A. ROLL CALL

B. INVOCATION

C. APPROVAL OF MINUTES
   • Approval of Minutes from July 21, 2014

D. CUSTOMER REQUEST FOR CONSIDERATION

E. MONTHLY REPORTS
   • Financial
   • Operations
   • Engineering
     ▪ Presentation by J. R. Wauford Engineering – South Water Treatment Plant Study
   • Human Resources
   • Safety Report
   • General Manager’s
     ▪ Policy and Procedures Manual Documents for Board Review and Approval
       o Sick Leave Balances & Physicians Certificates
       o Phones and Pagers
       o Fire Hydrant Meters
       o Purchasing – Requisitions, Authorizations, Approvals, and Limits

F. BUSINESS
   • Resolution #2014-31 – Sale of Surplus Real Property at 1725 Washington St.
   • Action Report #2014-32 – Tapping Machines
   • Action Report #2014-33 – Janitorial Services
   • Action Report #2014-34 – Sludge Disposal
   • Action Report #2014-35 – South WWTP ATV Purchase

G. EXECUTIVE SESSION (None Requested)
ACTION MINUTES OF MEETING
July 21, 2014
A. ROLL CALL

Present at the meeting was Commissioner Paul Bird, Chairman, who presided over the meeting; along with Commissioners George Jones, John Henderson, Gary Jennings, and Julie Wischer. Tom Williams, General Manager, and Eric Shappell, Attorney, were also in attendance. Staff members present included Leason Neel, Rodney Michael, Kevin Roberts, Greg Nunn, Jeremy Duncan, John Baker, Kathy Ambrose, and Patty Brown. Also attending were, Assistant City Manager, William “Buzzy” Newman, Mayor, Steve Austin, and Reporter, Frank Boyett with ‘The Gleaner’. Terry Boyer with Clark Dietz, Inc. was also present.

B. INVOCATION – Rodney Michael

C. APPROVAL OF MINUTES

- Approval of Minutes from June 16, 2014

Minutes were approved as submitted.

D. MONTHLY REPORTS – Discussed and approved as submitted.

- Financial

Leason Neel noted that the year-end books will stay open until around August 20th and that the financial statements included in this report are only an estimate of what the total figures might be. Based on these figures, it seems the year will finish better than budget by around $900,000 which includes $814,000 more in additional revenue and $86,000 less in expenses.

- Operations

Rodney Michael reported that the work on Kimsey Lane is almost complete and it should be opening back up to traffic soon.

He also explained that the leak on Water Street over the weekend caused a lot of damage to the blacktop before it could be shut off. He said it only affected HMPL’s water supply and that we are now in the process of repair and replacement in this area and a portion of Fifth Street. Tom Williams said that HMPL will be doing Station One demolition work soon and that plans are to wait on permanently repaving the area until that work is complete.

- Engineering

Tom Williams stated that there was a kick off meeting today for the North Water Treatment Plant Improvements with Clark Dietz and he thanked Terry Boyer for attending the board meeting while he was in town.
Commissioner Jennings asked if any progress had been made on the Myrene Drive Sewer Pump Station evaluation. Mr. Williams advised that a subcontractor with Wauford has been doing some flow monitoring and a report is expected soon.

- Human Resources

Tom Williams and Rodney Michael commented on the progress being made in filling vacant positions and stated that we are now starting to get the seasonal positions filled at a faster rate. They noted that there are several promotional exams being conducted and we hope to have those completed soon.

- Safety Report

Jeremy Duncan reported that there was one loss time heat related illness in June with one of the Wastewater Operators. He noted that the employee is now back on the job and doing fine.

Mr. Duncan also mentioned that he has completed training and been approved to conduct an in-house 24 hour confined space training, which will give our water and wastewater operators 16 hours toward their licenses.

E. BUSINESS

- Authorization to Release Temporary Easement @ 5358 Old Madisonville Road – Ricky Holderfield

General Manager Tom Williams explained that Mr. Ricky Holderfield has requested that HWU release a portion of the Temporary Easement that was given to the utility by Mr. Holderfield in 2002 at 5358 Old Madisonville Road. The easement was obtained in order to build a water tank near the corner of the 425 Bypass and Highway 41A. A lot was also purchased from Mr. Holderfield at that time. The water tank was not built due to skyrocketing prices of steel which made it unfeasible for the utility to begin construction. It has been 12 years and Mr. Holderfield desires to sell the property, but one of the temporary easements runs through the house. Staff is requesting that the board consider releasing the part of the easement that affects the sale of his home. The utility will still maintain the portions of the easement they would need when the project is considered again in 6 to 8 years as defined in the strategic plan. Attorney Eric Shappell pointed out that there is still a permanent easement along the drive that we are going to maintain and the back portion. The temporary easement being given up just relates to the back yard area.

Motion was made and approved to release the portion of the temporary easement that affects the sale of Mr. Holderfield’s home and directs the Chairman of the Water and Sewer Commission to sign the Agreement to Terminate Temporary Easement at 4792 Old Madisonville Road, Henderson, Kentucky.

- Resolution #2014-26 – Declaring Official Intent Related to Financing

Tom Williams provided information on the update and replacement for the resolution done in March for borrowing $6,000,000. The City is not going to use the additional money available and HWU plans to borrow an additional $2,000,000., making the total amount $8,000,000. $5,000,000. will be used for the North Wastewater Treatment Plant, as
originally stated and the rest will be used mostly for the North Water Treatment Plant repairs and improvements, water tank repairs, and the emergency bypass connection at the South Water Plant to back up the intake on the Big Rivers property. Mr. Williams said that he would further identify all of these projects at the next meeting. Commissioner Jennings expressed his concern that we should make the expansion of the South Water Treatment Plant a priority, but staff explained that the total amount to build a new water plant for the South territory would be around $7 million and those funds are just not available at this time. The plan is to do the design work at the South Plant now and be ready to proceed as soon as the need arises or when the funds are available.

Motion was made by Commissioner Gary Jennings, seconded by Commissioner John Henderson, with all members voting aye to approve Resolution 2014-26 Declaring Official Intent Related to Financing.

- **Action Report #2014-27 – Work Order Management System**

  Approved Action Report #2014-27 for a Work Order Management System choosing Timmons Group of Richmond, Virginia as the most qualified firm to perform implementation services for this system, and a contract in the amount of $98,340 will be negotiated with the firm. Cityworks software and support will be paid directly to the software developer, Azteca Systems, Inc., in an annual amount of $30,000, which will be a yearly cost. Total appropriation for this project will be $135,000 and will be taken from the “Special Projects” line item in the 2014-2015 FY Capital Budget. This is an unbudgeted item.

- **Action Report #2014-28 – Frontier Tank – Paining and Repair Project**

  Approved Action Report #2014-28 for design services for the Frontier Tank – Painting and Repair Project and awarding the project to J.R. Wauford & Company of Nashville, Tennessee in the amount of $12,000. This is an unbudgeted capital expense and will be taken out of the “Special Projects” line item in the 2014-2015 FY Capital Budget.

- **Action Report #2014-29 – Tapping Machines**

  Approved Action Report #2014-29 for two Tapping Machines including accessories and expendable supplies for initial setup in the amount of $13,100. to be taken from the “unidentified Capital Projects” line item in the FY 2014-15 Capital budget.

- **Action Report #2014-30 – Cooper Park Stormwater Project**

  Approved Action Report #2014-30 for the Cooper Park Stormwater Project in the amount of $200,000. which is an unbudgeted amount and will be appropriated from the “Special Projects” line item in the 2014-15 FY Capital Budget. Most of the expenditures will be reimbursed by a grant awarded to the City of Henderson.

**F. EXECUTIVE SESSION (None Requested)**

No Executive Session was requested and motion was made and approved to adjourn.

The next monthly meeting will be held on August 18, 2014.

Action Minutes 2014-July21
CUSTOMER’S REQUEST FOR CONSIDERATION
August 6, 2014

Henderson Water Utility
111 5th Street
Henderson, KY 42420
Attn: Mr. Leason Neel, CFO

RE: William Smith; 21 N. Julia Street

Mr. Neel and Board of Commissioners,

I am writing on behalf of the above named Veteran and an outstanding balance he has with Henderson Water Utility. Mr. Smith receives case management through the VA as a patient in our Home Based Primary Care Clinic. As a participant in this program, Mr. Smith receives regular home visits from a medical team including myself. I have worked with Mr. Smith since 2012 and provide intensive case management.

In April, Mr. Smith received a bill from Henderson Water Utility totaling over $1600.00 due to a water leak of which he was not aware. Prior to having the leak repaired, the balance of this bill was over $2,000.00. Since that time I have assisted him in accessing a plumber to repair the leak and make payments to this large bill in order to avoid disconnection. Despite our efforts, he has been unable to pay the total balance, which (to my understanding) continues to remain around $1300.00

Mr. Smith is on a fixed income including Social Security Disability and Veteran Pension. He has no assets other than his home, which is in need of repairs that he is unable to afford. Mr. Smith struggles to meet his monthly financial obligations which include several loans taken out to pay on this bill. This year has been especially difficult for him as his wife died unexpectedly. I have assisted him several times in accessing local food banks and resources. He has no family in the Henderson area and relies on the VA, local community, and his church to be able to live independently. Mr. Smith receives all of his medical care through the VA and routinely needs to attend appointments in Evansville. He relies on the driving ministry at Chapel Hill for transportation. He attends church locally. He is a pleasant, cooperative man who is in need of community support.

Please consider contributing to Mr. Smith's success by providing relief, in any form, in regards to this outstanding balance. Should you need additional information to support action by the Board, please feel free to contact me at 618-694-1247.

Sincerely,

Kristy Patterson, LCSW
FINANCIAL REPORT
Henderson Water Utility
Financial Summary
For One Month Ended July 31, 2014
## Henderson Water Utility
### Operating Revenues and Expenses Summary
#### For the Month Ended July 31, 2014

