

**EAST SEVIER COUNTY UTILITY DISTRICT
BOARD OF COMMISSIONERS MEETING
MARCH 14, 2019
5:30 P.M.**

AGENDA

- 1) Call to Order by President Roy Ivey
- 2) Motion to approve the minutes of the February 14, 2019 meeting
- 3) Motion to approve the Accounts Payable Listing in total as submitted

REPORTS:

- 4) Alliance Water Resources – Financial Report / Operations

PERSONS TO BE HEARD:

****ONE AT A TIME AS RECOGNIZED****

When it is your turn to speak, please stand and state your name.

Please be considerate of others that may wish to speak by keeping your comments brief.

- 5) Customers' Comments; Questions; and Concerns

OLD BUSINESS:

- 6) None

NEW BUSINESS:

- 7) Project Updates
- 8) Adjournment – Next regular meeting to be held on Thursday, April 11, 2019 – 5:30 p.m.

MINUTES

BOARD OF COMMISSIONERS OF THE EAST SEVIER COUNTY UTILITY DISTRICT

Thursday, February 14, 2019

The Board of Commissioners of the East Sevier County Utility District met at 5:30 p.m. on Thursday, February 14, 2019, in the Office of The East Sevier County Utility District, 1529 Alpine Drive, Sevierville, TN 37876. Commissioners present were Roy Ivey, President; Barbara Darby, Secretary/Treasurer; and Janice Brooks–Headrick.

President Roy Ivey called the meeting to order at 5:33 p.m. for any old or new business.

A motion to approve the minutes of the January 10, 2019, meeting was made by Janice Brooks-Headrick; Barbara Darby seconded the motion. Motion carried.

Two checks were written after the List of Bills was completed and submitted. Check No. 18558, written to Sevierville Tire & Automotive for \$969.53 and Check No. 18559, written to Selective Insurance Company of America for \$15,000, were added to the list of bills for February after the Financial Packets were delivered to the Commissioners. A motion to approve the Accounts Payable listing plus the additional checks was made by Barbara Darby; Janice Brooks-Headrick seconded the motion. Motion carried.

Reports

James Ford, Local Manager, submitted his report concerning District financials. He went over the list of bills and pointed out that District assets total more than \$1.6m. The available balance in the Operations and Maintenance checking account currently totals \$285,774.82. However, that amount will be reduced considerably due to the insurance payout of \$15,000 and the purchase of inventory to be kept on-hand to prevent delays in repairs because parts are not readily available.

James also reported on operations. He and Darrell Baker, the Wastewater Operator, met with the HOA staff at Bear Creek Crossing to discuss our role in their community. They discussed rates and other topics. James agreed to have Darrell and Brenda, the office clerk, keep a log of septic tanks that are pumped at that subdivision, which will enable the HOA to remind owners that it may be time to have their own septic tanks pumped. This will especially help to prevent overflows during weekends and holidays, when most businesses are closed, making it more difficult to deal with the problem. James will also send our employees out to maintain the pump filters regularly. All went well with the meeting, and the result was a better relationship with HOA staff and a clear-cut performance expectation.

James commented that the past 17 days on the Mountain have been the toughest since he began. There were at least three line breaks. One of the leaks was very difficult to find because it was located at a spot where the ground was giving way next to the creek, allowing the water to escape downward instead of on top of the ground where it would be noticeable. The listening equipment used to locate the leak was ineffective due to the sound of the rushing creek. He noted that Roy and David helped tremendously, and he appreciated it very much. Only two people were without water during that span of over a week. James supplied each with plenty of bottled water and apologized for the situation.

Janice asked if he took pictures when a situation such as that arose to show customers who ask about service interruption. James said that he did.

Our newest employee, Seth Self, is completing a three-day training course through Tennessee Association of Utility Districts (TAUD) so that he can take the test to get his Distribution II license in May 2019.

Our quarterly VOC sample results were successful. We expanded the Well D footprint to the maximum. We replaced a bypass valve at Red Maple Lane. Offsite, several holding tanks were pumped and two pump kits were installed. James said he attended a meeting with Sevier County regarding resort community sewer systems.

Persons to be Heard

Tony Lehman, of 1556 Black Oak Drive, asked how we know when someone new is purchasing property on the Mountain. Barbara said that the previous owner would most likely call to stop service because they want billing to stop. James said the water would then be shut off and locked so that the new owner would need to contact us to begin service. We would require that they fill out an application and submit the required fee and paperwork before service would be restored. Tony mentioned that he was thinking about buying another lot; James told him to be sure to do a title search for any lien that might have been placed on the property. Tony said he would definitely do so.

Old Business

There was no old business to discuss.

New Business

James said that he and Roy have been pricing utility vehicles, and the \$15,000 limit will allow him to purchase a vehicle that will likely need a lot of work. James suggested that the Board raise the dollar limit to \$25,000 and leave the mileage requirement the same. Janice motioned to raise the dollar limit to purchase a used utility vehicle to \$25,000. Barbara seconded the motion. Motion carried.

