

COMMONWEALTH OF KENTUCKY

IN RE: KENTUCKY RIVER AUTHORITY

SPECIAL-CALLED MEETING

August 14, 2018
1:00 P.M.
Bush Building
Wapping Street
Frankfort, Kentucky

APPEARANCES

Mike Flynn
CHAIR

Rodney Simpson
Huston Wells
James Kay
Jonathan Lang
Thomas Stephens
Mark Smith
Kevin Rogers
Melinda Hill
(Proxy for Finance & Admin. Cabinet)
John Horne
(Proxy for Energy & Environment
Cabinet)
KENTUCKY RIVER AUTHORITY

Mr. Jerry Graves
EXECUTIVE DIRECTOR

CAPITAL CITY COURT REPORTING

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APPEARANCES
(Continued)

Sue Ann Elliston
KRA STAFF

John Brady
Ken Cooke
Hank Graddy
Jack Stickney
Pat Banks
Claire Sipple
GUESTS

AGENDA

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| 2. Selection and Appointment of Executive Director Search Committee | 12 - 37 |
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MOTIONS

**MOTION TO APPOINT FIVE
BOARD MEMBERS TO SERVE
ON SEARCH COMMITTEE FOR
EXECUTIVE DIRECTOR
POSITION PAGE 18, LINE 10**

MR. KAY: Mr. Chairman, I make a motion that the KRA Board nominates and selects five people, five members to serve on the Selection Committee to select an Executive Director.

MR. WELLS: You're giving a number, five?

MR. KAY: Of five.

MR. SMITH: I'll second that.

(Discussion)

CHAIRMAN FLYNN: All right. We've got a motion and a second on the floor for making the committee five. Any further discussion? Seeing no further discussion, all in favor, say aye.

MR. STEPHENS: I'm opposed.

MS. HILL: I'm opposed.

MR. WELLS: Do we have a show of hands?

CHAIRMAN FLYNN: Yes. All in favor of five, raise your hand. (Show of hands)

MR. WELLS: And you get to vote.

CHAIRMAN FLYNN: Yes, I do, and I'm not in favor of five.

MR. WELLS: Okay.

(Show of Hands)

CHAIRMAN FLYNN: That's down.

**MOTION TO APPOINT THREE
BOARD MEMBERS TO SERVE
ON SEARCH COMMITTEE FOR
EXECUTIVE DIRECTOR
POSITIONPAGE 22, LINE 7**

MS. HILL: Mr. Chairman, I would like to make a motion we have a committee of three.

MR. STEPHENS: I'll second the motion.

CHAIRMAN FLYNN: All right. Now, discussion on three.

MR. KAY: Are we talking about the three that we picked earlier?

CHAIRMAN FLYNN: No. No. No. Further

MOTIONS

(Continued)

discussion on three? All in favor of making it three, raise you hand. (Show of hands)

MR. WELLS: What other choice do we have? We need a committee.

CHAIRMAN FLYNN: So, that motion passes. So, the committee is three.

**MOTION TO APPOINT JAMES KAY,
MELINDA HILL AND MIKE FLYNN
TO SERVE ON SEARCH COMMITTEE
FOR EXECUTIVE DIRECTOR
POSITION PAGE 37, LINE 15**

MR. STEPHENS: All right. I'll make that motion for those three candidates to be our slate to be on the Selection Committee.

CHAIRMAN FLYNN: Motion on the floor. Do I have a second?

MR. WELLS: I'll second.

CHAIRMAN FLYNN: Second from Judge Wells. Any more discussion on that? All in favor, raise your hand and say aye. Any opposed? Motion passes.

MOTION TO ADJOURN.....PAGE 38, LINE 8

MR. WELLS: So moved.

MR. STEPHENS: Second.

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CHAIRMAN FLYNN: I will call the meeting to order. This is a special meeting of the Kentucky River Authority Board held on August 14, 2018. And, Sue, if you would call roll, please.

(ROLL CALL)

MS. ELLISTON: We do have a quorum.