<table>
<thead>
<tr>
<th></th>
<th>July Actual</th>
<th>July Budget</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Fiscal Year Budget</th>
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<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Sales</td>
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<td>661,480</td>
<td>677,707</td>
<td>661,480</td>
<td>7,457,765</td>
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<td>Water Penalties</td>
<td>2,115</td>
<td>2,324</td>
<td>2,115</td>
<td>2,324</td>
<td>27,893</td>
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<tr>
<td>Water Fees</td>
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<td>3,947</td>
<td>2,645</td>
<td>3,947</td>
<td>47,367</td>
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<td>Wastewater Services</td>
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<td>928,940</td>
<td>941,530</td>
<td>928,940</td>
<td>10,067,281</td>
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<td>3,045</td>
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<td>36,543</td>
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<td>-</td>
<td>15,800</td>
<td>-</td>
<td>15,800</td>
<td>189,594</td>
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<tr>
<td><strong>Total Operating Revenues</strong></td>
<td><strong>1,627,167</strong></td>
<td><strong>1,615,537</strong></td>
<td><strong>1,627,167</strong></td>
<td><strong>1,615,537</strong></td>
<td><strong>17,826,443</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Operating Expenses</strong></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>314,764</td>
<td>359,965</td>
<td>314,764</td>
<td>359,965</td>
<td>4,319,582</td>
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<td>26,160</td>
<td>22,673</td>
<td>26,160</td>
<td>313,925</td>
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<td>108,167</td>
<td>94,812</td>
<td>108,167</td>
<td>1,298,000</td>
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<td>Pension Benefits</td>
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<td>61,125</td>
<td>56,875</td>
<td>61,125</td>
<td>733,500</td>
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<td>Workers Compensation</td>
<td>21,703</td>
<td>24,959</td>
<td>21,703</td>
<td>24,959</td>
<td>99,836</td>
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<td>Other Employee Benefits</td>
<td>449</td>
<td>1,951</td>
<td>449</td>
<td>1,951</td>
<td>23,412</td>
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<td>Car Allowance</td>
<td>1,350</td>
<td>1,350</td>
<td>1,350</td>
<td>1,350</td>
<td>16,200</td>
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<tr>
<td>Electricity</td>
<td>115,091</td>
<td>117,525</td>
<td>115,091</td>
<td>117,525</td>
<td>1,410,297</td>
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<td>Natural Gas</td>
<td>221</td>
<td>250</td>
<td>221</td>
<td>250</td>
<td>32,050</td>
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<td>Chemicals</td>
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<td>Inventory Expense</td>
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<td>11,476</td>
<td>13,333</td>
<td>160,000</td>
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<td>Fuel</td>
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<td>14,167</td>
<td>13,952</td>
<td>14,167</td>
<td>170,000</td>
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<tr>
<td>Small Equipment &amp; Tools</td>
<td>9,615</td>
<td>10,325</td>
<td>9,615</td>
<td>10,325</td>
<td>123,900</td>
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<td>Safety Supplies</td>
<td>4,079</td>
<td>4,333</td>
<td>4,079</td>
<td>4,333</td>
<td>52,000</td>
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<td>Clothing/Cleaning Allowance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Vehicle Repair</td>
<td>4,887</td>
<td>5,850</td>
<td>4,887</td>
<td>5,850</td>
<td>70,200</td>
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<tr>
<td>Other Equipment Repair</td>
<td>23,249</td>
<td>25,000</td>
<td>23,249</td>
<td>25,000</td>
<td>300,000</td>
</tr>
<tr>
<td>Other Structures Repair</td>
<td>23,408</td>
<td>21,695</td>
<td>23,408</td>
<td>21,695</td>
<td>260,340</td>
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<td>SCADA Expense</td>
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<td>2,657</td>
<td>2,437</td>
<td>2,657</td>
<td>31,878</td>
</tr>
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<td>Administrative Services</td>
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<td>49,917</td>
<td>48,337</td>
<td>49,917</td>
<td>599,000</td>
</tr>
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<td>Contractual Services</td>
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<td>104,955</td>
<td>97,006</td>
<td>104,955</td>
<td>1,259,460</td>
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<td>Professional Services</td>
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<td>2,917</td>
<td>2,000</td>
<td>2,917</td>
<td>35,000</td>
</tr>
<tr>
<td>Equipment Rental</td>
<td>3,745</td>
<td>4,693</td>
<td>3,745</td>
<td>4,693</td>
<td>56,315</td>
</tr>
<tr>
<td>Audit Expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trust Fees</td>
<td>-</td>
<td>1,250</td>
<td>-</td>
<td>1,250</td>
<td>15,000</td>
</tr>
<tr>
<td>Public Contributions</td>
<td>-</td>
<td>3,958</td>
<td>-</td>
<td>3,958</td>
<td>47,500</td>
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<td>Insurance</td>
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<td>1,000</td>
<td>687</td>
<td>1,000</td>
<td>270,000</td>
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<tr>
<td>Technology Expense</td>
<td>6,450</td>
<td>10,917</td>
<td>6,450</td>
<td>10,917</td>
<td>131,000</td>
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<tr>
<td>Office Supplies</td>
<td>14,493</td>
<td>14,688</td>
<td>14,493</td>
<td>14,688</td>
<td>176,250</td>
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<tr>
<td>Telephone</td>
<td>3,936</td>
<td>3,956</td>
<td>3,936</td>
<td>3,956</td>
<td>47,477</td>
</tr>
<tr>
<td>Medical Exams</td>
<td>-</td>
<td>500</td>
<td>-</td>
<td>500</td>
<td>6,000</td>
</tr>
<tr>
<td>Travel and Training</td>
<td>4,664</td>
<td>3,865</td>
<td>4,664</td>
<td>3,865</td>
<td>46,380</td>
</tr>
<tr>
<td>Dues and Subscriptions</td>
<td>1,629</td>
<td>1,194</td>
<td>1,629</td>
<td>1,194</td>
<td>14,327</td>
</tr>
<tr>
<td>Printing</td>
<td>-</td>
<td>358</td>
<td>-</td>
<td>358</td>
<td>4,300</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>25</td>
<td>596</td>
<td>25</td>
<td>596</td>
<td>7,150</td>
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<tr>
<td>Depreciation</td>
<td>258,333</td>
<td>258,333</td>
<td>258,333</td>
<td>258,333</td>
<td>3,100,000</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>1,268,472</strong></td>
<td><strong>1,351,229</strong></td>
<td><strong>1,268,472</strong></td>
<td><strong>1,351,229</strong></td>
<td><strong>16,339,177</strong></td>
</tr>
</tbody>
</table>

| **Operating Income** | 358,695 | 264,308 | 358,695 | 264,308 | 1,487,266 |
## Henderson Water Utility
### Variance Analysis
#### One Month Ended 7/31/2014

<table>
<thead>
<tr>
<th>Description</th>
<th>Jul-14</th>
<th>Jul-13</th>
<th>Differential %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Operating Revenues</td>
<td>$1,627,167</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budgeted Operating Revenues</td>
<td>1,615,537</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Favorable (Unfavorable) Variance</td>
<td>$11,630</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage Difference</td>
<td>0.72%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Billable Gallons**

<table>
<thead>
<tr>
<th>Description</th>
<th>Jul-14</th>
<th>Jul-13</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through 7/31/2014</td>
<td>227,370,135</td>
<td>220,626,934</td>
<td>6,743,201</td>
</tr>
<tr>
<td>Percentage Difference</td>
<td>3.06%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Jul-14</th>
<th>Jul-13</th>
<th>Differential %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Operating Expenses</td>
<td>$1,268,472</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budgeted Operating Expenses</td>
<td>1,351,229</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Favorable (Unfavorable) Variance</td>
<td>$82,757</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage Difference</td>
<td>6.12%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Breakdown of Volumetric Differential For One Month Ended:**

- **Residential**: 54,633,237 vs. 54,894,278, -0.48%
- **Industrial**: 101,369,888 vs. 97,272,897, 4.21%
- **Commercial**: 71,367,010 vs. 68,459,759, 4.25%
# Henderson Water Utility

## Capital Expenditures Report

For the Month Ended July 31, 2014

<table>
<thead>
<tr>
<th>Construction In Progress:</th>
<th>Beginning Balance</th>
<th>Current YTD Activity</th>
<th>Project to Date Balance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Center &amp; Julia</td>
<td>$1,382,288</td>
<td>$</td>
<td>$1,382,288</td>
<td>$100</td>
</tr>
<tr>
<td>Pump Station Modifications</td>
<td>27,545</td>
<td>-</td>
<td>27,545</td>
<td>100</td>
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<tr>
<td>NWTP Headworks Project</td>
<td>5,496,283</td>
<td>-</td>
<td>5,496,283</td>
<td>9,600,000</td>
</tr>
<tr>
<td>NWTP Rehab</td>
<td>88,200</td>
<td>-</td>
<td>88,200</td>
<td>130,000</td>
</tr>
<tr>
<td>Green River Road Project</td>
<td>300,300</td>
<td>-</td>
<td>300,300</td>
<td>-</td>
</tr>
<tr>
<td>SWTP Rehab</td>
<td>19,500</td>
<td>-</td>
<td>19,500</td>
<td>100</td>
</tr>
<tr>
<td>Tiger Ditch Stormwater</td>
<td>10,925</td>
<td>-</td>
<td>10,925</td>
<td>100</td>
</tr>
<tr>
<td>Countryview Subdivision Stormwater</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>200,000</td>
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<tr>
<td>Special Projects</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>949,875</td>
</tr>
<tr>
<td><strong>Total Construction In Progress</strong></td>
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<td>-</td>
<td><strong>7,325,041</strong></td>
<td><strong>10,880,275</strong></td>
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<table>
<thead>
<tr>
<th>Buildings and Improvements:</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SOC Bldg Roof</td>
<td></td>
<td>13,991</td>
<td>13,991</td>
<td>34,125</td>
</tr>
<tr>
<td>Blower Bldg # 1 Roof</td>
<td></td>
<td>-</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>SOC Mechanic Shop</td>
<td>11,693</td>
<td>-</td>
<td>11,693</td>
<td>-</td>
</tr>
<tr>
<td>Paving</td>
<td>42,450</td>
<td>1,295</td>
<td>43,745</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Buildings and Improvements</strong></td>
<td><strong>54,143</strong></td>
<td><strong>15,286</strong></td>
<td><strong>69,429</strong></td>
<td><strong>34,225</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equipment and Vehicles:</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Generator</td>
<td></td>
<td>-</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>VFD Controls</td>
<td></td>
<td>-</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>ISCO 2150 CSO Point Automation</td>
<td></td>
<td>-</td>
<td>205</td>
<td>100</td>
</tr>
<tr>
<td>HVAC SP Bldg NWTP</td>
<td></td>
<td>-</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>Ford Escape (3)</td>
<td></td>
<td>-</td>
<td>-</td>
<td>66,000</td>
</tr>
<tr>
<td>Van</td>
<td></td>
<td>-</td>
<td>-</td>
<td>30,000</td>
</tr>
<tr>
<td>Pickup Truck</td>
<td></td>
<td>-</td>
<td>-</td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Total Equipment and Vehicles</strong></td>
<td></td>
<td></td>
<td>205</td>
<td>116,400</td>
</tr>
</tbody>
</table>

Total Capital Expenditures

<table>
<thead>
<tr>
<th>Beginning Balance</th>
<th>Current YTD Activity</th>
<th>Project to Date Balance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>7,379,184</strong></td>
<td><strong>15,491</strong></td>
<td><strong>7,394,675</strong></td>
<td><strong>11,030,900</strong></td>
</tr>
</tbody>
</table>
Henderson Water Utility
Financial Statements
For One Month Ended July 31, 2014
Henderson Water Utility  
Statement of Net Position  
July 31, 2014

**ASSETS**

Current assets:
- Cash $9,073,029
- Unrestricted Investments 2,101,057
- Restricted Investments 1,277,988
- Accounts receivable 699,348
- Inventories 923,759
  - Total current assets 14,075,181

Noncurrent assets:
- Construction in progress 7,325,041
- Utility plant and equipment, net of accumulated depreciation 67,272,412
- Other assets 271,433
  - Total noncurrent assets 74,868,886

**Total assets** $88,944,067

**LIABILITIES**

Current liabilities:
- Accounts payable $499,622
- Retainage payable 435,935
- Deposits payable 77,259
- Accrued liabilities 1,735,046
- Current portion of long-term debt 2,374,023
  - Total current liabilities 5,121,885

Noncurrent liabilities:
- Long-term debt 34,351,063
  - Total noncurrent liabilities 34,351,063

**Total liabilities** 39,472,948

**NET POSITION**

Net investment in capital assets 38,143,800
- Restricted for debt service 141,941
- Unrestricted 11,185,378

**Total net position** 49,471,119

**Total liabilities and net position** $88,944,067
## Henderson Water Utility
Statement of Revenues, Expenses, and Changes in Net Position
For the Month Ended July 31, 2014

