A. ROLL CALL

B. INVOCATION

C. REQUEST TO ADDRESS THE BOARD
   • Mr. Robert Anderson, Tank Pro - Re: Frontier Tank Painting Project

D. APPROVAL OF MINUTES
   • Approval of Minutes from February 15, 2016

E. MONTHLY REPORTS
   • Financial
   • Operations
   • Engineering
   • Human Resources
   • Safety Report
   • General Manager’s

F. BUSINESS
   • Action Report #2016-06 – Vine Street Tank Project – Coating and Repair
   • Action Report #2016-07 – North Main Street Pressure Zone Project
   • Action Report #2016-08 – Water & Sewer Relocations – US 60 West @ KY425
   • Resolution #2016-09 – Acceptance of Sanitary Sewer Extensions
     Colonial Senior Living – 6575 South Adams Lane
   • Resolution #2016-10 – Acceptance of Water, Wastewater & Stormwater
     Improvements – Merrill Place Commercial Subdivision II

G. EXECUTIVE SESSION – Requested
   • To discuss matters regarding future acquisition or sale of real property pursuant to
     KRS 61.810 (1) (b)
A. ROLL CALL

Present at the meeting was Commissioner Paul Bird, Chairman, who presided over the meeting, along with Commissioners George Jones, John Henderson, and Julie Wischer. Commissioner Gary Jennings was unable to attend the meeting. General Manager, Tom Williams and Eric Shappell, Attorney were also present. Other Staff members present were Leason Neel, Rodney Michael, Kevin Roberts, Kathy Ambrose, Ken Ferry, Tim Fischbeck, Jeremy Duncan and Patty Brown. Also in attendance were Mayor Steve Austin, and Assistant City Manager, Buzzy Newman. No members of the media were present.

B. INVOCATION – Tim Fischbeck

C. APPROVAL OF MINUTES

• Approval of Minutes from January 25, 2016

Minutes were approved as submitted.

D. MONTHLY REPORTS

• Financial – Discussed and approved as submitted.

Paul Bird expressed thanks to Leason Neel, the City Finance Department, and City officials for their part in refinancing the “Build America Bonds”, which saved the utility around $1,000,000 over the life of the financing.

• Operations – Discussed and approved as submitted.

Rodney Michael reported that a large leak on a 10-inch line on 41A was discovered. There was an undetermined amount of water lost but possibly around a couple of million gallons a day for a month or so. It was a line that was crossing the creek on 41A right at the water’s edge. The line was shut off on each side of the creek and a bid will be prepared to do a directional drilling under the creek to put the line back together. The problem was a pvc pipe fitting that was probably 5 or 6 feet under the water level.

Tom Williams commented that there are pressure gauges that can be put in the system on big mains and in isolated areas that will help determine where a leak is if this happens again. Staff is looking further in to this as a solution for finding leaks.

Commissioner John Henderson asked if using Advanced Disposal for the South Wastewater Treatment Plant is working out ok. Kevin Roberts stated that it is working well and probably will be a long term solution even though the cost is higher.
Commissioner George Jones brought up the loss of a wastewater treatment plant operator that was mentioned in the report. He noted that staff should continue to conduct wage surveys every couple of years or so to make sure that we stay in line with other utilities.

- **Engineering** – Discussed and approved as submitted.

  Tom Williams reported that the work at the North Wastewater Treatment Plant is progressing and the new part of the plant is being readied for operation. Some work is being done on pumping so that the new part of the plant can work with the old part of the plant simultaneously. The timeline for completion is maybe June or July, which is a year behind schedule. There will be liquidated damages to deal with at the end of the project, but the quality of work seems good.

Rodney Michael advised that the Frontier Tank will be put back in service in a few weeks.

Mr. Williams noted that the Vine Street Tank project will be ready to bid in the near future. This project needs to move quickly because this tank does not need to be out of service too long.

- **Human Resources** – Discussed and approved as submitted.

- **Safety Report** – Discussed and approved as submitted.

  Jeremy Duncan reported that all of the trucks now have new pipe cutters for cutting steel or ductile iron pipe. They are a lot safer and the crews like them. The old saw was sold on Gov Deals. He also reported that he is conducting a 3 day confined space class next week which will allow our employees with certification licenses to get 16 hours toward their license. This will also save the utility money since travel expenses will not be incurred.

  Mr. Duncan noted that there were no recordable injuries in January, but on February 5th a Maintenance Tech employee was walking to an emergency pump at the North Wastewater Treatment Plant and slipped on wet grass causing him to fall and fracture his ankle. This will result in lost time and he will probably be off for quite a while.

- **General Manager’s** – Discussed and approved as submitted.

  Tom Williams pointed out that the contract with Hall Environmental Consultants for pretreatment services is significantly less than last year and may continue to go down as our new pretreatment coordinator is trained and comes up to speed.

  ➢ **Fats, Oils and Grease Management Policy**

  Mr. Williams stated that this policy is the same one that was brought to the board last month but it has the attachments now on details of how enforcement response will be handled. After discussion, motion was made and approved to accept the FOG policy as presented.
E. BUSINESS

- Action Report #2016-04 – Pad Mount Transformer – South Water Treatment Plant

  *After discussion, approved Action Report #2016-04 for Pad Mount Transformer at the South Water Treatment Plant. Timmons Electric Co., Inc. submitted the low bid for installation in the amount of $31,900. This is an unbudgeted capital expense, and will be appropriated from the “Special Projects” line item in the 2015-2016 FY Capital Budget, not to exceed $47,500 which includes the cost of the transformer purchased through HMPL, and allows some contingency.*

- Action Report #2016-05 – SWTP Maintenance Project – Painting of Conical Clarifiers and Other Piping

  *After discussion, approved Action Report #2016-05 for South Water Treatment Plant Maintenance Project – Painting of the Conical Clarifiers and other Piping. Sam Estes, Inc., Maceo, KY submitted the low bid of $164,025.00. Staff recommends a new capital project in an amount of $215,000, identified as “SWTP-Clarifier Painting”, and will be appropriated from the “Unidentified Capital Projects” line item in the 2015-2016 Budget.*

- Acceptance of Two Easements for the North Main Street Pressure Zone Project & Paving Agreement with Methodist Hospital

  *After discussion, motion was made and approved to accept easements with Willard Howard and Donna Richardson at 811 N. Main Street and Community Methodist Hospital at 1305 North Elm Street along with the paving agreement.*

- Waiver of Water & Sewer Tap Fees for Habitat for Humanity, 715 & 717 Fifth St.

  *Informed the board that in accordance with the established policy the water and sewer tap fees were waived for Habitat for Humanity houses located at 715 and 717 Fifth Street.*

F. EXECUTIVE SESSION – None Requested

*Approved motion to adjourn.*

*The next regularly scheduled meeting will be held on Monday, March 21, 2016.*
FINANCIAL REPORT
Henderson Water Utility

Financial Summary

For Eight Months Ended February 29, 2016
### Henderson Water Utility

**Operating Revenues and Expenses Summary**

**For the Eight Months Ended February 29, 2016**

<table>
<thead>
<tr>
<th></th>
<th>February Actual</th>
<th>February Budget</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Fiscal Year Budget</th>
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<td>24,094</td>
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<td>15,800</td>
<td>205,905</td>
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<td>12,255,173</td>
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<td><strong>OPERATING EXPENSES</strong></td>
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<td></td>
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<td>Salaries and Wages</td>
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<td>2,775,893</td>
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<td>13,875</td>
<td>61,201</td>
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<td>Tools &amp; Small Equipment</td>
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<td>10,721</td>
<td>100,062</td>
<td>85,767</td>
<td>128,650</td>
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<td>Vehicle Repair</td>
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<td>46,800</td>
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<td>Other Equipment Repair</td>
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<td>23,108</td>
<td>120,627</td>
<td>184,867</td>
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<td>Other Structures Repair</td>
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<td>24,618</td>
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<td>SCADA Expense</td>
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<td>601,000</td>
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<td>Contractual Services</td>
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<td>101,671</td>
<td>851,995</td>
<td>813,368</td>
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<td>20,083</td>
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<td>Professional Services</td>
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<td>6,365</td>
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<td>Equipment Rental</td>
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<td>4,693</td>
<td>30,087</td>
<td>37,543</td>
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<td>Audit Expense</td>
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<td>Trust Fees</td>
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<td>1,250</td>
<td>2,948</td>
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<td>Public Contributions</td>
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<td>1,682</td>
<td>31,667</td>
<td>47,500</td>
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<td>Insurance</td>
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<td>206,732</td>
<td>208,525</td>
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<td>101,765</td>
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<td>Office &amp; Field Supplies</td>
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<td>15,167</td>
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<td>182,000</td>
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<td>Telephone</td>
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<td>4,189</td>
<td>32,055</td>
<td>33,514</td>
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<td>500</td>
<td>3,094</td>
<td>4,000</td>
<td>6,000</td>
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<td>Travel and Training</td>
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<td>5,370</td>
<td>29,244</td>
<td>42,960</td>
<td>64,440</td>
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<td>Dues and Subscriptions</td>
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<td>1,204</td>
<td>11,796</td>
<td>9,632</td>
<td>14,448</td>
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<td>Printing</td>
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<td>1,482</td>
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<td>5,059</td>
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<td>Depreciation</td>
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<td>291,667</td>
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<td>2,333,333</td>
<td>3,500,000</td>
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<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>1,190,379</td>
<td>1,379,314</td>
<td>10,615,414</td>
<td>11,326,115</td>
<td>17,133,310</td>
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<tr>
<td><strong>Operating Income</strong></td>
<td>$96,917</td>
<td>$73,104</td>
<td>$1,639,759</td>
<td>$1,118,225</td>
<td>$1,495,700</td>
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</tbody>
</table>
Henderson Water Utility
Variance Analysis
Eight Months Ended 02/29/2016

Actual Operating Revenues $ 12,255,173
Budgeted Operating Revenues 12,444,340
Favorable (Unfavorable) Variance $ (189,167)
Percentage Difference -1.52%

Billable Gallons

Through 02/29/2016 1,646,813,752
Through 02/29/2015 1,697,045,946
Difference (50,232,194)
Percentage Difference -2.96%

Actual Operating Expenses $ 10,615,414
Budgeted Operating Expenses 11,326,115
Favorable (Unfavorable) Variance $ 710,701
Percentage Difference 6.27%

Breakdown of Volumetric Differential For Eight Months Ended:

<table>
<thead>
<tr>
<th></th>
<th>Feb-16</th>
<th>Feb-15</th>
<th>Differential %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>425,629,500</td>
<td>417,604,165</td>
<td>1.92%</td>
</tr>
<tr>
<td>Industrial</td>
<td>694,611,120</td>
<td>750,275,435</td>
<td>-7.42%</td>
</tr>
<tr>
<td>Commercial</td>
<td>526,573,132</td>
<td>529,166,346</td>
<td>-0.49%</td>
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</table>

Still awaiting pension expense from state to more accurately reflect contract revenue for the year.
## Henderson Water Utility
### Capital Expenditures Report
#### For the Eight Months Ended February 29, 2016

