

DUE TO COVID-19 WEARING MASK OR FACE COVERING IS MANDATORY

**EAST SEVIER COUNTY UTILITY DISTRICT BOARD OF
COMMISSIONERS MEETING**

May 13, 2021

5:30 P.M.

AGENDA

- 1) Call to Order by President Roy Ivey
- 2) Introductions of Commissioners, Alliance Personnel and ESCUD Manager
- 3) Motion to approve the minutes of the previous Board meeting
- 4) Persons to be Heard
 - ****ONE AT A TIME AS RECOGNIZED****
 - When it is your turn to speak, please stand state your name, address and phone number prior to your discussion. Time limit is 10 minutes.
 - Please be considerate of others that may wish to speak by keeping your comments brief.
 - Customers that interrupt others speaking may be asked to leave meeting.

REPORTS

- 5) Motion to approve the Accounts Payable Listing in total as submitted.
- 6) Alliance Water Resources – Financial Report / Operations

OLD BUSINESS

- 7) None

NEW BUSINESS

- 8) WWTP update
- 9) First Horizon Bank
- 10) Asphalt Repair
- 11) HOA discussion
- 12) Adjournment – Next regular Board Meeting to be held on Thursday, June 10, 2021- 5:30 pm

MINUTES

BOARD OF COMMISSIONERS OF THE EAST SEVIER COUNTY UTILITY DISTRICT

Thursday, April 08, 2021

The Board of Commissioners of the East Sevier County Utility District met at 5:30 p.m. on Thursday, April 08, 2021, 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 5:34 p.m. for any old or new business. Introductions were made to acquaint visitors with Commissioners and Alliance staff.

A motion to approve the minutes of the March 11, 2021, meeting was made by Janice. Barbara seconded the motion. Motion carried.

Persons to be Heard

Sharon Crabb of 1541 Wilhite Creek Road announced that she was recording the meeting on her cell phone for legal purposes.

John Storen of 1381 Alpine Drive asked for a one-time forgiveness for his March 2021 water and sewer bill. He had a leak at his shut-off valve by the meter and did not discover it until staff had alerted him that he had used 82,090 gallons of water for the month. He immediately made a repair. The Board agreed to allow a one-time in twelve month forgiveness for half of the water overage and all of the sewer overage since the water did not go through the sewer.

Cindy Mitchell of 954 Pawnee Court said she heard new water and sewer lines were going to be installed on Half High Street and wanted to know when the project will be started. Roy said he would be doing the work; Jan stated that they had not set a time yet, that it depended on District finances. Cindy asked if we could bring more gravel to the road in front of 1034 Half High Street. She was told it would be done.

Lisa Hawthorne of 1519 Lin Creek Road asked when we were going to repair the road in front of 1452 Lin Creek Road, where we, as well as a commercial plumbing company, had been working to reroute the sewer line to the customer's dwelling. She was told that it would be repaired, but no time frame was given. She also reiterated her concerns about her parents having to pay a bill at 1530 Lin Creek Road even though they don't use water at that address. She was told that she would need to take that issue up elsewhere. That particular regulation was put in place by the State. She said that there is no water meter on the property, that the meter had been taken several years ago and placed on another

property. Later in the evening, a discussion ensued among the Commissioners and James concerning the implications of there being no meter at the property and debated the legality of charging a customer for water if water is not being made available to them. No resolution was agreed upon at that time.

James had given Sharon Crabb a copy of the District by-laws, which she had requested at the March meeting. She reported that the rates for water and sewer were incorrect. James said we would correct the rates. Sharon has an attorney. She and Lisa are working together to make changes to some of the mandates that are presently in place. They have also expressed an interest in getting on the Board. James said that since they have an attorney, their concerns should be voice through him and not the Board. James will speak to our attorney about their concerns.

James asked if the Commissioners had any questions about the financial report; they did not. Janice motioned, and Barbara seconded the motion, to approve the financial report as submitted. Motion carried.