<table>
<thead>
<tr>
<th></th>
<th>July Actual</th>
<th>July Budget</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water sales and fees</td>
<td>$ 682,467</td>
<td>$ 667,752</td>
<td>$ 682,467</td>
<td>$ 667,752</td>
<td>$ 7,533,025</td>
</tr>
<tr>
<td>Wastewater services and fees</td>
<td>944,700</td>
<td>947,785</td>
<td>944,700</td>
<td>947,785</td>
<td>10,293,418</td>
</tr>
<tr>
<td>Total operating revenues</td>
<td>1,627,167</td>
<td>1,615,537</td>
<td>1,627,167</td>
<td>1,615,537</td>
<td>17,826,443</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries, wages, and benefits</td>
<td>512,626</td>
<td>583,676</td>
<td>512,626</td>
<td>583,676</td>
<td>6,804,455</td>
</tr>
<tr>
<td>Contractual services</td>
<td>151,775</td>
<td>168,690</td>
<td>151,775</td>
<td>168,690</td>
<td>2,032,275</td>
</tr>
<tr>
<td>Supplies and materials</td>
<td>145,248</td>
<td>131,479</td>
<td>145,248</td>
<td>131,479</td>
<td>1,594,798</td>
</tr>
<tr>
<td>Utilities expense</td>
<td>115,312</td>
<td>117,775</td>
<td>115,312</td>
<td>117,775</td>
<td>1,442,347</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>53,981</td>
<td>55,202</td>
<td>53,981</td>
<td>55,202</td>
<td>662,418</td>
</tr>
<tr>
<td>Other services and expenses</td>
<td>31,197</td>
<td>36,074</td>
<td>31,197</td>
<td>36,074</td>
<td>702,884</td>
</tr>
<tr>
<td>Depreciation</td>
<td>258,333</td>
<td>258,333</td>
<td>258,333</td>
<td>258,333</td>
<td>3,100,000</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>1,268,472</td>
<td>1,351,229</td>
<td>1,268,472</td>
<td>1,351,229</td>
<td>16,339,177</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>358,695</td>
<td>264,308</td>
<td>358,695</td>
<td>264,308</td>
<td>1,487,266</td>
</tr>
<tr>
<td><strong>NONOPERATING REVENUES (EXPENSES)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>2,834</td>
<td>2,083</td>
<td>2,834</td>
<td>2,083</td>
<td>25,000</td>
</tr>
<tr>
<td>Other income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(87,128)</td>
<td>(108,350)</td>
<td>(87,128)</td>
<td>(108,350)</td>
<td>(1,300,196)</td>
</tr>
<tr>
<td>Amortization expense</td>
<td>(2,210)</td>
<td>(3,750)</td>
<td>(2,210)</td>
<td>(3,750)</td>
<td>(45,000)</td>
</tr>
<tr>
<td>Total nonoperating revenues (expenses)</td>
<td>(86,504)</td>
<td>(110,016)</td>
<td>(86,504)</td>
<td>(110,016)</td>
<td>(1,320,196)</td>
</tr>
<tr>
<td>Income before capital contributions and distribution</td>
<td>272,191</td>
<td>154,292</td>
<td>272,191</td>
<td>154,292</td>
<td>167,070</td>
</tr>
<tr>
<td>Capital contributions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100,000</td>
</tr>
<tr>
<td>Distribution to City of Henderson</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(400,000)</td>
</tr>
<tr>
<td>Change in net position</td>
<td>272,191</td>
<td>154,292</td>
<td>272,191</td>
<td>154,292</td>
<td>(132,930)</td>
</tr>
<tr>
<td>Net position, beginning of period</td>
<td>49,198,928</td>
<td>49,198,928</td>
<td>49,198,928</td>
<td>49,198,928</td>
<td>49,198,928</td>
</tr>
</tbody>
</table>
Henderson Water Utility  
Statement of Cash Flows  
For the Month Ended July 31, 2014

<table>
<thead>
<tr>
<th>Description</th>
<th>July</th>
<th>Year to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from customers</td>
<td>$2,282,175</td>
<td>$2,282,175</td>
</tr>
<tr>
<td>Payments for goods and services</td>
<td>(461,526)</td>
<td>(461,526)</td>
</tr>
<tr>
<td>Payments for employees</td>
<td>(488,838)</td>
<td>(488,838)</td>
</tr>
<tr>
<td>Net cash provided (used) by operating activities</td>
<td>1,331,811</td>
<td>1,331,811</td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution to City of Henderson</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net cash provided (used) by noncapital financing activities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition and construction of capital assets</td>
<td>(1,260,783)</td>
<td>(1,260,783)</td>
</tr>
<tr>
<td>Principal payments on long-term debt</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest payments on long-term debt</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bond proceeds</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital contributions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net cash provided (used) by capital and related financing activities</td>
<td>(1,260,783)</td>
<td>(1,260,783)</td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment and other income received</td>
<td>3,112</td>
<td>3,112</td>
</tr>
<tr>
<td>Proceeds from sales and maturities of investments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(29,357)</td>
<td>(29,357)</td>
</tr>
<tr>
<td>Net cash provided (used) by investing activities</td>
<td>(26,245)</td>
<td>(26,245)</td>
</tr>
<tr>
<td>Net increase (decrease) in cash</td>
<td>44,783</td>
<td>44,783</td>
</tr>
<tr>
<td>Cash, beginning of period</td>
<td>9,028,246</td>
<td>9,028,246</td>
</tr>
<tr>
<td>Cash, end of period</td>
<td>$9,073,029</td>
<td>$9,073,029</td>
</tr>
</tbody>
</table>
OPERATIONS REPORT
General Operations:

A. North WTP:

Treatment Quality:

1. All regulatory and in-house treatment goals were met.

2. We received five water quality complaints. All of the complaints were investigated. All lab results came back normal.

3. **Cyanobacteria:** We didn’t receive any phone calls regarding the Cyanobacteria issue that occurred in Toledo, OH. This is an issue that we should not anticipate being a problem with the Ohio River as our source.

Operations:

1. **Chlorine Dioxide Generator Update:** Problems with the pump that pulls chemical out of the bottom of the bulk storage tank are still being worked through. The manufacturer desires to inspect the seals so these have been shipped to them. If this doesn’t work, we will begin the process of being refunded the cost of the pumps and work towards a different solution.

2. **Budget:**
   
a. Chemical expenditures were over budget for the month.

3. **Plant Maintenance Work:** *(This project was rescheduled for this upcoming month.)* Basin #3 is the last basin to be cleaned. It is scheduled for this month. At this time, the main baffle wall will be replaced by in-house staff. The current baffle is either redwood or cypress that is long past its useful life (you can push your finger through it). The plan is to replace this with a polyvinyl material.

4. **Coming Events:** We anticipate delivery of the material that will provide the floating covers on the basins within the next few weeks.

5. Average water treated & water pumped data trend:

![Graph showing water treated and water pumped data trend](image)

Note: These values are current readings, but the actual billed readings are approximately 45 days behind.
B. North WWTP:

Treatment Quality:

1. **Effluent Quality**: All regulatory treatment goals were met.

2. **Biosolids Quality**: This continues to improve. We expect to receive new diffusers (to replace lost ones) within the next few weeks and then install them. This will help a great deal.

Operations:

1. **Biosolids Update**: Bids were received and reviewed this past month. There is a Board Action Report for awarding the contract for sludge disposal at this meeting.

2. **Clarifier #1 Update**: This clarifier has been taken out of service so as to inspect the extent of damage to the steel mechanisms and the concrete troughs. We are looking at options for repair or replacement of the mechanism as part of the plant upgrade project.

3. **ATV**: The ATV from the South WWTP was transported to the North WWTP. Construction progress has made it difficult for a full size truck to get around to all of the operations areas.

4. **Personnel Update**: The part time Wastewater Treatment Operator 1 position was tested for and yielded four applicants. This position is not for an actual plant operator but for someone to assist in the operation of the sludge press. Interviews were conducted and the recommendation was forwarded to HR.

5. **Regulatory Update**: The discharge permit application was completed and sent into the State. We have received confirmation of its completeness and will now wait…(we are still waiting to receive our new permit for the South WWTP – the application was received by DOW in January 2012).

6. **Budget**:
   
a. Chemical expenditures were over budget.

   b. Fuel (Off-Road Diesel) was over budget.

   c. Sludge Hauling was under budget.

C. South WTP:

Treatment Quality:

1. All regulatory and in-house treatment goals were met.

2. No Water Quality complaints logged.

3. Algae monitoring was stepped up a little this month due to the Cyanobacteria issue in Toledo, OH. As is the case with the North WTP, and although the Green River is more susceptible to algae formation, there is no expectation of cyanobacteria becoming a problem.

Operations:

1. **Sodium Chlorite Tank Update**: (No Change): The progress of this project is waiting on the problems getting worked out with the pump at the North WTP. This replacement project is nearly
complete. It will be an identical setup (smaller scale) to the North WTP. There has been a lot of work on this – all by plant staff.

2. **Personnel Update:** The open WTO1 position was tested for again and yielded only one candidate. We are examining the applicants’ college transcripts and will then determine how to move forward. We continue to have significant problems getting qualified applicants through the current process. If this candidate does not work out, we may need to waive the exam and see if this yields more candidates.

As has been reported in past meetings, we lost a Class 4A operator a few months ago. We have a resignation in hand for another Class 4A operator for the end of September. (This operator is remaining on to help us out as much as possible as long as he can. He accepted a position with Morganfield Water last month due to higher pay and better benefits).

Now, another dayshift operator has had to schedule neck surgery for the end of this month. This will put him out for about 6 weeks and will create additional strain on the operators at this plant.

With the loss of this operator, the South WTP will be seriously under-staffed. We are going through all of the proper procedures to get vacancies filled, but are simply not getting the candidates through normal channels, or if we get candidates they are not passing the Civil Service exam. Additionally, competition for Class 4A operators across the region is having an effect, making it difficult to lure operators from lower paying utilities or keeping the ones we have. The South WTP is also a physically demanding plant that does not lend itself to the kind of “blind consideration” that Civil Service restricts us to so as to avoid discrimination.

We may need to consider changes to the minimum qualifications we require for the entry level (WTO1) position. These requirements were meant to supply us with candidates that could obtain Class 4A licensure within 30 months of hire. This would make it necessary to either possess college credits that could be applied towards obtaining the license or licensure that has not expired from current or past experience (an operator is able to keep a license for up to 1 year after leaving a position in water treatment). We may also need to look at other changes to attract more candidates. This is becoming a critical issue.

3. **Budget:**

   a. Chemical expenditures were over budget. This was due to the purchase of carbon, to prepare for DBP testing, and sodium chlorite, which is usually a quarterly purchase.

4. **Average Treated & Pumped water trend:**

   ![Average Treated & Pumped water trend]

   Note: These values are current readings, but the actual billed readings are approximately 45 days behind.
D. South WWTP:

Treatment Quality:

1. **Effluent Quality**: All reportable treatment goals were met.

2. **Biosolids Quality**: There has been a great deal of improvement with all of the air lines being repaired.

Operations:

1. **Biosolids Update**: Bid packets were received this past month for sludge disposal and were reviewed. There is a Board Action Report at this meeting awarding the contract for South WWTP sludge disposal.

2. **Biosolids GeoBag**: One of the problems we faced earlier this year was not being able to get enough sludge removed from the plant due to the availability of trucks and slow turn-around time at the landfill. This had the potential to put us in compliance trouble since the plant critically depends on the removal of sludge from the plant. Unlike the North WWTP, there is no available storage at this plant. As a result, we have installed a system that will allow us to pump the solids into a permeable GeoBag that is contained in a roll-off dumpster. A report on how this is working will be available in next month’s O&M Report.

3. **Air Line Repair Project**: This project was completed on 8/6. The positive comments on the new pontoon boat have been overwhelming, including a suggestion from our State inspector to patent the design. It is a little slower to do the work but has made it immeasurably safer and easier.

4. **Sludge Press Repair Update**: There are only a few more minor repairs to be made to the press floor and the press will be placed back in operation. There was a meeting with Phoenix representatives to talk about the problems we had with this press. It was a good meeting where we communicated to him that if we come to the point of purchasing a new press in the future, we would have sufficient reason to go with a different manufacturer.

5. **ATV**: A Board Action Report is attached for the purchase of a new ATV off of the State Contract.

E. Pretreatment Program:

1. **Industrial User Update**: All of the Industrial Users in the program have had their new permits delivered to them. These took effect on 8/1/2014.