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Beginning Balance</th>
<th>Current MTD Activity</th>
<th>Current YTD Activity</th>
<th>Project to Date Balance</th>
<th>Fiscal Year Budget</th>
<th>Total Capital Budget</th>
<th>Action Report No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction In Progress:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Center &amp; Julia</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 100</td>
<td>$ 100</td>
<td>13-14</td>
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<tr>
<td>Pump Station Modifications</td>
<td>27,545</td>
<td>-</td>
<td>-</td>
<td>27,545</td>
<td>110,000</td>
<td>110,000</td>
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<td>US 60W Water Booster Station</td>
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<td>4,815</td>
<td>156,194</td>
<td>239,840</td>
<td>85,000</td>
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<td>95,555</td>
<td>1,986,234</td>
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<td>2,650,960</td>
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<td>NWTP Rehab</td>
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<td>80,052</td>
<td>746,851</td>
<td>1,048,866</td>
<td>1,661,226</td>
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<td>336,501</td>
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<td>330,000</td>
<td>625,100</td>
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<td>Countryview Subdivision Stormwater</td>
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<td>8,097</td>
<td>49,585</td>
<td>400,000</td>
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<td>Frontier Tank Project</td>
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<td>21,588</td>
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<td>Cooper Park Stormwater</td>
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<td>12,171</td>
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<td>College Tank</td>
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<td>-</td>
<td>-</td>
<td>15,000</td>
<td>15,000</td>
<td>15-27</td>
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<tr>
<td>Vine Street Tank</td>
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<td>15,600</td>
<td>23,400</td>
<td>35,000</td>
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<td>15-10</td>
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<td>6th Street Water Main</td>
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<td>70,000</td>
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<td>Clarifier Paint &amp; Pipe</td>
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<td>15,000</td>
<td>215,000</td>
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<td>North Main Street Pressure</td>
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<td>Special Projects</td>
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<td><strong>Total Construction In Progress</strong></td>
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<td>7,092,027</td>
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<td>Buildings and Improvements:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOC Bldg Roof</td>
<td>13,991</td>
<td>-</td>
<td>-</td>
<td>13,991</td>
<td>34,125</td>
<td>14-23</td>
<td></td>
</tr>
<tr>
<td>NWTP Digestor Blower</td>
<td>-</td>
<td>-</td>
<td>22,375</td>
<td>22,375</td>
<td>23,000</td>
<td>23,000</td>
<td>15-17</td>
</tr>
<tr>
<td>Blower Bldg # 1 Roof</td>
<td>-</td>
<td>-</td>
<td>11,543</td>
<td>11,543</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admin Bldg Improvements</td>
<td>18,272</td>
<td>-</td>
<td>206,221</td>
<td>224,493</td>
<td>280,000</td>
<td>280,000</td>
<td>15-25</td>
</tr>
<tr>
<td>Sludge Storage Bldg</td>
<td>9,188</td>
<td>2,797</td>
<td>110,366</td>
<td>119,554</td>
<td>150,000</td>
<td>150,000</td>
<td>15-04</td>
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<tr>
<td><strong>Total Buildings and Improvements</strong></td>
<td>$41,451</td>
<td>2,797</td>
<td>350,505</td>
<td>391,956</td>
<td>453,100</td>
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<td>Equipment and Vehicles:</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Equipment</td>
<td>-</td>
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<td>-</td>
<td>165,000</td>
<td>235,000</td>
<td>15-24</td>
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<tr>
<td>Virtual Server</td>
<td>-</td>
<td>40,160</td>
<td>40,160</td>
<td>45,000</td>
<td>45,000</td>
<td>15-23</td>
<td></td>
</tr>
<tr>
<td>Generator</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>25,000</td>
<td>25,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tapping Machines</td>
<td>-</td>
<td>9,439</td>
<td>9,439</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work Order Mgt. System</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>23,310</td>
<td>23,310</td>
<td>15-32&amp; 52</td>
<td></td>
</tr>
<tr>
<td>Transformers</td>
<td>-</td>
<td>12,325</td>
<td>12,325</td>
<td>20,000</td>
<td>20,000</td>
<td></td>
<td></td>
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<tr>
<td>Engineering Plotter</td>
<td>-</td>
<td>9,602</td>
<td>9,602</td>
<td>9,602</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vehicles</td>
<td>-</td>
<td>193,941</td>
<td>193,941</td>
<td>191,197</td>
<td>191,197</td>
<td></td>
<td></td>
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<tr>
<td>Camera Tractor</td>
<td>-</td>
<td>8,554</td>
<td>8,554</td>
<td>9,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wash Truck</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>230,000</td>
<td>230,000</td>
<td>15-19</td>
<td></td>
</tr>
<tr>
<td>TOC Analyser</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>70,000</td>
<td>16-03</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Equipment and Vehicles</strong></td>
<td>-</td>
<td>206,266</td>
<td>274,021</td>
<td>274,021</td>
<td>758,202</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Capital Expenditures</strong></td>
<td>$11,852,562</td>
<td>$478,602</td>
<td>$4,675,717</td>
<td>$16,528,279</td>
<td>$8,380,836</td>
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<td></td>
</tr>
</tbody>
</table>
Henderson Water Utility
Financial Statements
For Eight Months Ended February 29, 2016
Henderson Water Utility  
Statement of Net Position  
February 29, 2016

**ASSETS**

Current assets:
- Cash $8,583,234
- Unrestricted Investments 1,101,884
- Restricted Investments 481,255
- Accounts receivable 1,204,093
- Inventories 902,859
  - Total current assets $12,273,325

Noncurrent assets:
- Construction in progress 15,862,302
- Utility plant and equipment, net of accumulated depreciation 65,038,705
- Other assets 220,563
  - Total noncurrent assets 81,121,570

Deferred outflows of resources 655,170

Total assets $94,050,065

**LIABILITIES**

Current liabilities:
- Accounts payable $129,721
- Retainage payable 582,483
- Deposits payable 84,929
- Accrued liabilities 1,908,822
- Current portion of long-term debt 160,000
  - Total current liabilities 2,865,955

Noncurrent liabilities:
- Accrued pension liability 5,018,088
- Long-term debt 40,047,239
  - Total noncurrent liabilities 45,065,327

Deferred inflows of resources 560,000

Total liabilities 48,491,282

**NET POSITION**

Net investment in capital assets 40,693,768
- Restricted for debt service 481,255
- Unrestricted 4,383,760
  - Total net position 45,558,783

Total liabilities and net position $94,050,065
### Henderson Water Utility
#### Statement of Revenues, Expenses, and Changes in Net Position
For the Eight Months Ended February 29, 2016

<table>
<thead>
<tr>
<th></th>
<th>February Actual</th>
<th>February 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>$546,641</td>
<td>$636,085</td>
<td>$5,089,690</td>
<td>$5,178,682</td>
<td>$7,633,025</td>
</tr>
<tr>
<td>Wastewater services and fees</td>
<td>740,655</td>
<td>816,333</td>
<td>7,165,483</td>
<td>7,265,660</td>
<td>10,995,985</td>
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<tr>
<td><strong>Total operating revenues</strong></td>
<td>1,287,296</td>
<td>1,452,418</td>
<td>12,255,173</td>
<td>12,444,342</td>
<td>18,629,010</td>
</tr>
</tbody>
</table>

| **OPERATING EXPENSES** |                 |                 |                     |                     |                   |
| Salaries, wages, and benefits | 530,464      | 545,762         | 4,152,021           | 4,459,874           | 6,885,613         |
| Contractual services | 159,788       | 184,656         | 1,429,693           | 1,489,330           | 2,235,867         |
| Supplies and materials | 140,023       | 134,079         | 1,103,041           | 1,091,607           | 1,627,925         |
| Utilities expense | 139,352       | 126,600         | 954,844             | 963,129             | 1,447,204         |
| Repairs and maintenance | 36,072        | 40,105          | 544,247             | 537,281             | 759,357           |
| **Total operating expenses** | 1,100,210    | 1,134,516       | 10,615,414          | 11,326,116          | 17,133,310        |

| **Operating income** | 96,917         | 73,104          | 1,639,759           | 1,118,226           | 1,495,700         |

| **NONOPERATING REVENUES (EXPENSES)** |                 |                 |                     |                     |                   |
| Investment income | 4,461           | 2,083           | 31,093              | 16,667              | 25,000            |
| Other income | 10,776          | -               | 22,175              | -                   | -                 |
| Interest expense | (105,001)      | (100,748)       | (800,025)           | (805,984)           | (1,208,973)       |
| Amortization expense | (1,482)       | (1,470)         | (13,376)            | (11,761)            | (17,642)          |
| **Total nonoperating revenues (expenses)** | (91,246)      | (100,135)       | (760,133)           | (801,079)           | (1,201,615)       |

| Income (loss) before capital contributions and distribution | 5,671           | (27,031)        | 879,626             | 317,147             | 294,085           |

| Capital contributions | 24,792          | 33,411          | 195,008             | 233,411             | 377,411           |
| Distribution to City of Henderson | -              | -               | -                   | -                   | (400,000)         |

| Change in net position | 30,463          | 6,380           | 1,074,634           | 550,558             | 271,496           |

| Net position, beginning of period | 45,528,320      | 45,028,326      | 44,484,149          | 44,484,149          | 44,484,149        |

| Net position, end of period | $45,558,783      | $45,034,707     | $45,558,783         | $45,034,707         | $44,755,645       |
Henderson Water Utility
Statement of Cash Flows
For the Eight Months Ended February 29, 2016

<table>
<thead>
<tr>
<th></th>
<th>February</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>$1,505,708</td>
<td>$11,962,827</td>
</tr>
<tr>
<td>Payments for goods and services</td>
<td>(546,477)</td>
<td>(4,402,327)</td>
</tr>
<tr>
<td>Payments for employees</td>
<td>(530,464)</td>
<td>(4,146,723)</td>
</tr>
<tr>
<td>Net cash provided (used) by operating activities</td>
<td><strong>428,767</strong></td>
<td><strong>3,413,777</strong></td>
</tr>
</tbody>
</table>

| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** |                |              |
| Distribution to City of Henderson | -              | -            |
| Net cash provided (used) by noncapital financing activities | -              | -            |

| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** |                |              |
| Acquisition and construction of capital assets | (479,555)      | (5,058,492)  |
| Principal payments on long-term debt | -              | (5,574,603)  |
| Interest payments on long-term debt | (33,721)       | (778,809)    |
| Bond proceeds, net of closing costs | -              | 3,504,483    |
| Capital contributions | -              | 170,216      |
| Net cash provided (used) by capital and related financing activities | **(513,276)** | **(7,737,205)** |

| **CASH FLOWS FROM INVESTING ACTIVITIES** |                |              |
| Investment and other income received | 14,997         | 54,599       |
| Investments proceeds | 1,001,911      | 1,644,759    |
| Investments purchases | (29,621)      | (238,677)    |
| Net cash provided (used) by investing activities | **987,286** | **1,460,680** |

Net increase (decrease) in cash

|                                | 902,778        | (2,862,747)  |

Cash, beginning of period

|                                | 7,680,456      | 11,445,981   |

Cash, end of period

|                                | **$8,583,234** | **$8,583,234** |
OPERATIONS REPORT
General Operations:

A. Treatment Plants - Overview

1. Regulatory

Disinfection By-Product Mitigation in Kentucky

At this time each year, training classes, conferences and conventions are kicking into high gear. In the past, these seemed to be filled with poster presentations that were little more than infomercials for the different vendors, offering very little practical knowledge to attendees. In recent years, however, it’s hard to pick and choose what to attend from a higher-quality roster of classes. As specific regulatory issues and emergencies impact the waterscape, this is becoming increasingly the case.

