

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

The December 2025 meeting of the Bullock Pen Water District was called to order on December 18, 2025, at the hour of 1:00 p.m., at the Grant County Courthouse Building, Second Floor, 101 N. Main Street, Williamstown, Kentucky, 41097. Those in attendance were Superintendent Paul Harp, Chairman Charles Givin, Commissioners Bryan Slaughter, Andrea Walton, William Wethington and Rodger Bingham. Also present were Counsel Thomas R. Nienaber, Amy Ruark, Ashley Dyer, and Kentucky Engineering Group, Inc., Mr. Ryan Carr. Also present was Mr. Robert Miller, Kentucky Rural Water Association (“KRWA”), Mr. Gerald Wuetcher, and Mr. Damon Talley, of Stoll Keenon Ogden, PLLC. Public attendees at the meeting are listed on the attached sign-in sheet.

The first order of business was a presentation by Mr. Robert Miller, regarding the Financial Analysis of the water treatment plant project and alternative water line construction project. Mr. Miller was engaged by the District in order to prepare a Financial Analysis comparing the financial implications of constructing a new Water Treatment Plant (“WTP”) versus purchasing water from third party sources. Mr. Miller is a contractor through KRWA. Mr. Miller announced that his Financial Analysis (“Financial Analysis”) was prepared on an independent basis and represents a totally independent opinion. The Report as represented represents an evaluation of the financial aspects only and does not evaluate or consider outside influences affecting the proposed projects, including engineering, administration, etc. Mr. Miller presented to the District his preliminary Report. The Report as presented is based exclusively on current information which he has in his possession. Mr. Miller presented a preliminary PowerPoint presentation. In arriving at Miller’s Report, he identified his standard methodology for evaluating the financial cost of the project alternatives which included: Identify the annual cost for all aspects of each alternative; select a relevant planning horizon; forecast annual cost over planning horizon; select an appropriate discount to bring future costs back to a present value; and compute and compare present value of each project alternative cost. The basis of Mr. Miller’s Report is founded on key assumptions. Those include, in part: (1) KDFWR’s tentative agreement to allow a maximum of 1.5 MGD withdrawal rate from Bullock Pen Lake until the elevation falls to 759’ and then the withdrawal rate is reduced to 0.5 MGD; (2) Initial water sales demand in gallons is 393,178,000; (3) Initial water loss demand gallons 143,474,514; (4) Initial annual water demand gallons 536,652,514; (5) Water sales demand growth rate of 2.5% per annum; and (6) Water loss demand growth rate at 0%. Other key assumptions include: (1) Peak day above average withdrawal from Bullock Pen Lake at 15%; (2) 13 weeks of peak demand withdrawal; (3) 25% with peak demand per year; (4) 75% of nonpeak demand per year; (5) 9.4 weeks per year with curtailed withdrawal; (6) 18.1% per year with curtailed withdrawal and (7) 81.9% of year with uncurtailed withdrawal. Mr. Miller stated that it is his understanding that the District currently produces approximately 30% of its water available for sale to customers and purchases 70% of its water available for sale to customers. The WTP alternative would provide a 60% production for all water sales and a 40% purchase for water sales. The pipeline alternative would result in 100% of all water sales. The assumed cost of the WTP Project would be \$19,800,000 and the pipeline infrastructure cost would be \$18,500,000. Water

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purchase costs (current and projected) serve as a critical element of the Report. The underlying plan assumes a \$3.68 per 1,000 gallon cost of water purchased from the Boone-Florence Water Commission. Mr. Miller also considered other elements including the cost of production of water, both current and future, as well as the increase in cost of water purchases. Debt service costs were also considered. Considering all factors, Mr. Miller stated that the cost of minimum bill charges under the plant alternative and the pipeline alternative would be approximately the same through 2064. An average monthly bill for customers assuming 3,500 gallons per month would be approximately the same for the period through 2064. Overall, there were no material differences in the two projects. As Mr. Miller summed up his Report:

“Based upon the assumptions used to develop and analyze the project alternatives, the difference in present value of cost over 40 years is negligible.”

Mr. Miller also provided different scenarios of the variable costs of both alternatives. That is to say, Mr. Miller opined what differences there would be in the two project alternatives (for example) if the project costs increased by 20%; if project cost decreased by 20%, increase in customer demand, and decrease in customer demand; significant changes in supplier water rates; and the like. These various alternative scenarios invariably resulted in no significant difference in the two project alternatives. At the conclusion of Mr. Miller’s Report, Chairman Givin asked the Commissioners to review the Report over the next few days for taking final action at the January, 2026 regular meeting. Mr. Talley opined that the project alternatives appear to be a “coin toss” as to which scenario the District should take. Mr. Talley stated that there are other questions that need to be answered, such as whether or not the District can join BFWC; what improvements BFWC would need to install (and the cost thereof) in order to bring water to the District. Basically, Mr. Talley stated that there appears to be more homework that needs to be done. Senator Williams said that a 3 mile pipeline from NKWD to the District on U.S. 25 must be considered. Senator Williams believes that the 3 mile line extension could have significant impacts on the Financial Analysis. Mr. Nienaber inquired as to whether or not the District (or anyone else for that matter) can question Mr. Miller if there are any questions on the Report. Mr. Miller indicated that he would accept any questions. Mr. Nienaber stated that the District should appoint a “gatekeeper” who should monitor all questions from anyone who has inquiries about the Report and that the questions should be submitted to Mr. Miller by that “gatekeeper”. Mr. Nienaber suggested that Superintendent Harp serve in that capacity. Mr. Nienaber also suggested that there be a deadline for submitting questions to Mr. Miller. After discussion, a January 10, 2026 recommended deadline was established. Commissioner Walton inquired as to whether or not the Public Service Commission is focusing on “regionalization”. Mr. Talley stated that this is one issue that will be looked into by the PSC when the District files its application. Mr. Wuetcher suggested that the District obtain written commitments from other suppliers indicating whether they have the capacity to provide additional water to the District. This would include NKWD, BCWD, BFWC, and the like.

