

**MINUTES OF THE
BULLOCK PEN WATER DISTRICT
MAY 2025 MEETING**

The May 2025 meeting of the Bullock Pen Water District was called to order on May 21, 2025, at the hour of 1:00 p.m. Those in attendance were Chairman Charles Givin, Superintendent Paul Harp, Commissioners Bryan Slaughter, Andrea Walton, and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, HMB Professional Engineers, Inc., Mr. Benton Hanson, Kentucky Engineering Group, Mr. Ryan Carr, Amy Ruark and Ashley Dyer. Commissioner William Wethington was absent.

The first order of business was approval of the April 2025 Minutes. After discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

“RESOLVED: the April 2025 Minutes be and the same are hereby approved as attached.”

The next order of business was a review of the March 2025 Profit and Loss Statement and Warrants. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: the April 2025 Warrants and Profit and Loss Statement 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 reported that he has not heard any new developments in the Garrison litigation. Superintendent Harp reported that Mayor Purcell had called Judge Executive Dills to discuss the litigation. Superintendent Harp was informed that Judge Executive Dills is going to call Plaintiff’s counsel, Mr. Pete Whaley, in an effort to resolve this matter.
2. Mr. Nienaber reported that he has not heard of any developments in the Katie Drive Project. Superintendent Harp confirmed that as well.
3. Mr. Nienaber reported that he has not heard anything from the Public Service Commission regarding the Belden Gaines’ Complaint. No one else has heard anything either.
4. Mr. Nienaber shared with the Board additional correspondence he received from Napoli Shkolnik regarding the revised Retainage Agreement. Mr. Nienaber reviewed with the Board the revised Retainage Agreement. This is the same revised Retainage Agreement submitted to the District for approval last year. The Board unanimously rejected that revised Retainage Agreement last year. After considerable discussion, upon motion of Rodger Bingham and second by Andrea Walton, it was unanimously,

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“RESOLVED: that the proposal to revise the Retainage Agreement (attached) as submitted by Napoli Shkolnik is rejected.”

5. Mr. Nienaber inquired as to the status of the Certificate of Deposit update. Ms. Ruark presented the attached Certificate of Deposit Summary. She reported that the District has received \$44,014.64 in interest since November 30, 2024.
6. Mr. Nienaber reported on the status of obtaining an independent financial analysis for the WWTP Project. Mr. Nienaber reported that Dean Dorton CPAs rejected the District’s request for a financial analysis. Mr. Nienaber stated that Munninghoff and Lange likewise declined to prepare a financial analysis. Ms. Dyer contacted KRWA for any references they might have. KRWA submitted a list of references, most of which were engineers. Mr. Nienaber stated that he reviewed that list and contacted Mr. Jerry Shelton. He contacted Mr. Shelton by phone at the request of the District for a financial analysis. Mr. Shelton requested some information regarding the scope and extent of the financial analysis needed by the District. Mr. Nienaber sent Mr. Shelton the same letter he sent to Munninghoff and Lange with the three summaries received from Senator Gex Williams, KEG, and Superintendent Harp. Mr. Shelton could not commit one way or the other to providing a financial analysis. He stated that he would review the information I prepared for him and get back to me at his earliest convenience. Mr. Nienaber will report as soon as he hears from Mr. Shelton. Commissioner Slaughter inquired as to whether or not the District could place an article in local newspapers outlining the expenses that Senator Williams is costing the District in following his proposal that the District not undertake a WTP Project, but rather purchase water from BFWC. Mr. Nienaber stated no. Chairman Givin stated that initially he wanted to respond to Senator Williams’ article which appeared in *The Grant County News* (attached). Chairman Givin had second thoughts after he received no adverse responses to Senator Williams’ article. Everyone in the room inquired as to whether or not they had heard anything adverse as a result of Senator Williams’ article. Everyone reported that they heard nothing. Given that lack of reaction from the general public and particularly District customers, after considerable discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: that the District not respond to Senator Williams’ article appearing in *The Grant County News*.”