On the Mountain, staff was trained in setting up GIS for line and valve locations. All Districts under Alliance will be required to have the system in place at some point in time not yet specified. Once the equipment is received and the GIS maps are set up for the entire Mountain, they will be able to locate lines by searching on their cell phones for the coordinates. Staff flushed several lines in the Well D footprint. Annual instrument calibration was performed by Labtronyx. A customer within the Well D footprint had concerns over water quality; staff verified the quality of the water is good. A water main was repaired on Lin Creek Road.

Offsite, maintenance was performed at the drip field in Sherwood Forest. Staff cleaned nozzles at the Lashbrooke WWTP. Back injury prevention and slips, trips, and falls were the safety topics for March.

Old Business

None

New Business

Roy recently signed a document to allow work to proceed with the WWTP project, which has been a long time in coming.

Jeff Bragonier, an Alliance employee at ESCUD, owns the property located at 1025 Lin Creek Drive, which sits directly across from the WWTP. He has plans to sell the property and move elsewhere and proposed to the Board that the District purchase the property as an office for Darrell. It can also be used to park District vehicles since the new treatment plant will eliminate parking space. There is also a much-needed storage building on the property. The Board unanimously agreed to purchase the property at the price of \$45,000. Roy motioned to purchase the property at the price of \$45,000; Jan and Barbara both seconded the motion. Motion carried.

Daryl Clark has moved into his son's house at 1516 Lin Creek Road. His son had recently moved, leaving an unpaid balance of \$679.82 on the account. The two had made an agreement that Daryl will pay the balance in lieu of paying rent. Daryl asked the Board if they would accept a payment of \$150 per month from Daryl until the arrearage is paid in full. The Board agreed.

The next regular meeting will be held on Thursday, May 13, 2021, at 5:30 p.m.

Adjournment

Roy motioned and Barbara seconded the motion, to adjourn at 6:03 p.m. Motion carried.

Secretary-Treasurer

**East Sevier County Utility District
List of Bills
13-May-21**

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	Inv# 9336, April 2021 Services	\$ 43,932.00
First Horizon Bank	Alpine Fund Drive	\$ 2,000.00
The Mountain Press	Meeting Announcement Ad# 70019747, Apr21	\$ 25.88
Power Pumping	Inv# 10289, Pump WWTP, 04/23/21, work completed	\$ 700.00
Big Orange Electric	Inv# 2161, Service calls/installation, Mar21, work completed	\$ 3,755.00
Mission Communications	Inv#, Alarm system/parts/setup-Well C, March 2021	\$ 3,761.00
FP Mailing Solutions	Inv# RI104855758, 04/10/21-07/09/21, Postage meter rental	\$ 95.32
SDL Properties, LLC, 5-32000-1	Refund, Deposit	\$ 105.00
Jeffrey Markee, 1-8200-3	Refund, Deposit plus overpayment	\$ 111.75
Todd Coats, 5-10200-1	Refund, Deposit	\$ 105.00
Total Regular Checking for Consideration		\$ 56,450.10

Charges and Bills Paid from Regular Checking Since April 08, 2021		
Mount Vernon Fire Insurance Co.	Fire insurance premium, 05/13/21-05/13/22	\$ 1,638.00
Sevier County Electric	Utility	\$ 5,565.00
Sevier County Water	Utility	\$ 42.25
City of Pigeon Forge Water & Sewer	Utility	\$ 29.12
Appalachian Electric	Utility	\$ 126.89
USDA	Loan Repayment, November	\$ 2,076.00
State of Tennessee	Sales tax	\$ 2,713.00
IRS	Payroll tax	\$ 382.64
Harland Clarke	Purchase Checks-April	\$ 183.02
Bank fee	Analysis Service Charge	\$ 161.85
Total Regular Checking Charges and Bills Paid		\$ 12,917.77