2. **Industry Inspections**: All annual industrial inspections have been completed for 2014. Many of the industries have expressed their appreciation for the information and help they are being provided.

3. **Regulatory Update**: The semi-annual report has been submitted and approved. We are in excellent shape.

F. Automation Department:

1. **(No Change)** The Canoe Creek monitoring station located at Clay Street has been installed and is being continuously trended with SCADA. We are finalizing the public website. For a preliminary viewing, go to [http://storage.hkywater.org/scada/NewCCGraph.php](http://storage.hkywater.org/scada/NewCCGraph.php). The graphic depicts the past 24 hours of creek level data at Clay Street and Second Street overpass.

2. Trenching for conduit has been completed and we have installed control cabinets & solar panels at each CSO monitoring location. A couple of extension cables for communications are on order with a 2-3 week lead time. These are necessary due to location changes from original plan. During the time
that we await the extension cables, we will be performing programming and calibration on the 
remainder of the devices. We hope to have this system online by the end of September with a 
publicly accessible website available shortly thereafter.

3. We have provided additional system flow data to Strand Engineering for use in developing the new 
water model.

4. Our Automation Specialist, Wayne Griffin, will be attending the first part of Wonderware training in 
September. The August class filled up quickly and before we had a chance to register.

5. Overflow data recorded during the past year has been submitted to John Baker for inclusion in our 
annual reports to the DOW and the EPA.

G. SOC General:

1. We have been trying to better control our inventory of small tools and consumable supplies at the 
SOC by installing vending machines for some smaller items. This allows tracking of use by employee. Automatic restocking by the vendor helps to insure that we have these items in stock. The pictures below show the new Fastenal vending machines in the SOC Tool Room.
H. Customer Service:

Customer Service Calls and Work Orders (NORTH):
These are the customer calls we responded to and by no means represent all of the calls that came in. We provided the following services to customers last month:

<table>
<thead>
<tr>
<th>Service</th>
<th>Qty.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Taps</td>
<td>2</td>
</tr>
<tr>
<td>Sewer Taps</td>
<td>1</td>
</tr>
<tr>
<td>Water Meter Installation</td>
<td>2</td>
</tr>
<tr>
<td>Sewer Service Line Locates - Developer Installed</td>
<td>2</td>
</tr>
<tr>
<td>Water Main Repairs</td>
<td>1</td>
</tr>
<tr>
<td>Water Service Line Repairs</td>
<td>3</td>
</tr>
<tr>
<td>Sewer Main Repairs</td>
<td>3</td>
</tr>
<tr>
<td>Sewer Service Line Repairs</td>
<td>2</td>
</tr>
<tr>
<td>Storm line Repairs</td>
<td>7</td>
</tr>
<tr>
<td>Storm Intake Repairs</td>
<td>1</td>
</tr>
<tr>
<td>Sewer Manhole Repairs</td>
<td>2</td>
</tr>
<tr>
<td>Sewer Main Cleaning</td>
<td>3</td>
</tr>
<tr>
<td>Sewer Main Unblocking</td>
<td>2</td>
</tr>
<tr>
<td>Water Meter Inspection</td>
<td>13</td>
</tr>
<tr>
<td>Water Meter Changes</td>
<td>2</td>
</tr>
<tr>
<td>Water Meter Repair</td>
<td>13</td>
</tr>
<tr>
<td>Water Meter Disconnected</td>
<td>2</td>
</tr>
<tr>
<td>Water Meter Raised/Lowered</td>
<td>1</td>
</tr>
<tr>
<td>Fire Hydrant Repairs</td>
<td>1</td>
</tr>
<tr>
<td>Low Water Pressure Calls</td>
<td>1</td>
</tr>
<tr>
<td>Sink Hole Calls</td>
<td>8</td>
</tr>
<tr>
<td>Stormwater Flooding Calls</td>
<td>1</td>
</tr>
<tr>
<td>Clean/Unblock Intakes</td>
<td>1</td>
</tr>
<tr>
<td>Sewer Backup Calls</td>
<td>7</td>
</tr>
<tr>
<td>Sewer Odor Calls</td>
<td>3</td>
</tr>
<tr>
<td>Water Leak Calls</td>
<td>11</td>
</tr>
<tr>
<td>Water Quality Calls</td>
<td>2</td>
</tr>
<tr>
<td>No Water Calls</td>
<td>3</td>
</tr>
<tr>
<td>Shut Water off/Turn Water On Calls</td>
<td>3</td>
</tr>
<tr>
<td>Install Temporary Hydrants</td>
<td>1</td>
</tr>
<tr>
<td>Pump Station Repairs</td>
<td>6</td>
</tr>
<tr>
<td>Pump Station Inspections</td>
<td>44</td>
</tr>
<tr>
<td>Pump Station Cleaning</td>
<td>4</td>
</tr>
<tr>
<td>Pump Station Maintenance</td>
<td>30</td>
</tr>
<tr>
<td>Inspect Misc. Items</td>
<td>16</td>
</tr>
<tr>
<td>Sewer Overflow Calls</td>
<td>2</td>
</tr>
<tr>
<td>Smoke Test Lines</td>
<td>2</td>
</tr>
<tr>
<td>Camera Inspect Lines</td>
<td>3</td>
</tr>
<tr>
<td>Downspout Removal Letters Mailed</td>
<td>0</td>
</tr>
</tbody>
</table>

We have mailed out a total of 170 downspout letters to date and 152 have complied and been inspected.
I. Collection System:

1. The crews have been working on some small stormwater jobs this month repairing existing storm lines that were leaking and some sink holes. Focus has been on areas in Highlander and Frontier Subdivisions.

2. We have made only one new sewer tap this month.

3. The pump station crews have been working on cleaning and checking stations this month. One of the pumps at the State Police Post had to be replaced. Other stations have been performing well.

4. Third Street Basin has been cleaned out with several truckloads of silt and debris taken to the landfill. It has been several years since this was done, and we plan to increase the frequency of this cleaning now that excess Canoe Creek Interceptor flows will be redirected to this basin.

5. Crews also installed conduits for the CSO monitoring points on the River.

6. Crews also repaired a 24” culvert that crosses Van Wyk Road.

J. Distribution System:

1. The crews have been working on Fifth Street to eliminate two older 6” lines from the system. One of these lines was the cause of the leak we had a couple of weeks ago on Fifth and Water Streets.

2. We had several small leaks this month on service lines. These don’t amount to much water loss but usually take crews a half to a whole day to repair.

K. Stormwater Phase II:

1. Henderson’s MS4 (Municipal Separate Storm Sewer System) program is governed by two permits that have been issued by KDOW, the Kentucky Division of Water: KYG20 and KYR10.

Permit KYR10 covers construction site activities, including erosion and sediment control. That 5-year permit expired on July 31, 2014. A new DRAFT KYR10 permit has just been published and is available for public comment until September 1, 2014. HWU staff is studying the draft permit. We will submit comments to KDOW if our review of the changes in the permit warrants. KSA, the Kentucky Stormwater Association, will study the draft permit as well. One advantage of our KSA membership and participation is that KSA acts as a collective voice, and so speaks louder when there are concerns about pending regulations.

Permit KYG20 is the primary permit that covers our other MS4 requirements. That 5-year permit expires on March 31, 2015. A new 5-year permit will be issued when the current KYG20 permit expires.

L. Information System Department:

1. UPDATE: Outdoor camera has been installed and is facing the gas pump on the side of the SWWTP.

PREVIOUSLY: New IP Camera system currently being installed at SWWTP. This system will also cover cameras for SWTP. One indoor camera has been installed in the front foyer and the Network Video Recorder has been installed to house the recorded video. An outdoor camera will be installed in the next few weeks.

2. Working with Timmons Group to get the project going on the Asset/Work Order Management System (Cityworks).
M. GIS Department:

1. We are working on the new City Works Software to get our Asset information in the correct formats.

2. We now have a seasonal employee that is making some much needed data input to our maps. He is making all of the mark-up changes that the crews have made.

3. We continue to update GIS to reflect changes from recent construction projects and mapping projects.

4. We are assisting Strand in working with the Modeling Software for the Water System.
<table>
<thead>
<tr>
<th>Date</th>
<th>Crew #</th>
<th>Address</th>
<th>Comments</th>
<th>Rodney’s Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/8/2014</td>
<td>124</td>
<td>1720 S. Main St.</td>
<td>Bad sinkhole was filled in, but no filling of sunken area on opposite side of alley. Locate flags are still there 7/4/2014</td>
<td>Received 7/8/2014, but dated 4/29/2014</td>
</tr>
<tr>
<td>7/9/2014</td>
<td>135</td>
<td>2183 Augusta Dr.</td>
<td>Excellent service!</td>
<td></td>
</tr>
<tr>
<td>7/11/2014</td>
<td>135</td>
<td>1100 Oakcrest Dr.</td>
<td>2 workers checked area/hole and I was informed someone would get back to me. Responded very fast, very nice!</td>
<td></td>
</tr>
<tr>
<td>7/18/2014</td>
<td>135</td>
<td>2320 Johnson Dr.</td>
<td>They explained what was checked and done. Very courteous. Thank you! God Bless!!</td>
<td></td>
</tr>
<tr>
<td>7/18/2014</td>
<td>135</td>
<td>417 S. Adams St.</td>
<td>Thank you!!</td>
<td></td>
</tr>
<tr>
<td>7/22/2014</td>
<td>124</td>
<td>2539 Knoll Top Ln.</td>
<td>Very good service. Prompt!</td>
<td></td>
</tr>
<tr>
<td>7/23/2014</td>
<td>124</td>
<td>2103 Collier Rd.</td>
<td>Very nice worker who came to the door.</td>
<td></td>
</tr>
</tbody>
</table>

15 Service Request Tags Given Out
8 Work Order Tags Given Out
7 Door Tags Returned
ENGINEERING REPORT
1. **North Wastewater Treatment Plant (NWWTP) Upgrade Project**
   The North WWTP Improvements (Headworks) continues. Contractor is 10 to 12 weeks behind the original schedule. Concrete walls for the UV structure and for the Headworks/grit chamber are moving along, and work on the new 160-foot diameter clarifier has slowed because it interferes with the Central Pump Station excavation, which is very deep and next to the clarifier. This is a “build a plant within a plant” project, meaning that work progresses by fits and starts, working around existing facilities, trying all along to keep the existing plant operating within permit limits. It’s a challenge. July was a good month, progress-wise.

   Some large pieces of equipment have been delivered, including the fine screens and the UV disinfection machines.

2. **Janalee Drive Pump Station and Force Main Upgrade Project**
   Equipment for the Janalee Drive pump station, which we procured separately, is on order, after a lengthy delay in getting shop drawings submitted and approved. Force main construction (by Scott & Ritter) is more than half complete; contractor jumped on it quickly. The pump station upgrade is underway, with prep work that can be done before the arrival of equipment. Electrical work on the new transformer is nearly complete.

3. **North Water Treatment Plant – Rehab and Basin Repair Project:**
   Floating cover delivery and installation is still pending. We’re disappointed with the supplier taking so long to fill our order.

   Design engineering for the critical improvements (flash mix repair, basin modifications, and leak repairs) from this report has started, with a kickoff meeting on 21 July. Design work will take several months, with 50% plans due around the end of September.

4. **Myrene Drive Sewer Pump Station:**
   We issued an RFP in March for an engineering firm to assist us in designing an upgrade or replacement for this station. The existing station is a Cantex unit that is difficult to maintain, and the station does not have adequate storage to meet current standards in the event of a malfunction. Flow monitoring report has been received from sub-consultant, and preliminary engineering is underway. Expect to have a preliminary report from Waufورد by 1 September. A complete investigation of all the pump stations in the Atkinson Park sewer-shed is included in this study, and we should have a plan at the end of this process for renovation, repair and replacement of all those stations.