This past month, several of the Utility staff attended a couple of meetings that were not only informative and helpful but also made it apparent that HWU is doing an excellent job on the regulatory and operational efficiency fronts. One of the meetings attended was on Disinfection By-Product mitigation, where we learned that the State of Kentucky ranks #1 in number of DBP violations. Community water systems (typically small systems) are struggling tremendously under this regulation. Many of them are consecutive systems, meaning that they purchase water from larger systems. Henderson County Water District, Sebree and Beech Grove are consecutive systems to us and they are not part of the number that make Kentucky #1 in DBP violations. Not to take any credit away from these customers, but it also speaks to the quality the water that we consistently provide them as our customers. We place a lot of emphasis on making sure that these customers have high quality (low DBP) water so that they are able to realistically meet the same regulatory standards that we are required to meet. Many of the smaller systems in Kentucky are supplied water by a “parent” utility that is at or near exceedance at the point of sale.

Regulators are recognizing this and are edging towards guidance and regulations that put more burden on the primary systems. Kentucky Rural Water has begun advising purchasing utilities to negotiate stricter contracts that stipulate certain water quality criteria and/or recovery of remediation or public notification costs. As a supplier, HWU recognizes our responsibility to provide high quality water to these purchasing entities and we work towards this goal. However, as distribution networks grow, expand and age, additional effort is required to consistently maintain and improve water quality at the extremities of our system.

As our Board, you need to be aware of this need but also of how well we are doing thus far. Neither HWU nor its purchasing customers (HCWD, Sebree and Beech Grove) are contributing to the reason that Kentucky is #1 in DBP violations across the State. We can be proud of not being ranked!

2. Operational & Financial

Sludge Disposal

In late December, HWU was contacted by Hopkins County Regional Landfill (HCRL) with a request to stop hauling our sludge to them for about a 1 month period. They were in the process of taking one of their cells off line and putting another one on line. We advised HCRL that we could reasonably accommodate this request and for them to let us know when to resume.

On 2/3/2016, HCRL called to inform that they were going to have to rescind their contract with us for disposal. The reason given is that they could no longer handle the volume.
We have begun using the 2nd vendor on the bid list, Advanced Disposal, which is the same location the North Wastewater Plant is using. This switch will result in an increase in costs on the order of $20,000.

3. Personnel

   a. **Current Plant Operations Staff Levels**:

      1) **North Water**: Full Operational Staff.

      2) **North Wastewater**: An exam was administered and a roster (of one person) has been received for the vacant WWTO1 position. An interview was conducted on 3/16/16. There is also a vacant MT1-Press Operations position vacant. Interviews have been conducted but there may be an interest in this position by a current employee.

      3) **South Water**: Full Operational staff.

      4) **South Wastewater**: Full operational staff.

      5) **Environmental Compliance & Pretreatment**: Full Operational Staff

      6) **Plant Maintenance**: One of our plant maintenance staff will be off work for several weeks due to a work related injury.

      7) **Pump Station Maintenance**: Full operational staff

4. Projects

   a. **Plant Beautification Efforts**: This effort is continuing on with updates to the entrance and first floor bathroom of NWTP. All of the work is being performed by in-house staff and they are doing a good job.

5. System Water Quality

   a. In the next few weeks, we will be sending out supplies to employees of HWU for collecting samples for Lead and Copper analysis. This is an in-house initiative that will representatively cover our service area rather than just a localized target area.

   b. There were 10 water quality calls responded to and investigated this past month, which totals more than was received in all of 2015.

      1. **1020 P Saddlebrook**: Customer advised of a rotten egg, sewer and chlorine odor and wanted to make sure water was safe for use. All chemistries and bacteriological analyses came back normal. Message was left for customer to run bleach down the drains and flush all of the faucets.

      2. **953 Oakcrest**: Customer noticed milky water which was the result of air in the line. The faucet aerator was removed and water cleared up. All chemistries and bacteriological analyses came back normal. Customer was advised of results.

      3. **Redbanks, 851 Kimsey Lane**: Della Brown states that a visitor gets a stomachache from the water every time she visits. Ran BacT, HPC, and ATP tests. All were negative. Called Ms. Brown and informed her of results. Also sent a copy by email.

      4. **2650 Sunset Lane**: Caller called to advise of flu-like symptoms and had gone to hospital. He advised the doctor that his water tasted funny and the
doctor advised the customer that his illness could be the result of water quality. All chemistries and bacteriological analyses came back normal. The customer was notified and upon further conversation the reason for the illness was revealed to be due to unsanitary hygiene practices.

5. 941 McClure Ave: Customer has advised of increasingly bad smell, particularly in the mornings. However, the customer does not want us in her house. Analytical tests are being run on the water at the meter.

6. 118 and 120 12th Street: With the work being done on 12th Street, a lead service line was discovered to be serving both of these houses. Customer was immediately notified and samples were collected for Lead and Copper analysis. Both came back as Non-Detectable. Customer was advised of the results and the service lines have been replaced.

7. 2220 Greenbriar Drive: Customer requested Lead and Copper sampling of water due to blood levels being high in 2 year old child. The family had moved into the residence about 6 months ago and it had been vacant for about 1 year prior. Lead and Copper levels came back Non-Detectable. Customer was notified of results.

8. 1535 and 1555 March Lane (Outside Service Area): In January, during the heavy rains, we investigated a water quality call from 1557 March Lane which found a high E. coli count in their well water. This was outside of our service area but we performed the analysis due to the quick results we could provide and the concern for an infant ingesting potentially contaminated water. As a result of these tests and word-of-mouth to neighbors, calls from 1535 and 1555 were received. Our Water Quality Specialist responded, both samples were E. coli negative and had low total coliform presence.

We also received a follow up call from the Health Department requesting the results from the January testing.

Our Water Quality Specialist notified HCWD of these events and results (even though the customers are on wells, they are in HCWD’s service area) and our Water Quality Specialist has been instructed to run all Out of Service Area requests through the Director of Plant Operations to determine appropriate response. We do not want to establish this practice.

B. North WTP:

Treatment Quality:

1. All regulatory treatment goals were met.

2. **(No Change)** Work has begun on the preparation of the Consumer Confidence Report for 2016. As a reminder, the CCR has been published online, instead of individual hard copies being mailed, for the last two years. When CCRs were mailed, it cost around $6,500. It’s hard to put a number on what this costs us now, but it is less than $500.

3. Phosphate and pH is now being monitored monthly and systematically in the distribution system at the same sites we collect for Cl2 and bacteriological analysis.

4. The Kentucky Division of Water will conduct a comprehensive audit of the microbiology lab on June 14th and 15th.

Operations:

1. **Treatment Challenges**: A number of operational changes are giving us some good results. Water quality towards the end of the month has been back to what we consider normal and continues to improve.
2. **Construction**: The New walls in Basin #1 have been poured and construction has started on the support structure for the flash mix.

3. **TOC Analyzers**: This unit has been received and installed. Final calibration and verification is expected to take place within the next month but so far, staff is extremely pleased with this unit.

4. **Plant Optimization**: (No Change) *With the ongoing construction, plant optimization has been lowered in priority and attention. Plant staff are making plans and preparations for measuring filter optimization once the plant returns to a normal state.*

5. **Budget**:
   
a. Chemical expenditures were under budget this month.
   
b. Total expenses for the month were under budget.

6. Average water treated & water pumped data trend:

   ![Average water treated & water pumped data trend](image)

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

C. **North WWTP**:

   **Treatment Quality**:
   
   1. **Effluent Quality**: All regulatory treatment goals were met.
   
   2. **Biosolids Quality**: Sludge solids are hovering around good to excellent quality (14 – 15%).
   
   3. **Reports**: All reports have been submitted for the month.

   **Operations**:
   
   1. **Plant Update**: All internal goals have been met.
   
   2. **Personnel**: David Gilbert has helped tremendously in both press operations duties and preventive maintenance duties around the plant. With the plant maintenance technician being off due to work-related injury, this has been very much needed.

      Two of the NWWTP personnel are attending the 12-week maintenance training at HCC.
3. **Construction:**
   
a. Construction at the front of the plant is nearing end with some grading and roadwork completed but still much to do. All equipment start-ups are complete except for grit which is scheduled for March 23rd.

b. All influent flow is being received into the new plant except one main station that may be tied into the new system this week.

c. Preventive Maintenance service on new equipment as being performed as necessary.

d. The RAS pumps check valves were replaced and are in operation except for number three which needs an adjustment.

e. We’ve taken Clarifier #2 out of service and after the last tie-in of pump station we will take #1 Clarifier and Aeration Basin # 1 out of service.

4. **Hauling Contractor:** Hauling is back on normal schedule. The hauler has stepped up hauling of the drybed material as well and is up to date.

5. **Budget:**
   
a. Chemical expenditures were under budget for the month.

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

c. Sludge Hauling and Disposal was over budget for the month due to weather-related delays and increased dry-bed sludge disposal.

d. Total expenses were under budget for the month.

D. **South WTP:**

   **Treatment Quality:**
   
   1. All regulatory and in-house treatment goals were met.

   **Personnel:**
   
   1. Mark Julian has earned his DOW Class IVA drinking Water Treatment Certification. He passed the promotional exam, is getting an interview scheduled and will promote into a WTO2 position within the month.

   2. Nancy, Kevin Roberts and Josh Thompson attended a KWRA class in Madisonville on 3/9/16. Included in the topics discussed was DBPs. We gained some very valuable information and made some new contacts which may help us in reducing the DPBs.

   **Operations:**
   
   1. **Treatment Challenges:** With spring approaching and the wet season, fluctuating raw water turbidity and working to prepare for the clarifier cone painting project has made maintaining consistent water goals challenging. We expect this to settle back into normal after the cone painting has been completed.

   2. **Plant Maintenance:**
      
      a. The auto flush hydrant by the Brain Injury Recovery Camp has malfunctioned. The controller came loose and fell down into the water causing it to fail. Maintenance is trying to obtain a replacement for the controller.
b. The new TOC analyzer arrived. Installation is nearly complete.

c. A new HFS scale has been installed.

d. The ClO2 generator has failed a couple of times. Several parts had to be replaced. There is some routine maintenance that remains to be performed.

3. **Budget:**

   a. Chemical expenditures were under budget for the month.

   b. Total expenses for the month were under budget.

4. Average Treated & Pumped water trend:

![Graph of SWTP Treated and Pumped water trend from February 2014 to February 2016]

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

E. **South WWTP:**

   **Treatment Quality:**

   1. **Effluent Quality:** Effluent quality was very good this past month. Starting around March 1st, we will start pulling down the MLSS’s in the aeration basins to prepare for the summer month’s operations.

   2. **Plant Update: (Update)** Work is gearing up for cleaning and inspection once the weather breaks. We have two quotes for air-line and diffuser replacement. One system is the same system that went in originally and the other system is an updated and improved system that is less expensive. *(Background: Work on putting Aeration Basin #6 back in service will be delayed until later in 2016.)*

   **Operations:**

   1. **Personnel:**

      a. Operator Chris Bassett has obtained his Class 2 Wastewater license.

      b. The Chief Operator attended a Hach WIMS user group meeting in Louisville. A lot of ideas were gained from this in terms of development and integration for the treatment plant operators.

