

**MINUTES OF THE  
GRANT COUNTY SANITARY SEWER DISTRICT  
OCTOBER 2024 MEETING**

The October 2024 Meeting of the Grant County Sanitary Sewer District was called to order on October 23, 2024, at 3:00 p.m. at the District Headquarters, One Farrell Drive, Crittenden, Kentucky. Present at the meeting were the following: Chairman Charles Givin, Commissioners Rodger Bingham, Robert Worthington, Greg Powell and Michael Duley. Also present were HR Director Ashley Dyer, Dianne Cook, Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, and Superintendent Paul Harp.

Chairman Givin recognized a visitor, Mr. Daniel Doss, who reported that he was attending the meeting simply to observe.

The first order of business was a review of the District's September 2024 Minutes. After discussion, upon motion of Robert Worthington and second by Greg Powell, it was unanimously,

“RESOLVED: the September 2024 Minutes be approved as attached.”

The next order of business was a review of the September 2024 Warrants, Maintenance and Operating Account and Profit and Loss Statement. After discussion, upon motion of Greg Powell and second by Mike Duley, it was unanimously,

“RESOLVED: the September 2024 Warrants, Maintenance and Operating Account and Profit and Loss Statements be and the same are hereby approved as attached.”

Commission Bingham noted that the District has \$34,000.00 in a reserve account. He recommended that the District put \$30,000.00 of this account into a certificate of deposit. Mr. Nienaber stated that so long as the money is readily available to the District, the monies are not co-mingled with other funds, and the funds are not offered as security for any debt or obligation of the District, placing it in an interest bearing Certificate of Deposit would not be an issue. After discussion, upon motion of Rodger Bingham and second by Robert Worthington, it was unanimously,

“RESOLVED: that Amy Ruark be and she is hereby authorized to purchase a \$30,000.00 Certificate of Deposit from the reserve account at the approximate rate of 4.55% APY/4.65% APR and not to exceed five months at Forcht Bank. The purchased Certificate of Deposit is to be held separately and not offered as security for any obligation.”

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

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1. Mr. Nienaber gave an update on the status of the Garrison litigation. Mr. Nienaber reviewed with the Commissioners his October 22, 2024 letter which outlines the current state of negotiations. Mr. Nienaber reported that previously the City of Crittenden (“City”) had made a settlement proposal. Unfortunately, the submitted settlement proposal was incomplete and left many issues unaddressed. Over the last 4 weeks, Michelle Cheek and James Womack (insurance company appointed counsel for the District) have been dealing with Mr. Sebastian Torres, the City’s attorney, regarding a possible settlement. On October 21, 2024, Mr. Torres clarified and narrowed the City’s previous settlement proposal to include the following:
  1. The land on the dam face would be conveyed to the City. The City will assume liability for future maintenance and repair of the dam. Individual property owners abutting the water side of the dam would be financially responsible for the maintenance of the dam which is on their property. The City is going to perform all maintenance and bill the adjoining property owners for that work.
  2. The District would be reserved the access easement on the dam face to be used only in the event that the Crittenden Drive access easement is not available. Otherwise, the Crittenden Drive access easement should serve as the primary means of ingress/egress to the Waller Lift Station. Mr. Nienaber stated that given the past history, the District would probably be required to use the dam face access easement on a fairly regular basis. The District would be solely responsible for maintenance of the dam face access easement.
  3. The gate currently blocking the dam face access easement would be removed.
  4. The \$16,500.00 cost estimate to bring the dam face into compliance issue was not addressed in Mr. Torres latest offer. Mr. Nienaber informed Michelle Cheek that under no uncertain circumstance would the District agree to pay that amount.
  5. The City did not address the Garrison’s demand that the parties pay their attorney’s fees in the approximate amount of \$15,000.00. Again, Mr. Nienaber stated that the District would not pay those fees.

Mr. Nienaber stated that if this matter were to be resolved, there could be issues in the future, particularly as it relates to the District using the Crittenden Drive access easement. As the Garrison property owners have in the past complained that the District caused their driveway to deteriorate, those complaints will

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probably continue into the future should the District use that easement to access the Waller Lift Station. Accordingly, Mr. Nienaber stated that if an Agreement is reached, the District should maintain a detailed and meticulous log evidencing every time the District accesses the Waller Lift Station, how access is obtained, what types of vehicles are driven over the easement and how long those individuals remained at the Waller Lift Station site. Mr. Nienaber also stated that the District should take detailed photographs and videos of the Crittenden Drive access easement for future reference. He stated that visual observations of the driveway in the recent past have indicated that it is already in a significant state of disrepair. Photographing and videotaping the driveway at this time would preserve for future reference evidence that the driveway was previously in bad shape. Michelle Cheek indicated to Mr. Nienaber that if the major issue relating to the District's use of the dam face easement could be reached, the rest of the agreement would probably be within reach. Mr. Nienaber stated that Michelle Cheek requested authority to inform the City that the District would agree to using the dam face access easement only in the event of an emergency and that the District would maintain the dam face easement. After considerable discussion, upon motion of Rodger Bingham and second by Robert Worthington, it was unanimously,

“RESOLVED as follows:

1. Mr. Nienaber is authorized to extend as an offer of partial settlement the District's commitment to use the dam face access easement only in the event of an emergency;
2. That the District will use the Crittenden Drive access easement as the primary means of ingress and egress to the Waller Lift Station;
3. The District will be primarily responsible for any repair that is necessary for the dam face access easement; and
4. The gate blocking the dam face access easement would be removed.”