The Well C project has begun. The large metal tank there has been dismantled and hauled away. James has been to Knoxville meeting with Mark Jendrek, ESCUD's attorney; McGill Engineers; and Kirk Morris from the USDA, which has created a positive situation for our upcoming projects. James just received a package with contracts that he will take to Mark Jendrek tomorrow to look over. James can then get

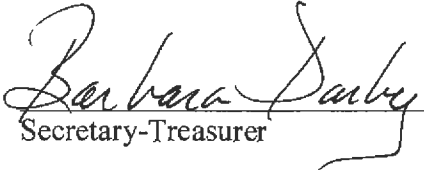
them signed and distributed in order to expedite the project. Kirk has been out of work due to the 30-day government shutdown. He has a backlog of work to concentrate on, which hopefully will not delay our project. We will just have to roll with the punches to get everyone on the mountain quality water.

January's safety meeting topic was trenching and excavating. The monthly water and wastewater reports were successfully submitted to the Tennessee Department of Environment and Conservation (TDEC).

The next regular meeting will be held on, Thursday, March 14, 2019, at 5:30 p.m.

Adjournment

Roy Ivey moved, and Barbara Darby seconded, a motion to adjourn at 6 p.m. Motion carried.


Secretary-Treasurer

East Sevier County Utility District
14-Mar-19

Regular Checking for Consideration		Total
Barbara Darby	Meeting fee	\$ 266.05
Janice Brooks-Headrick	Meeting fee	\$ 277.05
Roy Ivey	Meeting fee	\$ 266.05
Barbara Darby	Insurance payment	\$ 350.00
Janice Brooks-Headrick	Insurance payment	\$ 350.00
Roy Ivey	Insurance payment	\$ 350.00
Alliance Water Resources, Inc	March 2019 Services, Inv# 8230	\$ 39,014.64
First Tennessee Bank	Alpine Drive Fund	\$ 2,000.00
Big Orange Electric	Labor, Inv# 1999, \$660 and Inv# 2000, \$600, both dated 03/01/19	\$ 1,260.00
Mark Jendrek, P. C.	Legal Fees, Review contracts, Inv# 15367 dated 02/25/19	\$ 82.50
G & C Supply, Inc.	Various parts, Inv# 6726234 dtd 02/18/19/Inv#6727652 dtd 02/28/19	\$ 4,297.56
The Mountain Press	Legal notice, Ad# 30848929	\$ 22.65
Orenco Systems	Six contactors, Inv# 350518 dated 02/15/19 - \$14.82 S&H	\$ 462.48
Seymour Septic Services, Inc.	Pump 2 tanks, \$375 dated 11/14/18	\$ 375.00
Mission Communications, LLC	Service Packages, Inv# 1026569 for 03/01/19-02/29-20	\$ 2,253.60
John Armbruster, 1-7600-2	Customer refund-overpayment	\$ 221.13
Total Regular Checking Charges and Bills Paid		\$ 51,848.71
Charges and Bills Paid from Regular Checking Since February 14, 2019		
Sevier County Electric	Utility	\$ 4,295.85
Sevier County Water	Utility	\$ 41.16
Appalachian Electric	Utility	\$ 110.43
City of Pigeon Forge Water & Sewer	Utility	\$ 29.12
State of Tennessee	Sales Tax-monthly	\$ 1,543.00
IRS	Payroll Tax-monthly	\$ 382.64
Total Regular Checking Since February 14, 2019		\$ 6,402.20
Grand Total Regular Checking		\$ 58,250.91

East Sevier County Utility District
Balance Sheet
January 31, 2019

01/31/2019

ASSETS

CURRENT ASSETS

Checking Account - Operations	\$283,002.90
Checking Account - Alpine Rd Funding	58,734.82
Cash on Hand	60.00

Total Cash	341,797.72
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Accounts Receivable	238,629.99
Allowance for Doubtful Accts	(49,166.69)
Unbilled Accounts Receivable	4,709.00
Inventory	23,934.15
Prepaid Expenses	3,199.87

Total Current Assets	563,104.04
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PROPERTY, PLANT & EQUIPMENT

Land	31,657.80
Distribution & Collection System	1,268,876.28
Buildings	69,235.68
Machinery & Equipment	125,345.68
Vehicles & Trailer(s)	49,747.58
Construction Work in Progress	197,415.18
Less: Accumulated Depreciation	(676,424.00)

Net Property, Plant & Equipment	1,065,854.20
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RESTRICTED CASH

Checking Account - Waste Water Project	41,083.37
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Total Restricted Cash	41,083.37
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OTHER ASSETS

Deposits	14,370.00
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Total Other Assets	14,370.00
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Total Assets	\$1,684,411.61
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East Sevier County Utility District
Balance Sheet
January 31, 2019

