

COMMONWEALTH OF KENTUCKY

**IN RE: KENTUCKY RIVER AUTHORITY**

MEETING NO. 175

May 12, 2015  
1:00 P.M.  
High Bridge Park Pavilion  
225 Park Drive  
Wilmore, Kentucky

**APPEARANCES**

Mr. Rodney Simpson  
CO-CHAIR

Mr. Tom Gabbard (Proxy)  
Energy & Environment Cabinet  
Mr. Houston Wells  
Mr. James Kay  
Ms. Pat Banks  
Mr. Warner Caines  
Mr. Harold Rainwater  
KENTUCKY RIVER AUTHORITY

Mr. Jerry Graves  
EXECUTIVE DIRECTOR

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**CAPITAL CITY COURT REPORTING**

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APPEARANCES  
(Continued)

Ms. Sue Ann Elliston  
Ms. Jennie Wolfe  
Mr. David Hamilton  
Mr. Tom Russell  
Mr. Bobby Webb  
KRA STAFF

Mr. David Brown Kinloch  
Mr. Mike Flynn  
Mr. John Brady  
Mr. Josh Morgan  
Mr. Jim Whitaker  
Ms. Jackie Edwards  
Ms. Brenda Sewell  
Mr. Jim Vaughan  
Mr. David West  
Mr. Russ Meyer  
Dr. Lindell Ormsbee  
Ms. Malissa McAlister  
Mr. Wayne Hayden  
Mr. Alan Banks  
GUESTS

AGENDA

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**MOTIONS**

**MOTION TO APPROVE MINUTES OF  
MEETING #174.....PAGE 6, LINE 19**

CO-CHAIR SIMPSON: If so, I'd like to have a motion.  
MR. WELLS: Move for approval.  
CO-CHAIR SIMPSON: And a second.  
MR. RAINWATER: Second.  
CO-CHAIR SIMPSON: All in favor, say aye.  
Motion carries.

**MOTION TO APPROVE FINANCIAL  
REPORT .....PAGE 10, LINE 16**

MR. WELLS: I make that motion.  
CO-CHAIR SIMPSON: We have a motion to accept. Do I hear a second?  
MR. KAY: Second.  
CO-CHAIR SIMPSON: We have a second. All in favor, say aye. Motion carries.

**MOTION TO APPROVE RENEWAL OF  
UK WATERSHED AGREEMENT FOR  
FY 2016 .....PAGE 23, LINE 23**

MR. KAY: I make a motion to approve this.  
(Discussion)  
CO-CHAIR SIMPSON: James Kay made a motion to accept this year's budget amount. Do I hear a second?  
MR. CAINES: I'll second it.  
CO-CHAIR SIMPSON: Warner Caines seconded. All those in favor, say aye.  
Motion carries.

**MOTION TO APPROVE ONE-YEAR  
EXTENSION FOR BLUEGRASS  
WATER SUPPLY COMMISSION  
AGREEMENT .....PAGE 29, LINE 9**

MR. WELLS: I'll make a motion that we allow for a year's extension.  
CO-CHAIR SIMPSON: Judge Wells made the motion. Do I hear a second?  
MR. KAY: Second.  
CO-CHAIR SIMPSON: James Kay seconded it.

All in favor say aye. Motion carries.

**MOTION TO APPROVE CONTRACT  
FOR EMERGENCY MANAGEMENT**

**COORDINATOR . . . . .PAGE 31, LINE 19**

MR. WELLS: Rodney, based on my knowledge and the work that Tommy has done from an emergency management standpoint of Frankfort and Franklin County and especially based on the knowledge that he had a \$20,000 budget and he only spent \$273, I recommend that we continue the contract with Tommy Russell.

CO-CHAIR SIMPSON: We have a motion to extend this contract another year. Do I hear a second?

MS. BANKS: I'll second.

CO-CHAIR SIMPSON: We have a second by Pat. All in favor, say aye. Motion carries.

**MOTION TO ADJOURN . . . . .PAGE 46, LINE 12**

CO-CHAIR SIMPSON: Do I hear a motion to adjourn?

MR. WELLS: So moved.

MR. RAINWATER: Second.

CO-CHAIR SIMPSON: All in favor, get up and say aye.

1 CO-CHAIR SIMPSON: We'll call this  
2 meeting to order, the Kentucky River Authority meeting.  
3 Sue Ann, would you call the roll of the Board members?

4 (ROLL CALL)

5 MS. ELLISTON: We do have a  
6 quorum.

7 CO-CHAIR SIMPSON: Okay. We'll  
8 get started. Clare couldn't be here today for some  
9 other personal business, so, I will be your Acting Chair  
10 today. And in keeping with Clare's technique, we'll  
11 just go around the room and if everybody would tell us  
12 your name and your affiliation.

13 (INTRODUCTION OF GUESTS AND STAFF)

14 CO-CHAIR SIMPSON: All the Board  
15 members and the court reporter has asked me to tell  
16 everybody to speak up.

17 Have all the Board members had an  
18 opportunity to go through the minutes for the last  
19 meeting? If so, I'd like to have a motion.

20 MR. WELLS: Move for approval.

21 CO-CHAIR SIMPSON: And a second.

22 MR. RAINWATER: Second.

23 CO-CHAIR SIMPSON: All in favor,  
24 say aye. Motion carries.

25 Now we're ready for the Financial

1 Report, Ms. Jennie Wolfe.

2 MS. WOLFE: Today I'm going to  
3 cover the Financial Reports for March and April.

4 The March in the Tier I Fund, the  
5 fees received were \$59,300.76, interest income was  
6 \$66.88, for a total revenue of \$59,367.64.

7 The expenditures for the month  
8 were \$50,018.60 and included normal salary and operating  
9 expense. The Tier I Fund ended the month of March with  
10 a cash balance of \$1,030,406.12.

11 In the Tier II Fund in March, the  
12 fee receipts were \$108,412.81. Interest income was  
13 \$195.31. Total revenue was \$108,608.12. A debt service  
14 payment was made on March 15th for \$605,496.09. The  
15 Tier II Fund ended the month with a cash balance of  
16 \$2,866,940.89.