7. Chairman Givin inquired as to whether or not Mr. Nienaber requested a formal opinion of the Attorney General’s Office relating to the payment of fees to Commissioners when the Commissioner does not attend a meeting. Mr. Nienaber stated that he has not sent a request to the Attorney General’s Office. Mr. Nienaber was directed to do so.
8. Chairman Givin and Superintendent Harp reported that they met with BFWC representatives on May 12, 2025. Mr. Jim Parsons and Mr. Jeff Eger represented BFWC

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at that meeting. Chairman Givin reported that he wanted to hear directly from BFWC what they wanted the District to do. Superintendent Harp stated that they informed BFWC that Bullock Pen does not want to join BFWC. BFWC stated that if the District wants to join, then they will have to initiate that process. If the District requests participation with BFWC, the Boone County Water District would then be contacted to see if they had any objections given the fact that the District's entry to BFWC would terminate the District's water purchase from BCWD. If BCWD had no objections, BFWC would then need to do a feasibility study to establish what infrastructure would need to be constructed in order for the District to purchase all water from BFWC. Chairman Givin was informed that the cost of this Study and any subsequent infrastructure improvements would be at the expense of the District. The cost of covering infrastructure improvements would either be an upfront charge to the District or it would be included in the charge for BFWC water rates. Chairman Givin stated that BFWC informed the District in the meeting that any and all upfront costs of investigation, engineering, etc., would be borne by the District. Superintendent Harp reported that his preliminary general review indicates that if the District were to join BFWC, infrastructure improvements would include, among other things, connections under I-71; under Bullock Pen Lake; two creeks; and several roads. This line would be approximately 11 miles in length. BFWC reported that if the District were to join, it would be at least 5 years before the District could begin purchasing water from BFWC. After discussion, Benton Hanson was directed to perform a preliminary cost estimate for infrastructure that would need to be constructed if the District were to begin purchasing water from BFWC. It was determined that the District should wait for Benton Hanson's Study and the financial analysis from Jerry Shelton before making any final decision. Superintendent Harp reported that his preliminary investigation would include three potential paths to bring water service to the District from BFWC. One of those paths is 13 miles in length, one 12 miles in length, and the last 11 miles in length. In any event, each of these paths would require a minimum 500' feet of boring under I-71, major creeks, roads, and a railroad. Mr. Nienaber once again emphasized the need for an independent financial analysis. Commissioner Walton stated that she is opposed to even considering a wholesale water purchase business model option at this time. She recommends that the District move forward with the WTP project post haste. After considerable discussion, upon motion of Andrea Walton and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the District stay the course and move forward with the WTP Project at this time. The District should also move forward with obtaining an independent financial analysis and an infrastructure cost summary from Benton Hanson.”

9. Mr. Nienaber reported that he had finally received word from Mr. Michael Scott at Kentucky Department of Fish & Wildlife. Mr. Scott reported that F&W was going to meet on February 22, 2025, with the Department Commissioner to review the District's Memorandum of Understanding. Mr. Nienaber will report when he hears something.

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The next order of business was a report by Kentucky Engineering Group, Inc., Mr. Ryan Carr, as follows:

1. Mr. Carr reported that the DOW currently has the engineering plans and drawings. They are currently under review by the DOW.
2. Mr. Carr reported that the Geotech Engineering Company intends to be on site in the next week to begin test borings. Structural design of the WTP will begin after the Geotech reports are received.
3. Mr. Carr reported that John Brady will take the District's application for financing to the KIA Board meeting next month. Mr. Carr will attend that meeting. He also requests that Superintendent Harp and Chairman Givin attend with him.
4. Mr. Carr reported that the Geotech work at the WTP site is not a violation of the PSC Order entered in Case #2023-00306. Mr. Carr reported that a Geotech survey is no different than a normal boundary survey. Superintendent Harp agreed with Mr. Carr stating that the PSC Order is confusing.