   2. **Projects:**

      a. **Clean Up:** This continues to take place on a consistent basis.
b. **Sludge Storage Pad:** Conveyor system has been delivered and installed. HWU’s welder and Bowling Construction performed this work and did a great job.

c. We have requested Galloway Electric to quote us out to do all the outside lights. The ones we had replaced were off line and needed replacing for safety reasons.

d. We lost a belt on the new press and had to replace it. It happens from time to time due to wear and tear. It’s normal. We usually get a couple of years out of them and that is a lot more time than most operators get from them. All the stretching and water wears them out.

e. **(No Change)** *The recent wind storm took off the gutter and part of the roof on the headworks building. We are looking for a contractor to make repairs.*

3. **Budget:**

   a. **Chemicals:** Chemicals were over budget for the month.

   b. **Sludge Hauling & Disposal:** Sludge removal costs were under budget this month.

   c. **Total Budget:** Total budgeted expenses for the month were under budget.

F. **Plant Maintenance:**

   1. **(No Change):** Renovation of some office space at the NWWTP is in the beginning stages. Temporary workers to assist with this remodeling are in the process of being interviewed. Moving some staff to this space will free up space at the SOC.

   2. Expanding WI-FI service at the NWTP is under way with help from Tim in IT.

   3. New equipment training is ramping up at the NWWTP. UV system, RAS and WAS pump training have been completed.

   4. Working on a new wireless remote emergency stop system for the NWWTP sludge conveyor.

   5. Test run on the automatic lubrication devices at the SWWTP is complete. They worked very well and we will be expanding their use to other areas.

   6. NWWTP additional office space project is well under way. Demo is complete. Prints have been delivered to Rodney to begin rebuild.

   7. Clean out of the 3 bay building adjacent to welding shop has begun.

   8. NWWTP wiring deterioration issue at the clarifiers. Second event in just a few months. Probably needs to be addressed during rehab.

   9. Two NWTP filter valve actuators have been replaced with loaners from Action Automation while ours are being repaired.

10. Industrial Maintenance classes continue at HCC.

G. **Pump Station Maintenance**

   1. **Atkinson Park Pump Station Bypass:** The base has been mounted and crews are continuing to work towards getting the #2 pump installed.

   2. All of the pump station maintenance personnel attended training on confined space by Jeremy Duncan.
H. Pretreatment Program & FOG Services:

1. First quarter Industry compliance sampling has been completed.

2. Sitex Corporation was issued a Notice of Violation for exceeding their permit limit of Total Petroleum Hydrocarbons.

3. Brenntag’s annual compliance inspection has been completed.

4. The Salvation Army has been issued a FOG permit, and had their first inspection. They were instructed to have their grease interceptor cleaned, and acquire a yellow grease dumpster from Griffin Industries. They will use this dumpster to dispose of their used deep fryer oil instead of pouring it directly into their grease interceptor.

5. FOG permits have been mailed to Sureway #88 (Watson Ln.), Sureway #89 (South Green St.), and Sureway #90 (Second St.).

I. Automation Department:

1. We have completed automation for the new water booster station. It is ready for final testing and to be placed into operation.

2. (No Change) We have purchased and received eight pressure sensors. We’ll be installing these around our north water system in order to assist in water modeling, water quality control and to enhance our pressure monitoring. We will be adding ten new sensors to our existing, as time permits.

3. The NWWTP is running both the old system and parts of the new system in parallel. We have integrated the control systems into our existing, however we have encountered a problem with the new fiber LAN being merged into the control system LAN. This looks to be a switching or routing issue and our IT department continues to work on the resolution.

4. These items may not be considered within the normal realm of Automation, but since we have certified Master Electricians, sometimes we are tasked with jobs where others are not qualified. A new ice maker has been installed for the SOC crews. The old one was experiencing intermittent failures with increasing regularity. New LED lighting has been installed within various tool and storage buildings at the SOC.

5. The CSO point sites along the Ohio River and Canoe Creek that we monitor via a cellular communications system and separate server have been integrated into our SCADA system. We are now archiving overflow activity and flow data into our SCADA historian as well as providing graphical information to operators and Maintenance.

6. We have ordered equipment for measuring and reporting, via SCADA, pump amperage at each station. This will enable us to establish some baseline performance for normal operation of each pump motor and should provide early indication of potential problems. We will begin installing this equipment as time permits throughout the spring and summer.

7. We have nearly completed a new Wonderware application to be used for Maintenance. This new application is developed with the latest improvements and innovations and will also serve as a basis for a management application that we plan to make available via internal website and remote (secured) connection. None of these sites will be accessible publicly, for obvious security reasons.
J. SOC General

1. Congratulations to HWU employee Rick Green on his appointment to the position of Henderson County Circuit Court Clerk. Rick will fill out the unexpired term of Ruth London, who resigned because of health issues. The appointment will run until the winner of the November 2016 general election takes office.

Rick was in the news on May 30, 2015, for 41 years of coaching youth softball and baseball, including the last seven as the softball coach of the Lady Colonels at Henderson County High School.

Rick Green has been employed by Henderson Water Utility since October 13, 1999 as a Utility System Worker. He holds a Class III Distribution License. Rick must leave his position at HWU in order to assume the full-time responsibilities of his new position.

![Rick Green at his desk at the System Operations Center](image)

2. We received a new wash truck replacement on March 3. Purchase of the new wash truck was made at the March 2015 Commission Meeting, in the amount of $220,547.00. We purchased the Vactor Ramjet Model F8015 unit from Jack Doheny Companies, as sole source.

The new wash truck will be placed in service in the near future (awaiting transfer of title).
3. Lead in drinking water continues to be very much in the news. HWU published a tri-fold information pamphlet that was distributed to approximately 16,000 city utility customers. The pamphlet appeared in the March 2016 billing cycle. In addition, copies of the pamphlet were distributed to all city employees along with their first paycheck in March.

In addition to information on lead in drinking water, the pamphlet also discusses Fats, Oils and Grease (FOG) concerns. FOG is an area that is receiving increased attention, as problems associated with sewer backups require attention from an operating and a regulatory perspective.

An additional section in the pamphlet discusses stormwater issues. That section is titled “When it Rains it Drains.”

A copy of the pamphlet is included as an attachment to this Operations Report.
K. 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 Description</th>
<th>Qty.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Line and Service Maintenance</td>
<td></td>
</tr>
<tr>
<td>Water Main Repairs</td>
<td>2</td>
</tr>
<tr>
<td>Water Service Line Repairs</td>
<td>9</td>
</tr>
<tr>
<td>Water Meter Inspection</td>
<td>27</td>
</tr>
<tr>
<td>Water Meter Changes</td>
<td>8</td>
</tr>
<tr>
<td>Water Meter Repair</td>
<td>1</td>
</tr>
<tr>
<td>Water Meter Disconnected</td>
<td>4</td>
</tr>
<tr>
<td>Water Meter Reposition</td>
<td>3</td>
</tr>
<tr>
<td>Water Meter Box Cleaned</td>
<td>2</td>
</tr>
<tr>
<td>Water Meter Locate</td>
<td>2</td>
</tr>
<tr>
<td>Water Meter Leak Detection</td>
<td>5</td>
</tr>
<tr>
<td>Water Meter Consumption Check</td>
<td>27</td>
</tr>
<tr>
<td>Fire Hydrant Repairs</td>
<td>1</td>
</tr>
<tr>
<td>Low Water Pressure Calls</td>
<td>2</td>
</tr>
<tr>
<td>Water Leak Calls</td>
<td>31</td>
</tr>
<tr>
<td>Water Quality Calls</td>
<td>5</td>
</tr>
<tr>
<td>No Water Calls</td>
<td>5</td>
</tr>
<tr>
<td>Turn Water Off/Turn Water On Calls</td>
<td>11</td>
</tr>
<tr>
<td>Install Temporary Hydrants</td>
<td>0</td>
</tr>
<tr>
<td>Stormwater Maintenance</td>
<td></td>
</tr>
<tr>
<td>Storm line Repairs</td>
<td>3</td>
</tr>
<tr>
<td>Storm Intake Repairs</td>
<td>0</td>
</tr>
<tr>
<td>Stormwater Flooding Calls</td>
<td>3</td>
</tr>
<tr>
<td>Clean/Unblock Intakes</td>
<td>4</td>
</tr>
<tr>
<td>Pump Station Maintenance</td>
<td></td>
</tr>
<tr>
<td>Pump Station Repairs</td>
<td>2</td>
</tr>
<tr>
<td>Pump Station Inspections</td>
<td>5</td>
</tr>
<tr>
<td>Pump Station Cleaning</td>
<td>14</td>
</tr>
<tr>
<td>Pump Station Maintenance</td>
<td>21</td>
</tr>
<tr>
<td>Sewer Line and Service Maintenance</td>
<td></td>
</tr>
<tr>
<td>Sewer Main Repairs</td>
<td>2</td>
</tr>
<tr>
<td>Sewer Service Line Repairs</td>
<td>1</td>
</tr>
<tr>
<td>Sewer Manhole Repairs</td>
<td>2</td>
</tr>
<tr>
<td>Sewer Main Cleaning</td>
<td>13</td>
</tr>
<tr>
<td>Sewer Main Grease Removal</td>
<td>1</td>
</tr>
<tr>
<td>Sewer Overflow Calls</td>
<td>2</td>
</tr>
<tr>
<td>Sewer Backup Calls</td>
<td>14</td>
</tr>
<tr>
<td>Sewer Blocked Calls</td>
<td>10</td>
</tr>
<tr>
<td>Sewer Odor Calls</td>
<td>1</td>
</tr>
<tr>
<td>Sewer Service Line Locates</td>
<td>2</td>
</tr>
<tr>
<td>New Services</td>
<td></td>
</tr>
<tr>
<td>Water Taps</td>
<td>0</td>
</tr>
<tr>
<td>Sewer Taps</td>
<td>0</td>
</tr>
<tr>
<td>Sewer Tap Locates</td>
<td>2</td>
</tr>
<tr>
<td>Water Meter Installation</td>
<td>2</td>
</tr>
<tr>
<td>Miscellaneous Services</td>
<td></td>
</tr>
<tr>
<td>Sink Hole Calls</td>
<td>7</td>
</tr>
<tr>
<td>Inspect Misc. Items</td>
<td>30</td>
</tr>
<tr>
<td>Smoke Test Lines</td>
<td>0</td>
</tr>
<tr>
<td>Camera Inspect Lines</td>
<td>9</td>
</tr>
<tr>
<td>Regulatory Issues</td>
<td></td>
</tr>
<tr>
<td>Downspout Removal Letters Mailed</td>
<td>1</td>
</tr>
</tbody>
</table>

We have mailed out a total of 209 downspout letters to date. 168 have complied and been inspected.
L. Collection System:

1. We have been working on a few Sewer Main repairs and cleaning lines.

2. We worked this month on a couple of the neighborhood stormwater projects and ditch cleaning.

M. Distribution System:

1. On February 4th we fixed a leak on a 10” water main. It has been leaking for some time and it was leaking over a million gallons a day. Kudos to the team of guys that stayed over and repaired that problem!

N. Stormwater Phase II:

1. HWU Staff attended a Kentucky Stormwater Association (KSA) Quarterly Meeting in Bardstown on February 24. Topics of discussion included the following:

   • An Update on Partnership Opportunities between MS4s and the UK Cooperative Extension Service
   
   • Beechfork Rubble Dam Project – Case Study and Incorporating Public Works Activities into Bardstown’s Stormwater Program
   
   • Regulatory Update
   
   • Creative Funding Strategies for MS4s
   
   • KSA Business

2. HWU Staff met with the UK Cooperative Extension Service and discussed opportunities to work together. In addition to many other requirements, our MS4 Stormwater permit requires permittees to develop programs in the following two areas:

   • Public Education and Outreach
   
   • Public Involvement/Participation

   Programs administered by the UK Cooperative Extension Service go hand-in-hand with a number of MS4 requirements. The UK Cooperative Extension Service is committed to working with ALL MS4 communities in Kentucky.

