

**EAST SEVIER COUNTY UTILITY DISTRICT
BOARD OF COMMISSIONERS MEETING
September 12, 2019
5:30 P.M.**

AGENDA

- 1) Call to Order by President Roy Ivey
- 2) Motion to approve the minutes of the August 15, 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) Wastewater treatment plant discussion
- 8) Douglas Lake discussion
- 9) Closure letter discussion
- 10) Adjournment – Next regular meeting to be held on Thursday, Oct 10, 2019 – 5:30 p.m.

MINUTES

BOARD OF COMMISSIONERS OF THE EAST SEVIER COUNTY UTILITY DISTRICT

Thursday, August 15, 2019

The Board of Commissioners of the East Sevier County Utility District met at 5:30 p.m. on Thursday, August 15, 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 5:31 p.m. for any old or new business.

A motion to approve the minutes of the July 18, 2019, meeting was made by Janice; Barbara seconded the motion. Motion carried.

A motion to approve the Accounts Payable listing in total as submitted was made by Barbara; Janice seconded the motion. Motion carried.

Reports

James Ford, Local Manager, having submitted the financial report, asked if any members of the Board had any questions. Having no questions, Janice motioned to approve the financials as presented; Barbara seconded the motion. Motion carried.

James then submitted the operations report. He had taken photos of the new Aquaclear system and gave one to each of the Commissioners to view. He also showed them to the visitors. The photos clearly showed the difference that the filter is making on water quality. The first photo showed very dark water coming in from the tank; subsequent photos showed crystal clear water. Divers are coming within six months to clean the inside of the holding tank. This will be the last step in the process. Staff is in contact with Aquaclear to ensure that the new treatment system is dialed in and running properly.

We had a tough Fourth of July week due to some leaks on the mountain; since then, things have calmed down.

The ESCUD fleet is slowly getting back into shape as we are, one by one, sending our trucks out to be repaired. We replaced a pump and repaired two leaks on Magnolia Place here on the Mountain. We also repaired a leak at Wells A & B. The entire water system on the Mountain has been flushed.

We advised a customer that their in-home water filter that they did not know existed was leaking, harming their water quality and minimizing water pressure. With the removal of the filter, the customer now has clean water.

Our July safety meetings were on water and sewer maintenance as well as trenching and excavating.

Monthly water and wastewater reports were successfully submitted to TDEC. Our newest employee has begun backhoe training. We are diligent in keeping our employees hydrated while working out in the hot weather.

Persons to be Heard

Stephen Bradley of 1121 Hollyberry Court asked James if he had heard from the USDA about funding to fix the problem on Aintree. There is an exposed sewer pipe that we have repaired a few times, but it keeps pulling apart. The problem stems from the roadside's being washed away by large amounts of rain this past spring. James said that he had not heard from them but that they still have several weeks to make a decision. A discussion ensued about how to go about making the repair. The pipe will probably have to be rerouted; Everyone was confident that between ESCUD, Alliance, and the HOA, we can come up with a viable and cost-effective solution.

Scott and Amber Windsor of 1506 Lin Creek Road, unbeknownst to them, had a water filter leaking underneath their house. Their address came up on the monthly leak report, and when we went out there to investigate, we found the leak and turned off their water. In the meantime, their bill had skyrocketed to \$1,322.51. They asked that they be granted forgiveness for part of that bill, which is allowed only once within a twelve-month period. The Board allowed the adjustment; Brenda will credit their account for one-half the water overage and all of the sewer overage, given that James was able to verify that the water did not go through the sewer.

Old Business

None

New Business

James announced that the Wastewater Treatment Plant project has been put on hold until further notice. He reminded the Board that last month Tony Sneed, Alliance Director of Operations, and Evan Romo, Alliance Division Manager for ESCUD, had met with TDEC. They had discussed the fact that the State was requiring that the wastewater plant be able to handle twice the capacity of wastewater that we actually average. This would mean we would have to practically double the size of the wastewater plant to be built at around twice the cost. Tony and Evan have convinced TDEC to allow them to research the possibility of installing a recirculating filter plant like we have at offsite facilities rather than expanding the size of the new plant. This option would hopefully allow us to have enough loan money left over after building the plant to address some collection issues. They seemed to be in favor of this idea.

