

**Northern Kentucky Water District
Board of Commissioners
Regular Meeting
December 18, 2014**

A regular meeting of the Board of Commissioners of the Northern Kentucky Water District was held on December 18, 2014 at the District's facility located at 2835 Crescent Springs Road, Erlanger, Kentucky. All Commissioners were present. Also present were Ron Lovan, Jack Bragg, Richard Harrison, and Chris Bryant, of the District, and Brian Dunham of Frost Brown Todd LLC, Dwight Salsbury of Ross Sinclair & Associates, LLC, Ian Kofler of Dinsmore & Shohl, Kevin O'Donnell of Risk and Insurance Solutions, LLC, and Tom Youtsey of Bilz Insurance.

Chairperson Sommerkamp called the meeting to order at 12:38 p.m., and Ian Kofler led the pledge of allegiance.

As part of one of the District's key goals of fiscal responsibility, presentations were given by Mr. Bragg, Dwight Salsbury of Ross, Sinclair & Associates, LLC, and Ian Kofler of Dinsmore & Shohl recapping the recent refinance transactions, including the roles of Ross, Sinclair & Associates, LLC and Dinsmore & Shohl in this process. Mr. Salsbury and Mr. Kofler then left the meeting.

The Commissioners reviewed correspondence received and articles published since the last Regular Board meeting on November 20, 2014.

After a presentation led by Mr. Bragg and Mr. O'Donnell, on motion of Commissioner Spaulding, seconded by Commissioner Collins, the Commissioners unanimously authorized the acceptance of the bid by Bilz Insurance Agency for property and liability insurance underwritten by the Travelers Insurance group of companies (including the additional optional coverages recommended by Risk and Insurance Solutions) for 2015 with four additional one-year options to renew at the Board of Commissioners' discretion, and authorized the District staff to sign such documents and take such additional actions as they deem reasonably necessary to obtain such coverage. Mr. O'Donnell and Mr. Youtsey then left the meeting.

On motion of Commissioner Spaulding, seconded by Commissioner Collins, the Commissioners unanimously approved the minutes for the regular Board of Commissioners meeting held on November 20, 2014.

The Board was provided a copy of the District's check registers, which included the check number, check date, payee, check amount and description of the reason for each payment, detailing the District's expenditures for the period November 1, 2014 through November 30, 2014. On motion of Commissioner Wagner, seconded by Commissioner Cunningham, and after discussion, the Commissioners unanimously approved the expenditures of the District for the month of November 2014.

On motion of Commissioner Cunningham, seconded by Commissioner Spaulding, the Commissioners unanimously approved the renewal of the CIS Infinity and Infinity Link annual maintenance agreement in the amount of \$116,659.14, and subsequent annual renewals (provided that same do not increase more than 5% over the prior year), and authorized the President/CEO or his/her designee to execute the appropriate documents and make the appropriate payments.

On motion of Commissioner Macke, seconded by Commissioner Cunningham, the Commissioners unanimously approved the date, time and location of each regular monthly Board meeting in calendar year 2015 as the third Thursday of each month, with the exception of the June 2015 date, which shall be the fourth Thursday of the month, June 25, 2015. All regular monthly meetings will commence at 12:30 p.m., at the District's facility located at 2835 Crescent Springs Road in Erlanger, Kentucky.

The Commissioners reviewed the District's financial reports and Department reports. As part of his report, Mr. Harrison reviewed with the Commissioners the status of on-going projects within the 2014 5-Year Capital Budget, including highlighting change orders and expenses incurred to date.

During the Board Comments portion of the meeting, Commissioner Spaulding provided an update and led a discussion with the Board regarding a recent meeting held between Commissioner Spaulding, Commissioner Collins, Commissioner Wagner, and Mr. Lovan, and certain commissioners from Sanitation District No. 1, with Mr. Rager joining the meeting by phone. Commissioner Spaulding advised that the meeting centered on assistance requested by Sanitation District No. 1 to reduce their delinquent accounts receivable and the possibility of the District providing billing services. As part of this discussion, an update was given by Mr. Lovan, Mr. Bragg and Mr. Harrison regarding the ongoing meetings between the District and Sanitation District No. 1 staffs, which have focused on shared services and other opportunities for cost savings and more efficient operations.

On motion of Commissioner Wagner, seconded by Commissioner Collins, the Board unanimously agreed to go into executive session under the provisions of KRS 61.810(1)(b) to discuss the sale of the District's surplus Dixie Highway property, because publicity would be likely to affect the value of such property. The executive session commenced at 3:17 p.m. and ended at 3:31 p.m.

Mr. Lovan and Mr. Dunham left the meeting at 3:32 p.m. The Commissioners then had a brief discussion of employee matters.

On a motion by Commissioner Wagner, seconded by Commissioner Macke, the meeting was adjourned at 3:36 p.m.

CHAIRMAN

SECRETARY