O. Information Technology Department:

1. Purchased and installed PipeLogix GIS connectors for Camera truck. This software will allow the Camera Truck operator to import the movies into ArcGIS. The desire is to be able to have that movie metadata attached to the assets in GIS and CityWorks. Configuration for ArcGIS and CityWorks is currently underway.

2. Renegotiated some fax bills. Saving 40% month-to-month.

3. Gathering quotes to upgrade the VMWare virtual hosts. The current host servers were installed in 2010, and they are nearing the end of their useful life. We will submit an Action Report in new fiscal year for this Host Server project. Last August, Board Action Report #2015-23 was approved to replace the storage. The storage project was completed last fall.
P. GIS Department:

1. (No Change) We will begin the implementation of Freance Mobile for Cityworks this month. Freance is a mobile device app that will be installed on some of the crews iPads, and will make using Cityworks in the field on a mobile device much more user friendly.

2. (No Change) We are also in the initial stages of upgrading our CCTV software (Pipelogix) to integrate with Cityworks and GIS. Reports, attribute information, condition scores, pictures, and videos will become more accessible through the GIS and Cityworks for viewing and analysis.

3. We currently have surveyed 72% (2398 out of 3343) of our wastewater manholes. Tony Samples is doing the GPS field work as well as updating the spatial and attribute (rim elevation) information in the GIS.

4. (No Change) Working on delineating our sewer pump station service areas. This will be useful for statistics on the total number of customers the pump station services, critical customers that the pump station services, total service area, and the ability to query which pump stations flow into one another. The final product will be a GIS web map.

5. (No Change) Currently looking into the feasibility of moving plan and profile design plans from AutoCAD into a GIS environment. There could be ways to make the design process more automated in GIS. AutoCAD will still be needed for drawing plan details, but most of the mapping might be easier in GIS.
Lead and Copper in Your Drinking Water

Henderson Water Utility (HWU) takes its role in safeguarding the public health very seriously. We also take a lot of pride in producing and delivering to you high-quality water that you can be confident in. HWU is paying close attention to the developing water quality problem in Flint, Michigan. Our thoughts are with all those who are struggling without access to safe and reliable water in their homes. No one should have to question the safety of water at the tap.

The drinking water that HWU produces and sends throughout its network of water mains is safe, with levels of lead and copper that are extremely low. However, if a water customer has old lead service lines running between the water main in the street and the home, or has old lead plumbing inside the home, then it is possible that unsafe levels of lead might be present in the water supply.

When lead and copper regulations became effective around 25 years ago, HWU began to remove all old lead service lines we could find. However, there are occasions when we discover older lead service lines that were not indicated in any of our records. When these lines are discovered, they are immediately and completely replaced.

HWU is required to collect samples for lead and copper analysis every 3 years. The last three test cycles were in 2015, 2012 and 2009. Test results are summarized in the table below:

<table>
<thead>
<tr>
<th>YEAR</th>
<th>COPPER (AL=1.3 mg/L)</th>
<th>LEAD (AL=0.015 mg/L)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>&lt; 0.221</td>
<td>&lt; 0.0015</td>
</tr>
<tr>
<td>2012</td>
<td>&lt; 0.101</td>
<td>&lt; 0.002</td>
</tr>
<tr>
<td>2015</td>
<td>&lt; 0.108</td>
<td>&lt; 0.002</td>
</tr>
</tbody>
</table>

If you suspect your home might have a lead service line, contact HWU at 270-826-2824 about working together to replace the lines.

You should eliminate any lead plumbing lines if you have them in your home, but this is not an easy or inexpensive solution for many.

Lead and Copper levels are regulated by what is called an Action Level (AL). If the concentration of lead or copper is greater than the AL, corrective action must take place.

The Action Level for Copper is 1.3 mg/L, or about 1.3 parts per million (ppm). The Action Level for Lead is 0.015 mg/L, or about 0.015 ppm.

If you ever suspect a problem with your water, Henderson Water Utility wants to know about it. It is our goal to have satisfied customers who are confident and proud of the quality of their water.

To that end, we welcome every question that comes in, we investigate every complaint, we communicate every concern and we work hard to correct every problem. Our customers are a vital resource to us in understanding how the water is affected after it leaves the plant. What you taste, smell and observe is crucial to our providing you with the best quality water that we can.

Here are some simple things that every customer can do to ensure the best quality water is coming out of their faucets.

- Always use fresh, cold, running water for drinking and cooking. Never use hot water from the faucet for drinking or cooking, especially when making baby formula or food for infants.
- Always buy plumbing fixtures that have zero or low-lead levels. Read the labels of any new plumbing fixtures closely.
- Get your water tested. The only way to know with certainty if you have lead at the tap is to have your water tested by a certified laboratory. If you are concerned that your family is at risk, HWU can help you find a lab to test for lead.
- Purchase a certified water filter that is effective at removing lead. Make sure that the filter is changed at the frequency recommended by the manufacturer.

If you “Like” Henderson Water Utility on Facebook, you will also get our notifications.

Also be sure to follow @HWUwater on Twitter!
Fats, Oils and Grease (FOG)

Many of the problems caused by FOG in the sewer system originate from fats, oils and grease that are poured down drains in homes. Although the wastewater collection system is owned, managed and maintained by HWU, the entire community of Henderson benefits from it being used responsibly. Through education and by adopting certain habits, it is easy to minimize FOG sources at home.

Grease Myths

It’s okay to pour grease down the drain as long as…

… I use the garbage disposal.  
**MYTH!** The garbage disposal only grinds up items before passing them into your sewer pipes.

… I run hot water.  
**MYTH!** Hot water only gives the illusion of dissolving grease. The grease will eventually cool and build up in the pipes.

… I chase it down with a dose of dish soap.  
**MYTH!** Dish soap temporarily breaks up grease as you wash your dishes, but the soap will eventually lose its effectiveness causing the grease to solidify in the pipes.

… it is a liquid oil at room temperature.  
**MYTH!** Liquid cooking oils, like canola oil and olive oil, float on wastewater and easily adhere to sewer pipes.

If grease builds up in the drains inside your home, you may need to contact a plumber to unclog the lines. That could turn out to be an expensive proposition.

If the grease escapes to the downstream parts of Henderson’s sewer system, blockages might occur that will cause problems for everyone in your neighborhood.

The Do's and Don'ts of FOG

**Do!**
- Place cooled oil and grease into trash bins or covered collection containers.
- Be aware of the “hidden oils” such as salad dressings, cheese, cookies, pastries, sauces and gravies.
- Scrape food scraps from dishes into trash bins.
- Manually wipe off all visible fats, oils, grease and food residue from dishes and cookware into trash bins.
- Use a strainer in the sink to collect excess food particles.
- Clean up grease spills with absorbent material and place into trash bins.
- Encourage neighbors to help keep fats, oils and grease out of the sewer system.

**Don’t!**
- Don’t pour oil or grease down the drain.
- Don’t scrape food scraps down the drain.
- Don’t pour liquid foods (syrups, batters, gravy, etc.) down the drain.
- Don’t run hot water over greasy dishes, pans or fryers – it will not prevent FOG from sticking to the inside of the pipes.
- Don’t use chemicals to remove grease clogs; they can damage the piping system.
- Don’t rely on a garbage disposal to get rid of grease.

When it Rains it Drains

Communities like Henderson are facing more stringent federal and state regulations to reduce pollution. These regulations focus on improving the quality of our streams by reducing the amount of pollution carried by stormwater runoff into our waterways.

10 Simple Steps to Improve the Quality of Our Streams

1. Don’t dump anything down storm drains.
2. Use pesticides and fertilizers sparingly.
3. Put litter in its place.
4. Pick up after your pet.
5. Sweep driveways (do not spray wash).
6. Collect yard waste & keep it out of storm drains.
7. Use a car wash (they recycle dirty water).
8. Recycle used motor oil.
9. Check your car for leaks (fix them!).
10. Have your septic tank inspected every 3-5 years.

Understanding Stormwater

To find out more about stormwater, visit:

- Environmental Protection Agency:  
  www.epa.gov/npdes/stormwater  
  www.epa.gov/owow/nps/

- For Kids:  
  www.epa.gov/owow/nps/kids/

- Kentucky:  
  www.water.ky.gov

- Henderson:  
  www.hkywater.org  
  E-mail: stormwater@hkywater.org  
  Phone: (270) 826-2824  
  www.hkywater.org
<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>2/5/2016</td>
<td>135</td>
<td>452 Southside Dr.</td>
<td>Good job!</td>
<td></td>
</tr>
<tr>
<td>2/11/2016</td>
<td>135</td>
<td>1755 N. Green Street</td>
<td>Great crew!!</td>
<td></td>
</tr>
<tr>
<td>2/27/2016</td>
<td>124</td>
<td>235 Springer Dr.</td>
<td>Reported leak at meter. Person who took my call was</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>courteous and effective. Same applies to employee</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>who checked on the problem. Thank you to both.</td>
<td></td>
</tr>
</tbody>
</table>

| Service Request Tags Given Out | 13 |
| Work Order Tags Given Out     | 02 |
| Returned Door Tags             | 03 |
ENGINEERING REPORT
1. **North Wastewater Treatment Plant:**

*Headworks/Plant Upgrade:* Work on the North WWTP Improvements (Headworks) continues, with startups continuing into February. We now have a complete startup plan from the Contractor, Codell Construction, but there have been delays throughout the month of February, due to glitches in equipment installation and some design issues.

As of March 7th, the new plant is running in parallel with the old. This is yooee.

At present, it appears that the project will be complete by June 2016. This is several months behind the original schedule, and I believe we will be within our contractual rights to claim liquidated damages to cover our costs of excess engineering and inspection during the time this project has dragged on. Based on time to date, that penalty is over $125,000.

Sadly, Wauford’s inspector on this project, Steve Kinder, passed away early this month while here in Henderson. Steve was a nice guy and did a good job for us on this project, and others.

Additional work on the plant will include the two projects listed below, as well as additional paving. All those needs will fall in line with our other projects and compete for our scarce capital funds.

*Digester Building:* Wauford has prepared plans for upgrades in this building, bringing access up to code and reworking piping to make it simpler to operate and easier to maintain. We received KDOW approval for this project in early December, but will likely not take bids until 2017. We have installed conduit required for this project on Codell’s job, to avoid having to dig up freshly placed concrete paving.

*Clarifier Repairs:* The two old secondary clarifiers are in need of maintenance, namely the large rotating mechanisms in the center, and replacement of the weirs and baffle plates. It’s difficult to know how much this is going to cost, until we get further into it. Our approach will be to contract for a limited amount of sand-blasting services, and then determine our best course when we have a better idea of what shape the metal parts are in.

2. **Atkinson Park Sewershed Study - Myrene Drive Sewer Pump Station:**

Phased in five sections, design of these projects is progressing. Surveying for a new force main route from Myrene to Atkinson Park PS, and from Atkinson Park to 14th Street, and down 14th to the east side of Green, has been completed. We delivered 5 easements to KDB to start the appraisal process. Borings at several locations have been performed, and that information will be used to determine where directional drilling of the force main lines may be possible, especially through “golf course hill”, next to Atkinson Pool. Directional drilling will be much more expensive per foot, but will help us avoid extra costs like work on the golf course, in their parking lot, etc.