The next regular meeting will be held on Thursday, September 12, 2019, at 5:30 p.m.

Adjournment

Roy Ivey motioned, and Barbara Darby seconded the motion, to adjourn at 6:27 p.m.
Motion carried.

Secretary-Treasurer

**East Sevier County Utility District
12-Sep-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	September 2019 Services, Inv# 8444	\$ 41,529.99
First Tennessee Bank	Alpine Fund Drive	\$ 2,000.00
The Mountain Press	Ad# 30872792 for August 2019	\$ 25.88
Orenco	Inv#357942 dated 08/22/19, S & H \$562.20	\$ 11,042.71
Midco Diving & Marine Services, Inc	Inv# 3512 dated 08/22/19, Tank Cleaning	\$ 3,599.00
Drillers Service Inc.	Order# 10149485-00 dated 08/12/19, Pumps	\$ 1,167.87
Power Pumping	Inv# 7708 dated 08/16/19, Pump & Haul	\$ 700.00
Big Orange Electric	Inv# 2013, 2026, 2028, 2029 parts and labor	\$ 7,125.00
Sue Malone, 5-26175-1	Refund deposit	\$ 105.00
Karen McLeod, 6-42000-1	Refund overpayment	\$ 44.45
Total Regular Checking for Consideration		\$ 69,199.05

Charges and Bills Paid from Regular Checking Since August 15, 2019

Sevier County Electric	Utility	\$ 3,797.61
Sevier County Water	Utility	\$ 42.25
Appalachian Electric	Utility	\$ 108.60
City of Pigeon Forge Water & Sewer	Utility	\$ -
USDA	Loan Repayment, July and August	\$ 4,152.00
State of Tennessee	Sales tax	\$ 1,691.00
IRS	Payroll tax	\$ 382.64
Total Regular Checking Charges and Bills Paid		\$ 10,174.10

Grand Total Regular Checking	\$ 79,373.15
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Charges and Bills Paid from Alpine Drive fund Since August 15, 2019

Total Alpine Drive Fund Checking Charges and Bills Paid	\$ -
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Charges and Bills Paid from WWTP fund Since August 15, 2019

Total WWTP Fund Checking Charges and Bills Paid	\$ -
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East Sevier County Utility District
Balance Sheet
July 31, 2019

07/31/2019

ASSETS

CURRENT ASSETS

Checking Account - Operations	\$262,815.10
Checking Account - Alpine Rd Funding	78,426.13
Cash on Hand	60.00

Total Cash	341,301.23
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Accounts Receivable	244,899.66
Allowance for Doubtful Accts	(43,166.67)
Unbilled Accounts Receivable	6,045.00
Inventory	9,786.88
Prepaid Expenses	15,978.00

Total Current Assets	574,844.10
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PROPERTY, PLANT & EQUIPMENT

Land	31,657.80
Distribution & Collection System	2,101,214.10
Buildings	69,235.68
Machinery & Equipment	126,223.67
Vehicles & Trailer(s)	49,747.58
Construction Work in Progress	633,328.44
Less: Accumulated Depreciation	(1,125,015.48)

Net Property, Plant & Equipment	1,886,391.79
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RESTRICTED CASH

Construction Account - Waste Wtr Project	833.37
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Total Restricted Cash	833.37
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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	\$2,476,439.26
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East Sevier County Utility District
Balance Sheet
July 31, 2019

07/31/2019

LIABILITIES AND DISTRICT'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$22,632.84
Sales Tax Payable	1,690.97
Payroll Taxes Payable	382.62
Unearned Revenue	26,417.05
Accrued Interest Payable	6,379.58
Customer Deposits	36,020.00
<i>Total Current Liabilities</i>	<u>93,523.06</u>