5. **Water Model:**
   Strand Associates is providing assistance in setting up our water model for the North water distribution system. We had a glitch with the software provider not allowing us to loan our copy to Strand, and have had to slightly change our method of operation, but Strand has been good at adjusting. Preliminary results have been received, and the field work of performing hydrant tests to confirm the model’s veracity has also been conducted.
6. **Bobby Gish (Admin) Building Roof:**
We’ve issued an RFP for an architect to assist us in replacing the roof on the Admin Building, and making some minor exterior repairs to the building, which is 20 years old and in need of some work. Hope to have a recommendation for you at the September Board meeting.

7. **Frontier Tank Rehab and Painting Project:**
Task Order with Wauford for design engineering on the Frontier Tank has been signed, and we are setting a kickoff meeting for later this month. The lateness of the timing likely means that the actual construction work will follow in the spring of 2015. This fits into our capital planning, since the first payment to the contractor will likely be in the next fiscal year.

8. **Work Order Management System - Cityworks:**
Contracts for this new system to replace our Hansen AMS have been signed, and some training on the new system has already begun. Cityworks software contract has also been signed; the costs for the software are locked in for three years ($30,000 annually). Timmons Group, the implementation consultant, will begin mapping of our workflows soon, and plans to be here the second week of September.

9. **Tiger Ditch Stormwater Project:**
Work has started to correct erosion problems in the ditch running from Stadium Drive north to Second Street, as well as provide a thorough cleaning and clearing of brush and vegetation. With heavy development on both sides of the ditch, we have had to work within a very narrow sliver of land. Erosion along the section just north of Stadium Drive has required us to install a fence/rock wall as we’ve done at several other locations.

10. **South Water Treatment Plant – Rehab Project:**
J.R. Wauford, the consultant on this study, delivered a final report on the preliminary engineering study, and each Board member should have received a copy. We’ve identified the most feasible way to increase plant capacity, and are considering ways to address the short term concerns with the clearwell and the raw water source. We are now ready to move forward with design of some work at this plant in the coming fiscal year. We held a meeting with Big Rivers plant staff on 11 July to update them on the parts of this work that are on their property.

11. **US 60 West Water Booster Station (South Pressure Zone):**
We have received preliminary plans for the foundations of this building, which will be located on US 60 West near the Fairmont sewer pump station at the South extremity of the cemetery. The foundation for this building will be constructed in a manner that will allow us to replicate the Atkinson Park Booster Station building in the future, when funding is available. For now we may utilize the metal building currently at the Barret Boulevard location, but paint it and install some additional landscape screening to buffer the impact on the cemetery.

12. **Cooper Park Stormwater Project:**
The City applied for and received a grant for this project to address stormwater issues in an older subdivision at Clay Street and North Fork Canoe Creek. We have prepared preliminary plans and forwarded them to the City for discussions with KY EMA about the method of solving the problems we’ve found. As grant funds are received for reimbursement of our expenses that will offset some of the cost of additional work we may perform in this neighborhood.

Engineering Report
18 August 2014
13. Sludge Storage at South WWTP:
   This has a lower priority now that sludge disposal situation at this plant has stabilized. This project
   will be dropped from this report until a potential project is more imminent.

14. Highway #41A South, Sewer System Project:
   This project will ultimately serve Finley Addition and some other un-sewered areas just outside
   the City limits, but within our service territory. The County is prepared to go to bids on this
   project soon; easement issues have largely been cleared up. We have been in contact with HMPL
   about issues related to providing three-phase service to the three pump station sites; this is
   critical to our future maintenance and operational needs, and these costs will have to be paid as
   part of the County’s project.
HUMAN RESOURCE REPORT
**Staffing Levels:**

1. Utility System Worker III [1 position]: Register exhausted; coordinating another exam date with Civil Service Commission
2. Environmental Compliance & Pretreatment Coordinator [1 position]: Register forwarded to HWU staff; position on hold per HWU management
3. NWWTP Wastewater Treatment Operator, part-time [1 position]: Recommendation received, background check in process
4. Utility System Worker I [2 positions]: 2 candidates’ pre-employment physical & drug screen scheduled for August 14
5. Utility System Worker II [2 positions]: 1 promotion August 4 and 1 new hire started August 11
6. SWTP Water Treatment Operator [2 positions]: Exam conducted on August 7, register creation is in progress
7. SWWTP Wastewater Treatment Plant Operator I [1 position]: New hire started August 11
8. SOC Maintenance Team Leader [2 positions]: Interviews completed August 12; waiting on direction from HWU staff
9. SOC Maintenance Technician II [5 positions]: Waiting on direction for open or closed exam to coordinate a date with Civil Service Commission
10. SOC – Seasonal Construction Utility System Worker [1 position]: 1 temp agency person started August 6; temporary agency working on 1 position
11. SOC – Seasonal Construction Utility System Worker [2 positions]: No request for action
12. NWTP – Seasonal Maintenance Worker [1 position]: Temporary agency working on position
13. NWWTP – Seasonal Maintenance Worker [1 position]: Temp agency person started August 11
14. SWWTP – Seasonal Maintenance Worker [1 position]: Temporary agency working on position
15. SOC – Seasonal Worker for MS4 project [1 position]: Temporary agency working on position
16. SOC – Seasonal Worker [1 position]: Temporary agency working on position
17. SOC – Seasonal Worker [2 positions]: No request for action

**Safety Report (as of 7/31/2014):**

<table>
<thead>
<tr>
<th>Hours Worked</th>
<th>92,297** + 19,234**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cases</td>
<td>5</td>
</tr>
<tr>
<td>Days Away/Restricted Time Cases</td>
<td>3</td>
</tr>
<tr>
<td>Days Away From Work Cases</td>
<td>3</td>
</tr>
<tr>
<td>Actual # Days Away From Work</td>
<td>14</td>
</tr>
<tr>
<td>Transfer/Restricted Cases</td>
<td>0</td>
</tr>
<tr>
<td>Actual #Days Restricted Duty</td>
<td>0</td>
</tr>
</tbody>
</table>

- 2012 NAICS is the classification for Utilities: Water, Sewage, and other systems
- DART = Days Away, Restricted, or Transferred
- DAFW = Days Away From Work
- How incident rates are calculated: ([# Cases) x 200,000] / Employee Hours Worked
- Change data compared to data at the end of the previous month.

**Incident Rates**

<table>
<thead>
<tr>
<th>Incident Rates</th>
<th>HWU</th>
<th>Change</th>
<th>2012 NAICS 2213</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Recordable Rate</td>
<td>10.83</td>
<td>- 2.86</td>
<td>2.8</td>
</tr>
<tr>
<td>DART Incident Rate</td>
<td>6.50</td>
<td>- 1.71</td>
<td>1.4</td>
</tr>
<tr>
<td>DAFW Rate</td>
<td>6.50</td>
<td>- 1.71</td>
<td>0.8</td>
</tr>
<tr>
<td>Trans / Restrict. Rate</td>
<td>0.00</td>
<td>0.00</td>
<td>0.6</td>
</tr>
</tbody>
</table>

**Hours are uncharacteristically high due to the hours include payroll beginning June 23.

- No recordable and possible reportable incident in July.
The comprehensive fixed facility safety audit of the South Wastewater Treatment Plan and South Water Treatment Plant were conducted in July. A few minor safety issues noted at both facilities were immediately corrected. Minor issues, such as frequent light bulb replacement, routinely arise due to the harsh environment in which the fixtures are located.

**Other:**

- Upcoming City-wide training is planned in the coming months
  - Super Supervisor training is scheduled for August 28
  - Lean Training series is scheduled for September 15, 17, 22 and 24
  - Drug & Alcohol training is scheduled for early December
SAFETY REPORT
A. Safety Committee:

The monthly safety committee meeting was held on July 30th most discussion was on upcoming training.

B. Training

Training performed in July:

1. Safety meetings are continuing for the crews at the SOC.

2. The Safety Coordinator attended training classes in Owensboro July 14-17. Classes were presented by KY OSHA over various OSHA standards.

C. Safety Inspections:

1. Administration Building
   
   • There were no major safety issues noted.

2. Systems Operation Center (SOC):
   
   • There were no major safety issues noted.

3. WTP North:
   
   • There were no significant safety issues found during periodic site visits. These visits unlike the complete audits below may not cover every area of the facility on the day visited. Site visit dates in July were on the 1st, 2nd, 7th, 10th, 22nd, 24th and 30th.
4. WWTP North:
   - There were no significant safety issues found during periodic site visits. These visits unlike the complete audits below may not cover every area of the facility on the day visited. Site visit dates in July were on the 1st, 7th, 9th, 22nd, 24th, 29th, and 30th.

5. WTP South:
   - See facility audit below.

6. WWTP South:
   - See facility audit below.

7. Water Distribution/ Collection System:
   - There were no safety issues with employees observed during safety site visits and proper PPE and signage was being used.

D. Comprehensive Safety Audits:
   1. WTP South:
      There was only one minor issue noted that was corrected during the audit

   2. WWTP North:
      There were a few minor issues noted most of which were corrected during the audit.

E. Recordable Injuries:
   1. There were no recordable injuries in July.
GENERAL MANAGER’S REPORT
General Manager Report  
18 August 2014

Strategic Plan

Two months ago we submitted a Strategic Plan that spells out our projects for the next several years. With the impending arrival of the additional $3 million in borrowing (total of $8 M this year), we now can set priorities for the projects that will be completed in the next 2 to 3 years.

Key to this strategic plan is the South Water Treatment Plant Study report that you will hear about tonight, which spells out the needs for risk-reduction projects that are overdue. It also outlines a plant upgrade project that will allow us to eventually retire the old plant and upgrade capacity on an as-needed basis. In light of our financial situation, this work cannot be completed all at once, or even within a short time horizon, as other studies of the North WTP and the water tanks have shown the need for immediate repairs at those facilities.

In consideration of all our needs, my recommendation for our Three-Year Plan is:

2014-2015 Fiscal Year

North Water Treatment Plant – Flash Mix/Tank Rehab $500,000 (split into 2 years)
South Water Treatment Plant – Raw Water (Project 1) 40,000 Design Only
South Water Treatment Plant – Immediate Repairs (Project 2) 15,000 Design Only
South Water Treatment Plant Expansion – (Project 4) 386,000 Design Only
Paint and Rehab the Frontier Tank – Design Only 14,000 Design Only
U.S. 60 West Water Booster Station 75,000
Countryview Storm Sewer – Phase I - (Joint Project with City) 100,000

$1,130,000

2015-2016 Fiscal Year

North Water Treatment Plant – Flash Mix/Tank Rehab $1,000,000 (completion)
Paint and Rehab the Frontier Tank 665,000 Construction
South Water Treatment Plant – Immediate Repairs (Project 2) 220,000 Construction
South Water Treatment Plant – Clearwell Painting (Project 3) 330,000
Countryview Storm Sewer – Phase II 100,000

$2,315,000

2016-2017 Fiscal Year

Paint and Rehab the College Tank 605,000
Paint and Rehab the Vine Street Tank 555,000
Paint and Rehab the Four Star Tank – Interior Only 220,000
South Water Treatment Plant – Raw Water (Project 1) 485,000
Myrene Drive Sewer Pump Station 150,000
Countryview Storm Sewer – Phase III 100,000

$2,115,000
These are just the major projects; other needs like drainage projects, vehicles & equipment, and the usual day-to-day capital replacements will be taken from the remaining funds.

We believe this is a sound plan; as sound as we can make it, knowing what we know. By completing these water, wastewater and stormwater projects, and working through the design of an expansion of the South WTP, we will be able to continue service to our existing customers, and prepared for expansion at the South Plant should the need arise. Risk reduction is a large part of our planning, and that’s not just the risk that capacity could hold up economic development, it includes the risks of contamination of water supplies and generation of byproducts in our water tanks and distribution systems.