17 In the Equipment Replacement Fund,  
18 there was an expenditure of \$40 and the fund ended the  
19 month with a cash balance of \$40,613.16.

20 The General Fund expenditures  
21 included salary and operating expense for \$23,496.79 and  
22 ended the month with a balance of \$51,308.14.

23 In the Capital Construction Funds  
24 in March, the Lock 1 and 2 Renovation Project had  
25 expenditures of \$62,048.86 and ended the month with a

1 balance of \$731,037.71.

2 The Interest Earning Capital Fund  
3 had interest income of \$524.73 and ended the month with  
4 a balance of \$26,733.07.

5 In April, the Tier I Fund had fee  
6 receipts of \$10,359.65. Interest income was \$78.52.  
7 Total revenue in the Tier I Fund in April was  
8 \$10,438.17.

9 The expenditures for the month  
10 were \$98,604.65. This included normal salary and  
11 operating expense along with contract payments to UK and  
12 USGS. The fund ended the month with a balance of  
13 \$942,239.64.

14 MR. GRAVES: Thank goodness for a  
15 train.

16 MS. WOLFE: In the Tier II Fund in  
17 April, the fee receipts were \$44,744.61. Interest  
18 income was \$230.98. Total revenue was \$44,974.99.

19 The Tier II Fund also received a  
20 transfer in from the Capital Fund C093 which is the Lock  
21 and Dam Maintenance Pool for \$59,089.01. These funds  
22 were interest received on a prior bond sale, and the  
23 Tier II Fund ended the month with a cash balance of  
24 \$2,991,004.89.

25 The Equipment Replacement Fund had

1 no expenditures in April.

2 The General Fund had normal salary  
3 and operating expense of \$22,492.28 and ended the month  
4 of April with a balance of \$28,815.86.

5 In the Capital Construction Funds  
6 in April, there was a transfer out of the Lock and Dam  
7 Maintenance Pool for \$59,089.01. The balance of the  
8 Lock and Dam Maintenance Pool at month end was  
9 \$269,655.06.

10 The Dam 8 Renovation Fund had  
11 expenses of \$1,782.40 and ended the month with a balance  
12 of \$7,058,311.06.

13 The Interest Earning Capital Fund  
14 had interest income of \$639.57 and ended the month with  
15 a cash balance of \$27,372.74.

16 The invoices for the quarter  
17 ending March 31st were mailed out May 1st. The total  
18 Tier I fees billed was \$229,098.92. The total Tier II  
19 fees billed was \$790,131.35. The quarterly total was  
20 \$1,019,230.27. Of that amount, \$832,336.10 has been  
21 collected to date. The quarter we just billed for March  
22 31st was comparable to the same quarter last year.

23 The next debt service payment will  
24 be on June 15th. Fiscal year 2015 will end on June  
25 30th, and the Kentucky River Authority will receive a

1 new General Fund allotment on July 1st and that will be  
2 \$255,500.

3 This fall, the Kentucky River  
4 Authority will be required to submit to the Office of  
5 the State Budget Director and the Legislative Research  
6 Commission the Operating Budget Plan for fiscal year  
7 2017 and 2018. So, I will present that to the Board at  
8 the next regularly-scheduled Board meeting for your  
9 all's approval.

10 Any questions?

11 CO-CHAIR SIMPSON: Thank you.  
12 Anybody have any comments concerning the budget report?

13 MR. WELLS: Do you need a motion  
14 for acceptance of the Financial Report?

15 CO-CHAIR SIMPSON: Yes.

16 MR. WELLS: I make that motion.

17 CO-CHAIR SIMPSON: We have a  
18 motion to accept. Do I hear a second?

19 MR. KAY: Second.

20 CO-CHAIR SIMPSON: We have a  
21 second. All in favor, say aye. Motion carries.

22 Item 4 on our agenda is  
23 presentation and consideration for renewal of the  
24 University of Kentucky Watershed Agreement for 2016.

25 DR. ORMSBEE: Thank you all for

1 allowing us to come out and present our proposal again  
2 for this year. My name is Lindell Ormsbee. I'm the  
3 Director of the Kentucky Water Institute and I think you  
4 all know Malissa who is our Watershed Coordinator. So,  
5 we're going to do a little bit of a tag team here in the  
6 presentation.

7                   You should have a Powerpoint, a  
8 copy of this that was in your packet. I think there's  
9 like eighteen slides we'll go over.

10                   So, I'd like to take just a few  
11 minutes to kind of give the context for this contract  
12 which we've had ongoing since actually 1998.

13                   If you look at the actual KRS  
14 statute, embedded in the language there, there are some  
15 directives that relate to the Authority's jurisdiction  
16 and authority to basically keep track of what's going on  
17 in the basin with regard to water quality issues as that  
18 may impact water supply issues and so on, also the  
19 authority to do analyses and do reports.

20                   And, so, we basically have served  
21 over the last fifteen years or so in that capacity on  
22 behalf of the River Authority.

23                   For just a little bit of  
24 background for some of you all that may not know the  
25 history, this contract actually was started back in

1 1998. At the time, the Kentucky River Authority was  
2 partnering with the Division of Water along with about  
3 twenty other agencies, both federal and state, to come  
4 up with a comprehensive watershed management framework  
5 for the entire State of Kentucky.

6 And as part of that process, the  
7 state was really divided into five major river basins,  
8 the Kentucky River Basin being one of those. And, so,  
9 the Kentucky River Basin was kind of selected as the  
10 pilot basin to basically go through this whole framework  
11 process, the other basins following each year subsequent  
12 to that.

13 And this was actually was a five-  
14 year process that went through a lot of comprehensive  
15 analyses and so on. And, so, the Water Institute  
16 partnered with the River Authority, and at that time  
17 Hugh Archer was the Director, to kind of get this  
18 launched. We worked very closely with the Division of  
19 Water. So, we did that for five years.