CHAIRMAN FLYNN: All right. Thank you, Sue. And with that, we do have some visitors that are in the room with us today. Due to this being a special meeting, we have one item on the agenda that we specifically want to take action on to see if we can't develop a Search Committee for our Executive Director, but I will give you the opportunity to introduce yourselves so we know who is in the room.

And if there is something that you would like to say, I would respectfully request that you keep it to a minimum. We have a regular meeting scheduled for September 10th; and if you would like to come back to that meeting, you would be more than welcome to make public comment under that meeting, but I will give you the opportunity to introduce yourself and give you a minute or so.

So, we will start at this side

1 of the room and go that way.

2 MR. COOKE: A minute or so,
3 yes. My name is Ken Cooke. I have a boat down at
4 the bottom of the hill here on the Kentucky River.

5 I would just like to say to
6 the Board that what I have seen on this river in the
7 last few years has been wonderful in terms of the
8 maintenance, the infrastructure that is under your
9 charge, the status of the locks and dams. I am also
10 a Kentucky American Water customer and I'm glad you
11 guys maintain the water supply there.

12 I do have concerns about
13 recent actions, in particular, the fact that the
14 River Authority does not have an engineer on staff
15 now, it does not have its Financial Officer and we
16 are losing our Executive Director.

17 Basically as a river
18 enthusiast and a river user, I would like to request
19 your advice and counsel on how we can best support
20 you in finding an Executive Director that has the
21 river in their heart, looks at the water supply,
22 understands our rights to navigation, water quality
23 and water supply planning and watershed management.
24 Thank you.

25 MR. WELLS: Well-said.

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CHAIRMAN FLYNN: Thank you,
Mr. Cooke.

MR. GRADDY: Good afternoon.
I'm Hank Graddy. I'm an attorney in Versailles.
I'm here on behalf of the Sierra Club and Watershed
Watch in Kentucky and I want to pass out an
invitation.

All of you are invited to join
us on the Kentucky River in the voyage or
celebration of a series of birthdays next Saturday
afternoon at Clifton and next Sunday afternoon.

The information that you need
is on this invitation. We're celebrating the 226th
anniversary of the formation of the Commonwealth of
Kentucky, 125 years of the formation of the Sierra
Club, 50 years of the Wild and Scenic Rivers, and 21
years of Watershed Watch in Kentucky.

For preparing this meeting, I
thought I would look at the statute of the River
Authority and I discovered another birthday that I
wasn't aware of and that is, as you see on the
second page, there's a Declaration of Policy about
the General Assembly to create the Kentucky River
Authority and it was enacted in 1986, effective July
15, 1988.

1 said about keeping the infrastructure strong. I
2 don't know how you all are operating on the short
3 staff that you have, and I will be back in September
4 to make more public comment.

5 CHAIRMAN FLYNN: Yes, ma'am.
6 Thank you, Ms. Sipple.

7 MS. BANKS: I'm Pat Banks and
8 I have recently been on the Board. It was a real
9 pleasure to work here. I felt like we made a lot of
10 progress looking at water quality, quantity and
11 access to the river because if people don't have
12 access to the river, they really don't care about
13 it. They don't even know it's there.

14 And I think this is an
15 important component that I hope you will keep in
16 mind, but I will be back in September.

17 CHAIRMAN FLYNN: Thank you,
18 Ms. Banks.

19 MR. BRADY: My name is John
20 Brady. I'm with the Office of Financial Management.

21 MR. STICKNEY: My name is Jack
22 Stickney and I was on the Board here not long ago.
23 I work with the Kentucky Rural Water Association. I
24 live in Estill County. I farm in Estill County and
25 I'm also a Commissioner for Estill County Water

1 District.

2 And I certainly have great
3 concerns about the River Authority and the headwater
4 communities and really want to make sure that
5 they're part of all types of future communications
6 and actions. Thank you.

7 CHAIRMAN FLYNN: Thank you,
8 Jack.

9 MS. ELLISTON: Sue Elliston,
10 Kentucky River Authority.

11 MS. ANTENUCCI: I'm Robin
12 Antenucci. I'm the Frankfort/Franklin County
13 Tourism Director and I just wanted to come and tell
14 you about the importance that the Kentucky River has
15 on tourism in our community and as well from here
16 through the river down to Carrollton.