The construction of a revamped Myrene Drive pump station is being studied further, to see if there are better alternatives for location and/or arrangement of this station in a cramped location without much room to maneuver. This may require temporary easements from surrounding property owners.

We have received the KDOW construction permit for the Spruce Drive portion of the project (which eliminates one pump station), but easements on that project are not yet in hand.
3. **Frontier Tank Rehab and Painting Project:**
TankPro’s work is complete and we have assessed liquidated damages of $500 per day for 76 days, which is the time that work ran past the adjusted contract deadline. Our additional costs due to this delay included inspection by the design engineer, and a special painting/coating consultant who has made several additional trips to inspect substandard or incomplete work. Recouping that cost is part of the reason for the LDs. I expect some pushback in this regard, as the $38,000 is a material amount. We did not prequalify TankPro on the Vine Street tank due to their performance on this project.

Our crews are performing some additional work on the site, including pouring a driveway, and possibly constructing a small building to house water quality sampling equipment. There was a small shed on the site, but it has deteriorated to the point it needs to be replaced. We did not previously have the ability at Frontier to do water quality monitoring, so this will be a big improvement.

4. **South Water Treatment Plant – Rehab Projects:**
Several projects were included in a 2014 preliminary engineering report for the SWTP. We are attempting to set up a meeting with Tyson to discuss these projects and let them know our plans.

*Repair of Metal Structures in the Current Plant:* This work will help to keep the existing plant operational for its remaining 5 to 10 year expected life (prior to switching to the membrane filtration concept). Working with the contractor (Sam Estes Painting) to schedule the first shutdown/restart weekend. Pre-construction meeting was held on March 16th, with work set to begin on April 22nd.

*High Service Building power upgrades:* New pad and electrical work underway for this “system reliability” project at the SWTP high service building. Should break ground this week.

*Raw Water:* Plans for the Raw Water & Effluent Lines Relocations have received KDOW review and approval. New agreement with Big Rivers has cleared the way to bid this project, next fiscal year.

*Membrane Filtration Plant:* Award of the membrane equipment was made to GE/Xenon, and they set up a pilot plant that has confirmed the choice of the equipment; that experiment is now concluded, and plant design is progressing. Wauford had a meeting with some South operations staff on Feb. 4th, to solicit their input on some layout questions in the lab/control room. That coordination will be ongoing.

*Update on Clearwell Project:* Bidding of the new 800,000 gallon prestressed tank is awaiting availability of funds, and we will likely not bid this until late next year. The current Clearwell, while it needs painting, is not a critical water-quality issue at the moment. KDOW has granted plan approval, including an exception for the clearwell being a single compartment.

*Lake – Backup Water Source:* On hold until we get a chance to do detailed design.

5. **South WWTP – Sludge Storage Building:**
Building complete, conveyor delivered 24 February. Project may be slightly over budget; additional appropriation will be made from the “Special Projects” line in the Capital Budget when we know the full extent.

6. **Main Office (Bobby G. Gish Building) Roof and Building Repairs:** *Project Complete*
Work by Danco Construction of Evansville has moved along well, and that work is now complete. Also will be having our architect on this project take a look at security upgrades, both for the Admin Building and the front office at the SOC. Will start reporting as a new project, when we decide what we’re going to do.
7. **North Water Treatment Plant – Rehab and Basin Repair Project:**
   Contractor on this project is M. Bowling, Inc. of Henderson. Construction was delayed while we dealt with treatment issues arising from the algae bloom in the River, but has been proceeding in spite of the weather, with one basin out of service. Operation of the plant has been a challenge, but well met.

   Project is close to being back on schedule. Concrete work on the new influent channel and flash mix basin is progressing well. New walls for the pulsators basins are complete, as is most of the large diameter piping.

8. **Highway #41A South/Finley Addition Sewer System Project:**
   Springfield Drive pump station complete including our monitoring equipment, and the gravity sewer portion has resumed after a hiccup with a major gas line location; we received a revised permit on 23 February. Contractor has begun working on the plumbing connections to homes, although actual hookups will require most of the project to be completed first, so everything works and the wastewater has a place to go. Working on getting consent to annexation forms signed prior to hookup. Project is 79% complete through the end of February by dollar volume.

9. **Countryview Subdivision Stormwater Project:** (no change since last report)
   We have a joint project in the current budget to begin provision of storm sewers in this neighborhood. The City committed $100,000 for this fiscal year, as did we. Easements will likely be a holdup, since we must cross property to get ditches out to the creek, which basically surrounds this neighborhood. Met with Corps of Engineers representative to determine needs for permitting of the outlets to the creek, and to avoid crossing wetland areas. Have submitted plans to Texas Gas for several crossings of the same high pressure main as the Finley Addition project crosses.

10. **Water Model:** *Project Complete*
   Strand Associates has submitted a completed report on project-related updates to our water model. This includes our plans for future improvements to the south and west sections of the north (City) service area. With painting of the College Tank tentatively scheduled for next year, we needed to determine if the future plans for enhancement in that area will require the tank to be elevated. Also included in the study is a look at continuing our “backbone” water main down South Main Street, extension of additional lines in the Borax-Ohio-Riverport area, and how a new 41A storage tank might play into these plans. This study will inform our decision-making for years to come.
11. Graham Hill and Green River Road Pressure Zone Studies:
Contracts negotiated and signed. Preliminary pressure testing of the existing system will be the first items performed on these studies. We met with Wauford to discuss their work on the Graham Hill station; also with Strand on the Green River Road station. Neither of these projects is currently funded, so there’s no urgency. Having plans for future projects like these, which probably need to be done at some point but aren’t critical, is a good idea, so we can use up excess funds as they become available, even if in small amounts.

12. College Tank Painting:
Award made to Strand Associates. Haven’t made much progress on this, awaiting completion of the modeling report mentioned above, but Strand has been in consultation with some contractors about the feasibility of raising this tank. It may be that we paint this tank now, and look to raise it, if necessary, the next time it needs to be coated. That may fit better with the schedule for building the 41A tank, which ties in with raising this one.

13. Vine Street Tank Painting:
Bids opened on 16 March, and this project is the subject of an Action Report at this meeting. The “dry” lower interior portion of this tank is in decent shape, and will only require power-washing and touch-up painting. The exterior will be sand-blasted, as the coating is significantly deteriorated, and curtained to protect surrounding homes. In this case, no lead paint is present. We also are adding construction of a more permanent electrical room inside the tank, to house radio repeater equipment for us, the Fire Department and the Housing Authority.

Approval of this project puts us over the “Special Projects” amount for this FY, but we are setting aside the funds for Vine Street in next fiscal year’s budgeted capital plan.

14. North Main Street Pressure Zone:
We have plan approval from KDOW. Easements and paving agreement with Methodist Hospital signed and returned. Materials for this project were bid on 17 February, and that award and authorization for the entire project are on the agenda as an Action Report for this meeting. While working on a stormwater repair unrelated to this project but in the intersection of 12th and Main, we installed a tap and laid a section of line up 12th Street from Main to Merritt. While this jumped the gun on this project authorization, it allowed us to concentrate forces in that area and hopefully only close the intersection at the hospital’s main employee entrance one time, instead of multiple times.

15. Wash Truck: Project Complete
New unit has been delivered and is in service. Current truck is well past its useful life, and will likely be declared surplus and sold on GovDeals, although we may consider salvage of the truck itself, and turn it into something we can use.

16. 6th Street Water Main Replacement:
Part of our ongoing projects to replace century-old cast-iron mains, we have materials for this project on hand and should be starting soon. The area runs on 6th between North Adams and Lambert Streets, and on Lambert from 6th to 5th, a total of 4 blocks. These lines need to be replaced for system reliability, and for potential water quality issues. Work should begin around the end of this month.

17. U.S. 60 West Water Booster Station:
Work is nearly complete, but we’re waiting on startup until we do some investigation upstream to make sure the suction side of the station won’t cause pressure problems in that part of our system. This is
something that the model shows, but we believe it’s manageable with carefully planned startup and operation. It would be alleviated by our future project to install a large diameter main on S. Main Street, but that project is pretty far off, though badly needed. The booster station project is going to finish about $50,000 over budget. This overage is due to this being a somewhat unique project, and our unfamiliarity with building this type of station from used parts. Part of the extra cost was related to work necessary to get power to the building, which we had to contract out. There also were some re-used electrical equipment that had to be replaced, due to being out of service for several years.

18. South Wastewater Treatment Plant – Repairs to Basin # 6 (no change since last report)

   Basin 6 of the South Wastewater Plant was taken out of service in 2008 due to a slope slip under the liner. Since that time, we’ve been able to get by without this basin, knowing that at some point we would need to bring it back up. That point is now, based on increases in biological loadings from Tyson. The slope failure has not worsened, and an action report for new diffuser equipment and some liner repairs will be processed before we begin work. The equipment is single-source, installation will be by our staff, and we will also be repairing portions of the liner.

19. U.S. 60 West Widening – KY 425 to Henderson Community College: (New Project)

   RFQ issued and award of engineering contracts is the subject of an action report at this meeting. Our tight schedule and current workload led to a need to farm this work out. We are working with Henderson Municipal Gas to coordinate our relocations so that we occupy the same easements, as well as representing the City of Corydon, since the force main they own that dumps into our system is also involved. Corydon’s portion of the work will not require easements. Relocation plans must be complete and in KYTC’s hands by August 1st. We understand that actual work on the highway will begin in 2017.
HUMAN RESOURCE REPORT
**Staffing Levels:**

1. Utility System Worker III [1 position]: an employee promoted on March 14th
2. Utility System Worker I [1 position]: a new employee was hired February 29th
3. Maintenance Technician [2 positions]: an employee promoted on February 15th; a meeting is scheduled to discuss second position
4. North Wastewater Treatment Plant Operator I [1 position]: interview are scheduled for March 16th
5. South Water Treatment Plant Operator II [1 position]: register sent to department on March 14th
6. Seasonal Utility System Worker [3 positions]: 1 agency employee started February 22nd, waiting on decision from department on interviewed candidate to fill 2nd position; no request for action for 3rd position
7. SOC – Seasonal Worker [4 positions]: no request for action
8. Treatment Plants – Seasonal Maintenance Worker [1 position]: no request for action for SWW
9. NWWTP Temporary Project – Temporary Worker [1 position]: waiting on decision from department on the interviewed candidate to fill position

**Safety Report (as of 2/29/2016):**

<table>
<thead>
<tr>
<th></th>
<th>HWU</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hours Worked</td>
<td>13,697</td>
<td>+ 26,529</td>
</tr>
<tr>
<td>Total Cases</td>
<td>2</td>
<td>+ 2</td>
</tr>
<tr>
<td>Days Away/Restricted Time Cases</td>
<td>2</td>
<td>+ 2</td>
</tr>
<tr>
<td>Days Away From Work Cases</td>
<td>2</td>
<td>+ 2</td>
</tr>
<tr>
<td>Actual # Days Away From Work</td>
<td>35</td>
<td>+ 35</td>
</tr>
<tr>
<td>Transfer/Restricted Cases</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Actual #Days Restricted Duty</td>
<td>0</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>15.08</td>
<td>+ 15.08</td>
<td>2.8</td>
</tr>
<tr>
<td>DART Incident Rate</td>
<td>15.08</td>
<td>+ 15.08</td>
<td>1.4</td>
</tr>
<tr>
<td>DAFW Rate</td>
<td>15.08</td>
<td>+ 15.08</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>

- One recordable incident in February
- The February comprehensive fixed facility safety audits were conducted on the Administration building and the SOC. No safety issues were identified at the Administration building. A few minor issues were identified at the SOC which have corrected. Both locations were last audited in November 2015.