20 Then when Steve Reeder came on  
21 after that process, we continued to provide this liaison  
22 between the River Authority and the Division of Water,  
23 but Steve also wanted to try to kind of refocus some  
24 more local efforts and try to get projects sort of in  
25 the field across the basin affecting both the Tier I and

1 Tier II communities.

2 And, so, as part of that, we kind  
3 of repositioned some of the things we were doing. One  
4 of the things that we did was to involve the Kentucky  
5 River Watershed Watch group which is a citizen-based  
6 sort of citizen scientists across the watershed.  
7 There's about two hundred volunteers that go out and  
8 collect data.

9 And, then, we also created a small  
10 grant program to fund small projects with sort of the  
11 grassroots people, schools, other NGO's and so on to  
12 focus on local water problems across the state. So,  
13 that's a little bit of the background and some of the  
14 history.

15 Just a short funding history over  
16 the last ten years, I've got a little histogram that  
17 kind of shows what our funding levels have been at.  
18 About over the last seven years, we've kind of been  
19 flat-lined.

20 We are asking for a small increase  
21 this year and I'll explain that momentarily, but I just  
22 wanted to give you a little bit of the local context for  
23 that. We've worked very hard to try to keep everything  
24 economized, working with some of our labs to try to get  
25 the best deals we can for sampling and so on; but after

1 seven years, we've kind of run into a few incremental  
2 increases that we have to adjust to.

3 Some of the things that are  
4 encompassed in this contract include just project  
5 coordination of the overall effort. I'll mention  
6 briefly some of those activities.

7 We also provide technical  
8 assistance as needed to the River Authority and have  
9 done so over the last fifteen years. We've done  
10 actually lots of little special projects for the River  
11 Authority at times looking at water supply issues,  
12 models and so on on the Kentucky River, other little  
13 projects we've done up at Hazard and some other areas.  
14 So, that's something that we also do.

15 But the bulk of the activity  
16 focuses on managing watershed activities across the  
17 state, and Malissa in just a minute will kind of give  
18 you a more detailed overview of some of those  
19 activities.

20 And the two other components we  
21 work with is, again, we leverage a lot of time and  
22 effort by citizen volunteers across the basin to kind of  
23 keep track with what's going on around the basin. They  
24 kind of serve as sentinels to let us know if there are  
25 problems out there and they go and collect data. So,

1 that provides a lot of good information, and all that  
2 information is collected each year. They go out and  
3 sample. We develop an annual report, have an annual  
4 meeting. We have a website that all this information is  
5 disseminated through that you can go online to get that  
6 information.

7 This last year, we've actually  
8 been working with the Kentucky Geological Survey at UK  
9 to build an online data portal using some other funds  
10 that will allow citizens to go in and pick up any site  
11 across the basin and look at the data, both water  
12 quality and quantity data.

13 And, then, probably one of the  
14 most successful things that we partner with is the small  
15 watershed grants. Again, we started this about twelve  
16 years ago initially with funds of about \$10,000 and we  
17 were giving out grants of about \$1,000 to \$2,000.

18 We bumped that up a couple of  
19 years ago at your all's request to \$15,000, and that's  
20 just been an incredibly successful program. We've  
21 gotten lots of involvement across the state.

22 Malissa will highlight some of  
23 those successes here momentarily, and I really think  
24 it's been a very positive program for the River  
25 Authority to kind of get your name out across the basin

1 and let people know some of the things you're doing, and  
2 they've been very appreciative of the little bit of  
3 money that they can use and to actually leverage to get  
4 other funds and do larger projects in many cases.

5 Relative to the project  
6 coordination, and I'll go through each of these  
7 momentarily, we do have really three other people that  
8 are kind of involved, with the activity of a web person  
9 working on our website, a financial person and so on.

10 So, there's coordination of those  
11 individuals. We have labs we have to work with to  
12 coordinate all the analyses over the course of the year,  
13 and then we also do some financial management with all  
14 these contracts and so on. So, we have a little bit of  
15 a budget that accommodates and takes care of that.

16 But the bulk of the activity  
17 really is focused on getting the money out in the field  
18 and impacting the volunteers and the citizens, and  
19 Malissa, I'll let her kind of talk a little bit about  
20 those activities.

21 MS. McALISTER: Thank you. So, I  
22 have been in this role as the Kentucky River Basin  
23 Coordinator since 2002 and some of you have heard my  
24 spiel several times but some of you are new faces.

25 These are the main activities I do

1 every year. And one is I'm heavily involved in the  
2 Watershed Watch organization. I've been on the board  
3 for several years. I've been chair for a few years and  
4 I help with, like Lindell mentioned, the data management  
5 and then interacting with the volunteers to help  
6 understand their sampling results and what, if anything,  
7 they can do to address their concerns.

8 I also coordinate the Watershed  
9 Grant Program. So, I help solicit the applications and  
10 then kind of weed through them and recommend some  
11 suggested funding, which ones you should fund of the  
12 grant applications. And then I work with them through  
13 the year and make sure that they're on track with their  
14 grant projects.

15 I also respond to intermittent  
16 requests throughout the year about water quality  
17 concerns and then help dig through the data at the  
18 Division of Water or other sources and network with  
19 local agencies and the State Division of Water and  
20 others to help citizens.

21 And then I meet monthly with the  
22 other River Basin Coordinators in Frankfort and we  
23 collaborate on different kind of statewide projects that  
24 the Division of Water needs assistance with. And it  
25 also is helpful to me because it helps me know how to

1 better handle some of the questions I get.

2 And, then, we just had a meeting  
3 last week and I try to do this a couple of times a year.  
4 We have a Basin Team that is a whole bunch of different  
5 technical experts and local watershed groups and we  
6 network there and help solve problems together and  
7 that's a good support group, too.

8 I just already said this stuff  
9 which I knew would happen, but these are just graphics.  
10 These are the sampling sites throughout the Kentucky  
11 River Basin. I don't know if you can see those dots,  
12 but I compile all their sampling results from all those  
13 sites and then present that at the annual meeting and  
14 help produce like county documents to summarize that for  
15 specific counties or watersheds so that they can do  
16 outreach in their communities and explain their  
17 findings. And, then, like I mentioned, I also serve on  
18 their board.

19 We have about 286 active sampling  
20 sites throughout the basin, about 250 volunteers to  
21 sample those sites, and we sample three to four times a  
22 year for different water quality indicators. And then  
23 we have a couple of websites where the general public  
24 can access all our findings.