17 There are four operating
18 organizations on the Kentucky River now in the
19 tourism season when the locks are open. Two are
20 private enterprises. One is Kentucky State
21 University and the other is the City of Frankfort.

22 All of those tour activities
23 are very important to people both visiting from
24 other places and to our local residents.

25 So, Jerry has been key in the

1 efforts on keeping the locks open and keeping things
2 up to speed here in our community. I know Rodney
3 has been involved in the past and he has been a
4 great asset.

5 So, in your search for a new
6 Director, I hope that tourism will be kept in your
7 minds. It is important to our economy. It is
8 important for our county and our city and we would
9 like to see those operations continue, if not
10 expand. Thank you.

11 CHAIRMAN FLYNN: Thank you,
12 ma'am. All right. I appreciate each of the
13 comments that we received and do remember September
14 10th is our next regularly-scheduled meeting and
15 we'll post the information on the website with the
16 agenda, and Sue and I will work to get that agenda
17 together.

18 Item Number 2 is selection and
19 appointment of an Executive Director Search
20 Committee. Previously, some of you may have
21 received an email and that email outlined a Search
22 Committee, and I had a couple of phone calls and
23 conversations outside of that that we needed to put
24 together a Search Committee as part of the Board
25 procedures in order to locate and determine a

1 recommendation for this Board moving forward when it
2 comes to the Executive Director.

3 With that being the case, I
4 felt like that with the receipt of Jerry's letter
5 which we will take that action up at our next Board
6 meeting, we needed to get a committee put together
7 in order that a recommendation could be made to the
8 Board moving forward.

9 And I apologize that we had to
10 have a special-called meeting. I don't like
11 meetings as much as you don't like meetings, but we
12 needed to get together so we could move the process
13 forward and do what we needed to do as a Board and
14 to address some of the concerns that have been
15 mentioned here today with regard to filling
16 positions that are vacant, and the only way we can
17 do that is to put together a committee.

18 So, there are varying ideas.
19 There are, I'm sure, down the table. I have some
20 ideas in my head. I've heard some ideas. I'm not
21 set on any certain thing. I do know that the fewer
22 that you have on committees, probably the sooner you
23 will be able to come to some type of recommendation
24 to the Board. The more we put on there, I mean, we
25 can put the whole Board on there, but my thought,

1 three to five people on a committee.

2 I don't have to be on the
3 committee. I'm not saying I have to be on it but I
4 think we need three to five individuals that want to
5 serve, that want to move this organization in the
6 right direction and do the right thing.

7 I'm not saying we were going
8 in the wrong direction. I'm just saying we've got a
9 set of cards here that I've been dealt, that I'm not
10 necessarily saying that I wanted to be the one
11 sitting in this seat dealing with them. It seems
12 like I've got two good deals. I got the rate
13 increase and then I got this. Boy, shew, I'm busted
14 on both of these. I wouldn't be good at the Black
15 Jack table.

16 At any rate, I'll take
17 suggestions from the Board. We can go around
18 individually. Somebody can start. It doesn't
19 matter to me. This is just a process that we'll go
20 through; and if we can come to some resolution,
21 we'll vote on it, take action to put together that
22 committee and that committee can go to work
23 immediately on trying to determine a recommendation
24 for the Board moving forward. So, with that----

25 MR. WELLS: Mike, can I ask a

1 question?

2 CHAIRMAN FLYNN: Yes, sir.

3 MR. WELLS: Would it be the
4 objective of the committee - and we haven't gotten
5 into making a committee - but to recommend a person
6 or persons back to the Board?

7 In other words, I guess that
8 would somewhat depend on how many applicants you
9 got, but would you want the committee to say we have
10 interviewed or we are recommending these three
11 people come back? Let's say there are six or seven
12 but you narrow it to "x" number and, then, come back
13 to the Board with this and, then, the Board decides
14 what to do from that point.