01/31/2019

LIABILITIES AND DISTRICT'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$24,464.84
Sales Tax Payable	1,966.30
Payroll Taxes Payable	382.43
Unearned Revenue	22,709.00
Accrued Interest Payable	16,641.92
Customer Deposits	31,200.00
<i>Total Current Liabilities</i>	<u>97,364.49</u>

LONG-TERM DEBT

USDA 2018 Loan #1	139,644.11
USDA 2017 Loan #2	238,190.39
USDA 2017 Loan #3	185,664.00
<i>Total Long-Term Debt</i>	<u>563,498.50</u>

Total Liabilities

660,862.99

DISTRICT'S EQUITY

Retained Earnings	827,620.12
YTD Net Income	195,928.50
<i>Total District's Equity</i>	<u>1,023,548.62</u>

Total Liabilities and District's Equity

\$1,684,411.61

East Sevier County Utility District
Statements of Revenues and Expenses
For the Seven Months Ending January 31, 2019
Actual vs Budget

January

YTD

**Annual
Budget**

Actual	Budget		Actual	Budget	Annual Budget
Operating Revenues					
\$22,591	\$20,754	Water Sales	\$123,822	\$158,188	\$251,290
58,345	34,466	Sewer Charges	374,972	237,092	444,900
0	0	Connection Fees - Water	3,000	2,500	2,500
750	1,146	Connection Fees - Sewer	11,000	8,021	13,750
672	1,543	Late Charge Fees	5,980	10,802	18,517
8,273	923	Reconnect/Meter Sets/Other Fees	82,281	6,459	11,072
0	200	Miscellaneous Income	0	1,400	2,400
90,631	59,032	Total Operating Revenues	601,055	424,462	744,429
Operating Expenses					
0	0	Unemployment Benefits	550	0	0
0	0	Training	975	0	0
159	583	Payroll Taxes	1,115	4,083	7,000
38,640	38,640	Management & Operations Contract	270,480	270,480	463,680
3,795	3,994	Utilities	24,008	27,961	47,933
2,043	1,667	Insurance	14,303	11,667	20,000
2,635	5,215	Repairs & Maintenance	16,169	36,507	62,584
0	417	Professional Outside Services	0	2,917	5,000
2,082	1,800	Directors' Fees	14,577	12,600	21,600
212	1,333	Legal Expenses	3,100	9,333	16,000
0	0	Accounting	0	7,300	7,300
1,167	1,167	Bad Debts	8,167	8,167	14,000
0	0	Dues	450	825	825
0	0	Office Expense	162	0	0
0	0	Advertising Expense	123	0	0
0	433	Permits	4,284	3,033	5,200
0	2,083	Miscellaneous Expense	32	14,583	25,000
50,733	57,332	Total Operating Expenses	358,495	409,456	696,122
39,898	1,700	Net Income B/4 Other (Inc) & Exp	242,560	15,006	48,307
Other Income (Expenses)					
(1,492)	0	Interest Expense	(9,098)	0	0
(4,384)	(4,384)	Depreciation	(30,688)	(30,688)	(52,608)
0	(833)	Bond Issue Costs	(6,845)	(5,833)	(10,000)
(5,876)	(5,217)	Total Other Income (Expenses)	(46,631)	(36,521)	(62,608)
\$34,022	(\$3,517)	Net Income(Loss)	\$195,929	(\$21,515)	(\$14,301)

**East Sevier County Utility District, TN
Treasury Report**

Billing Charges For the Month of:	Jan-19	
Water Revenue		22,590.78
Sewer Revenue		58,345.00
Sales Taxes		2,337.74
Late Charges		671.74
Installation Fees-Water		-
Installation Fees-Sewer		750.00
Other Miscellaneous Fees		8,273.25
Returned Checks		-
Deposits Applied/Adjustments		(315.00)
Customer Refunds Paid		435.30
Total Billing Charges		<u>93,088.81</u>
Water Gallons Billed		<u>1,744,930</u>
Water Customers Billed		<u>241</u>
Sewer Gallons Billed		<u>1,550,210</u>
Sewer Customers Billed		<u>735</u>

Accounts Receivable	Jan-19	
Beginning Balance		60,368.48
Billing Charges		93,088.81
Bad Debt Recoveries (Write Offs)		-
Accounts Receivable Collections		(82,323.00)
End of Month Accounts Receivable		<u>71,134.29</u>

Water Revenue Checking	Jan-19	
Beginning Balance		255,908.58
Deposits:		
Accounts Receivable Collections		82,323.00
Customer Deposits		525.00
		<u>82,848.00</u>
Disbursements:		
Accounts Payable Checks		(47,081.93)
Auto Debit Charges-Utilities		(3,794.83)
Transfer to Alpine Road Funding		(2,000.00)
TN TAP - Sales Tax		(1,543.00)
Returned Checks		(81.00)
Payroll Taxes		(1,147.92)
Refund Checks		(105.00)
End of Month Balance		<u>283,002.90</u>
Cash Receipts Collected To Date in:	Feb-19	78,637.30
Auto Debited Utilities in:	Feb-19	(4,476.56)
Bills Submitted for Payment in:	Feb-19	(64,821.61)
Available Balance		<u><u>292,342.03</u></u>