25 These are the watershed grant

1 locations for this past year. It doesn't show well, but  
2 maybe in your slide, you can see that those grants since  
3 2003 have covered a large part of the basin, with the  
4 exception of a little bit down here in the Middle and  
5 South Forks of the Kentucky River Basin and we're  
6 working on that this year. We're recruiting from that  
7 area and hope to fill that in on the map maybe for this  
8 coming year.

9 Just a recap of what Dr. Ormsbee  
10 said. You all have funded sixty-seven projects since  
11 2003 and that has really helped spur on bigger efforts  
12 in a lot of those watersheds. That's about \$160,000  
13 over the years that you all have put into the basin to  
14 help improve water quality.

15 And some of the projects are  
16 clean-up projects and the educational projects with the  
17 high schools have been really informative, I think, and  
18 have gotten the communities involved. We just had a  
19 tree planting in Wilmore that was funded through one of  
20 your grants and I think it went over pretty well.

21 And then these are just some of  
22 the questions I get on a random basis. Like now,  
23 there's a lot of concern about natural gas pipelines and  
24 what does that mean if it crosses our waterway or people  
25 that live on the lake call me and say there's something

1 weird going on, can you look into it. And, so, then I  
2 can work with my contacts at the Division of Water to  
3 have them help me out and sometimes we go out and look  
4 at it together or may do sampling to help determine  
5 what's going on.

6 I've mentioned most of my  
7 collaborations at the Division of Water which I think is  
8 good for the Kentucky River Authority to have that  
9 connection and a presence there and they certainly  
10 appreciate your ongoing involvement with them.

11 And, then, I talked about the  
12 Basin Team, and you all are welcome to attend those  
13 meetings. We'll probably have another one in the fall.  
14 We meet for a couple of hours, and there are technical  
15 experts from federal agencies like the Forest Service or  
16 Fish & Wildlife, Division of Water, some nonprofit  
17 organizations like Kentucky Waterways Alliance and then  
18 local citizens, Kentucky Riverkeeper and just kind of  
19 network and discuss issues of the moment.

20 So, one of the things that will  
21 lead into the budget that Dr. Ormsbee will talk about is  
22 we have been doing Watershed Watch sampling throughout  
23 the basin since 1998, and we opened that up originally  
24 as just we don't care where you sample. It should be a  
25 stream of interest to you, which is great because people

1 have found what's going on in their stream that crosses  
2 their property or the local swimming hole.

3 But we are going to try to push  
4 for maybe a more effective sampling approach to get  
5 samplers to work in teams and be a little bit more  
6 strategic about where we sample and try to collaborate,  
7 so the volunteers can collaborate and get even more  
8 meaningful sampling results that we can better interpret  
9 and then give them guidance on what to do about issues.

10 And, so, that's going to require  
11 maybe some more focused sampling with a few more sites  
12 in certain areas, and we think that that will help them  
13 mobilize in their communities and feel more empowered to  
14 talk to their communities if it's a small group of  
15 people. So, that's the direction we're headed.

16 DR. ORMSBEE: All right. Thanks,  
17 Malissa. So, the last few slides is to help summarize  
18 the budget that we're proposing for this year.

19 These were broken down into those  
20 categories we just summarized - project coordination,  
21 project management, Watershed Watch, and then the  
22 Watershed Grants.

23 This budget is identical to last  
24 year with the exception of an adjustment on the  
25 Watershed Watch budget item. Last year, that was

1 \$12,000. At one point, it was actually \$20,000. We've  
2 over the years tried to make some cuts to try to keep up  
3 with rising costs, but at this point, we have a  
4 situation where the lab costs have risen and we need to  
5 make a little bit of an adjustment.

6 So, we're asking for about a 7 to  
7 8% adjustment on that laboratory analysis, and that  
8 breaks down basically of about \$4,000 to increase on our  
9 analysis costs. This year, we had a budget of \$12,000.  
10 the actual costs were about fifteen. So, we had to kind  
11 of move some things around to cover that and that will  
12 go up a little bit.

13 And, then, as Malissa mentioned,  
14 we've got kind of two gaps that kind of developed over  
15 the last several years across the basin. We're kind of  
16 missing some coverage up in Northern Kentucky, and then  
17 in the South Fork and the Middle Fork, we don't have a  
18 lot of coverage there.

19 So, with the Kentucky River  
20 Watershed Watch folks, they're making a concerted effort  
21 this year to try to recruit some more samplers to kind  
22 of expand in that coverage.

23 And, so, we've got a little bit of  
24 money to cover those analyses and then a little bit of  
25 money to cover some of this focused sampling to try to

1 have samplers come together, get some data and actually  
2 put together a plan to actually then do something,  
3 working either with a watershed grant from you all or a  
4 lot of times we try to work with those groups and then  
5 partner with the Division of Water and actually try to  
6 get some additional funding through a program called the  
7 319 Program that can leverage a lot more dollars for  
8 more hands-on projects in the field.

9 So, that's basically then a  
10 summary of the program and then our budget proposal  
11 which has been vetted by Jerry and the staff, but we  
12 wanted to see if anyone had any questions and we'll be  
13 glad to field those.

14 MR. GRAVES: This is something  
15 that we met back in, what, March and went over.

16 DR. ORMSBEE: Right.

17 MR. GRAVES: This is part of our  
18 mission statement. It's something that I recommend. I  
19 know we have an increase. We sort of kind of met in the  
20 middle, so to speak, but this is something that's very  
21 important to us. We work with Dr. Ormsbee and his  
22 staff; and from where I sit, I do recommend this.

23 MR. KAY: I make a motion to  
24 approve this.

25 CO-CHAIR SIMPSON: So, this is

1 going from what, to \$107,000?

2 DR. ORMSBEE: Yes, sir, and the  
3 increase is on the sampling costs, the money that we've  
4 got to pay the labs to do the analysis.

5 CO-CHAIR SIMPSON: And you all  
6 have taken this into consideration with your budget?

7 MR. GRAVES: Yes, sir. This is  
8 something that we've looked over. Jennie and I and  
9 David have gone through it and it's something that's not  
10 going to sink the ship by no means.

