

The next order of business was a report by HMB Professional Engineers, Inc., Mr. Benton Hanson and Mr. Christopher Stewart as follows:

1. See discussions above under Counsel Nienaber’s report.

The next order of business was a report by Superintendents Simpson and Harp as follows:

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1. Superintendent Simpson shared with the Commissioners his Superintendent Report as attached.
2. Paul Harp reported that the Division of Water conducted a thorough inspection of the District in September. He reported that the inspection went very well.
3. Paul Harp reported that the Waller Drive Lift Station electric panel has not yet been delivered. He is hopeful that the panel will be delivered in mid-October, 2021. Once it is received, installation should occur quickly.
4. Superintendent Simpson reported that he has spoken with representatives from the City of Crittenden regarding the availability of possible grant money for District Projects. Superintendent Simpson stated that the District will definitely need a new digester system in the foreseeable future. HMB Professional Engineering, Inc., has previously prepared a Project Profile and Cost Analysis for a Digester System as attached. The projected and estimated cost of a Digester System is approximately \$821,000.00 (see attached). Superintendent Catlett reported that the sanitary sewer treatment plant is currently operating at 82% capacity. If a new Digester System is installed, the District could lower its operating capacity to 68%. This would provide the District a considerable amount of room for expansion in production capacity. This increase would definitely benefit the City of Crittenden for future residential and commercial developments. It was recommended that Superintendent Simpson further negotiate with the City of Crittenden in order to obtain firm commitments for grant contributions on the part of the City of Crittenden. Superintendent Simpson should report at the next meeting.
5. Commissioner Saylor inquired as to whether or not the District is experiencing any problems in obtaining materials and parts in light of current issues facing shipping companies and the like. Superintendent Simpson stated that they are keeping a very close eye on the supply chain and to date there have been no significant problems.

The next order of business was a report by Dianne Cook as follows:

1. Ms. Cook reported that the next meeting is scheduled for October 21, 2021.

There being no further business to conduct, upon motion and second, the meeting was adjourned.

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BY: *Charles Givin*
CHARLES GIVIN, CHAIRMAN

ATTEST:
Danny Northcutt
DANNY NORTHCUTT, SECRETARY