**HWU Policies**

This month we are submitting three new policies and a minor revision to another, which should complete the policy manual process, for the time being.

First is a new policy dealing with use of Sick Leave. This requires an employee with less than 40 hours accumulated sick time to present a physician’s excuse when using that time. We’ve enforced this restriction on a case by case basis in the past when employees used sick time excessively. Making this restriction permanent and across the board is fairer, and is meant to aid the employees by reserving some sick time in lieu of a short-term disability benefit. Some City departments have adopted similar internal policies, but the City doesn’t enforce this globally.

Second, a policy dealing with Phone and Pager use specifies the employee classifications that qualify for co-payments for either voice-only or voice + data plans, and also sets out policy for use of pager phones for on-call personnel. We went to this co-pay arrangement a couple of years ago to avoid the situation where we were becoming a small phone company.

Third, the fire hydrant meter policy is submitted with minor revisions to reflect the new rates that went into effect on 1 July, and an addition that allows me to reissue the policy without bringing it to the Board when the only change is in the water rates.

Lastly and probably most importantly, a new Purchasing Policy sets out procedures for delegation of spending authority within budget limits for all our personnel. It also formalizes procedures for authorization of travel and training expenses, and requires pre-authorization of large expenditures. This is largely our current procedure, but some of the dollar limits for various positions have been tweaked to account for rising prices and to sub-delegate responsibility and accountability to various levels. This is a product of extended discussion with Leason and Kathy, and should simplify our procedures and cut down on the paper mill.

**Employees**

We have one milestone service anniversary to share with you this month. Melissa Lutz started work with us on 9 August 1999, so she marked her 15th year this month. Melissa works in the wastewater laboratory, and is a valued employee in an important but tedious job.
**City of Henderson Issues**

We’ve been involved with City staff in work on a couple of ordinance sections dealing with Trenchless Construction (Directional Drilling/Jack & Bore), and with occupation of public utility easements by homeowners (yard barns, landscaping, fences, etc.). Both of these are currently unregulated, and are areas of concern. Trenchless contractors can do serious damage to our lines. We’ve also been faced with potentially large cost claims due to pools, garages, elaborate landscaping and ornate fences that occupy utility easements. These ordinances attempt to alleviate that risk, and were discussed in a City work session on July 15th, with first reading on 12 August; final approval should come next week.

We also will be taking the sale of the Washington Street property to the City Commission for their approval on August 26th. This is the subject of a resolution at this Board meeting.

I prepared the attached letter to the Mayor, as a way of letting the City know of our concerns about the redevelopment of the Station One property. Recent discussions have made it clear that the City has no firm plans for the space, but I think it’s important for us to raise the fact that our facilities on and adjacent to the property are going to be expensive to move, and that we might need to consider the ramifications of any development they do on our future needs for expansion or rebuilding of the North water plant. Would appreciate any suggestions on this matter, and do not want this to be taken as throwing down a demand; as a City agency, I think we owe them a duty to make them aware of possible future plans.

**Regulatory Items**

On the regulatory front, we’ve submitted our application for renewal of our KPDES permit for the North WWTP, as Kevin detailed in the Operations report. This has triggered brief activity on the Consent Judgment, since a new permit will likely contain the “post-construction monitoring” requirements of the long-term control plan, which consists of sampling of overflows to show the impact of the reduced CSO discharges on water quality, and adding that to the permit is a step in terminating the CJ.

Pulling the post-construction requirements together, modifying the permit to include the changes we’re making to the NWWTP on the Headworks project, and getting the Consent Judgment terminated will be difficult to work through, both for KDOW and for us, and we’re not sure how it will play out; new ground being plowed, both for us and for the regulators.

John Baker has submitted the seventh Consent Judgment Annual Report, due on September 1st. This is another item that may be included as part of the post-construction regimen under the new KPDES permit, and will likely be required to continue into the future, indefinitely. At the same time, we furnish an abbreviated report to U.S. EPA under the Administrative Order. Both reports went out the door in record time.

On the subject of the LTCP and CSO volumes, the following page is a summary of our overflows over the last seven years. Hard to compare year to year results because of precipitation variances, but seems to show steady progress, so far, in our control plan. Note especially the reductions on the Downtown CSO points, which were almost nil, last fiscal year.
### System-Wide Comparison of Permitted CSO Discharge Occurrences

#### Fiscal Year Summaries

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>KPDES 002 - Janabee Drive P.S. (Discharges to Ohio River)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Duration (Hours)</td>
<td>36</td>
<td>580</td>
<td>277,145,324</td>
<td>31</td>
<td>481</td>
<td>119,906,909</td>
<td>27</td>
</tr>
<tr>
<td>Est. Volume (Gallons)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KPDES 003 - Regan Street (Discharges to Ohio River)</td>
<td>33</td>
<td>632</td>
<td>44,609,859</td>
<td>36</td>
<td>328</td>
<td>13,474,500</td>
<td>38</td>
</tr>
<tr>
<td>KPDES 004 - Jackson Street (Discharges to Ohio River)</td>
<td>17</td>
<td>441</td>
<td>36,477,650</td>
<td>12</td>
<td>154</td>
<td>2,741,600</td>
<td>8</td>
</tr>
<tr>
<td>KPDES 005 - Towles Street (Discharges to Ohio River)</td>
<td>33</td>
<td>933</td>
<td>14,423,400</td>
<td>25</td>
<td>986</td>
<td>12,426,000</td>
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</tr>
<tr>
<td>KPDES 006 - City Street Diversion (Common discharge with KPDES 007)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KPDES 007 - Powell Street (Discharges to Ohio River)</td>
<td>27</td>
<td>116</td>
<td>5,495,350</td>
<td>30</td>
<td>181</td>
<td>9,448,850</td>
<td>30</td>
</tr>
<tr>
<td>KPDES 008 - Washington Street (Discharges to Ohio River)</td>
<td>29</td>
<td>741</td>
<td>78,595,859</td>
<td>22</td>
<td>37</td>
<td>1,097,800</td>
<td>28</td>
</tr>
<tr>
<td>KPDES 009 - First Street (Discharges to Ohio River)</td>
<td>30</td>
<td>175</td>
<td>8,543,150</td>
<td>36</td>
<td>379</td>
<td>33,554,000</td>
<td>33</td>
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<tr>
<td>KPDES 010 - Second Street (Discharges to Ohio River)</td>
<td>13</td>
<td>4</td>
<td>14,206</td>
<td>8</td>
<td>25</td>
<td>4,350</td>
<td>24</td>
</tr>
<tr>
<td>KPDES 011 - Fourth Street (Closed - Does not discharge)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KPDES 012 - Fifth Street (Closed - Does not discharge)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KPDES 013 - Eighth Street (Closed - Does not discharge)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KPDES 014 - Second Street P.S. (Discharges to Canoe Creek)</td>
<td>22</td>
<td>189</td>
<td>88,978,313</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>KPDES 015 - Third Street Basin (Discharges to Canoe Creek)</td>
<td>21</td>
<td>189</td>
<td>87,901,688</td>
<td>17</td>
<td>104</td>
<td>34,237,363</td>
<td>3</td>
</tr>
<tr>
<td>KPDES 016 - Cooper Park P.S. (Discharges to Canoe Creek)</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Unknown</td>
</tr>
<tr>
<td>KPDES 017 - Outer Fifth Street (Closed - Does not discharge)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note that the term "Events" as used throughout this section refers to discharge occurrences at each specific KPDES outfall location. The term does not refer to system-wide events.
1.0 POLICY STATEMENT: This policy details procedures for use of Sick Leave when any employee’s accumulated Sick Leave falls below 40 hours. Sick Leave is defined and accumulated per Article 230 of the Employee Manual.

It is in the interest of both HWU and our employees that a balance of Sick Leave credit be maintained in the employee’s name to provide continuity of pay and benefits in case of injury, sickness or short-term disability. HWU will follow the procedure outlined below to encourage the maintenance of a balance of Sick Leave credit for all employees, and to insures that this policy is implemented in a fair and impartial manner.

2.0 PROCEDURES: Employees whose accumulated Sick Leave credit falls below 40 hours during any pay period shall not be allowed to use Sick Leave credit in that pay period unless they present a physician’s certificate upon return to work. The Certificate shall: Name the patient, and if applicable his/her relationship to the employee; show the nature of the medical condition in non-specific terms, its date and duration, justifying the need to be off work; and, show the expected return to work date. The requirement for a physician’s certificate for use of Sick Leave will remain in force for 3 months, and may be extended for a longer period at the discretion of the supervisor and with approval of the Department Head.

All provisions of Article 230 of the Employee Manual not in conflict with this policy remain in force and effect for all HWU employees.

This policy does not apply to probationary employees, to employees on Family Medical Leave under Article 416 of the Employee Manual, or to an employee whose Sick Leave credit falls below 40 hours due (in part or in whole) to participation in the Sick Leave Sharing policy as outlined in the Article 231 of the Employee Manual.

3.0 RESPONSIBILITY: Individual employees are responsible for maintaining a Sick Leave balance above 40 hours, and for submitting a physician’s certificate when required by this policy.

Supervisors are responsible for insuring that Sick Leave balances are tracked for themselves and their direct reports, and that a physician’s certificate is submitted when required by this policy.

Department heads are responsible for ensuring overall compliance with the provisions of this policy. Exceptions to this policy may be approved by the General Manager.

APPROVED:

____________________________________
Tom Williams, P.E.
General Manager
1.0 POLICY STATEMENT: Some HWU employees are required to be available by phone during off-duty hours, or to use their personal phones during the normal course of business. HWU reimburses employees for this use under a “co-pay” arrangement with our selected phone vendor. To qualify for the co-pay arrangement, employees must have a phone plan with the HWU-selected vendor.

2.0 PROCEDURES:

2.1 Employees in the following classifications are authorized co-pays as follows:

2.1.1 A basic phone co-pay of $35 applies to:
- GIS Manager
- Automation Specialist
- Utility System Specialist
- Maintenance Team Leaders
- Chief Operators (Water & Wastewater)
- Pretreatment Coordinator
- Utility System Crew Leader
- Maintenance Technicians (I, II & Sr.)

2.1.2 A data plan/phone co-pay of $60 (for those required to have access to email) applies to:
- General Manager
- Director of Plant Operations
- Chief Engineer
- Safety & Training Coordinator
- System Superintendents
- Construction Inspector
- Director of Field Operations
- Director of Engineering
- IT Manager
- Automation Manager
- Projects and Compliance Manager

2.2 Co-pays are paid directly to the phone vendor, up to the amounts listed above, and are not taxable.

2.3 Employees in classifications subject to call-out will be provided with a “pager phone” that rotates among those on duty for call-outs. This phone and its charger are passed to the next person on call, each Monday morning.

2.4 HWU, in its sole discretion, has the authority to add or remove any individual employee from the eligible list for co-payment.
3.0 **RESPONSIBILITY:** Department Heads are responsible for ensuring that this policy is monitored and followed within each department. The IT Manager is responsible for keeping updated lists of employees in each category, and for setting up the co-pays with the selected vendor.

Exceptions to this policy shall be authorized by the General Manager.

APPROVED:

____________________________________
Tom Williams, P.E.
General Manager
1.0 POLICY STATEMENT:

Fire Hydrant Meters may be made available to customers of the Henderson Water Utility (HWU) for temporary water service. They may also be used by non-HWU customers (contractors, developers and others) subject to a deposit. Temporary meters may not be used as the primary source of water for an occupied residence or building.

All usage shall be charged based upon Tier 1 in table A of the current water rates, as established in Chapter 23-21 of the City Code of Ordinances and adopted by the HWU Board and the Henderson City Commission, for all water consumed. No sewer charges shall apply to temporary water meters.