LONG-TERM DEBT

USDA 2018 Loan #1	412,810.75
USDA 2017 Loan #2	291,000.00
USDA 2017 Loan #3	266,000.00
<i>Total Long-Term Debt</i>	<u>969,810.75</u>

Total Liabilities

1,063,333.81

DISTRICT'S EQUITY

Retained Earnings	1,395,089.38
YTD Net Income	18,016.07
<i>Total District's Equity</i>	<u>1,413,105.45</u>

Total Liabilities and District's Equity

\$2,476,439.26

East Sevier County Utility District
Statements of Revenues and Expenses
For the One Month Ending July 31, 2019
Actual vs Budget

<i>July</i>			<i>YTD</i>		Annual Budget
Actual	Budget		Actual	Budget	
		Operating Revenues			
\$18,958	\$25,904	Water Sales	\$18,958	\$25,904	\$279,067
43,342	43,152	Sewer Charges	43,342	43,152	495,048
0	1,250	Connection Fees - Water	0	1,250	2,500
8,000	1,146	Connection Fees - Sewer	8,000	1,146	13,750
1,019	1,613	Late Charge Fees	1,019	1,613	19,353
14,785	613	Reconnect/Meter Sets/Other Fees	14,785	613	7,359
0	200	Miscellaneous Income	0	200	2,400
86,104	73,878	Total Operating Revenues	86,104	73,878	819,477
		Operating Expenses			
159	167	Payroll Taxes	159	167	2,000
40,652	40,652	Management & Operations Contract	40,652	40,652	487,824
4,893	4,000	Utilities	4,893	4,000	48,000
2,312	2,000	Insurance	2,312	2,000	24,000
4,828	4,417	Repairs & Maintenance	4,828	4,417	53,000
0	417	Professional Outside Services	0	417	5,000
2,082	2,083	Directors' Fees	2,082	2,083	25,000
0	1,000	Legal Expenses	0	1,000	12,000
0	0	Accounting	0	0	7,300
1,167	1,167	Bad Debts	1,167	1,167	14,000
0	0	Dues	0	0	825
26	0	Advertising Expense	26	0	0
3,412	3,412	Permits	3,412	3,412	5,200
0	250	Miscellaneous Expense	0	250	3,000
59,531	59,565	Total Operating Expenses	59,531	59,565	687,149
26,573	14,313	Net Income B/4 Other (Inc) & Exp	26,573	14,313	132,328
		Other Income (Expenses)			
(2,358)	(1,792)	Interest Expense	(2,358)	(1,792)	(21,500)
(6,200)	(6,200)	Depreciation	(6,200)	(6,200)	(74,400)
0	(83)	Bond Issue Costs	0	(83)	(1,000)
(8,558)	(8,075)	Total Other Income (Expenses)	(8,558)	(8,075)	(96,900)
\$18,015	\$6,238	Net Income(Loss)	\$18,015	\$6,238	\$35,428

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

Billing Charges For the Month of:	Jul-19	
Water Revenue		18,957.97
Sewer Revenue		44,335.31
Installment Billing -Offsite Sewer Arrears		992.89
Sales Taxes		1,690.97
Late Charges		1,019.12
Installation Fees-Water		-
Installation Fees-Sewer		8,000.00
Other Miscellaneous Fees		14,785.00
Returned Checks		500.00
Deposits Applied/Adjustments		(105.00)
Customer Refunds Paid		146.53
Total Billing Charges		90,322.79
Water Gallons Billed		976,897
Water Customers Billed		246
Sewer Gallons Billed		676,170
Sewer Customers Billed		762

Accounts Receivable	Jul-19	
Beginning Balance		92,195.00
Billing Charges		90,322.79
Bad Debt Recoveries (Write Offs)		-
Accounts Receivable Collections		(88,359.07)
End of Month Accounts Receivable		94,158.72