The next order of business was a review of the November 2025 Minutes. Commissioner Wethington stated that he did not have an opportunity to review the Minutes and, therefore, abstained from voting. After discussion, upon motion of Bryan Slaughter and second by Andrea Walton, it was unanimously,

“RESOLVED: that the November 2025 Minutes be approved as attached.”

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

“RESOLVED: the November 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 stated that the Garrison litigation trial has been scheduled for December 14 through December 18, 2026. Mr. Nienaber stated that in all likelihood, those individuals representing the District at the trial would include Chairman Givin, Superintendent Harp, Amy Ruark, and Ashley Dyer. Mr. Nienaber explained that any party to the litigation could also subpoena any other individual (including all Commissioners) to attend the trial and testify. Mr. Nienaber commented that given the history of this litigation, he does not expect any movement toward resolution by settlement at this time.
2. Mr. Nienaber inquired as to the status of the PSC Order Case. Mr. Wuetcher reported that he has not heard anything from the PSC at this time. He explained that the PSC has not made any movement on this case. He also commented that this is not a high priority for the PSC.
3. Mr. Nienaber stated that he has communicated with the Boone County Attorney’s Office regarding the status of Easements on the Katie Drive Project. Boone County is currently working on preparing the metes and bounds easement descriptions, and they should be done in the near future.
4. Mr. Nienaber reported that he has heard nothing new on the PFAS litigation.

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

1. Mr. Carr reported that he had nothing new to report.

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 there was a boil water advisory from Williamstown for those District customers utilizing Williamstown purchased water. This was rather confusing to District customers. Superintendent Harp reported that he and Amy Ruark are meeting with a company on December 19th to investigate the possibility of purchasing

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a “texting app” that would allow the District to include such advisories to its customers. They will report at the next meeting.

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

1. Ms. Ruark reported that there were no responses to the RFP which was submitted by the District seeking accountants to conduct the District’s annual audit. However, Ms. Ruark did receive from Chamberlin & Owen the attached Engagement Letter indicating that Chamberlin & Owen would perform the District’s annual audit at a cost not to exceed \$17,500.00. After considerable discussion, upon motion of Andrea Walton and second by Rodger Bingham, it was unanimously,

“RESOLVED: that the District engage the services of Chamberlin & Owen for the purpose of conducting the District’s December 31, 2025, year end annual audit at a cost not to exceed \$17,500.00. Chairman Givin is hereby appointed the governance representative for the audit and Superintendent Harp is appointed the administrative representative.”

2. The next order of business was consideration of the District’s annual budget. Ms. Ruark reported that the budget as submitted is final with the addition of a \$6,000.00 item to be allocated for the purchase of a texting advisory app for District customers. After discussion, upon motion of Rodger Bingham and second by Bryan Slaughter, it was unanimously,

“RESOLVED: that the District’s 2026 Budget as attached with the one amendment be and the same is hereby approved.”

3. Ms. Dyer reported that the next meeting is scheduled for January 22, 2026. Chairman Givin inquired as to whether or not the District should change its monthly meeting date to another time. He commented that during the year 2025, approximately one-half of the regularly scheduled meetings had to be changed due to vacations, conflicts, meeting dates falling on the 15th of the month when the District is busy with mid-month accounting responsibilities and other reasons. It was also discussed as to whether or not the District should change the day of the week that the meetings are conducted. After considerable discussion, upon motion of Bryan Slaughter and second by William Wethington, it was unanimously,

“RESOLVED: that the District adopt a regular meeting schedule to conduct all regular meetings during 2026 and thereafter on the fourth Thursday of each month beginning at 1:00 p.m., said schedule to continue until changed by the District.

4. The next order of business was an election of officers for the upcoming year. Thereupon, Chairman Givin opened the floor for nominations. Commissioner Slaughter made the following nominations:

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<u>Position</u>	<u>Nominee</u>
Chairman	Charles Givin
Vice-Chairman	Andrea Walton
Secretary	William Wethington
Treasurer	Rodger Bingham

Thereupon, nominations were closed. Chairman Givin called for a vote whereupon the above named nominees were elected by acclamation.

- Ms. Ruark is looking into obtaining a texting app for the purpose of notifying customers of water outages, boil water notices, and related notification issues. She has received 2 quotes from Trumpia and one from Text-My-Gov. Trumpia's quote was \$89.00 month for a maximum 3000 texts. Over 3000 texts would require additional payments. "Text-My-Gov" was \$4,000.00 per year, plus a one-time \$2,000.00 set-up fee. Mr. Nienaber inquired as to whether or not these quotes included maintenance, training, and instruction. Ms. Ruark stated that the quotes submitted by both Trumpia and Text-My-Gov are very preliminary and not yet complete. Mr. Nienaber stated that the District should contact KRWA, NKWD, City of Williamstown, KLC, Duke Energy, and other utility service providers to see what service they use for texting customers. Superintendent Harp reported that Williamstown has its own "texting" app. After considerable discussion, Superintendent Harp and Ms. Ruark were instructed to obtain formal bids regarding texting services and report at the next meeting. Ms. Ruark did report that she has put \$6,000.00 in the proposed budget for this service.
- The next District meeting is scheduled for January 22, 2026.
There being no further business to conduct, upon motion and second, the meeting was adjourned.

BULLOCK PEN WATER DISTRICT

BY: Charles Givin
CHARLES GIVIN, CHAIRMAN

ATTEST:

William Wethington
WILLIAM WETHINGTON, SECRETARY