Grand Total Regular Checking **\$ 69,367.87**

Charges and Bills Paid from Alpine Drive fund Since April 08, 2021		
Total Alpine Drive Fund Checking Charges and Bills Paid		\$ -

Charges and Bills Paid from WWTP fund Since April 08, 2021		
Total WWTP Fund Checking Charges and Bills Paid		\$ -

East Sevier County Utility District
Balance Sheet
March 31, 2021

	03/31/2021	03/31/2020
ASSETS		
CURRENT ASSETS		
Checking Account - Operations	\$334,233.66	\$306,331.24
Checking Account - Alpine Rd Funding	101,869.85	77,869.85
Cash on Hand	100.00	60.00
Cash-Restricted-Customer Deposits	(61,745.49)	0.00
Total Cash	374,458.02	384,261.09
Accounts Receivable	186,513.82	172,359.21
Allowance for Doubtful Accts	(46,500.03)	(29,462.29)
Unbilled Accounts Receivable	10,539.00	6,045.00
Inventory	91,659.43	30,614.55
Prepaid Expenses	28,412.17	27,968.56
Total Current Assets	645,082.41	591,786.12
PROPERTY, PLANT & EQUIPMENT		
Land	31,657.80	31,657.80
Distribution & Collection System	2,962,944.76	2,195,680.48
Buildings	69,235.68	69,235.68
Machinery & Equipment	122,963.26	119,884.26
Vehicles & Trailer(s)	88,334.99	61,272.58
Construction Work in Progress	176,135.63	832,580.22
Less: Accumulated Depreciation	(1,231,356.17)	(1,123,921.00)
Net Property, Plant & Equipment	2,219,915.95	2,186,390.02
RESTRICTED CASH		
Construction Account - Waste Wtr Project	833.37	833.37
Cash-Restricted-Customer Deposits	61,745.49	0.00
Total Restricted Cash	62,578.86	833.37
OTHER ASSETS		
Deposits	14,370.00	14,370.00
Total Other Assets	14,370.00	14,370.00
Total Assets	\$2,941,947.22	\$2,793,379.51

East Sevier County Utility District
Balance Sheet
March 31, 2021

	03/31/2021	03/31/2020
LIABILITIES AND DISTRICT'S EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$39,009.68	\$33,435.60
Sales Tax Payable	2,715.54	1,999.95
Payroll Taxes Payable	382.52	382.46
Unearned Revenue	30,420.85	26,417.05
Long Term Debt-Current	8,163.56	0.00
Accrued Interest Payable	8,453.47	3,406.34
Customer Deposits	61,745.49	40,550.00
Total Current Liabilities	150,891.11	106,191.40
LONG-TERM DEBT		
USDA 2018 Loan #1	152,506.25	172,237.97
USDA 2017 Loan #2	283,947.12	288,009.75
USDA 2017 Loan #3	259,038.48	263,289.70
Less: Current Portion of L-Term Debt	(8,163.56)	0.00
Total Long-Term Debt	687,328.29	723,537.42
Total Liabilities	838,219.40	829,728.82
DISTRICT'S EQUITY		
Retained Earnings	1,960,517.59	1,397,784.62
YTD Net Income	143,210.23	565,866.07
Total District's Equity	2,103,727.82	1,963,650.69
Total Liabilities and District's Equity	\$2,941,947.22	\$2,793,379.51

East Sevier County Utility District
Statements of Revenues and Expenses
For the Nine Months Ending March 31, 2021
Actual vs Budget