East Sevier County Utility District, TN
Treasury Report
Summary of Cash and Investments
January 31, 2019

Bank Account / Security	Maturity Date	Beginning Balance	Deposits	Interest Earned	Payments	Ending Balance
Checking Acct-Operations		255,908.58	82,848.00	-	(55,753.68)	283,002.90
Checking Acct-Alpine Road Funding		56,734.82	2,000.00	-	-	58,734.82
Checking Acct-Waste Water Plant		41,083.37	-	-	-	41,083.37
Cash on Hand		60.00	-	-	-	60.00
Total Cash and Investments		353,786.77	84,848.00	-	(55,753.68)	382,881.09

**EAST SEVIER COUNTY UTILITY DISTRICT
BILLING SUMMARY**

DATE	WATER REVENUE		WATER GALLONS (000s)		NO. OF CUSTMRS
	TOTAL	YTD TOTAL	TOTAL	YTD TOTAL	
Jan-19	22,743	130,178	1,745	6,280	241
Dec-18	17,023	107,435	606	4,535	246
Nov-18	16,729	90,411	560	3,929	244
Oct-18	18,202	73,683	813	3,369	245
Sep-18	18,540	55,481	824	2,556	242
Aug-18	17,728	36,941	725	1,732	241
Jul-18	19,213	19,213	1,007	1,007	239
Jun-18	17,497	240,128	656	7,639	240
May-18	17,161	222,630	666	6,983	240
Apr-18	16,979	205,469	564	6,317	241
Mar-18	18,079	188,489	506	5,753	240
Feb-18	19,247	170,410	648	5,247	242
Jan-18	19,832	151,164	537	4,599	244

**EAST SEVIER COUNTY UTILITY DISTRICT
BILLING SUMMARY**

DATE	SEWER REVENUE		SEWER GALLONS (000s)		NO. OF CUSTMRS	W&S CUSTMR RECEIPTS
	TOTAL	YTD TOTAL	TOTAL	YTD TOTAL		
Jan-19	52,706	331,918	1,550	5,095	735	82,323
Dec-18	43,711	279,212	475	3,545	734	84,499
Nov-18	43,187	235,501	423	3,070	732	85,252
Oct-18	44,670	192,314	617	2,647	741	94,066
Sep-18	48,090	147,644	644	2,030	722	78,157
Aug-18	47,707	99,554	582	1,386	722	84,746
Jul-18	51,847	51,847	804	804	711	91,069
Jun-18	53,337	405,532	455	6,017	716	79,251
May-18	35,762	352,195	514	5,562	615	63,370
Apr-18	33,480	316,433	428	5,048	580	63,500
Mar-18	32,824	282,952	422	4,620	571	61,372
Feb-18	34,017	250,128	559	4,198	569	48,994
Jan-18	31,418	216,111	447	3,639	570	56,853



OUR MISSION

We partner with communities to deliver the finest water and wastewater services available at a competitive price. We are committed to keeping water safe and clean while serving people and taking care of communities with improved technical operations, careful management and financial oversight, and ensured regulatory compliance.

Alliance Water Resources, Inc.

**206 S. Keene
St. Columbia,
MO 65201**

(573)874-8080

OPERATIONS REPORT – East Sevier County Utility District

February 2019

Administrative

Staff held meeting with Smoky Mountain Ridge HOA president to continue moving forward in a now positive relationship.

Treatment

Treatment at the wells is monitored daily.

Treatment at the wastewater plant is effective.

Collection/Distribution

Installed trail cam at offsite resort community

Corrected electrical issue at Sherwood Forest

Purchased new tires for Utility Truck

Flushed the entire mountain successfully

Metal storage tank at Well C has been demolished and removed

Placed substantial order at G&C to improve our repair inventory

Customer Service

Successfully addressed several offsite call outs

Project Updates

The Well C project is underway. Concrete is to be poured for new treatment building in early March.



OPERATIONS REPORT – East Sevier County Utility District

Safety

January's safety meetings were regarding stranded vehicles and cold weather care for heavy equipment.

Regulatory

Monthly Water and Wastewater reports were successfully submitted to the Tennessee Department of Environment and Conservation.

Training

An employee successfully completed a TAUD training course to obtain "hours" towards a distribution license.

Concerns for the Month

As tourist season approaches, new driving concerns arise.

Positives for the Month

A period of intense rain caused many on and offsite problems. The staff responded admirably.

Leak Repairs

Numerous repairs were made.

