

The meeting was called to order at 1:03 p.m. by the Board Chairman, Horace Harrod. Present were Board members-Art Henson and James Griffin, Accountant-Stan Clark, Attorney-Carl Horneman, and from Veolia Water –Ed Basquill, Kevin Gibson and Andrea Matz.

1. **Minutes** - The minutes from the April 21, 2016 Regular Board Meeting were emailed for review in advance and presented in the meeting packet for approval.

A motion was made by Art Henson and seconded by James Griffin to approve the minutes of the April 21, 2016 Regular Board Meeting amended to include the following motion that was omitted. The motion carried unanimously.

“A motion was made by Art Henson and seconded by James Griffin to approve the expense of \$4,470 for landscaping at the Hwy. 1793 Lift Station as quoted by Harper’s Property Management and Maintenance, LLC upon submission of a sketch showing placement and position of plant materials.”

2. **Financial Review / Payables Request / 2016/17 Budget Review***

The Chairman requested this section be delayed until later in the meeting.

3. **Public Comment 1** – There were no comments from the public.

4. **Operations Report** –The Operations Report for the previous month was sent to the Board members in advance of the meeting for review as presented in the meeting binder. Ed Basquill reviewed the highlights in the report and other topics such as how heavy rain effects the operation at various wastewater treatment plants, repair benefits and future projects. Kevin Gibson reviewed the status of the Moody Lane drainage improvement project and requested the Board reserve an additional \$47,000 of contingency funds for the project. Mr. Gibson stated there is a culvert to be replaced under Georgie Way as part of the project, but it will need a headwall and/or other safety precautions as well. The Board agreed but requested that Mr. Gibson provide a document with details for the Chairman to review with the Judge/Executive.

A motion was made by James Griffin and seconded by Art Henson to approve contingency funds not to exceed \$50,000 for the Moody Lane drainage improvement project subject to approval of engineering design and County Judge/Executive approval. The motion carried unanimously.

Financial Review / Payables Request / 2016/17 Budget Review*

Stan Clark reviewed the stormwater financial statement for April 2016 and current payables.

A motion was made by Art Henson and seconded by Horace Harrod to approve the May 2016 financial report for stormwater and current payables requested in the amount of \$93,940.85. The motion carried unanimously.

Next, Mr. Clark reviewed the May 2016 financial statement for sewer and current payables.

A motion was made by Art Henson and seconded by Horace Harrod to approve the May 2016 financial statement for sewer and current payables requested in the amount of \$2,041,693.34. The motion carried unanimously.

- 2016-2017 Budget Review – Art Henson reviewed a draft of the budget which includes a sewer rate increase. The Chairman announced that action on the budget would be delayed until after Executive Session.

5. **Capital Projects Report** – Jim Hagerty provided an update on the capital projects for SORF, Orchard Grass forcemain and Orchard Grass pump station. Mr. Hagerty also communicated two changes he would like to make to the SORF construction project and requested permission to proceed and incorporate all changes into one document for approval at a later date. Mr. Hagerty presented a request for retainage reduction to 2 ½% from SORF general contractor, Dugan & Meyers. Mr. Hagerty also informed the Board that the project is at the point of substantial completion and he would approve the contractor’s documentation if there was no objection, and none was made. Lastly, Mr. Hagerty requested a formal motion with approval from the Board to purchase seed liquor from MSD.

A motion was made by Art Henson and seconded by James Griffin to approve proceeding with two requested change orders to SORF construction in the amount of \$15,559 and \$30,507, and incorporate all changes into one change order document for approval at a later date. The motion carried unanimously.

A motion was made by James Griffin and seconded by Art Henson to reject the request for retainage reduction to 2 ½% from Dugan & Meyers. The motion carried unanimously.

A motion was made by James Griffin and seconded by Art Henson to purchase 80,000 gallons of seed liquor from MSD for the sum of \$10.00.

6. **Correspondence Review** - All incoming and outgoing correspondence since the last monthly meeting was emailed in advance to the Board and presented in the meeting binder. The Board members reviewed the correspondence.
7. **Public Comment** – There were no comments from the public.

Announcement of Next Meeting Date – The Chairman announced that the next OCEA Board meeting will be held on June 16, 2016 at 1:00 p.m.

Adjournment

A motion was made by James Griffin and seconded by Art Henson to adjourn the regular session at 3:10 p.m. and return for Executive Session after a 5-minute break. The motion carried unanimously.

EXECUTIVE SESSION

This session is called pursuant to KRS 61.815 et seq. The closed session concerns exceptions outlined in KRS 61.810(1)(c) allowing for discussion of proposed or pending litigation by a public agency to be conducted in private session.

After Executive Session, the Chairman called regular session back to order at 4:25 p.m. and the Board took the following actions.

A motion was made by Art Henson and seconded by James Griffin to accept the settlement agreement in the amount of \$8,702.00 payable to Sean and Annell Lough once proof is submitted that a backflow valve was installed and a Release of Claims document is executed prior to distribution of the funds. The motion carried unanimously.

A motion was made by Horace Harrod and seconded by Art Henson to approve an increase to the Veolia contract in the amount of \$209,413, subject to Veolia's agreement to waive annual CPI increases for the next two years. The motion carried unanimously.

A motion was made by Art Henson and seconded by Horace Harrod to approve the OCEA budget for fiscal year ending 6/30/17 which includes an additional \$209,413 for Veolia contract increase, \$40,000 in additional electrical expenses, and a sewer rate increase of 5% plus \$2.77 to the capital surcharge. The motion carried unanimously.

A motion was made by Art Henson and seconded by James Griffin to adjourn the meeting at 4:40 p.m. The motion carried unanimously.

Minutes respectfully submitted by Andrea Matz, Veolia Water N.A.