15 CHAIRMAN FLYNN: I definitely
16 think you've got to funnel it down. That would be
17 the purpose of the committee to take a number and
18 funnel that down to a number that is something that
19 we can look at and then we can all make an agreement
20 on because there may be two qualified candidates or
21 there may be----

22 MR. WELLS: Or maybe three.

23 CHAIRMAN FLYNN: Or maybe
24 three and we make an educated, informed decision
25 based on the information that we have. Like I said,

1 we may not all--you know, that's why we're a Board.
2 We all have varying opinions and different
3 backgrounds, but my thought is, is just what you
4 said, Judge. I think that you take it and you
5 narrow it down to maybe two or three and bring that
6 back to the Board. That would be my initial
7 thought.

8 During this discussion, we can
9 bring that out. If somebody has a difference of
10 opinion on that, then, we can vet that as well and
11 see where we go from there.

12 MR. WELLS: And I'm sorry. I
13 don't mean to take up time----

14 CHAIRMAN FLYNN: No. You're
15 fine. That's what we need to do right here.

16 MR. WELLS: As part of that,
17 then, the committee would understand that they would
18 bring back recommendations for the Board to look at
19 and, then, the whole Board itself would interview
20 from that point from those recommendations that the
21 committee brought back to the Board.

22 CHAIRMAN FLYNN: I don't know
23 that. Now, that far into the process, I don't know.

24 MR. KAY: The committee will
25 determine.

1 CHAIRMAN FLYNN: Yes, sir, and
2 that's good. I appreciate that, Judge. Thank you.

3 MR. STEPHENS: Mr. Chairman,
4 who did you propose originally would be members of
5 the Search Committee in the email that you
6 circulated?

7 CHAIRMAN FLYNN: I had
8 originally proposed myself, Kevin Rogers and Melinda
9 Hill.

10 MR. KAY: Mr. Chairman, I make
11 a motion that the KRA Board nominates and selects
12 five people, five members to serve on the Selection
13 Committee to select an Executive Director.

14 MR. WELLS: You're giving a
15 number, five?

16 MR. KAY: Of five.

17 MR. SMITH: I'll second that.

18 CHAIRMAN FLYNN: We've got a
19 motion on the floor and the motion is, to be clear,
20 and I want to make sure that we clarify the motion,
21 that Mr. Kay is saying that he wants to select five
22 individuals from the Board to be part of the
23 Selection Committee for the Executive Director and
24 we have a second from Mr. Smith.

25 Do we have any discussion on

1 that item?

2 MS. HILL: Mr. Chairman, with
3 five, and we're on a short timetable, it's going to
4 be hard to get five people together to get this done
5 in a timely manner. Whichever five people you all
6 choose, we need to have a commitment from them that
7 they will do everything they can do to be at those
8 meetings so we can get this accomplished.

9 MR. WELLS: Good point.

10 MS. HILL: That's a problem
11 with five is it's hard getting so many people
12 together.

13 MR. ROGERS: What is the
14 attendance requirement, I guess the quorum? Is it
15 five full or is it majority?

16 MR. STEPHENS: See, here's one
17 of the problems that you're going to deal with.
18 What's the total commitment of our Board? How many
19 members do we have?

20 CHAIRMAN FLYNN: Twelve.

21 MR. STEPHENS: The issue you
22 were going to raise, I think what you were getting
23 to is do you create a meeting that requires a notice
24 and, then, it has to be public commission, something
25 else like that.

1 MR. ROGERS: Right, how many
2 people of the five you appoint. Five is a lot. I
3 think five minds are good. Getting five together
4 may pose some difficulties; but also on the other
5 side, I think it's a commitment we need to make to
6 do everything we can to move quickly on it.

7 MR. STEPHENS: Who serves as
8 legal counsel for the Board right now?

9 MR. GRAVES: That would be
10 from the Finance Cabinet.

11 MR. STEPHENS: Is this
12 something that Mr. Horne would know? I mean, I'm
13 the Personnel Cabinet Secretary and I can't rattle
14 this off to you right now. Do we know that whoever
15 the final person that is appointed requires that the
16 Governor's Office has to sign off? It's a 12050
17 form.

18 MR. GRAVES: Yes.

19 MR. STEPHENS: Okay. Then, I
20 would say to just stick with three people on the
21 committee. You have a motion that's pending before
22 you. I guess we're in debate right now.