2.0 PROCEDURES:

A request for a temporary fire hydrant meter shall be made by filling out an application at the System Operations Center (SOC) during regular business hours (7:00 a.m. to 4:00 p.m., Monday through Friday). The Henderson Water Utility will schedule the date and time of installation of the temporary meter.

When finished with the meter, the customer or a representative of the customer must call the System Operations Center at 230 N. Alvasia Street (270-826-2824) and the meter will be picked up by HWU. The call must be received during regular business hours as stated above.

Any HWU equipment is the responsibility of the customer until the equipment is picked up by HWU. The customer is responsible for the replacement cost of any piece of equipment lost or damaged while at the site.

HWU Customers: The following charges shall apply to current HWU customers requesting a temporary fire hydrant meter from Henderson Water Utility to fill residential swimming pools or irrigate lawns, gardens, landscaped areas, orchards, and similar uses.

A. $ 50.00 meter setting fee
B. $ 2.1932/per 100 cubic feet for water usage
Billing for HWU Customers: Payment shall be in cash, personal check, business check, certified check or money order only. Debit and credit cards will not be accepted. The meter setting fee will be due at sign-up of the temporary hydrant meter. The water usage and any damage to the meter or fire hydrant will be billed upon return of the meter. Failure to timely pay the invoice may result in disconnection of water service.

Commercial Use (for Non-HWU Customers): The following charges shall apply to contractors, developers, and any other non-residential customers that do not have an active water billing account with HWU, and that use a temporary meter for construction purposes, or to irrigate lawns, gardens, landscaped areas, orchards, and other appropriate uses.

A. $1,500.00 damage/replacement deposit (due at sign-up)
B. $50.00 meter setting fee
C. $2.1932/per 100 cubic feet for water usage

Billing for Commercial Use (for Non-HWU Customers): The damage/replacement deposit is due at sign-up. Payment shall be in cash, personal check, business check, certified check or money order only. Debit and credit cards will not be accepted. Charges B and C above will be deducted from the deposit upon satisfactory return of the temporary hydrant meter, and the remaining balance will be mailed back to the customer within 14 business days from date of return. If the balance due exceeds the deposit, the user will be billed for the remainder.

The deposit refund shall be subject to deduction for any damage to the hydrant meter or fire hydrant.

3.0 RESPONSIBILITY: The SOC Administrative Assistant and Secretary are responsible for the application process, for proper tracking of temporary meters and their use, and for accepting and refunding fees and deposits. The System Superintendent is responsible for crews that place and recover temporary hydrant meters, and for reporting damage to same. Exceptions to this policy must be approved by the General Manager. The General Manager may reissue revisions to this policy without Board approval, when the only change is an adjustment to the rate for water usage that is based on rates approved by the Board and City Commission.

APPROVED:

_____________________________
Tom Williams, P.E.
General Manager
1.0 POLICY STATEMENT:

Section 23-45 of the City Code of Ordinances vests the overall management (including financial management) of the Henderson Water Utility with the General Manager, subject to supervision and control by the Water and Sewer Commission. To reinforce the financial responsibility and accountability delegated to department heads, managers and employees and in an effort to expedite purchases and payments, purchasing and payment procedures and the delegation of purchasing authority within specific limits are hereby established. This policy supersedes and voids any policy or procedure previously adopted.

2.0 PROCEDURES:

2.1 Requisitions: Requisition forms are required for all purchases greater than or equal to $1,000, except for contractual and regular monthly items as specified below. File the requisition form in advance of the purchase, and obtain a purchase order number. The form contains sections for various levels of purchase amounts. Travel and Training expenses are covered under a separate policy.

2.2 Purchase Limits: The following limits apply to purchases in the ranges specified.

Note: When a purchase is anticipated to be near the upper limit of a range, using the next higher standard may avoid problems with quotes that inadvertently go over the category limit.

2.2.1 For purchases greater than or equal to $20,000: Board approval is required through an Action Report. By KRS, procurements over $20,000 require sealed bids or quotes, unless purchased from a State bid list. Sealed bids shall be advertised in accordance with State statute. Per the note above in section 2.2, obtain sealed quotes or bids for any item anticipated to cost over $18,000.

2.2.2 For purchases under $20,000 and greater than or equal to $2,500: Purchases in this range require detailed quotes from three parties, with detailed plans and/or specifications approved by the Purchasing Manager in advance. If quotes from three parties are not available, documentation of that fact shall be provided, with an explanation of the circumstances (sole source manufacturer, etc.).

2.2.3 For purchases under $2,500 and greater than or equal to $1,000: Purchases in this range require documented (verbal or telephone) quotes from three parties to be submitted with the purchase requisition. If three quotes are not available, documentation of that fact shall be provided.

2.2.4 For purchases under $1,000 and greater than or equal to $50: Needed items in this range may be purchased with staff using their best effort and judgment to spend HWU funds wisely and efficiently.
2.2.5 **For purchases under $50:** Any item under $50 may be purchased with a payment voucher or be reimbursed from petty cash. Travel expenses always require a payment voucher. Petty cash reimbursement requires properly validated receipt, petty cash voucher, and Department Head approval. Administrative Assistants at the SOC and at the Administration Building are the custodians of petty cash.

2.3 **Approval Authority for Purchases:** Employee classifications listed below, with the concurrent approval of the Chief Financial Officer, are delegated authority to purchase and to approve purchase requisitions and payment vouchers in an amount up to the limits established for their respective positions for all budgeted and/or necessary items, with the exception of travel and training. Department Heads may make downward exceptions to this policy for individual employees in these classifications, or add an individual employee in a classification not listed, with the concurrence of the Chief Financial Officer.

2.3.1 **Under $20,000:**
- General Manager
- Director of Field Operations
- Purchasing Manager
  - Chief Financial Officer (CFO)
  - Director of Plant Operations
  - Director of Engineering

2.3.2 **$10,000 and under:**
- Chief Engineer
- Automation Manager
- Chief Operators
- GIS Manager
  - IT Manager
  - System Superintendents
  - Maintenance Crew Leaders
  - Projects & Compliance Manager

2.3.3 **$2,500 and under:**
- Utility System Crew Leaders
- Utility System Specialists
- Automation Specialists
- Safety and Training Coordinator
  - Water Quality Specialist
  - Laboratory Technician
  - Engineering Technician
  - Utility Sys. Worker I (Tool Room)

2.3.4 **$1,000 and under:**
- Administrative Assistants
- Construction Inspector
- Water Treatment Operator II
- Inventory Control Technician
- Utility Locator/GIS Technician
  - Maintenance Technicians I, II & Sr.
  - Maintenance Welder
  - Wastewater Treatment Operator II
  - Vehicle Mechanic

2.4 All purchasing rules and regulations required by the Kentucky Revised Statutes, the City Code of Ordinances, federal and state grant programs, and other controlling regulations shall be strictly followed by staff, and shall govern when in conflict with any provision of this policy.

2.5 The Chief Financial Officer shall cause requisition forms and payment voucher forms to be developed for HWU use. On those forms for purchases and payments up to the applicable limits shown above, the line marked “Requested By” shall be signed by the requesting employee, with the “Approved By” line to be noted for signature by the Chief Financial Officer. Payment vouchers in an amount $10,000 and over require concurrent approval by the General Manager.
2.6 The authorization levels detailed above do not apply to items that are procured under a specific contract (construction projects, chemicals, sludge disposal, etc.) or that are regular monthly bills (telephone, power, etc.). The Chief Financial Officer may designate any employee to act as the requesting employee for specific contract or regular monthly items. When in doubt about requirements for purchases and approvals, consult the Chief Financial Officer for guidance.

2.7 The Chief Financial Officer shall authorize and approve, following submittal by the authorizing party, all requisitions and vouchers, except as follows:

2.7.1 The Chief Financial Officer shall deny any requisition or voucher submitted for approval that is unwise, unlawful, contradictory to Utility policies and practices, or for any other valid reason at his sole discretion, and shall inform the General Manager of the circumstances of any requisition or voucher that is denied.

2.7.2 All travel requests and training expenses shall be pre-approved by the General Manager. “Travel” includes per diem, transportation, and lodging expenses. “Training” includes course fees, registrations and associated travel. See Policy D-100 for details of these items.

2.8 Acting Department Heads, managers and supervisors shall have full purchasing authority and responsibility when serving in the stead of their superior.

3.0 RESPONSIBILITY:

Purchasers delegated authority under this policy are responsible for utilizing sound judgment in approving purchases and authorizing payments up to their respective limits, and for following the requirements for bids, quotes, specifications, small purchases, and expenses for travel and training.

The Chief Financial Officer is responsible for the overall coordination of purchasing and for ensuring the integrity of the purchasing function by serving as the authorizing official for purchase requisitions and payment vouchers.

The Chief Financial Officer is additionally responsible for creating a set of forms for purchase requisitions and payment vouchers; for composing and distributing standard operating procedures for various authorization levels, credit card use, and procurement of services and repairs; and to enforce said SOPs to implement this policy and insure compliance.

APPROVED:

____________________________________
Tom Williams, P.E.
General Manager
19 August 2014

Hon. Steve Austin
Mayor – City of Henderson
222 First Street
Henderson, Kentucky 42420

Re: Redevelopment of Station One

Mayor,

We’ve watched closely as demolition of the Station One power plant approaches. As you know, our Raw Water Intake is located on this property, with water lines, chemical feeds, power cables and transformers located either on the Station One site or directly adjacent. We appreciate efforts by HMP&L and the City to keep us informed and to protect our facilities.

As the City moves forward with potential redevelopment of this site, we request consideration of the impact that development might have on our potential future growth. In the long term (15 to 25 years), it’s probable that regulations will lead us to install membrane filtration for the North Water System. Given our investment in the Raw Water Intake and the origin of the distribution system around the NWTP location, it seems unlikely that a new membrane filtration plant could be sited remotely from the present water plant without significant additional expense to build a new intake, or to pipe a raw water supply to another location and then pipe finished water back to Water Street where the larger distribution system piping originates. Due to the reduced footprint a membrane filter plant would occupy, a new building could be located behind the present clearwell location, adjacent to Red Banks Park. Sedimentation basins could be constructed just south of the high service building, between it and the extended right of way for Fifth Street. This concept would allow continued use of the water intake, the existing distribution system origin and the high service pumping/clearwell facilities.

This possibility should be considered in any redevelopment of the Station One site. Taking this approach to a North WTP expansion might also allow the current plant site on the east side of Water Street to be redeveloped, and we will be willing to discuss that at the appropriate time.

If you have any questions or need further information on this or any other matter, please feel free to call me at 869.6621 (Office) or 823.2573 (Cell).

Sincerely,

Tom Williams, P.E.
HWU General Manager

Cc: Russell Sights, City Manager
Gary Quick, General Manager, HMP&L
BUSINESS

- Resolution #2014-31 – Sale of Surplus Real Property at 1725 Washington St.
- Action Report #2014-32 – Tapping Machines
- Action Report #2014-33 – Janitorial Services
- Action Report #2014-34 – Sludge Disposal
- Action Report #2014-35 – South WWTP ATV Purchase
RESOLUTION OF THE BOARD OF COMMISSIONERS

Resolution No. 2014-31
Sale of Surplus Real Property
At 1725 Washington Street

The following Resolution was duly adopted by the Board of Commissioners of the Henderson Water & Sewer Commission at a regular meeting held on Monday, 18 August 2014, at which meeting a quorum was present.