March

YTD

<u>March</u>			<u>YTD</u>		<u>Annual Budget</u>
<u>Actual</u>	<u>Budget</u>		<u>Actual</u>	<u>Budget</u>	
		Operating Revenues			
\$27,286	\$21,138	Water Sales	\$186,753	\$175,617	\$237,263
64,262	43,036	Sewer Charges	479,451	371,616	503,224
2,500	1,250	Connection Fees - Water	5,000	2,500	2,500
2,500	1,500	Connection Fees - Sewer	23,250	11,750	16,250
(9)	926	Late Charge Fees	(9)	8,330	11,107
3,669	7,222	Reconnect/Meter Sets/Other Fees	98,243	65,001	86,668
229	200	Miscellaneous Income	1,429	1,800	2,400
100,437	75,272	Total Operating Revenues	794,117	636,614	859,412
		Operating Expenses			
159	167	Payroll Taxes	1,380	1,500	2,000
43,932	43,932	Management & Operations Contract	395,388	395,388	527,184
5,532	4,000	Utilities	40,096	36,000	48,000
2,539	2,000	Insurance	22,370	18,000	24,000
4,729	4,417	Repairs & Maintenance	67,337	39,750	53,000
0	417	Professional Outside Services	0	3,750	5,000
2,082	2,083	Directors' Fees	18,040	18,750	25,000
0	1,000	Legal Expenses	8,983	9,000	12,000
0	0	Accounting	7,350	7,300	7,300
1,167	1,167	Bad Debts	10,500	10,500	14,000
0	0	Dues	0	825	825
0	0	Office Expense	(47)	0	0
26	0	Advertising Expense	239	0	0
0	0	Permits	6,162	4,306	5,200
162	250	Miscellaneous Expense	5,166	2,250	3,000
60,328	59,433	Total Operating Expenses	582,964	547,319	726,509
40,109	15,839	Net Income B/4 Other (Inc) & Exp	211,153	89,295	132,903
		Other Income (Expenses)			
(421)	(1,792)	Interest Expense	(12,143)	(16,125)	(21,500)
(6,200)	(6,200)	Depreciation	(55,800)	(55,800)	(74,400)
0	(83)	Bond Issue Costs	0	(750)	(1,000)
(6,621)	(8,075)	Total Other Income (Expenses)	(67,943)	(72,675)	(96,900)
\$33,488	\$7,764	Net Income(Loss)	\$143,210	\$16,620	\$36,003

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

Billing Charges For the Month of:	Mar-21	
Water Revenue		27,286.40
Sewer Revenue		65,299.67
Installment Billing -Offsite Sewer Arrears		686.84
Sales Taxes		2,714.10
Late Charges		(9.00)
Installation Fees-Water		2,500.00
Installation Fees-Sewer		2,500.00
Other Miscellaneous Fees		3,668.70
Returned Checks		150.00
Deposits Applied/Adjustments		(620.00)
Customer Refunds Paid		485.96
Total Billing Charges		<u>104,662.67</u>
Water Gallons Billed		<u>1,924,834</u>
Water Customers Billed		<u>250</u>
Sewer Gallons Billed		<u>1,565,260</u>
Sewer Customers Billed		<u>830</u>

Accounts Receivable	Mar-21	
Beginning Balance		153,210.55
Billing Charges		104,662.67
Bad Debt Recoveries (Write Offs)		-
Accounts Receivable Collections		(93,418.35)
End of Month Accounts Receivable		<u>164,454.87</u>

Water Revenue Checking	Mar-21	
Beginning Balance		319,050.82
Deposits:		
Accounts Receivable Collections		93,418.35
Customer Deposits		2,710.00
Miscellaneous - Insurance Dividend Check		344.00
		<u>96,472.35</u>
Disbursements:		
Accounts Payable Checks		(69,088.88)
Auto Debit Charges-Utilities		(5,133.39)
USDA Loan Payment		(2,076.00)
Transfer to Alpine Road Funding		(2,000.00)
TN TAP - Sales Tax		(2,040.00)
Refund Checks		(485.96)
Payroll Taxes		(382.64)
Bank fees		(82.64)
End of Month Balance		<u>334,233.66</u>
Cash Receipts Collected To Date in:	Apr-21	85,142.34
Auto Debited Utilities in:	Apr-21	(5,763.26)
Bills Submitted for Payment in:	Apr-21	(81,444.82)
Available Balance		<u><u>332,167.92</u></u>