23 CHAIRMAN FLYNN: Yes, I do. I
24 have a motion on the floor.

25 MR. STEPHENS: I think where I

1 would come down on it, then, is the better part of
2 valor is to stick with three, make it quick and fast
3 because there's obviously other layers that this is
4 going to go through as well.

5 I don't know how you guys plan
6 to go about soliciting contacts. Are we going to do
7 advertisements? Are you going Linked In? Are you
8 going to go to the Personnel Cabinet, the types of
9 things that we would normally make available to an
10 agency? I don't know what your plan is.

11 CHAIRMAN FLYNN: Well, I'm
12 assuming it's going to go through the Office of
13 Finance, the Personnel. It's going to go through
14 those offices.

15 All right. We've got a motion
16 and a second on the floor for making the committee
17 five. Any further discussion? Seeing no further
18 discussion, all in favor, say aye.

19 MR. STEPHENS: I'm opposed.

20 MS. HILL: I'm opposed.

21 MR. WELLS: Do we have a show
22 of hands?

23 CHAIRMAN FLYNN: Yes. All in
24 favor of five, raise your hand. (Show of hands)

25 MR. WELLS: And you get to

1 vote.

2 CHAIRMAN FLYNN: Yes, I do,
3 and I'm not in favor of five.

4 MR. WELLS: Okay.

5 (Show of hands from Board members)

6 CHAIRMAN FLYNN: That's down.

7 MS. HILL: Mr. Chairman, I
8 would like to make a motion we have a committee of
9 three.

10 MR. STEPHENS: I'll second the
11 motion.

12 CHAIRMAN FLYNN: All right.
13 Now, discussion on three.

14 MR. KAY: Are we talking about
15 the three that we picked earlier?

16 CHAIRMAN FLYNN: No. No. No.
17 Further discussion on three? All in favor of making
18 it three, raise you hand. (Show of hands)

19 MR. WELLS: What other choice
20 do we have? We need a committee.

21 CHAIRMAN FLYNN: So, that
22 motion passes. So, the committee is three.

23 Now the tough part is going to
24 come, those three to be on the committee. And I've
25 already told some of you I don't have to be on the

1 committee, don't expect to be on the committee and
2 you're not going to hurt my feelings if I'm not on
3 the committee.

4 I think we need a spectrum.
5 It's very evident. I'll just lay it out on the
6 table. There are some on this side. There are some
7 on that side of the fence. I understand that and I
8 understand the environment that we're in here; but
9 you know what? At the end of the day, we've got to
10 come to a decision and we've all got to live with
11 the decision that's made.

12 So, that being the case, we
13 will take nominations for the three. If you have
14 three nominations that you want to put on that
15 committee, you're more than welcome to do so and we
16 can go from there.

17 MR. WELLS: Is that how you're
18 going to do it? You submit three nominations or you
19 just make a nomination?

20 CHAIRMAN FLYNN: You can make
21 a nomination. We can do it any way you want to do
22 it, I guess. I mean, parliamentary procedure, you
23 can nominate one person and we can vote on him or
24 you can nominate three people and we can vote on
25 those three.

1 MR. STEPHENS: I'd like to
2 just interject one point because I think there might
3 be some misinformation out there.

4 I know Mr. Kay probably
5 doesn't remember me. We met somewhere along the way
6 on the river. I boat the river. You all remember
7 this. I mean, we keep a boat here at the Frankfort
8 Boat Club. We have been a member there for I don't
9 know how long.

10 I would be willing to bet I
11 could compete with most of you for the time that
12 I've spent on the river. I grew up boating this
13 pool and the Clay's Ferry pool. Navigation rights
14 on the river is extremely important to me.

15 You believe it or don't. I
16 used to be an admiralty lawyer and I'm one of about
17 a dozen people in the State of Kentucky that's a
18 member of the United States Maritime Law
19 Association.

20 So, I have a unique
21 understanding of not only the ownership issues with
22 the Corps, the challenges that we have, the runoff
23 issues, the environmental issues. No dream would
24 make me happier than the idea that we could have all
25 the locks open again.