11 MR. WELLS: Which tier does it  
12 come out of?

13 MR. GRAVES: Tier I.

14 MR. WELLS: James made a motion to  
15 accept that, I think, didn't you, James?

16 MR. KAY: Yes.

17 CO-CHAIR SIMPSON: James Kay made  
18 a motion to accept this year's budget amount. Do I hear  
19 a second?

20 MR. CAINES: I'll second it.

21 CO-CHAIR SIMPSON: Warner Caines  
22 seconded. All those in favor, say aye. Motion carries.

23 Thank you for your presentation  
24 and for what you all do.

25 DR. ORMSBEE: Thank you.

1 CO-CHAIR SIMPSON: Item 5, request  
2 for extension of Bluegrass Water Supply Commission's  
3 Agreement. Jerry Graves and Jennie Wolfe are going to  
4 present.

5 MR. GRAVES: First of all, Mayor,  
6 Judge, can you all hold on one second? I want to thank  
7 the County Judge, Mr. West, for your gracious hosting of  
8 this meeting today at this facility. I do appreciate  
9 it, your Fiscal Court for allowing us to come up here  
10 and have our Board meeting here. What a great venue,  
11 what a great day. So, I do appreciate that.

12 MR. WEST: This is a perfect  
13 example of when agencies work together of what we can  
14 provide the community. This is one of the most used  
15 facilities that we have and that's in part because of  
16 our partnership with you.

17 MR. GRAVES: I just want to say  
18 thanks on behalf of KRA and I appreciate what you've  
19 done. You too, Russ.

20 Second of all, I'd like to thank  
21 Harold Rainwater for providing our lunch today. As I  
22 told everybody else, the brownies are terrible. They're  
23 absolutely terrible, so, leave them alone. Harold,  
24 thank you very much.

25 MR. RAINWATER: They came from a

1 local business in Wilmore, Solomon's Porch. So, if  
2 you're looking for another event, we encourage you to  
3 support local. And the Court also contributed. They  
4 paid half of the cost.

5 MR. GRAVES: We appreciate that.  
6 So, thanks to you people for allowing this. Thanks for  
7 you all that came here today. What a great day. This  
8 time last year, we were going to have a Board meeting  
9 and at the last minute had thunderstorms roll through  
10 and we had to cancel and go back to the Bush Building in  
11 Frankfort. Somebody looked upon us today.

12 The request for the extension from  
13 the Bluegrass Water Supply Commission Agreement, for  
14 those who don't know, this is something the Kentucky  
15 River Authority inherited - David, you might want to  
16 help me - about fifteen years ago, give or take a year.

17 MR. HAMILTON: Not quite that  
18 long. Ten years ago.

19 MR. GRAVES: Ten years ago. We'll  
20 put it at ten. There was money appropriated for this  
21 Bluegrass Water Supply Consortium at that time and the  
22 Kentucky River Authority became a flow-thru agency. We  
23 basically couldn't regulate, disburse. All we did was  
24 money ran through our agency. The check was cut on the  
25 back end.

1                   So, when I came here four years  
2 ago, I asked the Board, I said, I'd like to have some  
3 type of regulation on this that basically anytime that  
4 they submit a proposal for use of money, the Board has  
5 to approve it.

6                   And at this time - and, Jennie,  
7 you help me if I'm wrong - the committee has asked for  
8 an extension to expend their last amount of monies which  
9 is two hundred----

10                   MS. WOLFE: Two hundred and  
11 thirty-nine thousand.

12                   MR. GRAVES: Two hundred and  
13 thirty-nine thousand. So, I'm asking the Board on  
14 behalf of the Supply Commission to extend that - there  
15 was conversation early - for a year or two until they  
16 decide how they want to spend these monies. Any  
17 addition?

18                   MS. WOLFE: The only thing I'll  
19 add is the grant was originally through KIA, which is  
20 the Kentucky Infrastructure Authority, but somehow the  
21 River Authority, which was before Jerry and I came, got  
22 involved.

23                   And what I do is Tom Calkins with  
24 the City of Nicholasville, he's the Chair of the  
25 Bluegrass Water Supply Commission and he sends the

1 invoices in. I check them and double check them. Jerry  
2 signs off on them. We process a payment through our  
3 accounting system and a check is cut through Treasury  
4 and mailed to Tom Calkins with the Bluegrass Water  
5 Supply Commission.

6 And this goes for I think it's  
7 Bluegrass area counties for water lines, that type of  
8 thing.

9 MR. GRAVES: Right, engineering  
10 studies. Warner, you might know a little bit more or as  
11 much about it as I do.

12 MR. CAINES: I used to.

13 MR. GRAVES: Used to.

14 MS. WOLFE: So, we're just kind of  
15 a pass-thru. It's no Kentucky River Authority funds.  
16 It's a construction account that money comes out of.

17 MR. WELLS: What if we made a  
18 motion that we continue it for a year and then bring it  
19 back for a possible extension for another year. I guess  
20 you're really asking us, you're really saying we ought  
21 to expend these funds or do something with these funds  
22 at some point.

23 MR. GRAVES: Pretty much. I'm  
24 asking for an extension to allow them to go ahead--you  
25 know, I don't know if they could recall the money. That

1 I don't know. It was appropriated. I tried to make it  
2 go away. It hasn't gone away. So, it's just something  
3 that we've inherited. And some things in life, you just  
4 make the best of the cards you've been dealt.

5 And I'm asking for an extension.  
6 I think that would be the best thing right now, give a  
7 year extension. Give them a chance to expend these  
8 monies and hopefully they can and then we can move on.

9 MR. WELLS: I'll make a motion  
10 that we allow for a year's extension.

11 CO-CHAIR SIMPSON: Judge Wells  
12 made the motion. Do I hear a second?

13 MR. KAY: Second.

14 CO-CHAIR SIMPSON: James Kay  
15 seconded it. All in favor say aye. Motion carries.

16 MR. GRAVES: I'm going to step out  
17 on this one.

18 (MR. GRAVES EXITS MEETING)

19 CO-CHAIR SIMPSON: We've got Item  
20 6, presentation and consideration for renewal of a  
21 contract for Emergency Management Coordinator. Sue.

