

**NICHOLAS COUNTY WATER DISTRICT
BOARD MEETING MINUTES
SEPTEMBER 27, 2011**

Board Members Present: Gary Hollar, Sam Reynolds, Tim Fryman, Wendy Sparks and Debbie Sweet

Guests: Western Fleming Co. Water (Board of Directors) Vernon Barton (Chairman) Jim Huston (Member) Billy McIntyre (Member) and Larry Ingram (Member), Mike Maggard (SME) Georgia Livingood (Office Manager) and Jackie Bromagen (Operator)

The meeting was called to order by Board Chairman, Gary Hollar

Board Chairman (Gary Hollar) welcomed all of the guests and asked Western Fleming if they wanted to address the Board at this time. Vernon Barton (Board Chairman) told the Board that they were here to request a raise on the price of water that they sell to Nicholas County. He then told the Board that they have done a study to determine the amount of the rate increase. He then said that with the cost of water and money they had spent on the water treatment plant they had to raise the wholesale cost. He said that they had put in new pumps, clear wells, and filters and they could furnish all the water that Nicholas Co. Water District would ever need. Billy McIntyre (Member) said that they are capable of producing two million gallons of water a day. He said the treatment plant would last 15 to 20 years. Vernon Barton (Chairman) then said that they would like to raise the wholesale cost of water to Nicholas Co. water to \$2.07 per thousand, but start out with an increase to \$1.90 with the provisions that Western Fleming could have an increase every 2 to 3 years until they finally reached their goal of \$2.07. Mike Maggard (SME) said that the increase would have to be approved by the Public Service Commission because of Nicholas Co. Water District existing loans. Vernon Barton (Chairman) said that they hoped to have all of the paperwork done and ready to go by the first of the year. Gary Hollar (Board Chairman) thanked Western Fleming for coming to the meeting and told them that NCWD'S Board will discuss the raise and be in touch with them later. Vernon Barton (Chairman) told the Board that if they had any other questions they could call Molly (Office Manager) at their office.

The next item on the agenda was approval of the minutes from last months meeting and reviews of monthly reports Tim Fryman (Board Member) made a motion to approve the minutes, Sam Reynolds (Board Secretary) seconded the motion; all members present were in favor, motion passed.

The meeting was turned over to Mike Maggard (SME) at this time. Mike presented a revised copy of the next project to all of the Board Members. He said the money would have to be approved. Mike also presented to the Board a page listing all projects managed by KIA. He explained to the Board that it looks like Nicholas Co. Water is the only district using the Grants. Nicholas Co. Water has used all of the Grants given to us except for the two that are listed in the next project. Mike said that NCWD needs to

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write a letter to the Judge and make Mike Administrator of the grants. Tim Fryman (Board Member) made a motion to nominate Gary Hollar (Board Chairman) to go talk to the Judge, Wendy Sparks (Board Member) seconded the motion; all members present were in favor, motion passed. Mike (SME) said he would go with Gary Hollar (Board Chairman) to talk to the Judge.

Sam Reynolds (Board Secretary) asked Mike what all we had left to do for the next project. Mike (SME) told the Board everything was in order we just need to wait until spring to put it out to bid.

The meeting was adjourned at 7:30

Board Chairman, Gary Hollar

Secretary, Sam Reynolds