EAST SEVIER COUNTY UTILITY DISTRICT OF SEVIER COUNTY, TENNESSEE

WATER AND SEWER REVENUE BOND ANTICIPATION NOTES

(INTERIM CERTIFICATES OF INDEBTEDNESS) (TAXABLE)

§ 5,169.23

No. 3

FOR VALUE RECEIVED, East Sevier County Utility District of Sevier County, Tennessee hereby acknowledges itself to owe and for value received hereby promises to pay to the registered owner hereof the sum of \$ 5,169.23 on or before **November 14, 2020**, together with interest at the rate of **2.875%** per annum until paid, such interest being payable at maturity. Both principal hereof and interest hereon are payable in lawful money of the United States of America by electronic fund transfer or by check or draft mailed to the registered owner at the address shown on the registration book. Upon final payment, this certificate shall be submitted to the Registrar for cancellation.

This certificate, together with such notes as may be issued, is one of a series in an authorized aggregate principal amount of up to \$266,000, issued by the District, for the purpose of providing funds to finance water and sewer system improvements and extensions, pending the issuance of Water and Sewer Revenue Bond (the "Bond") authorized by resolution of the Board of Commissioners of the District on September 12, 2017 which the United States of America has agreed to purchase.

This certificate is transferable by the registered holder hereof, or by its attorney duly authorized in writing, on the registration books of the District, at the office of the Secretary of the District, as Registrar, and the notation of such transfer and registration by the Registrar on the registration books. All assignees shall take this certificate subject to such condition. The District may treat the registered owner as the absolute owner hereof for all purposes, and shall not be affected by any notice to the contrary whether or not any payments due on this certificate shall be overdue.

It is hereby certified and recited that all acts, conditions and things required by the constitution and by the laws of the State of Tennessee to exist, or to be done precedent to and in the issuance of this obligation, do exist, and have been properly done, happened, and been performed in regular and due form and time as required by law; and that provision has been made to pay the principal and interest thereon as same falls due.

This certificate and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Certificate during the period the Certificate is held or beneficially owned by any organization or entity, other than a general partnership or sole proprietorship, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Certificate in the Tennessee franchise tax base of any organization or entity, other than a general partnership or sole proprietorship, doing business in the State of Tennessee.

This certificate is subject to prepayment prior to maturity at the option of the District, in whole or in part, at any time at the principal amount thereof and accrued interest to the date of prepayment.

This certificate is a special obligation of the District, payable from the proceeds of the above-described bond and from the net revenues of the water and sewer system of the District.

IN WITNESS WHEREOF, East Sevier County Utility District of Sevier County, Tennessee, through its Board of Governors, has caused this certificate to be signed by its President and attested by its Secretary under the corporate seal of the District on this 14th day of March, 2019.

Roy Lury

President

ATTESTED:

Barbara Darby

Secretary

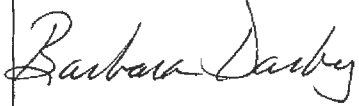
(Assignment)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____
_____ the within Certificate of East Sevier County Utility District of Sevier County,
Tennessee, Tennessee and does hereby irrevocably appoint _____ attorney to transfer
the said Certificate on the books of the Secretary of the District, as Registrar, with full power of
substitution in the premises.

Dated: _____

WITNESS:

(No writing in this blank except by the Registrar)

Date of Registration	In Whose Name Registered	Signature of Registrar
	United States of America Acting through U. S. Department of Agriculture, Rural Development 4300 Goodfellow Blvd., Bldg 104 St. Louis, MO 63120-1703	

23790362.1

CR

Invoice

McGill Associates, P.A.
Post Office Box 2259
Asheville, NC 28802



September 13, 2018
Invoice No: 15.06204 - 2883

East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876

Billing Manager Jamie Carden

Project 15.06204 Water System Improvements

Phase 133 Alpine WL - Prelim and Final Design

Fee

Total Fee	31,200.00		
Percent Complete	100.00	Total Earned	31,200.00
		Previous Fee Billing	31,200.00
		Current Fee Billing	0.00
		Total Fee	0.00

Reimbursable Expenses

Application/Permit Fees Exp		50.00	
Total Reimbursables		50.00	50.00

Unit Billing

Copies B&W		343.40	
Copies Color		3.54	
Total Units		346.94	346.94

Total this Phase \$396.94

Total Invoice - Net 30 Days \$396.94

Invoice

CR

McGill Associates, P.A.
Post Office Box 2259
Asheville, NC 28802



September 13, 2018

Invoice No: 15.06204 - 2884

East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876

Billing Manager Jamie Carden

Project 15.06204 Water System Improvements

Phase 033 Well C - Preliminary and Final Design

Fee

Total Fee 30,100.00

Percent Complete

100.00

Total Earned

30,100.00

Previous Fee Billing

30,100.00

Current Fee Billing

0.00

Total Fee

0.00

Reimbursable Expenses

Shipping/Postage Expense

47.24

Application/Permit Fees Exp

1,000.00

Total Reimbursables

1,047.24

1,047.24

Unit Billing

Copies B&W

4.80

Mileage

120.25

Total Units

125.05

125.05

Total this Phase

\$1,172.29

Total Invoice - Net 30 Days

\$1,172.29

ER

Invoice

McGill Associates, P.A.
Post Office Box 2259
Asheville, NC 28802



January 31, 2019
Invoice No: 15.06204 - 4136

James Ford
East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876

Billing Manager Jamie Carden

Project 15.06204 Water System Improvements

Phase 053 Well C - Construction Administration

Fee

Total Fee	6,000.00		
Percent Complete	23.7667	Total Earned	1,426.00
		Previous Fee Billing	626.00
		Current Fee Billing	800.00
		Total Fee	800.00
		Total this Phase	\$800.00
		Total Invoice - Net 30 Days	\$800.00