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

1. Mr. Hanson reported that the Ashley Subdivision Extension Plans have been reviewed and are satisfactory. Superintendent Harp agrees.

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

1. Superintendent Harp reviewed with the Commissioners his monthly Superintendent Report as attached.
2. Superintendent Harp reported that the Elliston Bridge Project should start in the very near future.
3. Superintendent Harp forwarded the attached letter to mobile home park owners, including Indian Hill Pointe and Aspen Pointe relating to the cost of meter replacement and line relocation in mobile home parks. Superintendent Harp has not yet heard any response.
4. Superintendent Harp shared with the Board his revised comparative analysis of the WTP Project and the 100% water purchase model (attached). Superintendent Harp reported that the major changes in his revised comparative financial analysis include a capping of water withdrawal from Bullock Pen Lake at 1,500,000 gallons per day. He also used a weighted average purchase price per 1,000 gallons which the District is now paying. With these two changes, Superintendent Harp's revised financial analysis shows even

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better savings to the District by opting for the WTP Project. He also reported that the more growth that the District realizes in the future will increase District savings. His revised financial analysis also reflects an infrastructure cost of \$11,000,000.00 with the wholesale water purchase model. Superintendent Harp reported that as time has passed, he believes the \$11,000,000.00 is probably a low number. Superintendent Harp reported that while preparing his revised financial analysis, he went through District records over the last 10 years to determine how much growth the District incurred. Based upon total water production/water purchase, the District has grown a total of 1.5% (cumulative) over the last 10 years.

5. Superintendent Harp reported that one of the District employees has terminated their employment. The application process for replacing that employee is now in progress.
6. Commissioner Slaughter inquired into whether or not the District has torn down the Catlett house. Paul Harp stated no.
7. Superintendent Harp reported that Mr. Bill Massey has a trailer in the barn. Mr. Nienaber recommended that Mr. Massey be directed immediately to remove the trailer from the barn.
8. Commissioner Slaughter inquired as to whether or not the District can have water tested as it purchases water from each wholesaler. Superintendent Harp stated that all of the District wholesalers are only required to meet state minimums for water quality. All water purchased to date has met state standards.

The next order of business was a report by Amy Ruark and Ashley Dyer as follows:

1. Ms. Dyer shared with the Board her health insurance renewal analysis. Ms. Dyer reported that the best option is for the District to go with KLC's coverage. An answer must be received by KLC no later than June 7, 2025. Ms. Dyer reported that she will need a little more information from KLC to complete her analysis. With that said, Ms. Dyer stated that she would send out her plan recommendation as soon as it is complete. She did report that the maximum increase in cost for similar coverage through KLC will be approximately 9%. Ms. Dyer reported that outside of KLC quotes, all other insurance provider quotes were far more expensive for less coverage. After considerable discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: that Ms. Dyer be and she is hereby directed to finalize her summary of health insurance coverage and distribute it to all Commissioners as soon as it is complete. Commissioners are then directed to cast their vote for or against the KLC Plan. In no event shall the KLC Plan represent a cost increase greater than 9% and all health insurance coverages must be substantially the same

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as those currently being received. A final vote on the KLC plan shall then be taken from all Commissioners.”

The board voted to keep the HRA funding for the single and family plan at ½ of the deductible for each. It will be paid out after the employee pays a certain amount in deductible costs.

2. Ms. Dyer reported that an employee submitted a worker’s compensation claim for a hernia operation. That procedure was covered by the carrier. The employee should be back to work in the next month.
3. Ms. Dyer reported that the next meeting is scheduled for June 19, 2025, which is a federal holiday, Juneteenth. After discussion, it was unanimously,

“RESOLVED: that the next regular meeting take place on June 30, 2025. Ms. Ruark is hereby authorized to make the necessary notifications.”

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

BULLOCK PEN WATER DISTRICT

BY: 

CHARLES GIVIN, CHAIRMAN

ATTEST:



WILLIAM WETHINGTON, SECRETARY