**East Sevier County Utility District, TN
Treasury Report
Summary of Cash and Investments
March 31, 2021**

Bank Account / Security	Maturity Date	Beginning Balance	Deposits	Interest Earned	Payments	Ending Balance
Checking Acct-Operations		319,050.82	96,472.35	-	(81,289.51)	334,233.66
Checking Acct-Alpine Road Funding		99,869.85	2,000.00	-	-	101,869.85
Checking Acct-Waste Water Plant		833.37	-	-	-	833.37
Cash on Hand		100.00	-	-	-	100.00
Total Cash and Investments		419,854.04	98,472.35	-	(81,289.51)	437,036.88

**EAST SEVIER COUNTY UTILITY DISTRICT
BILLING SUMMARY**

DATE	WATER REVENUE		WATER GALLONS (000s)		NO. OF CUSTMRS
	TOTAL	YTD TOTAL	TOTAL	YTD TOTAL	
Mar-21	28,478	205,893	1,925	11,254	250
Feb-21	21,063	177,415	977	9,329	247
Jan-21	19,944	156,352	750	8,352	249
Dec-20	21,862	136,408	1,227	7,602	250
Nov-20	20,126	114,546	935	6,375	250
Oct-20	19,644	94,420	817	5,440	250
Sep-20	19,440	74,776	854	4,623	245
Aug-20	19,566	55,337	841	3,769	249
Jul-20	35,771	35,771	2,928	2,928	247
Jun-20	19,948	241,664	1,032	12,014	247
May-20	19,393	221,715	911	10,982	247
Apr-20	19,479	202,322	956	10,071	246
Mar-20	20,417	182,843	979	9,115	248

**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		
Mar-21	61,708	488,227	1,565	6,964	830	93,418
Feb-21	52,180	426,518	465	5,399	830	95,566
Jan-21	52,376	374,338	456	4,934	825	96,451
Dec-20	54,364	321,963	859	4,478	827	110,401
Nov-20	52,333	267,599	572	3,619	824	69,016
Oct-20	51,849	215,266	492	3,047	824	79,482
Sep-20	51,729	163,417	502	2,555	824	70,655
Aug-20	51,329	111,689	499	2,053	820	98,021
Jul-20	60,359	60,359	1,554	1,554	816	85,621
Jun-20	49,449	572,773	621	7,531	814	95,517
May-20	48,576	523,324	528	6,910	811	82,140
Apr-20	48,098	474,748	576	6,382	806	86,379
Mar-20	48,235	426,650	569	5,806	799	78,211

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

April – 2021

Administrative

Water sample results are now being delivered electronically to ESCUD. The new system of delivery allows us to review sample data a full week earlier.

Treatment

Treatment at the wells is monitored daily. All testing results have been within regulatory compliance.

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

Collection/Distribution

A new pipe rack was installed at the Lashbrooke Estates WWTP

A laboratory equipment use and calibration training was held for AWR staff

Cleaned injectors on the Well D treatment system

On site prep work has begun for the WWTP project

Replaced floats for customers at Sherwood Forest and Lashbrooke Estates

Customer Service

Staff visited with a customer experiencing pressure problems with their water

Project Updates

The wastewater plant project has begun



OPERATIONS REPORT – East Sevier County Utility District

Safety

Distracted driving, vehicle backing, and hazardous driving conditions were April’s safety topics.

Regulatory

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

Concerns for the Month

Creating a positive impact on water loss.

Supporting the WWTP project while performing normal duties.

Positives for the Month

A water main repair has impacted our water loss in a very positive way. Data is still coming in.

Leak Repairs

Numerous water and sewer leaks were repaired for the month of April.

Alliance Year-to-Date Capped Expenses through March, 2021			
	Actual	Budget	Over (Under) Budget
Repair Expense	\$48,740	\$29,916	\$18,824
Chemical Expense	\$3,434	\$9,153	(\$5,719)