Mr. Nienaber is authorized and directed to extend this offer to Michelle Cheek and the City in an effort to accommodate a global settlement.”

2. Mr. Nienaber inquired of HMB as to whether or not all of the appropriate documentation was in place for the KIA financing. Mr. Hanson reported that everything is in order.
3. Mr. Nienaber next discussed with the Board the status of securing a COSS Study. Mr. Nienaber stated that he made contact with Kentucky Rural Water Association (“KRWA”), Mr. Robert Miller, who specializes in conducting COSS studies. Mr. Nienaber met with Mr. Miller by phone on October 22, 2024. He reported that Mr. Miller has extensive experience in working at the Public Service Commission and the

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Louisville Water District in addition to other utility work related experience. Mr. Miller provided Mr. Nienaber Power Point materials which explain the COSS Study process (attached). Mr. Nienaber reviewed that information with the Commissioners. Mr. Miller also provided a fee schedule (attached) which outlines the scope of his services and charges related thereto. Mr. Nienaber reported that based upon his extensive phone conversation with Mr. Miller, he would recommend that the District engage Mr. Miller to conduct a Cost of Service Analysis (\$4,150.00) and a 5-year capital improvement plan (\$1,850.00). After considerable discussion, upon motion of Robert Worthington and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Mr. Nienaber be and he is hereby authorized to engage Mr. Robert Miller to conduct a COSS Study for the benefit of the District as follows:

- 1) A Cost of Service Analysis and proposed new rate structure at a cost not to exceed \$4,150.00; and
- 2) A 5-year Capital Improvement Program Financial Plan at a cost not to exceed \$1,850.00.”

Mr. Nienaber stated that Mr. Miller was going to review the District’s latest Rate Application to learn more about the District and to make a better determination as to the exact need of the District as it relates to a COSS Study. Mr. Nienaber is going to contact Mr. Miller to confirm that the two above referenced studies would fulfill the Public Service Commission’s requirements set forth in its Rate Increase Order.

4. Mr. Nienaber reported that he has not heard anything relating to the PFAS litigation.
5. Mr. Nienaber next reviewed with the Commissioners the Engineering Services Agreement (“Agreement”) proposed to be entered into with HMB for the WWTP Project (see attached). Mr. Nienaber reported that after the District’s last meeting, Mr. Hanson forwarded a draft Engineering Services Agreement for review. Mr. Nienaber revised that Agreement as attached. Mr. Nienaber reviewed with HMB and Commissioners the various changes to the Agreement as outlined in the attached redline version. Mr. Nienaber stated that the overall fee amount was omitted from the proposed draft in that the engineering fee will be established by KIA regulations. Mr. Hanson stated that he would provide Mr. Nienaber with the percentage of fees which are preapproved by KIA. Mr. Nienaber will then revise the Agreement accordingly and forward it to HMB for review. Commissioner Bingham who is on the review Committee stated that the Committee recommends approval of the Agreement as presented.

After discussion, upon motion of Greg Powell and second by Mike Duley, it was unanimously,

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“RESOLVED: that Mr. Nienaber forward the revised Engineering Services Agreement to HMB for acceptance. The fees to be included in the Agreement shall be those preapproved by KIA.”

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

1. Mr. Hanson reported that the application for KIA financing was timely filed.
2. Mr. Hanson reported that BABA will probably be applicable to the WWTP Project. Mr. Hanson stated that HMB will continue to see if the District could fall within one of the exemptions from BABA. Mr. Hanson and Mr. Nienaber both informed the Commissioners that if BABA applies to the WWTP Project, there could be material increases in the overall costs. In addition, delays in obtaining equipment and materials required in the construction process could be incurred. Mr. Hanson reported that he has recently experienced in other projects that obtaining equipment incorporated into WTP and WWTPs can be difficult to obtain. Mr. Hanson stated that HMB will continue to investigate whether or not the District can be relieved of BABA requirements, and he will report accordingly at the next meeting.

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

1. Superintendent Harp reviewed with the Commissioners his Monthly Report as attached.
2. Superintendent Harp reported that the Eades Pump Station replacement bid has still not yet been received.
3. Superintendent Harp reported that the pump at the Waller Lift Station needs replacement. A new pump through Meier Pump is \$11,000.00. The cost to rebuild the old pump is \$7,000.00. Superintendent Harp recommended that a new pump be purchased as it is fiscally more responsible.

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

1. Ms. Dianne Cook reported that the Certificates of Deposit at Forcht Bank in the approximate amount of \$220,000.00 are up for renewal. Ms. Cook reported that the District could renew the Certificate of Deposit at an interest rate of 4.55% APY/4.65% APR for a term of 5 months. After discussion, upon motion of Robert Worthington and second by Mike Duley, it was unanimously,

“RESOLVED: that Amy Ruark and she is hereby authorized to renew the \$220,000.00 Certificate of Deposit currently held at

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Forcht Bank at an interest rate of 4.55% APY/4.65% APR for a term of 5 months.”

2. The next meeting date is November 21, 2024.

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

GRANT COUNTY SANITARY SEWER DISTRICT

BY: \_\_\_\_\_

CHARLES GIVIN, CHAIRMAN



ATTEST:



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GREG POWELL, SECRETARY