Water Revenue Checking	Jul-19	
Beginning Balance		292,952.12
Deposits:		
Accounts Receivable Collections		88,359.07
Customer Deposits		1,570.00
Other - (Cash Refund Brake Pads)		1.09
		89,930.16
Disbursements:		
Accounts Payable Checks		(111,362.54)
Auto Debit Charges-Utilities		(3,702.92)
Transfer to Alpine Road Funding		(2,000.00)
TN TAP - Sales Tax		(1,513.00)
Refund Checks		(606.08)
Returned Checks		(500.00)
Payroll Taxes		(382.64)
End of Month Balance		262,815.10
Cash Receipts Collected To Date in:	Aug-19	80,531.62
Auto Debited Utilities in:	Aug-19	(3,948.46)
Bills Submitted for Payment in:	Aug-19	(56,651.62)
Available Balance		282,746.64

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

Bank Account / Security	Maturity Date	Beginning Balance	Deposits	Interest Earned	Payments	Ending Balance
Checking Acct-Operations		292,952.12	89,930.16	-	(120,067.18)	262,815.10
Checking Acct-Alpine Road Funding		76,426.13	266,470.75	-	(264,470.75)	78,426.13
Checking Acct-Waste Water Plant		833.37	-	-	-	833.37
Cash on Hand		60.00	-	-	-	60.00
Total Cash and Investments		370,271.62	356,400.91	-	(384,537.93)	342,134.60

**EAST SEVIER COUNTY UTILITY DISTRICT
BILLING SUMMARY**

DATE	WATER REVENUE		WATER GALLONS (000s)		NO. OF CUSTMRS
	TOTAL	YTD TOTAL	TOTAL	YTD TOTAL	
Jul-19	18,958	18,958	977	977	246
Jun-19	18,888	221,506	894	8,978	249
May-19	17,763	202,618	783	8,084	250
Apr-19	17,463	184,855	668	7,301	250
Mar-19	17,535	167,392	627	6,633	250
Feb-19	19,679	149,857	723	6,006	243
Jan-19	22,743	130,178	748	5,283	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

**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		
Jul-19	44,335	44,335	676	676	762	88,359
Jun-19	46,421	553,474	574	6,709	758	100,207
May-19	44,839	507,053	604	6,135	757	65,173
Apr-19	43,934	462,214	491	5,531	751	73,177
Mar-19	44,021	418,279	499	5,040	750	72,003
Feb-19	42,340	374,258	443	4,541	741	84,087
Jan-19	52,706	331,918	553	4,098	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



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

August 2019

Administrative

AWR staff are working with TDEC and McGill to explore financially responsible options for the wastewater treatment facility upgrade.

Treatment

Treatment at the wells is monitored daily. Water treatment has improved since the installation of the filters at well C.

Treatment at the wastewater plant is effective. All monthly parameters were within permit limits.

Collection/Distribution

Oversaw 1000 feet of sewer main installation at Hibernation Station.

Installed three pump kits at offsite resort communities.

Added surge protection for Well C treatment system.

Tank cleaning and repair were successful at Well C storage tank.

A letter of closure was received from TDEC indicating that they are satisfied with the corrective actions taken in regards to a previously issued director’s order.

Identified a faulty flow meter at the Well D treatment system.

Customer Service

The installation of a “blow off” valve has had a positive effect on water quality for the customers on Lakeside Court. When members of the community see results, positive feelings are slowly restored.

Project Updates

Alliance is in current communications with TDEC regarding the WWTP phase of our improvement project.



OPERATIONS REPORT – East Sevier County Utility District

Safety

Our August safety meeting was on Lock Out Tag Out.

Regulatory

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

Training

Staff are participating in online security training to further ensure the protection of ESCUD / Alliance documents and information.

Our newest employee is excelling on the backhoe

Concerns for the Month

Employee hydration in hot weather.