**Other:**

- An HWU supervisor began the 9-month WKU Supervisor Certificate program on March 2nd through NKTC at Kyndle. Another HWU supervisor completed the certification program in February.

**Upcoming City-wide Events:**

- OSHA medical evaluations for affected employees will be April 5 – 7; additional information will follow
- MUTCD (basic flagger training) is scheduled for May 17th
SAFETY REPORT
A. Safety Committee:

The monthly safety committee meeting was held by Teleconference there were no issues of concern.

B. Training

Training performed in February:

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

2. Confined Space training was held February 22-24 allowing licensed personnel to attain 16 hours of CEU.

C. Safety Inspections:

1. Administration Building

   • See facility audit below.

2. Systems Operation Center (SOC):

   • See facility audit below.

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 February were on the 3rd, 10th, 15th, 16th, 17th, 25th and 29th.

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 February were on the 3rd, 4th, 10th, 15th, 16th, 17th, 25th and 29th.
5. **WTP South:**
   - 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 February were on the 2nd, 4th, 8th, 12th, 15th, 18th, and 25th.

6. **WWTP South:**
   - 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 February were on the 2nd, 4th, 8th, 12th, 15th, 18th, and 25th.

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. **Administration Building:**
      
      There were no issues noted.
   2. **SOC:**
      
      There was a few minor issues noted during the audit which have been corrected.

E. **Misc.:**
   1. The following plants were approved for the Thoroughbred Safety Award SWTP, SWWTP, and the NWTP. The award is given by KY OSHA to small facilities that work two years without a lost time accident. The awards will be presented at the Governors Safety Conference in May. This marks the second consecutive time these plants have qualified and received this award.

F. **Recordable Injuries:**
   1. There were two recordable accidents in February one was the accident discussed at the last meeting involving the Maintenance Tech that fell causing a fracture to the ankle. The other was a worker that was exhibiting symptoms of a possible heart attack. Since it occurred at work it was required to be reported to OSHA.
March 7, 2016

Jeremy Duncan
Henderson Water Utility
510 N. Water St.
Henderson, KY 42420

Dear Mr. Duncan:

This is to advise that your recent application for the Thoroughbred Safety and Health Award (South Water Treatment Plant) has been approved. I would like to be the first to congratulate your staff and employees for this achievement.

We look forward to presenting this award at the Governor’s Safety and Health Conference which will be held at the Galt House East, Louisville, Kentucky on May 10th, 11th, 12th and 13th, 2016. I will be contacting you in the future to begin planning your award presentation at the conference. If you have any questions you can reach me at 502-564-4087 or by e-mail at Kim.Perry@ky.gov.

Sincerely,

Kimberlee Perry
Assistant Director
OSH Education & Training
March 7, 2016

Jeremy Duncan
Henderson Water Utility
510 N. Water St.
Henderson, KY 42420

Dear Mr. Duncan:

This is to advise that your recent application for the Thoroughbred Safety and Health Award (South Waste Water Treatment Plant) has been approved. I would like to be the first to congratulate your staff and employees for this achievement.

We look forward to presenting this award at the Governor’s Safety and Health Conference which will be held at the Galt House East, Louisville, Kentucky on May 10th, 11th, 12th and 13th, 2016. I will be contacting you in the future to begin planning your award presentation at the conference. If you have any questions you can reach me at 502-564-4087 or by e-mail at Kim.Perry@ky.gov.

Sincerely,

Kimberlee Perry
Assistant Director
OSH Education & Training
March 7, 2016

Jeremy Duncan
Henderson Water Utility
510 N. Water St.
Henderson, KY 42420

Dear Mr. Duncan:

This is to advise that your recent application for the Thoroughbred Safety and Health Award (North Water Treatment Plant) has been approved. I would like to be the first to congratulate your staff and employees for this achievement.

We look forward to presenting this award at the Governor’s Safety and Health Conference which will be held at the Galt House East, Louisville, Kentucky on May 10th, 11th, 12th and 13th, 2016. I will be contacting you in the future to begin planning your award presentation at the conference. If you have any questions you can reach me at 502-564-4087 or by e-mail at Kim.Perry@ky.gov.

Sincerely,

Kimberlee Perry
Assistant Director
OSH Education & Training
GENERAL MANAGER’S REPORT
General Manager Report
21 March 2016

Regulatory Issues

LTCP/CJ Termination and Local Plan Approval agreed order are still outstanding. The document we’ve prepared dealing with our Post-Construction monitoring program, the definition of overflows, and other related matters are on the back-burner until we get a nod from Frankfort that things there have settled down from the transition, Legislative session, etc.

U.S. EPA issued a notice in late February about new Lead and Cooper Rule (LCR) regulations that may be coming, due to the problems in Flint, Michigan. We haven’t seen anything in this area to date that gives us any cause for concern. We continue to be proactive in regard to this.

Griffin Property Lease to Detention Center

We leased portions of the remaining Griffin Property at South Main St. and Drury Lane to the Detention Center in April 2014. That was a one year lease that automatically renews each April unless we choose to terminate. Since we have no short-term plans for use of that property, I’ve let the Jailer know that we will be renewing for at least another year, and the inmates will soon be preparing to plant that acreage. Just wanted to put that on the record.

Finance & Budget – Capital Budget Reallocation

Eight months into this fiscal year, we have committed nearly all the funds set aside for Capital Projects. We would like to reallocate excess monies assigned to two projects, adding some to a project that is over budget, and return resources to the “Special Projects” line, so that we can continue with new work.

The US 60 West Water Booster Station project ran over budget, as explained in the Engineering Report, so we’re adding funds to that line item to balance the books. On the plus side, in the current year Capital Budget, we set aside $ 655,800 for the Frontier Tank project, based on the estimated cost. This bid came in at $ 491,667, and with engineering costs and some miscellaneous expenses, we are likely to spend no more than $ 550k there. Also, on the Cooper Park Stormwater project, we allocated $ 346,000, and the project topped out at $ 255,054. This table is a summary of the proposed changes:

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Capital Budget as of 29 February</th>
<th>Increase (Decrease) in Budget Authority</th>
<th>Spending to Date or Likely this FY</th>
</tr>
</thead>
<tbody>
<tr>
<td>US 60W Water Booster Station</td>
<td>$ 185,000</td>
<td>$ 55,000</td>
<td>$ 235,025</td>
</tr>
<tr>
<td>Frontier Tank Project</td>
<td>655,800</td>
<td>(105,800)</td>
<td>550,000</td>
</tr>
<tr>
<td>Cooper Park Stormwater</td>
<td>346,000</td>
<td>(90,946)</td>
<td>255,054</td>
</tr>
<tr>
<td>Special Projects</td>
<td>299,441</td>
<td>141,746</td>
<td>$ 441,187</td>
</tr>
</tbody>
</table>
The new balance thus showing in the Special Projects line will be $441,187, before approval of any new projects at this meeting. For planned spending the remainder of this fiscal year, we have the North Main St. Pressure Zone project ($315,000) to approve, along with the painting of the Vine Street Tank. Vine Street will be appropriated from the Capital Budget for next year (starting July 1st), although some expenditures may be required in this FY, due to the project schedule.

Also at this meeting, we’re setting aside $1,000 for the Water & Sewer Relocations on US 60 West @ KY 425. That leaves $125,187 in the Special Projects line, for the remainder of the fiscal year. A project to begin painting and retrofitting our fire hydrants will consume the remainder, later this FY.

**Operations & Maintenance**

We’ve known for years that we need to do more in the way of preventive and predictive maintenance, both in our plants and in the distribution and collection systems. Those sorts of things often get overlooked in the day-to-day grind, and we then become a reactive organization, fixing things as they break, rather than maintaining them and prolonging their life.

In this vein, we started in February with one field crew dedicated as a valve-exercising crew. They’ve been working for about a month now, locating valves on and just-off our larger transmission mains, uncovering and raising valve boxes when they’ve been paved over, and operating the valves to make sure they work. As we move into better weather, the plan is for this crew to begin fixing valves that we know are broken, and we have a long list.

We’ve tried this before, and it always got sidelined in a rush to complete other tasks, or more often, was under-manned from the start, without a commitment from the top to make it work. Having valves accessible and working isn’t all that important, until there’s a leak and you need them to function.

Something I’d like us to look at over the next year is having dedicated employees to act as Operators of the water distribution system and the wastewater collection system. Especially on the water side, monitoring the mountains of data we collect and making sense of it, keeping up with regulations on disinfection by-products, performing system flushing, lead and copper testing, tank inspections, and a host of other things are leading us in this direction. Having dedicated people responsible for making sure those activities are carried out will make us more accountable and reduce our exposure to problems. It’s something we may try on a limited basis with existing employees, before we plunge into the deep end of the pool.
BUSINESS

- Action Report #2016-06 – Vine Street Tank Project – Coating and Repair
- Action Report #2016-07 – North Main Street Pressure Zone Project
- Action Report #2016-08 – Water & Sewer Relocations – US 60 West @ KY425
- Resolution #2016-09 – Acceptance of Sanitary Sewer Extensions - Colonial Senior Living – 6575 South Adams Lane
- Resolution #2016-10 – Acceptance of Water, Wastewater & Stormwater Improvements – Merrill Place Commercial Subdivision II
Henderson Water Utility
Action Report #2016 - 06

To: Henderson Water & Sewer Commission
From: Tom Williams, P.E., General Manager
Subject: Vine Street Tank Project – Coating and Repair
Project No: 22-1802-0060
Date: 21 March 2016

Background:
- This supplements and replaces Action report 2015-27, which awarded the design and bidding services on this tank to J.R. Wauford on 19 October 2015.
- HWU operates nine water tanks in our distribution system, six of which serve the City proper, with the other three located in the South System (Robards/Sebree).
- We initiated a complete inspection and review of all our tanks in 2013/14, awarding contracts for inspection services in Board Action Report 2014-04 (January 2014).
- Based on that study, staff has determined that the Frontier, College and Vine Street tanks require substantial repairs and recoating in the short term, in order to protect our investment in these critical pieces of our water infrastructure. Frontier and College were constructed in 1967, and last painted in 1992. Vine Street was built in 1989, and had its last major maintenance in 1996.
- The Frontier Tank was painted under a contract let in mid-2015. Design of a project to paint the College Tank is under way.
- Plans on the Vine Street Tank have been approved by KDOW, and we are now ready to proceed with painting and repairs. Our plans include minor safety upgrades, replacing substandard ladders and handrails, and providing handrails at the top of the tank where none currently exist. We are also building an electrical room structure inside the tank base, to replace a wooden structure that housed radio repeater equipment for HWU, the Fire Department, and the Housing Authority. This room will also contain some water quality testing equipment.

New Developments:
- Bids are detailed in this table:

<table>
<thead>
<tr>
<th>Vine Street Tank – Coating and Repair</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred Sandblasting &amp; Painting, Shelbyville, Tennessee</td>
</tr>
<tr>
<td>UCL, Inc., Cincinnati, Ohio</td>
</tr>
<tr>
<td>Horizon Bros. Painting Corp, Howell, Michigan</td>
</tr>
<tr>
<td>Engineers Estimate</td>
</tr>
<tr>
<td>Total Spent to Date – Design &amp; Bidding Engineering Services</td>
</tr>
<tr>
<td>Construction Engineering Services</td>
</tr>
<tr>
<td>Awarded Bid</td>
</tr>
<tr>
<td>Contingency (5% of Construction Bid)</td>
</tr>
<tr>
<td><strong>Total Amount to be Authorized for this project</strong></td>
</tr>
</tbody>
</table>
• As the low bid total was above our estimate for the work, we plan to review and negotiate on several items of the work as it progresses, and this effort should bring our total outlay closer to the initial estimate. Part of that negotiation will include looking again at the interior dry portion of the tank, possibly delaying that work until a future date.