1 I just think that we also -
2 and I sit in a different role in the Personnel
3 Cabinet, okay, with the Administration - we're
4 challenged. We're very financially challenged.
5 Particularly, we're challenged by the fact that we
6 have a fringe benefit cost that goes into every
7 single employment.

8 So, right now, I believe that
9 the rough salary just for the Executive Director was
10 around \$100,000 a year. The contributions to the
11 retirement system is eighty-four cents on the
12 dollar. That's what we're paying as a fringe
13 benefit cost. So, we're already \$184,000, give or
14 take.

15 When you add on top of that
16 FICA, you add on top of that employee benefits,
17 well, shoot, we're well in excess of what we spent,
18 I believe, to do the last cleanup that we just did
19 with the----

20 MS. HILL: Dredging.

21 MR. STEPHENS: The dredging
22 operation that came up which I think we agreed on
23 \$150,000.

24 MR. GRAVES: One twenty-six.

25 MR. STEPHENS: So, my point

1 would just be that we have limited resources. And
2 as I look out at the bigger spectrum of it as a
3 boater and I'm aware of the practices in this area
4 but also somebody who is a member of the
5 Administration, I just think we have to balance the
6 interest.

7 I don't have any desire to
8 serve on your board and do a bunch of interviews and
9 other stuff. I'd be happy to point out some people
10 but I know there's going to be a process. There's
11 got to be vetting, and ultimately I think a big part
12 of it is going to come back to money.

13 And, to me, one of the things
14 that I would probably want to see in the end is the
15 opportunity to consolidate.

16 Whoever the Executive Director
17 is to me here, if we're going to have an engineer as
18 well, I would see that being something if there's an
19 opportunity to integrate those positions into a
20 single thing, or I would say I would want to rely on
21 the expertise that we're already paying for by being
22 part of the Finance Cabinet and see how much of the
23 resources there we can pull out of that.

24 That's kind of my big global
25 position as a boater and whatever else. So, now I'm

1 happy to go around if somebody wants to promote
2 slates of candidates or whatever else. Candidly, I
3 don't have any desire to serve on the committee or
4 have time to serve on the committee but that's
5 background.

6 I didn't want to leave that
7 untested, somebody who does boat down here. I don't
8 want to be seen as just somebody who has been put on
9 here because I happen to live in Fayette County.

10 I can tell you right now, your
11 point about access, there's not a single public boat
12 ramp that's available for a motorized vessel to
13 launch on in Fayette County, the most populous
14 county and has the most miles of applicable waterway
15 on the river.

16 MS. BANKS: And Clark is low,
17 too.

18 MR. STEPHENS: I know of one
19 maybe. I can think of the one in Clark in that pool
20 above. You've got Boonesborough which is a great
21 dock but it's also the accessibility issues. You
22 can go up and down--I've been on a little bit of a
23 search since I got appointed to try to see if I can
24 get a boat on every single pool at some point
25 because I've boated so much in some of these, it

1 doesn't have that nuances but----

2 MS. BANKS: The other is
3 access around locks and dams and portages.

4 MR. STEPHENS: We've got all
5 kinds of problems. I can say I'm disturbed by the
6 safety standpoint. I cannot believe as an
7 Authority, and I see the salaries that we're paying,
8 I can't believe we don't have cameras up at every
9 one. I have been very concerned about what some kid
10 could find.

11 We personally went out there
12 and looked at Lock 5 that's above Frankfort. We
13 went up there and looked and I cannot believe the
14 level of access. It's very bothersome.

15 CHAIRMAN FLYNN: Understood.
16 All right. I do appreciate your comments and your
17 thoughts there.

18 And as far as the committee,
19 does anybody else have any more suggestions?

20 MR. WELLS: I'd like to
21 recommend you as a member of the committee, Mr.
22 Chairman, and I'm going to hide under the table. As
23 Chairman of this Board, I think it would be
24 appropriate for you to be part of the committee.