22 MS. ELLISTON: Tommy Russell right  
23 now serves as our Emergency Management Coordinator for  
24 the Kentucky River Authority.

25 Tommy's position includes

1 maintaining our Structural Failure Plan for Locks and  
2 Dams 1 through 14. He also provides guidance and acts  
3 as our liaison between the KRA and FEMA whenever we have  
4 those types of incidents within the Kentucky River  
5 Basin.

6 He provides threat and risk  
7 analysis and assessments for the KRA when needed. He  
8 also assesses and advises the KRA of potential risks and  
9 hazards created by policies that would have impact on  
10 the public.

11 He helps with any type of risk and  
12 activities in operation and maintenance of KRA  
13 properties. He developed and maintains current contact  
14 information of first responders that respond to  
15 emergency situations on the KRA properties. He attends  
16 meetings on behalf of the KRA and he advises the  
17 Executive Director of any event as far as rescue, HAZMAT  
18 incidents that would have any impact on the lock and dam  
19 properties.

20 Right now Tommy is working on and  
21 implementing emergency response procedures for the lock  
22 pit in case there's any fire or any type of incident  
23 that may happen there.

24 Once that is completed, Tommy and  
25 I will go to the County Judges and Mayors with Locks and

1 Dams 1 through 4 just to meet with them, let them know  
2 what's going on and see how long the response time would  
3 be to that lock and dam.

4 Tommy's contract last year was  
5 \$20,000. He only spent \$273. He does a lot more than  
6 what he turns in. I call him all the time and he never  
7 turns that in.

8 So, today I'm asking for the  
9 emergency management contract for Tommy Russell. This  
10 year it will be for \$20,000 for 2015/16.

11 CO-CHAIR SIMPSON: Tommy, have you  
12 got anything you want to add to this?

13 MR. RUSSELL: That made it sound  
14 like I did a lot. For that little bit of money, I feel  
15 good about it now. Thank you, Sue Ann.

16 MS. ELLISTON: Well, you do a lot.  
17 I always tell you to turn it in and you don't turn  
18 anything in.

19 MR. WELLS: Rodney, based on my  
20 knowledge and the work that Tommy has done from an  
21 emergency management standpoint of Frankfort and  
22 Franklin County and especially based on the knowledge  
23 that he had a \$20,000 budget and he only spent \$273, I  
24 recommend that we continue the contract with Tommy  
25 Russell.

1 CO-CHAIR SIMPSON: We have a  
2 motion to extend this contract another year. Do I hear  
3 a second?

4 MS. BANKS: I'll second.

5 CO-CHAIR SIMPSON: We have a  
6 second by Pat. All in favor, say aye. Motion carries.

7 MS. ELLISTON: Thank you.

8 CO-CHAIR SIMPSON: Thank you,  
9 Tommy. I think we put him to work last month or month  
10 before with the barges breaking loose in the Kentucky  
11 River.

12 MR. RUSSELL: We were a little  
13 busy. We were tracking a few things last month.

14 CO-CHAIR SIMPSON: We appreciate  
15 what you do for the Authority and the people of  
16 Kentucky.

17 (MR. GRAVES REENTERS MEETING)

18 Item 7, Engineer's Report. David.

19 MR. HAMILTON: I have just a  
20 short report this month. The good news, the project at  
21 Lock 1 and 2, Mac Construction, they received final  
22 completion of that project May 7th, had the final walk-  
23 thru Thursday of last week, I believe.

24 That puts them 107 days past due  
25 completion on substantial completion. Liquidated

1 damages could be assessed up to \$2,000 per day. So,  
2 that's something we'll have to deal with with them and  
3 the Finance Cabinet to work out in the next few days or  
4 weeks anyway.

5 So far, they have billed through  
6 their last invoice \$3.139 million. The project was just  
7 under 3.3. So, it will come in under budget. Part of  
8 that is due to some items that were not completed per  
9 the contract documents.

10 The locks will be ready to be open  
11 for the season a week from Friday. Here's just a  
12 handout. This is all available on our web page now.  
13 It's just the lock schedule for the season. And like I  
14 said, it will be open a week from Friday. I believe  
15 that's the 22nd and running through the end of October.

16 We do have one small problem down  
17 at Lock 3 that we're dealing with and we'll probably be  
18 looking to get Board approval at this meeting. It is a  
19 pile of drift that has collected on the upstream side of  
20 the lock gates.

21 We cannot get our dredge boat in  
22 there per the dredging permit. The fish spawn season  
23 prohibits us to get in there until after the June 16th  
24 period.

25 We do have verbal permission from

1 Kentucky Fish & Wildlife to get in there. And, so, we  
2 are proposing to go in with a diver and remove that.  
3 Right now the estimate would be about a three-day,  
4 three-man dive crew which would probably be on the order  
5 of--typically it's around \$3,500 per day for a dive  
6 crew.

7 So, we'll be looking to spend  
8 around ten to twelve thousand bucks, depending on how  
9 long it takes them to get all that debris out there.  
10 But right now those gates cannot be operated safely with  
11 that pile of debris there.

12 So, we'd be looking to use tier  
13 money to pay for that and I believe we'd be looking to  
14 have Board approval to expend that money.

15 MR. GRAVES: This is something  
16 that, as you well know, with three high-water events, 3  
17 is notorious for ebbing back. In fact, in 2010, it  
18 filled the whole chamber up, completely up with mud and  
19 debris.

20 And Bobby and his staff have been  
21 so gracious putting up with me the last two weeks  
22 because I've got six guys doing the work of twenty. And  
23 I told them, I said, you all get that stuff out. I  
24 said, get you a grapple hook and tie it to the boat and  
25 pull it.

1 Well, they did it and they tried  
2 it and they tried everything in the world for a week.  
3 So, finally, we had to send a diver down because one of  
4 the valves, we had a log stuck in there. And the only  
5 way to get a log out is to go down and get it. That's  
6 the only way it's going to come out.