Positives for the Month

Positive feedback from numerous customers regarding water quality.

Leak Repairs

Water leaks were addressed on John Sevier, Magnolia, and the A/B well site.

Sewer leaks were addressed on Aintree Drive and the Sherwood Forest Resort.

Name/Service Address
Douglas Lake Resort / Kim Broyhill 0000 Willard Way

Sevier County Water Department

227 Cedar Street
Sevierville, TN 37862-3838
Phone: (865) 774-3852
Fax: (865) 774-3747
Email: waterdept@seviercountytn.org
Website: www.seviercountywater.com

Account Number	Service Period
11-005678-01	07/16/2019 - 08/14/2019

Payment History	
07/29/2019	1,738.25
06/24/2019	596.55
05/30/2019	488.33
05/02/2019	594.95
04/01/2019	1,067.59
03/08/2019	1,428.84

SERVICE	CURRENT READING	PREVIOUS READING	USAGE	CHARGES
WA	1338700	1112100	226,600	3,437.50
TAX				335.16

PAY BY PHONE CALL
1-877-768-5046

LAST DAY BEFORE LATE CHARGE	TOTAL AMOUNT WITH LATE CHARGE	NET AMOUNT DUE NOW
09/17/2019	4,149.93	3,772.66

BILLS MAY ALSO BE PAID AT ANY
TENNESSEE STATE, CITIZENS NATIONAL
AND SEVIER COUNTY BANK

PAY BY PHONE
1-877-768-5046
OR ONLINE
WWW.SEVIERCOUNTYWATER.COM
Follow us on TWITTER @scwaterdept for the latest in water
outages and news!

PLEASE RETURN BOTTOM PORTION WITH PAYMENT OR BRING ENTIRE STATEMENT WHEN PAYING IN PERSON

Sevier County Water Department

227 Cedar Street
Sevierville, TN 37862-3838

Phone: (865) 774-3852 EMail: waterdept@seviercountytn.org Website: www.seviercountywater.com

Douglas Lake Resort / Kim Broyhill
2567 Martin Lane
Sevierville, TN 37876

ACCOUNT INFORMATION	
ACCOUNT NUMBER	11-005678-01
AMOUNT DUE NOW	3,772.66
LATE CHARGE AMOUNT, IF NOT PAID BY DUE DATE	377.27
IF PAID AFTER DUE DATE	4,149.93
DUE DATE	09/17/2019
DATE OF BILL	08/21/2019

Sevier County Water Department
227 Cedar Street
Sevierville, TN 37862-3838



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES
William R. Snodgrass - Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, Tennessee 37243-1102

August 14, 2019

Mr. Roy Ivey
East Sevier County Utility District
1529 Alpine Drive
Sevierville, Tennessee 37876

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
RECEIPT #9414 7266 9904 2120 5200 81

Subject: **DIRECTOR'S ORDER NO. DWS14-0136**
EAST SEVIER COUNTY UTILITY DISTRICT
SEVIER COUNTY, TENNESSEE
CLOSURE LETTER

Dear Mr. Ivey,

Thank you for the effort you have put forth to meet the requirements of Order DWS14-0136. This letter is to advise you that upon review of all relevant documents associated with the aforementioned Order, the Division has determined that the East Sevier County Utility District has satisfied the corrective actions stipulated in the Order, and hereby closes the Order.

The closure of this order shall not be deemed an election by the state to forgo any administrative, civil or criminal action or other appropriate relief under the Tennessee Safe Drinking Water Act, for any action not already addressed in the order.

The Division appreciates your efforts to maintain water quality. Should you have any further questions, please feel free to contact case manager Tom Moss at (615) 532-0170 or at tom.moss@tn.gov or you may contact me at (615) 532-0676 or jessica.murphy@tn.gov.

Sincerely,

Jessica Murphy, Manager
Compliance and Enforcement Unit

EJM:TAM

cc: DWR – EFO-K
DWR – Compliance File
OGC