25 CHAIRMAN FLYNN: Understood.

1 We still have to have two more.

2 MR. STEPHENS: I would make a
3 motion to approve the three that you put out
4 originally.

5 MR. WELLS: Who were they?

6 CHAIRMAN FLYNN: Originally,
7 it was Kevin Rogers, Melinda and myself, Ms. Hill
8 and myself.

9 MR. KAY: I'd like to make a
10 point to that.

11 CHAIRMAN FLYNN: Make a point.
12 Go ahead.

13 MR. KAY: We're supposed to be
14 an independent Board. We were built that way. Our
15 members are supposed to be making these decisions.
16 While Melinda is a member and Kevin is a member,
17 they're proxies for the House people.

18 CHAIRMAN FLYNN: Kevin is not
19 a proxy.

20 MR. KAY: Well, Melinda is.
21 She works for Finance. I'm sorry, Kevin. I was
22 mistaken.

23 MR. ROGERS: I'm Kentucky
24 American Water.

25 MR. KAY: You know, if we're

1 going to be independent and we're going to run this
2 like an independent, we need to have independent
3 people on here and I'm just questioning it.

4 MS. HILL: Well, part of the
5 problem, if you may, Mr. Chair, part of the problem,
6 we have kind of ignored the Cabinet over the years
7 and they have not been included in this Kentucky
8 River Authority as attached to the Finance Cabinet.

9 MR. KAY: They've had a proxy
10 here, and if you'd like, we can read that. They're
11 supposed to be providing us personnel.

12 MS. HILL: Yes, sir.

13 MR. KAY: The Authority will
14 be attached to the Administrative for purposes of
15 finance and administration and the Cabinet shall
16 provide necessary personnel and administrative
17 services for the Authority.

18 MS. HILL: Yes, sir.

19 MR. KAY: Well, that hasn't
20 happened in the last two years.

21 MS. HILL: Yes, sir.

22 MR. KAY: Well, I'm going to
23 leave it there.

24 MS. HILL: And I'll be glad to
25 discuss that if you want to go into closed session.

1 MR. KAY: Well, I'm just
2 saying we need to be independent and we need to make
3 our own decision. I think that you've had a proxy
4 on this Board since day one. So, don't tell us
5 that.

6 MS. HILL: And what is your
7 problem, Mr. Kay, if you don't mind me asking?

8 MR. KAY: I just think the
9 Board should be picking these people. That's just
10 my opinion.

11 MR. LANG: My experience
12 coming in, if we have the entire Board pick this
13 person, we're going to be sitting here this time
14 next year.

15 MR. KAY: I'm not saying a
16 person. I think the Board should be picking the
17 committee. I think it should be independent people
18 not attached to any other part of the government.

19 MR. STEPHENS: Well, Mr. Kay,
20 I mean, who appointed you to the Board? Somebody
21 appointed you to the Board at some point in time.

22 MR. KAY: The same person that
23 probably appointed you.

24 CHAIRMAN FLYNN: Okay.

25 MR. STEPHENS: So, my point is

1 we're all aligned with something. It's the nature
2 of the process.

3 MR. KAY: I don't draw my
4 paycheck from state government. I'm on this Board
5 because I truly want to do right by the river.

6 CHAIRMAN FLYNN: All right.
7 If we don't have a proxy as part of the selection
8 committee----

9 MR. KAY: No. It says right
10 here that they can have a proxy. I'm just
11 saying----

12 CHAIRMAN FLYNN: No, no, no.
13 I'm saying if the proxy is not part of the Selection
14 Committee, let's say me, Kevin and Mark, is that
15 something that you would be agreeable with?

16 MR. KAY: I'm happy with that.

17 CHAIRMAN FLYNN: Is that
18 something that the rest of the Board--does anybody
19 have any other objections to that? I don't know if
20 the Judge wants to be on the committee.

21 MR. WELLS: No, I don't.

22 CHAIRMAN FLYNN: Are you sure?

23 MR. WELLS: I'm sure. You're
24 awfully kind.

25 CHAIRMAN FLYNN: And I haven't

1 asked Kevin or Mark.

2 MR. ROGERS: And I'm willing
3 to serve, but also I'm not trying to reach out and
4 grab a position. So, the Board needs to decide who
5 is on that.