Invoice

McGill Associates, P.A.
Post Office Box 2259
Asheville, NC 28802



CR

January 31, 2019

Invoice No: 15.06204 - 4137

James Ford
East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876

Billing Manager Jamie Carden

Project 15.06204 Water System Improvements

Phase 153 Alpine WL - Construction Administration

Fee

Total Fee 6,000.00

Percent Complete

13.3333

Total Earned

800.00

Previous Fee Billing

0.00

Current Fee Billing

800.00

Total Fee

800.00

Total this Phase

\$800.00

Total Invoice - Net 30 Days

\$800.00

Invoice

McGill Associates, P.A.
Post Office Box 2259
Asheville, NC 28802



CR

February 28, 2019
Invoice No: 15.06204 - 4393

James Ford
East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876

Billing Manager Jamie Carden

Project 15.06204 Water System Improvements

Phase 052 Well C - Resident Project Representative

Professional Personnel

	Hours	
Construction Administrator III	7.50	
Construction Field Representative II	15.00	
Totals	22.50	
Total Labor		1,912.50

Unit Billing

Mileage	87.50	
Total Units	87.50	87.50

Billing Limits

	Current	Prior	To-Date
Total Billings	2,000.00	10,842.39	12,842.39
Limit			30,000.00
Remaining			17,157.61

Total this Phase \$2,000.00

Total Invoice - Net 30 Days \$2,000.00

	ESCUD	USDA LOAN # 3		\$266,000	
INV	ITEMS INVOICED-UNPAID				
#	DATE	VENDOR	DECSRIPTION	AMOUNT	DRAW #1
1**	10/13/2014	Mark Jendrek, P.C.	Legal Services, Bond Realted	\$472.50	1
2**	2/18/2016	Mark Jendrek, P.C.	Legal Services, Bond Realted	\$2,814.00	1
3**	4/11/2016	Mark Jendrek, P.C.	Legal Services, Bond Realted	\$5,625.00	1
4**	6/2/2016	Mark Jendrek, P.C.	Legal Services, Bond Realted	\$450.00	1
5**	7/22/2016	Mark Jendrek, P.C.	Legal Services, Bond Realted	\$135.00	1
6**	4/4/2017	Mark Jendrek, P.C.	Legal Services, Bond Realted	\$1,327.50	1
7**	7/11/2017	Mark Jendrek, P.C.	Legal Services, Bond Realted	\$450.00	1
8	8/6/2017	Suez	Well C-Annual	\$162,450.00	1
9	11/6/2107	SE Diving Services	Cleaning and Repair of Well C Tank	\$6,290.00	1
10	11/14/2017	Bass, Berry & Sims	\$266,000 Waterworks Bond	\$4,000.00	1
11	9/30/2018	McGill Eng	Well C-Bidding	\$860.00	2
12	9/30/2018	McGill Eng	Alpine Dr-Bidding	\$790.00	2
13	9/13/2018	McGill Eng	Alpine Design	\$396.94	3
14	9/13/2018	McGill Eng	Well C Design	\$1,172.29	3
15	1/31/2019	McGill Eng	Well C Construction Admin	\$800.00	3
16	1/31/2019	McGill Eng	Alpine WL Construction Admin	\$800.00	3
17	2/28/2019	McGill Eng	Well C Oversight	\$2,000.00	3
			TOTAL	\$190,833.23	
			BALANCE	\$75,166.77	
			% REMAINING	28.3%	

EAST SEVIER COUNTY UTILITY DISTRICT OF SEVIER COUNTY, TENNESSEE

WATER AND SEWER REVENUE BONDS ANTICIPATION NOTES

INTERIM CERTIFICATES OF INDEBTEDNESS (TAXABLE)

\$\$8,695.89

No. 4

FOR VALUE RECEIVED, East Sevier County Utility District of Sevier County, Tennessee hereby acknowledges itself to owe and for value received hereby promises to pay to the registered owner hereof the sum of \$ 8,695.89 on or before **September 13, 2021**, together with interest at the rate of **3.250%** per annum until paid, such interest being payable at maturity. Both principal hereof and interest hereon are payable in lawful money of the United States of America by electronic fund transfer or by check or draft mailed to the registered owner at the address shown on the registration book. Upon final payment, this certificate shall be submitted to the Registrar for cancellation.

