

**MINUTES OF THE
GRANT COUNTY SANITARY SEWER DISTRICT
MAY 2023 MEETING**

The May 2023 Meeting of the Grant County Sanitary Sewer District was called to order on May 25, 2023, at 3:00 p.m. at the District Headquarters, One Farrell Drive, Crittenden, Kentucky. Present at the meeting were the following: Chairman Charles Givin, Vice-Chairman Robert Worthington and Commissioners, Michael Duley. Also present were HR Director Ashley Dyer, Dianne Cook, Counsel Thomas R. Nienaber, Mr. Benton Hanson of HMB Professional Engineers, Inc., and Superintendent Paul Harp. Commissioners Greg Powell and Rodger Bingham were absent.

The first order of business was a presentation by Chamberlin Owen PLLC, Mr. John Chamberlin to review the District's December 31, 2022 Annual Audit. Mr. Chamberlin shared with the District a copy of his proposed Audit Report as attached. Mr. Chamberlin reported that the Audit represents an unmodified opinion which is the highest level of assurance given. The financial statements presented fairly, in all material respects, the respective financial position of the District as of December 31, 2022. He stated that there are no matters involving internal control over financial reporting and operations which were considered to be significant deficiencies and/or material weaknesses in accordance with government auditing standards. He found no items of non-compliance with debt agreements, Kentucky Revised Statutes, and/or regulations. He reported that the District's cash comparison is in good shape. The District has approximately \$450,000.00 in cash money market accounts. This is a decrease of approximately \$113,000.00. Governmental entities should maintain a three month cash reserve to cover operating expenses. The District has adequate funds to meet that test. He reported that the current liabilities are very stable. Long term debt decreased \$74,000.00 in 2022. Revenues and expenses are narrowly approaching. There is only approximately \$14,760.00 in operating income over expenses. Chairman Givin reported that the District is in the later stages of a rate increase with the Public Service Commission. The Public Service Commission Staff recommended a 12.7% rate increase. A copy of Mr. Chamberlin's Audit Findings is attached. Overall, Mr. Chamberlin reported that the District is in solid financial shape. After the presentation, Chairman Givin requested all Commissioners to review the proposed Audit Report and be prepared to take final action at the next meeting.

The next order of business was a review of the April 2023 Minutes. After discussion, upon motion of Robert Worthington and second by Michael Duley, it was unanimously,

"RESOLVED: that the April 2023 Minutes be approved as attached."

The next order of business was a review of the April 2023 Profit and Loss Statement and Warrants as attached. After discussion, upon motion of Michael Duley and second by Robert Worthington, it was unanimously,

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“RESOLVED: that the April 2023 Profit and Loss Statement and Warrants be and the same are hereby approved as attached.”

Chairman Givin reported that he heard from Grant County Magistrate Roger Humphreys regarding the availability of grant monies. Magistrate Humphreys reported that he has contacted the Governor’s Office seeking grant monies for the District’s Wastewater Treatment Plant (“WWTP”) Project. Magistrate Humphreys is hopeful that some grant money will be available. Chairman Givin reported that he would keep everyone posted.

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

1. Mr. Nienaber reported that Chairman Givin, Paul Harp and he attended the Mediation regarding the Garrison litigation. Overall, Mr. Nienaber reported that the Mediation was a total waste of time. Apparently, none of the attorneys for the principal parties to the litigation were prepared. Chairman Givin reported that when the Mediation concluded, Plaintiff’s counsel was going to schedule a meeting with Division of Water Inspectors to meet at the dam site to assess the situation and try and determine exactly what needs to be done, what problems exist, and the source of those problems.
2. Mr. Nienaber reported on the status of the Rate Increase pending before the Public Service Commission. Mr. Nienaber reported that the District requested a 12.1% increase, and the PSC Staff Report recommended a 12.7% increase. Mr. Nienaber stated that he expects a final decision from the PSC sometime in late June, 2023.
3. Mr. Nienaber reported that the Retainer Agreement was forwarded to counsel in the PFAS litigation. No news has been received regarding the status of the litigation and/or any possible settlement.
4. Mr. Nienaber reported on the status of the District’s solid waste billing for the City of Crittenden. Chairman Givin reported the District sent notice to City of Crittenden Sanitary Sewer customers informing them that the District would no longer be collecting solid waste bills.

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

1. Mr. Hanson reported on the Wastewater Facilities Plan. He stated that the Facilities Plan was forwarded to the Division of Water (“DOW”) who made various comments. HMB responded to those comments. At this time, the District is in a position to schedule a public hearing as required under Kentucky Law. The Public Hearing must be held for the

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purpose of receiving comments and informing the general public as to the contents of the Facilities Plan. Mr. Hanson reported that the Public Hearing could be scheduled sometime in mid to late July, 2023. A venue for the Public Hearing was discussed. After discussion, it was recommended that the Public Hearing be conducted at the City of Crittenden building. Dianne Cook will check for date availability in mid to late July, 2023. Once the venue is confirmed, Mr. Hanson will prepare the necessary notices for publication to advertise the Public Hearing. Mr. Nienaber recommended that Chairman Givin, Paul Harp and counsel attend the Public Hearing. Anyone else desiring to do so is more than welcome. Mr. Nienaber requested that the Facilities Plan be placed on the District's website for access to the general public. Notice of the Public Hearing should also be placed on the District's website as well as being prominently displayed in the District's office. Mr. Hanson is going to take care of advertising the Public Hearing in local newspapers.

The next order of business was a report by Superintendent Paul Harp as follows:

1. Mr. Harp reported that the Division of Water has signed the Agreed Order. The \$5,000.00 fine was sent to the Division of Water. It was returned. The Division of Water stated that they are not yet prepared to accept the \$5,000.00 fine. Mr. Harp is working on a Corrective Action Plan which is due at the DOW by June 15, 2023.
2. Mr. Harp reviewed with the Commissioners his Superintendent's Report as attached.
3. Mr. Harp reported that the Public Service Commission conducted its annual inspection of the District. He reported that it went very well.

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

1. They reported that the next meeting has been scheduled for June 22, 2023. Ms. Cook is requested to make the appropriate notifications.
2. There being no further business to conduct, upon motion and second, the meeting was adjourned.

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BY: 
CHARLES GIVIN, CHAIRMAN

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ATTEST:



GREG POWELL, SECRETARY BY
ROBERT W. WORTHINGTON, JR., VICE-CHAIRMAN