• The bid documents called for the exterior to be curtained and contained to avoid as much as possible any problems with dust and paint, but we are discussing with the low bidder possibly eliminating this. If we do eliminate containment, the contractor will be solely responsible for any damage due to debris or fugitive paint.

• The Vine Street tank is a critical part of our North distribution system, and when it is out of service will cause us to operate the system in a significantly different manner. We have previously had the tank out of service, and foresee no insurmountable difficulties. Bringing the Graham Hill tank back online is also a part of this strategy, to offer an additional margin of error in case of fire or major line break.

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

• We pre-qualified bidders on this project, in an attempt to insure we have a contractor that can perform the work in a timely and efficient manner.

Recommendations & Approvals:
• Staff recommends award of this project to Preferred Sandblasting and Painting, LLC, Shelbyville, Tennessee, in the amount of $ 975,700. This award includes four items bid as unit prices which may run over or under the bid quantities, depending on conditions we encounter during the project.

• We will set aside $ 1,083,000 in the FY 2016-2017 Capital Budget for this project. Some of that may be expended in the current FY, since the 6 month construction schedule for the project requires an early spring start, with a 1 May Notice to Proceed, in order to finish by October 2016.

• Board approval authorizes the General Manager to initiate all items necessary to complete this work, including issuance of any additional bids, purchase orders, engineering services, task orders, change orders, or other authorizations required.

Respectfully Submitted for Approval:

Tom Williams, P.E.
General Manager

Commission Action – 21 March 2016

PASSED:_____________ FAILED:_____________ TABLED:_____________
Henderson Water Utility
Action Report # 2016-07

To: Henderson Water & Sewer Commission
From: Tom Williams, P.E., General Manager
Subject: North Main Street Pressure Zone Project
Project No: 22-1802-
Date: 21 March 2016

Background:
- Some areas of the Central pressure zone in our City water distribution system experience fluctuations in water pressure due to cycling of the high service pumps at the North WTP. This is especially pronounced in the areas of higher elevation along North Main Street and Craig Drive, from 8th Street to 12th Street.
- We have developed a project to move an area from the Central pressure zone to the North/ Frontier pressure zone, by laying several blocks of water main from the Atkinson Park tank to the area of 8th and Main. This should alleviate the problems with pressure fluctuations.
- Bids were received on materials for this installation on 17 February, and the results are shown on the attached bid tabulation. The low bid was submitted by HD Supply Waterworks, in an amount of $ 98,167.85, and the low bid for manhole sections was submitted by Fortiline Waterworks, in an amount of $ 914.77. The bid tab corrects several small discrepancies in the bids, due to misunderstandings about how unit prices were to be quoted for materials that come in multiple-foot rolls.

Budget/Financial Considerations:

<table>
<thead>
<tr>
<th>North Main Street Pressure Zone Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Bids for Materials – Pipe &amp; Manholes</td>
</tr>
<tr>
<td>Additional Materials (backfill, stone, parts from inventory)</td>
</tr>
<tr>
<td>Street Repairs – Includes driveways at 2 Locations</td>
</tr>
<tr>
<td>Estimated Installation Costs (Labor by HWU)</td>
</tr>
<tr>
<td>Project Contingency (5 %)</td>
</tr>
<tr>
<td>Proposed Project Budget</td>
</tr>
</tbody>
</table>

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

Recommendations & Approvals:
- Staff recommends a new capital project in an amount of $ 315,000, identified as “North Main Street Pressure Zone”, and appropriated from the “Unidentified Capital Projects” line item in the 2015-2016 Budget.
- Board approval authorizes all items necessary to the scope of work for this project, including issuance of any additional bids, purchase orders, engineering services, change orders, easement acquisition, or other authorizations required to complete the work without unnecessary delays.
- Installation will be performed with HWU crews, as conditions and other work allow.

Respectfully Submitted for Approved:

[Signature]

Tom Williams, P.E.
General Manager

BOARD ACTION – 21 March 2016

PASSED:_________ FAILED:_________ TABLED:_________ DATE:_________
Henderson Water Utility
Action Report #2016-08

To: Henderson Water & Sewer Commission
From: Tom Williams, P.E., General Manager
Subject: Water & Sewer Relocations – US 60 West @ KY 425
Project No: 
Date: 21 March 2016

Background:
- The Kentucky Transportation Cabinet (KYTC) has a project set for a fall 2016 letting to widen U.S. 60 to 5-lanes, from the KY 425 Bypass to the west for a distance of 1.1 miles. This project will greatly aid in traffic flow into and out of the Henderson Community College campus and the Fine Arts Center.
- KYTC has requested that we design the relocation or adjustment of our water & wastewater mains in this area, with costs reimbursed by them. HWU has also been in consultation with Henderson Municipal Gas (HMG) and the City of Corydon, both of whom have facilities that are in this corridor. We have agreed to represent Corydon in this effort, since their force main is involved and we are better equipped with staff to address any issues.
- Construction of the new facilities will be performed under the direction of KYTC’s general contractor, and will not involve our workforce, except for taps on our mains at either end, and for connection of metered services. Any work performed by us will be reimbursed by KYTC at 100% of costs, including the costs for these consultants.
- Staff issued a Request for Qualifications (RFQ) to select firm(s) to perform this design work for us, due to the tight schedule and our current workload. Plans must be complete by 1 August.
- In discussions with HMG and the City of Henderson, we determined that the most efficient way to approach this design effort will be to have HWU act as the sole reimbursement agent for both cities and HMG. We will contract with separate firms to do the gas and water designs, and have one of the firms combine the three utility designs into one set of drawings for submission to KYTC. This will insure that coordination of the utility designs eliminates conflicts in location in the field, and will help to insure that we meet the tight deadline for completion.
- Since HWU will be reimbursed by KYTC for all costs associated with this work, we should be made whole in the end, and not have any material amount invested in the new facilities, beyond some costs for coordination and meetings from staff.

Legal Considerations:
- Our procurement necessary for the completion of this work has and will follow the Kentucky Model Procurement Code.

Recommendations & Approvals:
- We will appropriate $1,000 from the Special Projects line in the Capital Budget as a placeholder for expenditures and reimbursements for this work. Our actual cash outlay for this project should be negligible, in the end. As reimbursements are received, they will be recorded as reversing entries against expenses. The final value of the improvements will show up as Contributed Capital upon completion of the work.
- Staff recommends award of the water/wastewater design effort to Qk4, Inc., of Louisville, and award of the gas design to Stiggall Engineering Associates, Inc., of Nashville, TN. Amounts of
these contracts will be determined after further consultation with the consultants and KYTC, but will be fully reimbursable by KYTC.

- Board approval authorizes the General Manager to initiate all work necessary to complete the design and construction, including issuance of any bids, purchase orders, engineering services, task orders, change orders, or other authorizations required, including a reimbursement agreement with KYTC.

Respectfully Submitted for Approval:

[Signature]

Tom Williams, P.E.
General Manager

Commission Action – 21 March 2016

PASSED: _____________  FAILED: _____________  TABLED: _____________
HENDERSON WATER AND SEWER COMMISSION
RESOLUTION OF THE BOARD OF COMMISSIONERS

Resolution No. 2016 - 09
Acceptance of Sanitary Sewer Extension
Colonial Senior Living - 6575 South Adams Lane

The following Resolution was duly adopted by the Board of Commissioners of the Henderson Water & Sewer Commission at a regular meeting held on Monday, 21 March 2016, at which meeting a quorum was present.

BE IT RESOLVED, that the Henderson Water and Sewer Commission by and through its Board of Commissioners under the authority granted to the Board of Commissioners under Chapter 23 Article II Division 3 Sections 23-36 through 23-45.1 of the City Code of Ordinances hereby recommends to the Board of Commissioners of the City of Henderson, Kentucky, that the City of Henderson accept certain public improvements as recommended by the staff of the Water and Sewer Commission, and herewith transmitted to the City, to wit:

Colonial Senior Living Sanitary Sewer

8-inch Gravity Sewer: 1,520 Linear Feet
4-ft Diameter Manhole 6 Each
Service Lateral 1 Each

The General Manager is hereby authorized to deliver this Resolution to the City of Henderson.
IN WITNESS WHEREOF, having come before the Board of Commissioners on Monday, 21 March 2016, and upon Motion made by Commissioner ____________, and seconded by Commissioner ____________, the Board of Commissioners voted as follows:

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

___________________________
Tom Williams, P.E.
General Manager
Henderson Water Utility
HENDERSON WATER AND SEWER COMMISSION
RESOLUTION OF THE BOARD OF COMMISSIONERS

Resolution No. 2016-10
Acceptance of Water, Wastewater and Stormwater Improvements
Merrill Place Commercial Subdivision II

The following Resolution was duly adopted by the Board of Commissioners of the Henderson Water & Sewer Commission at a regular meeting held on Monday, 21 March 2016, at which meeting a quorum was present.

BE IT RESOLVED, that the Henderson Water and Sewer Commission by and through its Board of Commissioners under the authority granted to the Board of Commissioners under Chapter 23 Article II Division 3 Sections 23-36 through 23-45.1 of the City Code of Ordinances hereby recommends to the Board of Commissioners of the City of Henderson, Kentucky, that the City of Henderson accept certain public improvements as recommended by the staff of the Water and Sewer Commission, and herewith transmitted to the City, to wit:

**Merrill Place Commercial Subdivision II**

<table>
<thead>
<tr>
<th>Water</th>
<th>Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>8” PVC Pipe: 1,374 Linear Feet</td>
<td>8” PVC Sewer: 1,744 Linear Feet</td>
</tr>
<tr>
<td>Gate Valves: 7 Each</td>
<td>Manholes: 8 Each</td>
</tr>
<tr>
<td>Fire Hydrants: 3 Each</td>
<td></td>
</tr>
</tbody>
</table>

**Stormwater**

<table>
<thead>
<tr>
<th>15”RCP Pipe: 170 Linear Feet</th>
<th>15”HDPE Pipe: 365 Linear Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>18”RCP Pipe: 169 Linear Feet</td>
<td>18”HDPE Pipe: 19 Linear Feet</td>
</tr>
<tr>
<td>24”HDPE Pipe: 408 Linear Feet</td>
<td>24”HDPE Pipe: 408 Linear Feet</td>
</tr>
<tr>
<td>Curb Inlet: 11 Each</td>
<td>11 Each</td>
</tr>
<tr>
<td>Ditch/Swale: 325 Linear Feet</td>
<td>325 Linear Feet</td>
</tr>
</tbody>
</table>
The General Manager is hereby authorized to deliver this Resolution to the City of Henderson.

IN WITNESS WHEREOF, having come before the Board of Commissioners on Monday, 21 March 2016, and upon Motion made by Commissioner ____________, and seconded by Commissioner ______________, the Board of Commissioners voted as follows:

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___________________________
Tom Williams, P.E.
General Manager
Henderson Water Utility
EXECUTIVE SESSION

- To discuss matters regarding future acquisition or sale of real property pursuant to KRS 61.810 (1) (b)