This certificate, together with such notes as may be issued, is one of a series in an authorized aggregate principal amount of up to \$555,000, issued by the District, for the purpose of providing funds to finance sewer system improvements and extensions, pending the issuance of Water and Sewer Revenue Bonds (the "bond") authorized by resolution of the Board of Commissioners of the District on June 14, 2018 which the United States of America has agreed to purchase.

This certificate is transferable by the registered holder hereof, or by its attorney duly authorized in writing, on the registration books of the District, at the office of the Secretary of the District, as Registrar, and the notation of such transfer and registration by the Registrar on the registration books. All assignees shall take this certificate subject to such condition. The District may treat the registered owner as the absolute owner hereof for all purposes, and shall not be affected by any notice to the contrary whether or not any payments due on this certificate shall be overdue.

It is hereby certified and recited that all acts, conditions and things required by the constitution and by the laws of the State of Tennessee to exist, or to be done precedent to and in the issuance of this obligation, do exist, and have been properly done, happened, and been performed in regular and due form and time as required by law; and that provision has been made to pay the principal and interest thereon as same falls due.

This certificate and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Certificate during the period the Certificate is held or beneficially owned by any organization or entity, other than a general partnership or sole proprietorship, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Certificate in the Tennessee franchise tax base of any organization or entity, other than a general partnership or sole proprietorship, doing business in the State of Tennessee.

This certificate is subject to prepayment prior to maturity at the option of the District, in whole or in part, at any time at the principal amount thereof and accrued interest to the date of prepayment.

This certificate is a special obligation of the District, payable from the proceeds of the above-described bond and from the net revenues of the water and sewer system of the District.

IN WITNESS WHEREOF, East Sevier County Utility District of Sevier County, Tennessee, through its Board of Governors, has caused this certificate to be signed by its President and attested by its Secretary under the corporate seal of the District on this 14 day of MARCH, 2019.

Ray Jung

President

ATTESTED:

Barbara Darby

Secretary

(Assignment)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____
_____ the within Certificate of East Sevier County Utility District of Sevier County,
Tennessee, Tennessee and does hereby irrevocably appoint _____ attorney to transfer the
said Certificate on the books of the Secretary of the District, as Registrar, with full power of substitution in
the premises.

Dated: _____

WITNESS:

(No writing in this blank except by the Registrar)

Date of Registration	In Whose Name Registered	Signature of Registrar
	United States of America Acting through U. S. Department of Agriculture, Rural Development 4300 Goodfellow Blvd., Bldg 104 St. Louis, MO 63120-1703	<i>Barbara Dauby</i>

25332485.1

Invoice

McGill Associates, P.A.
Post Office Box 2259
Asheville, NC 28802



ER

February 28, 2019

Invoice No: 15.06205 - 4395

James Ford
East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876

Billing Manager Jamie Carden

Project 15.06205 WWTP Upgrade and Sewer Line Rehab

Send to James Ford and email Evan Roma (eroma@alliancewater.com)

Phase 043 Bid Phase

Fee

Total Fee 15,000.00

Percent Complete 50.00 Total Earned 7,500.00

Previous Fee Billing 6,500.00

Current Fee Billing 1,000.00

Total Fee 1,000.00

Total this Phase \$1,000.00

Total Invoice - Net 30 Days \$1,000.00

Outstanding Invoices

Number	Date	Balance
2866	8/31/2018	8,250.00
2880	9/13/2018	2,595.00
3113	9/30/2018	11,000.00
3372	10/31/2018	16,000.00
3375	10/31/2018	2,405.00
3673	11/30/2018	3,695.89
3874	12/31/2018	2,500.00
3875	12/31/2018	1,500.00
Total		47,945.89

Invoice

McGill Associates, P.A.
Post Office Box 2259
Asheville, NC 28802



ER

November 30, 2018

Invoice No: 15.06205 - 3673

James Ford
East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876

Billing Manager Jamie Carden

Project 15.06205 WWTP Upgrade and Sewer Line Rehab

Phase 033 Final Design Phase

Fee

Total Fee 65,000.00

Percent Complete

93.8462

Total Earned

61,000.00

Previous Fee Billing

57,304.11

Current Fee Billing

3,695.89

Total Fee

3,695.89

Total this Phase

\$3,695.89

Total Invoice - Net 30 Days

\$3,695.89

Outstanding Invoices

Number	Date	Balance
2866	8/31/2018	8,250.00
2880	9/13/2018	2,595.00
3113	9/30/2018	11,000.00
3372	10/31/2018	16,000.00
3375	10/31/2018	2,405.00
Total		40,250.00

Invoice

McGill Associates, P.A.
Post Office Box 2259
Asheville, NC 28802



ER

December 31, 2018

Invoice No: 15.06205 - 3874

James Ford
East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876

Billing Manager Jamie Carden

Project 15.06205 WWTP Upgrade and Sewer Line Rehab
Send to James Ford and email Evan Roma (eroma@alliancewater.com)