6 CHAIRMAN FLYNN: And the
7 second thing is, I've got to ask Mark if Mark is
8 willing. Mark, are you willing to serve?

9 MR. SMITH: I'm willing to
10 serve. I do feel like somebody that has been with
11 the Board for a longer period of time and has been
12 through more projects and infrastructure work that
13 has been going on because there's been a tremendous
14 amount of that that has occurred in the last several
15 years.

16 I'm willing to serve and I
17 will certainly make a commitment to it. I would
18 defer to James Kay on that from his experience being
19 on the Board through this period of time. I would
20 rather do that.

21 CHAIRMAN FLYNN: Do you want
22 to serve?

23 MR. KAY: Yes, sir.

24 CHAIRMAN FLYNN: All right.
25 Do you think me and you can make it?

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MR. KAY: I think so.

CHAIRMAN FLYNN: Are you sure?

MR. KAY: Yes.

CHAIRMAN FLYNN: All right.

MR. WELLS: I'm going to say this, if you don't mind, since we're all talking.

Mr. Kay, with due respect, I do think that Finance, someone from the Finance Department needs to be one of the three Selection Committee members from the standpoint that this is going to come from the Governor's Office eventually. And as it is all said and done, we don't want to sit in here and not be able to get somebody until we go through this process.

So, I think with you being on there independent, with you being on there from another standpoint, and with somebody from the Finance Department, that is a balance of members of a Selection Committee that can bring somebody to the Board.

The most important thing is that we get somebody that we know that is capable, willing and can move us forward because this is too important of a situation not to move forward, that we have the balance there to move this on.

1 MR. WELLS: I'm not trying to
2 prolong this.

3 CHAIRMAN FLYNN: I know you're
4 not.

5 MR. WELLS: I think where he
6 came from is the balance is the right idea, but I
7 think you two, and no offense to you, but I think
8 somebody from Finance needs to be the third member
9 of this Selection Committee.

10 MR. ROGERS: The way I would
11 look at that is as Chairman but he's also
12 representing the utilities and the users of the
13 withdrawal and protecting that. So, I have full
14 confidence that Mike could do this.

15 MR. WELLS: And he's
16 representing the tourism and the use of the river.

17 MR. ROGERS: And she would be
18 the proxy to the Governor.

19 CHAIRMAN FLYNN: And she is
20 representing Finance.

21 MR. ROGERS: No offense at all
22 taken.

23 MR. WELLS: Okay.

24 CHAIRMAN FLYNN: Are those
25 three, or the other two?

1 MR. KAY: Sure.

2 CHAIRMAN FLYNN: Now I need a
3 motion for that to be the committee. We've already
4 voted on picking three. So, we'll need a motion
5 from somebody and a second.

6 MR. WELLS: So, who will they
7 be?

8 MS. HILL: It's me. He's
9 State Personnel.

10 CHAIRMAN FLYNN: He's with the
11 Personnel Cabinet.

12 MR. STEPHENS: You, Mr.
13 Kay----

14 MS. HILL: And Mike.

15 MR. STEPHENS: All right.
16 I'll make that motion for those three candidates to
17 be our slate to be on the Selection Committee.

18 CHAIRMAN FLYNN: Motion on the
19 floor. Do I have a second?

20 MR. WELLS: I'll second.

21 CHAIRMAN FLYNN: Second from
22 Judge Wells. Any more discussion on that? All in
23 favor, raise your hand and say aye. Any opposed?
24 Motion passes.

25 All right. With no other

1 items being on the agenda, I'll take a motion to
2 adjourn. I don't know that we need to go into
3 Executive Session for anything. I put it on there
4 in case we wanted to discuss any personnel issues.

5 So, seeing that we have no
6 Executive Session items, I'll take a motion to
7 adjourn.

8 MR. WELLS: So moved.

9 MR. STEPHENS: Second.

10 CHAIRMAN FLYNN: Motion from
11 Secretary Stephens, seconded by Judge Wells. All in
12 favor. Thank you for coming.

13 MEETING ADJOURNED

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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 15th day of August, 2018.

Notary Public
State of Kentucky at Large

My commission expires February 10, 2021.