7 So, this is not the first time  
8 something like this has happened, but we're kind of  
9 under the gun. We can probably open up the land side;  
10 but when you do that, you're shifting that debris over  
11 there. And, so, you have the possibility of not opening  
12 both gates.

13 So, we're kind of between a rock  
14 and a hard spot. We have money set aside for dredging,  
15 more than enough monies to do this. So, this is not an  
16 expenditure that we're pulling from way out from the  
17 left or right. This is money that we've already got set  
18 aside for it.

19 So, it's something that's just  
20 part of the hazard. If you know anything about 3 at  
21 all, there's a big creek right below the dam and it all  
22 comes back and runs back up river. So, it's just part  
23 of doing business.

24 It's kind of like working at the  
25 Highway Department. If you've got a rock slide, you've

1 got to move it. You can't close the road and we can't  
2 close this road because, as you well know, there's been  
3 a lot of money spent for the River Blast and things of  
4 this nature of what we've done so far. So, that's kind  
5 of a nickel synopsis of what's going on.

6 MR. HAMILTON: Do we need a motion  
7 on that? Okay. Don't need it.

8 The other project at Dam 8, as you  
9 probably saw in the news back in early April, the barge  
10 there. They were in shut-down mode for most of the  
11 winter. November, December area is when they shut down.  
12 Their barge and crane washed over Dam No. 8 and became  
13 lodged just downstream of the U.S. 27 bridge, on another  
14 bridge just a few hundred yards downstream of the main  
15 bridge.

16 They've got all their equipment  
17 back up onsite and they're mobilizing, getting ready to  
18 re-start work there at Dam 8 but nothing really to  
19 report on other than them getting back to work.

20 CO-CHAIR SIMPSON: Did that throw  
21 them behind very much on Dam 8?

22 MR. HAMILTON: No. They probably  
23 would not be starting until now when the river is  
24 settling down anyway. You're talking maybe a week's  
25 time, if that, as far as time lost.

1                   Now, the final thing, since our  
2 last meeting, we did award the design for Lock and Dam  
3 10 and that went to Stantec Consultants. We do not have  
4 a contract with them yet.

5                   Probably in the next few weeks,  
6 we'll have some prices in, and I believe the Board  
7 wanted to see those prices before we signed a contract  
8 with them. So, that may involve us calling a special  
9 meeting sometime within the next month or so just to  
10 present that contract cost.

11                   The way it will be staged, there  
12 will be just an initial phase where they will scope out  
13 several alternatives. And, so, that is the price that  
14 we will bringing to the Board for just that first phase.

15                   That's all I've got. Any  
16 questions on any of the projects?

17                   CO-CHAIR SIMPSON: No questions?  
18 Thank you, sir.

19                   Jerry Graves, the Executive  
20 Director's report.

21                   MR. GRAVES: David stole a little  
22 of my thunder about having a special Board meeting for  
23 the design of 10. Like he said, within the next few  
24 weeks, we'll probably get those numbers together and  
25 call a special meeting.

1                   It was probably impossible to have  
2 it done for this Board meeting. It's a lot of work for  
3 them to turn it over in a couple of weeks.

4                   As you well know, Locks 1 through  
5 4 will open a week from this coming Friday, Memorial Day  
6 weekend.

7                   As I said earlier, Bobby and I,  
8 probably we need a little time away from each other. He  
9 told me, he said the guys are ready to go to their own  
10 lock and get away because I haven't been a sweetheart  
11 probably in the last six weeks.

12                  We've got all this work and a  
13 short amount of time and not a whole lot of staff. I'm  
14 not complaining. I'm just telling you how it is.  
15 Train, planes, birds.

16                  I want to say in front of  
17 everybody, thank you, Bobby and the guys. Those guys  
18 just keep on going. In fact, one of the guys wanted to  
19 go down and dive. He said, I'll do it. It's only about  
20 seven foot of water, but I wouldn't dive there if you  
21 gave me Jessamine County, Fayette County and all the  
22 other counties around. I just wouldn't do it. We're  
23 not divers but they're doing a good job of what they do  
24 and kudos to them.

25                  Moving on, the lockhouse

1 renovation. After almost four years, Warner, we're  
2 there. We're there. We have the preapproval letter to  
3 the final letter, if that makes any sense. It's taken  
4 almost four years and some help from our friends to get  
5 this done.

6 Jennie, David and I met with the  
7 Finance Cabinet Friday of last week to go ahead and  
8 start the renovation of the lockhouse to put KRA's  
9 offices there. For those who don't know, that's a  
10 savings to this organization of \$25,000-plus a year.  
11 So, that's huge. When you're a small organization,  
12 \$25,000 will buy a lot of weed-eaters, a lot of  
13 gasoline.

14 And if you look on our  
15 expenditures, we're taking our General Funds down to the  
16 penny. At the end of June, we'll be zeroed out and  
17 that's what we're supposed to be. I think last year, we  
18 had to give back \$500. I didn't think they would take  
19 it but they sure did. The Budget Office, they took that  
20 \$500. So, we're going down to zero. We'll be zeroing  
21 out.

22 And I think while we're at it,  
23 we'll go ahead and just paint the old assistant  
24 lockmaster house and get a price on that and just go on  
25 and do both of them at once. So, when you pull up on

1 the site, you'll say, wow, this sure looks a whole lot  
2 better than it used to. So, hopefully, here soon we'll  
3 go to Finance and we'll get that moving on as well.

4 David highlighted on the dredge  
5 boat. We've got a dredge boat coming up the 15th of  
6 June to do some things that hadn't been done in about  
7 twelve, fourteen years.

8 On June 12th, Jennie, David and I  
9 will make a presentation on our six-year plan that you  
10 all approved to the Capital Planning Advisory Board.  
11 This is something we did two years ago. So, that will  
12 be part of our process.

13 As you well know, the River Blast  
14 is the weekend of the 26th and 27th of June. Guys and  
15 girls, we've had a lot of positive feedback on this. If  
16 we can have a day half as good as today and the river be  
17 what it's like right now, I know at Boonesborough last  
18 year, it was four or five thousand people. They're  
19 anticipating more than in Frankfort this year.