Phase 033 Final Design Phase

Fee

Total Fee 65,000.00

Percent Complete

97.6923

Total Earned

63,500.00

Previous Fee Billing

61,000.00

Current Fee Billing

2,500.00

Total Fee

2,500.00

Total this Phase

\$2,500.00

Total Invoice - Net 30 Days

\$2,500.00

Outstanding Invoices

Number	Date	Balance
2866	8/31/2018	8,250.00
2880	9/13/2018	2,595.00
3113	9/30/2018	11,000.00
3372	10/31/2018	16,000.00
3375	10/31/2018	2,405.00
3673	11/30/2018	3,695.89
Total		43,945.89

Invoice

McGill Associates, P.A.
Post Office Box 2259
Asheville, NC 28802



CR

December 31, 2018

Invoice No: 15.06205 - 3875

James Ford
East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876

Billing Manager Jamie Carden

Project 15.06205 WWTP Upgrade and Sewer Line Rehab
Send to James Ford and email Evan Roma (eroma@alliancewater.com)

Phase 043 Bid Phase

Fee

Total Fee 15,000.00

Percent Complete

43.3333

Total Earned

6,500.00

Previous Fee Billing

5,000.00

Current Fee Billing

1,500.00

Total Fee

1,500.00

Total this Phase

\$1,500.00

Total Invoice - Net 30 Days

\$1,500.00

Outstanding Invoices

Number	Date	Balance
2866	8/31/2018	8,250.00
2880	9/13/2018	2,595.00
3113	9/30/2018	11,000.00
3372	10/31/2018	16,000.00
3375	10/31/2018	2,405.00
3673	11/30/2018	3,695.89
Total		43,945.89

	ESCUD	USDA LOAN # 1	\$555,000		
INV					
#	DATE	VENDOR	DECSRIPTION	AMOUNT	DRAW #
1	7/31/2015	McGill	WW Improvements - Engineering	\$17,000.00	1
2	7/31/2015	McGill	WW Improvements - Engineering	\$10,000.00	1
3	8/31/2015	McGill	WW Improvements - Engineering	\$5,000.00	1
4	3/31/2016	McGill	WW Improvements - Engineering	\$58,000.00	1
5	1/31/2017	McGill	WW Improvements - Engineering	\$1,660.75	1
6	2/28/2017	McGill	WW Improvements - Engineering	\$621.61	1
7	7/31/2017	McGill	WW Improvements - Engineering	\$3,775.00	1
8	7/31/2017	McGill	WW Improvements - Engineering	\$3,682.00	1
9	8/31/2017	McGill	WW Improvements - Engineering	\$971.64	1
10	9/30/2017	McGill	WW Improvements - Engineering	\$3,827.00	1
11	10/31/2017	McGill	WW Improvements - Engineering	\$1,318.00	1
12	11/30/2017	McGill	WW Improvements - Engineering	\$3,237.40	1
13	12/31/2017	McGill	WW Improvements - Engineering	\$6,465.50	1
14	1/31/2018	McGill	WW Improvements - Engineering	\$2,514.00	1
15	2/28/2018	McGill	WW Improvements - Engineering	\$3,000.00	1
16	3/31/2018	McGill	WW Improvements - Engineering	\$4,748.71	1
17	4/30/2018	McGill	WW Improvements - Engineering	\$7,500.00	1
18	5/31/2018	McGill	WW Improvements - Engineering	\$6,932.50	1
19	7/31/2018	McGill	WW Improvements - Engineering	\$4,000.00	1
20	9/13/2018	Bass Berry & Sims	WW Improvements - Legal	\$4,800.00	1
21	10/11/2018	Mark Jendrek	WW Improvements - Legal	\$2,045.00	2
22	8/31/2018	McGill	WW Improvements - Engineering	\$8,250.00	3
23	9/13/2018	McGill	WW Improvements - Engineering	\$2,595.00	3
24	9/30/2018	McGill	WW Improvements - Engineering	\$11,000.00	3
25	10/31/2018	McGill	WW Improvements - Engineering	\$16,000.00	3
26	10/31/2018	McGill	WW Improvements - Engineering	\$2,405.00	3
27	11/30/2018	McGill	WW Improvements - Engineering	\$3,695.89	4
28	12/31/2018	McGill	WW Improvements - Engineering	\$2,500.00	4
29	12/31/2018	McGill	WW Improvements - Engineering	\$1,500.00	4
30	2/28/2019	McGill	WW Improvements - Engineering	\$1,000.00	4
			TOTAL	\$200,045.00	
			BALANCE	\$354,955.00	
			% REMAINING	64.0%	

East Sevier County Utility District
1529 Alpine Drive
Sevierville, TN 37876
(865) 453-6704

Memorandum

Discussion/Action

To: East Sevier County Utility District Board of Directors

From: Staff

Date: March 14, 2019

Re: Wastewater USDA Project Extension

The timeline for use of the USDA funds for the wastewater project expires in April of 2019. As we have previously discussed, we need to file for an extension. We ask that the board approve a resolution allowing Alliance water to file for a project extension with USDA.