WHEREAS, the Henderson Water Utility operates and maintains wastewater treatment and collection facilities serving the City of Henderson and Henderson County; and

WHEREAS, in 2010 the Henderson Water Utility purchased property at 1725 Washington Street, PVA # 56A-52, being Lots 13 and 14 of Block No. 4 of Banks’ Addition to Audubon, (hereinafter “the Property”) in the City of Henderson to enable construction of the Canoe Creek Interceptor Sewer and Force Main project, as part of Henderson’s Long-Term Control Plan for Reduction of Combined Sewer Overflows, the Deed for said Property being recorded in the Henderson County Clerk’s office at Deed Book 575, Page 223; and

WHEREAS, construction of the Canoe Creek project is complete, and no new construction on the Property is planned; and

WHEREAS, the City of Henderson Water and Sewer Commission has determined the Property should be sold by sealed bids per KRS 82.083, and in conformance with KRS 45A.365; and

WHEREAS, sealed competitive bids were opened on 31 July 2014, and two bids were received, with the high bid being $ 700, submitted by Tommy Tapp, of Henderson.
**NOW, THEREFORE,** the Henderson Water and Sewer Commission recommends to the City of Henderson Board of Commissioners that the Property be sold to Tommy Tapp, P.O. Box 614, Henderson, Kentucky, for the amount of $700, subject to the reservation of easements for sewer lines and force mains constructed on the property as shown on the attached Exhibit A.

The General Manager is hereby directed to deliver this resolution to the City of Henderson for action by the City Commission.

**IN WITNESS WHEREOF,** having come before the Water and Sewer Commission on Monday, 18 August 2014, and upon Motion made by Commissioner _____________, and seconded by Commissioner _____________, the Water and Sewer Commission voted as follows:

<table>
<thead>
<tr>
<th>Commissioner</th>
<th>AYE</th>
<th>NAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioner, Paul Bird</td>
<td></td>
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<tr>
<td>Commissioner, George Jones</td>
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<td></td>
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<tr>
<td>Commissioner, John Henderson</td>
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<tr>
<td>Commissioner, Gary Jennings</td>
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<tr>
<td>Commissioner, Julie Wischer</td>
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<td></td>
</tr>
</tbody>
</table>

_________________________

Tom Williams, P.E.
General Manager
EXISTING FORCE MAIN

EXISTING SEWER MAIN

LEE GRANDEL
DEED BOOK: 415
PAGE: 772

EASEMENT
0.19 ACRES

WASHINGTON STREET

LOT 13

LOT 14

PROPOSED 30' PERMANENT EASEMENT

PROPOSED 20' PERMANENT EASEMENT

10'±

70'±

EXHIBIT "A"

CITY OF HENDERSON PROPERTY
DEED BOOK: 575 PAGE: 0223
HENDERSON, KENTUCKY
Henderson Water Utility
Action Report #2014-32
(Replaces and Updates AR # 2014-29)

To: Henderson Water & Sewer Commission
From: Rodney Michael, Director of Field Operations
Subject: Tapping Machines
Date: 18 August 2014

Background:
• This is an update to Action Report 2014-29, approved last month.
• We left out two vital items in the original Action Report, and need to add an amount to cover those parts. The tapping machines were identified as items we needed to replace in the “post mortem” review of the Marywood Drive leak, late last year.

Budget/Financial Considerations:
• Funds for this purchase will be taken from the “Unidentified Capital Projects” line in the FY 2014-15 Capital budget.

<table>
<thead>
<tr>
<th>Proposed Budget</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount originally Approved</td>
<td>$13,100.</td>
</tr>
<tr>
<td>Additional Funds Required</td>
<td>$1,650</td>
</tr>
<tr>
<td>Project Contingency (4%)</td>
<td>$600.</td>
</tr>
<tr>
<td><strong>Revised Total from Unidentified Capital Projects</strong></td>
<td><strong>$15,350</strong></td>
</tr>
</tbody>
</table>

Legal Considerations:
• Procurements necessary for the completion of this purchase have and will follow the Kentucky Model Procurement Code.

Recommendations & Approvals:
• Board approval authorizes all work necessary to complete the scope of work for this project, including issuance of any additional bids, purchase orders, engineering services, change orders, or other authorizations required to complete the work without unnecessary delays.

Respectfully Submitted:

[Signature]
Rodney Michael
Director of Field Operations

Approved for Submittal:

[Signature]
Tom Williams, P.E
General Manager

Commission Action – 18 August 2014

PASSED:___________  FAILED:___________  TABLED:___________
Henderson Water Utility
Action Report #2014-33

To: Henderson Water & Sewer Commission
From: Kathy Ambrose, Purchasing Manager
Subject: Janitorial Services
Date: 18 August 2014

Background:
- Since the retirement of HWU’s part-time custodian in 2011, we have used two separate cleaning services, one for the SOC and one for Administrative Office.
- These companies have performed this service during regular working hours.
- HWU staff re-evaluated our needs and put out a formal bid document for one company to clean both facilities, after regular business hours.
- Three vendors responded to the bid with one vendor, Merry Maids, unable to do the work after hours and therefore, determined unresponsive. The other two vendors were both qualified with the low bidder being Consolidated Facility Services, the current provider of services to the Administration Building.
- The effective dates of this contract will be September 1, 2014 – August 31, 2015

Budget/Financial Considerations:

<table>
<thead>
<tr>
<th>Location</th>
<th>Current Annual Cost</th>
<th>Anticipated Annual Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bobby Gish Administration Building</td>
<td>$4,380</td>
<td>$3,120</td>
</tr>
<tr>
<td>SOC</td>
<td>$20,800</td>
<td>$9,920</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$25,180</strong></td>
<td><strong>$13,040</strong></td>
</tr>
<tr>
<td>Annual Savings</td>
<td></td>
<td><strong>$12,140</strong></td>
</tr>
</tbody>
</table>

Legal Considerations:
- Procurements necessary for the completion of this work have and will follow the Kentucky Model Procurement Code.

Recommendations & Approvals:
- Staff recommends award of this contract to the low bidder, Consolidated Facility Services.
- Board approval authorizes the General Manager to initiate all work necessary to complete this contract, purchase orders, change orders, or other authorizations required to complete the purchase of these necessary services.

Respectfully Submitted:

Kathy Ambrose, CPP, CPPB
Purchasing Manager

Approved for Submittal:

Tom Williams, P.E.
General Manager

Commission Action – 18 August 2014

PASSED: _____________ FAILED: _____________ TABLED: _____________
Henderson Water Utility
Action Report # 2014-34

To: Henderson Water & Sewer Commission
From: Kevin Roberts, Director of Plant Operations
Subject: Sludge Disposal
Date: 18 August 2014

Background:
- The most recently bid contracts for sludge hauling and disposal (separate items) became effective on 20 May 2013.
- We have renewed the contract for sludge hauling for an additional year (Hazex), and have been very pleased with the service provided.
- During the first year of the disposal contract, our plants experienced problems with the excessive unloading delays at the disposal site (landfill) during the winter months, requiring us to use an alternate site at a higher price. The South WWTP is especially sensitive to disruptions in sludge disposal due to the lack of sludge storage and our limited options to remove excess solids from the system.
- After evaluating our options, we issued a bid specification for disposal, with tighter specifications regarding turn-around time.
- Bids were received on 24 June 2014, with responses from five (5) landfill companies.
- Cost per wet ton was solicited as separate items for North and South Plants so that distance from the plants to the various landfills would be accurately reflected in pricing. The bids are shown in the tables below.

Budget Considerations:

<table>
<thead>
<tr>
<th>NWWTP (estimated 27,000 tons)</th>
<th>SWWTP (estimated 8,000 tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advanced Disposal</strong></td>
<td><strong>Advanced Disposal</strong></td>
</tr>
<tr>
<td>Hopkins County Regional Landfill</td>
<td>Hopkins County Regional Landfill</td>
</tr>
<tr>
<td>Dozit</td>
<td>Dozit</td>
</tr>
<tr>
<td>Ohio County</td>
<td>Ohio County</td>
</tr>
<tr>
<td>Laubscher Meadows</td>
<td>Laubscher Meadows</td>
</tr>
</tbody>
</table>

| $14.50 / ton                    | $14.50 / ton                    |
| $15.00 / ton                    | $11.00 / ton                    |
| $23.00 / ton                    | No Bid                         |
| $23.00 / ton                    | $23.00 / ton                    |
|                                |                                |

Indicates LOW bidder
Indicates next lowest bidder

Policy Considerations:
- It is HWU’s established policy to take the bid(s) evaluated to be in the best interest of the Utility based upon the specifications set out in the bid document.
Legal Considerations:
  • This procurement is in accordance with the Model Procurement Code (KRS 45A.365).

Recommendation:
  • Based upon recent experience, we believe it is prudent to award the bid to the lowest two bidders so that should problems arise with one vendor, we will have a firm contract price from a second vendor.
  • Staff recommends awarding the bids for Sludge Disposal to Advanced Disposal and Hopkins County Landfill. The lowest bid for each wastewater plant will be the primary vendor, with the next lowest bidder being available as a secondary vendor. Bid summaries are available for your review.
  • The 2014-2015 Operating Budget reflects these costs.
  • Board approval authorizes the General Manager to initiate all purchase orders, or other authorizations required to complete the purchase of these necessary services without unnecessary delays.

Respectfully submitted:

Kevin M. Roberts  
Director of Plant Operations

Approved for submittal:

Tom Williams, P.E.  
General Manager

Commission Action – 18 August 2014

PASSED: ___________  FAILED: ___________  TABLED: ___________
Henderson Water Utility
Action Report # 2014-35

To: Henderson Water & Sewer Commission
From: Kevin Roberts, Director of Plant Operations
Subject: South WWTP ATV Purchase
Date: 18 August 2014

Background:
• The South WWTP encompasses a lot of ground and the nature of operations requires routine observation and data collection throughout the entire campus.
• In order to equip the operators with the means to perform these functions efficiently and without supplying an additional full-size vehicle, we purchased an ATV in 2006.
• This has been a successful addition in that it does not sustain the costly wear and tear that a full size vehicle would, or require as much fuel. Additionally it’s able to maneuver into and around places that a full-size vehicle cannot. The vehicle is used by both operations and maintenance personnel.
• Last year, repairs were made to the ATV and we were advised that the vehicle is becoming obsolete and will be unserviceable.
• In scheduling for capital needs this fiscal year, we planned to purchase a new ATV and transfer the current one to the North WWTP. We also plan to purchase a new ATV for the North WWTP in the next budget cycle.
• Disruption of roads and access at the North WWTP has made it necessary to transfer the current ATV to the operators there, and we would like to move forward in purchasing a new ATV for the South WWTP from the State bid list.

Budget/Financial Considerations:
• Funds for this machine will be taken from the “Unidentified Capital Projects” line in the FY 2014-15 Capital budget.

<table>
<thead>
<tr>
<th>Proposed Budget</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 Kawasaki Mule 4010</td>
<td>$ 8,799.12</td>
</tr>
<tr>
<td>Accessories - Soft Cab, Windshield, Labor to Install</td>
<td>1,224.74</td>
</tr>
<tr>
<td>Project Contingency (4%)</td>
<td>$ 400.00</td>
</tr>
<tr>
<td><strong>Total from Unidentified Capital Projects</strong></td>
<td><strong>$10,424.00</strong></td>
</tr>
</tbody>
</table>

Legal Considerations:
• Procurements necessary for the completion of this purchase have and will follow the Kentucky Model Procurement Code.
Recommendations & Approvals:
- Staff recommends the purchase of this unit from Carter Motorsports in Hanson, KY.
- Board approval authorizes all work necessary to complete the scope of work for this project, including issuance of any additional bids, purchase orders, engineering services, change orders, or other authorizations required to complete the work without unnecessary delays.

Respectfully Submitted:

[Signature]
Kevin M. Roberts
Director of Plant Operations

Approved for Submittal:

[Signature]
Tom Williams, P.E
General Manager

Commission Action – 18 August 2014

PASSED:___________ FF AILED:___________ TABLED:___________
EXECUTIVE SESSION

- None Requested