20 So, you'll receive your formal  
21 invites, but all those here are formally invited by me.  
22 I look forward to it. And like I said, the ribbon-  
23 cutting, hopefully we'll have the Governor and other  
24 dignitaries as well as County Judges and magistrates and  
25 Mayors and etcetera there on the 26th.

1 I want to go back and highlight  
2 just quickly, David talked about we had a runaway barge.  
3 We had two runaway barges for those that don't know on  
4 Good Friday. David was out that day. Jennie and I were  
5 at work and we get a phone call from Bobby and he says  
6 the dredge boat at 2 - we have a dredge boat at 2 - is  
7 sinking.

8 So, Jennie and I get in the truck  
9 and go down and Jennie said, well, it's not sinking,  
10 it's floating. It broke loose and went on a 24-mile  
11 journey. The boy on the barge finally got on it and got  
12 it pushed to the bank about two miles above, Bobby,  
13 somewhere in that proximity.

14 MR. WEBB: Two to three miles.

15 MR. GRAVES: Two to three miles  
16 before going over the dam. Now, I think his intentions  
17 were to ride it out and it would have killed him. He  
18 would have been dead on arrival.

19 In fact, I told the Coast Guard, I  
20 told them we're going to have a fatality and they didn't  
21 have a clue where the Kentucky River was. That's true.  
22 So, I said, don't worry about it. I said, we'll handle  
23 it.

24 So, I get back home and I see on  
25 the news where two barges have broke loose and knocked

1 two bridges out, and I'm thinking, and I just got a  
2 phone call from our consultants telling me about that  
3 they lost a barge. So, I called back and said, I  
4 thought we just lost a barge. I didn't know we----

5 So, anyway, long story short, it  
6 did rest upon the old 27 bridge. Bobby and I came up  
7 that night and stayed until about midnight and came back  
8 the next morning.

9 I will say one thing for our  
10 contractors at 8. They handled that job very  
11 professionally. They had a guy climb that bridge the  
12 next morning, took a cutting torch, cut part of it  
13 loose. Bobby and I were on the bridge and I was bailing  
14 the other way. I was heading toward Jessamine County  
15 quickly. I didn't know what was going to happen.

16 So, anyway, kudos to Aquarius.  
17 They handled that very well. It could have been a bad  
18 situation. So, of all the worst things that could  
19 happen, that was the best of the worst by hitting that  
20 old bridge. They finally got everything secured and  
21 back upriver.

22 We're extremely busy at KRA,  
23 extremely busy. We've got more to do than we've got  
24 people and I push, push, push, and at times I get a  
25 little testy. They probably want me to go somewhere. I



1 River and how they operated. It's nine minutes long.  
2 If you get an opportunity, look it up this afternoon.  
3 You will love it. And look at their website. They've  
4 just really put together a good website for KRA and it  
5 should make you proud as being a part of KRA.

6 Sue Ann has got a River Sweep  
7 coming up June 20 and that's an opportunity when we can  
8 get citizens out on the water and help clean up our  
9 river. I don't know where the stuff comes from. I  
10 don't know where the basketballs come from upstream, but  
11 when the river comes up, you'll see two or three hundred  
12 basketballs come down. There can't be one left in  
13 Eastern Kentucky.

14 Does anybody have any comments? I  
15 usually like to end a meeting if I'm in charge of a  
16 meeting to just open the floor up for a few minutes. If  
17 anybody has got questions, comments, concerns, now is  
18 your chance.

19 I certainly appreciate everybody  
20 coming to our meeting and we couldn't ask for a more  
21 beautiful day at a beautiful spot and a super group of  
22 people here today and the food was great.

23 MR. WELLS: What about the next  
24 meeting? Do we have a date for the next meeting?

25 MR. GRAVES: That's a good point.

1 We'll have our next Board meeting at the end of August  
2 or mid-September. We're trying to squeeze these down.  
3 It looks like we're going to start meeting - help me,  
4 Jennie - February, March - we're getting it together -  
5 probably May, late August or mid-September and November.

6 That's probably going to be the  
7 schedule. So, I'm going to try to squeeze it down to  
8 where I can get it within two weeks of everybody. We  
9 were cutting it close today. Thank you, Tom, for being  
10 here. I appreciate you. I was sweating bullets. Thank  
11 all of you for being here.

12 CO-CHAIR SIMPSON: I think you all  
13 were going to work to standardize a----

14 MR. GRAVES: We're going to try  
15 and get it standardized. I figured if we just started  
16 squeezing now and get it to months, then we can get it  
17 to certain days. So, we're working on that. That's on  
18 our front burner.

19 We're probably going to have to  
20 call a special meeting for approval of this firm  
21 because, without your approval, we can't go forward on  
22 the design. So, we need that in order to get this thing  
23 moving forward. So, we'll give you plenty of notice.  
24 So, as soon as Stantec tells us they have a number and  
25 as soon as we get that, we'll inform you all ASAP.

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And I want to say one thing.  
David, that was a good film. He is now a movie star.  
It worked out real well. And the website, again, as  
Rodney said, David has a lot to do with that and it  
turned out well.

People that work with KRA, you  
just don't do one particular thing. As Jennie, Sue,  
David and Bobby will tell you, you have multiple tasks.  
So, when you're hired at KRA, you've got to be extremely  
flexible, extremely. So, I want to say thanks to staff.  
I'm done.

CO-CHAIR SIMPSON: Do I hear a  
motion to adjourn?

MR. WELLS: So moved.

MR. RAINWATER: Second.

CO-CHAIR SIMPSON: All in favor,  
get up and say aye.

MEETING ADJOURNED

STATE OF KENTUCKY

COUNTY OF FRANKLIN

I, Terri H. Pelosi, a notary public in and for the state and county aforesaid, do hereby certify that the foregoing pages are a true, correct and complete transcript of the proceeding taken down by me in the above-styled matter taken at the time and place set out in the caption hereof; that said proceedings were taken down by me in shorthand and afterwards transcribed by me; and that the appearances were as set out in the caption hereof.

Given under my hand as notary public aforesaid, this the 18th day of May, 2015.

---

Notary Public  
State of Kentucky at Large

My commission expires February 10, 2017.