

East Sevier County Utility District

1529 Alpine Dr.

Phone (865) 453-6704 Sevierville, Tennessee 37876
Regular Meeting, Thursday, December 8, 2022 – 5:30 p.m.
East Sevier County Utility Building

AGENDA

- 1) Call the meeting to order
 - A. Introductions of Commissioners, Alliance Personnel and ESCUD Manager
- 2) Review and Consideration to Approve Minutes
- 3) 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 5 minutes per speaker.
 - Customers that interrupt others speaking may be asked to leave meeting.
- 4) Review and Consideration of Financial Reports
 - A. Review and Consideration to Approve Treasurer's Report
 - B. Review and Consideration to Approve Other Financials
- 5) Review and Consideration to Approve Bills
- 6) Legal
 - A. Any Issues for Discussion with Board Attorney
- 7) Operations
 - A. Alliance Operations Report
 - B. Water Loss Report
- 8) Project Updates
 - A. Well C
 - B. Generator and Concrete Pad
- 9) Old Business
 - A. None
- 10) New Business
 - A. Signing of bills
- 11) Adjourn – Next Regular Board Meeting to be Held on Thursday, January 12, 2023– 5:30 pm
****Anyone without the authority or knowledge of ESCUD and/or water systems should refrain from giving instructions to other customers****

MINUTES

BOARD OF COMMISSIONERS OF THE EAST SEVIER COUNTY UTILITY DISTRICT

Thursday, November 10, 2022

The Board of Commissioners of the East Sevier County Utility District met at 5:30 p.m. on Thursday, November 10, 2022, 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.

President Roy Ivey called the meeting to order at 5:31 p.m. for any old or new business. Introductions were made among the staff and visitors.

A motion to approve the minutes of the October 13th, 2022, meeting was made by Barbara; Roy seconded the motion. Motion carried.

Persons to be Heard

Debbie Lewis of 1604 Dogwood Street came to the board with complaints on the quality of water she has been receiving. She stated she has ruined clothing, bedding, and faucets due to her being provided with “dirty” water. She asked the board to have employees’ flush lines more often and send alerts when flushing lines. Craig Miller addressed Debbie and told her that there will be alerts the day before flushing and more training on properly flushing lines.

Randy Nininger of 1394 Alpine stated he has witnessed poor flushing of lines by employees. He stated he does not believe the lines are being flushed for a long enough period.

Jerry Hayes of 1201 Low Sunset Drive addressed the board with complaints on pricing he was given for records requests. He stated he has contacted the state senator and Nashville as to the charge of \$1333.53 for 22 hours of work. He addressed Jason Damron with measurements on elevation and pressure that was stated at the previous board meeting. Jerry Hayes also questioned the board as whether there were three bids given for the new pressure reducing valves purchased for Alpine. Jerry Hayes stated that there have been no improvements since Alliance Water Resources has been at ESCUD, he believes the company is only trying to save money and stay in balance within the budget.

Charles Rogers of 1208 Lakeside Court questioned the board about plans to fix roads that were destroyed by ESCUD. Roy stated when the lines for water and sewer were finished the road would be completed with a permanent fix. Craig Miller stated we need to get

quotes on repairs and Alliance will contribute to funds needed. John Sevier will need to be patched and paved back.

There was questioning on who the attorney Kaitlyn represents and whether there will be a conflict of interests since the firm also represents the EMPOA. The attorney questioned whether the EMPOA has issues with the Board itself.

Heather From 1545 Wilhite Creek Road stated she has called Jason Damron's personal phone 865-556-5664 three days in a row as to being without water for her household and there was never a response or call back. Heather also questioned the Board if there will be water available if it snows and power is out. She also questioned the reason the concrete pad for the generator was not poured and stated there will not be concrete available for months. She is concerned that there will be no water available if it snows and the lines freeze.

Patricia Rogers of 1208 Lakeside Court, stated the office door was locked and there has not been a response when calling the office. Elizabeth in the office questioned whether there have been messages left and if so then calls would be returned. During the new billing system conversion there is set times for training meetings with minimal time frames. Jason Damron has been trying to assist in answering calls. Debbie Lewis stated the phones have not been answered in three weeks and she has left messages.

4.) Review and Consideration of Financials Report, September 2022:

A.) Barbara motioned, Roy seconded the motion, to approve the Treasurers Report. Motion carried.

B.) Barbara motioned, Roy seconded the motioned, to approve Other Financials. Motion carried.

5.) Review and Consideration to Approve Bills

Barbara motioned; Roy seconded the motion to Approve Bills. Motion carried

6.) Legal

A.) There was no issues for discussion with the Board Attorney

7.) Operations, August 2022:

Alliance Operations Report was reviewed TAUD scheduled to do a water audit to look at water loss. Several sewer and water taps have been installed. Muni Link conversion has been finding flaws in the old system as far as issues with meters that needed to be fixed that will help with more accurate reports on water loss.

8.) Project Updates

PRV is here and it will be installed next week.

The concrete pad for Well C generator was not strong enough for the large fuel tank underneath the generator.

The new date for installing the concrete pad will be December 6th, 2022. Credit card payment implantation can take place if approved.

Leak on Old Laurel caused by a block truck was repaired.

9.) Old Business

NONE

10.) New Business

A.) Barbara motioned, Roy seconded the motion to approve the Credit Card Payment Merchant Agreement

B.) Barbara motioned, Roy seconded the motion to approve Jason Damron as the first point of contact for Open Record Request Policy and Craig Miller as the second point of contact; Motion carried.

C.) Barbara stated she wanted to come up with an agreement to try and prorate customers' bills when service is interrupted.

Adjournment

The next regular Board meeting will be held on Thursday, December 8th, 2022, at 5:30 p.m.

Roy motioned and Barbara seconded the motion, to adjourn at 6:33 p.m. Motion carried.

Secretary-Treasurer

East Sevier County Utility District

Balance Sheets

October 31, 2022

	10/31/22	10/31/21
ASSETS		
CURRENT ASSETS		
Checking Account - Operations	\$ 185,659.12	\$ 255,230.90
Checking Account - Alpine Rd Funding	99,952.85	112,535.85
Cash on Hand	100.00	100.00
Cash - Restricted - Customer Deposits	(101,503.49)	(76,581.49)
Total Cash	184,208.48	291,285.26
Accounts Receivable	159,977.61	148,146.91
Allowance for Doubtful Accounts	(70,166.52)	(73,541.84)
Unbilled Accounts Receivable	8,712.00	8,803.00
Inventory - Water and Sewer	185,179.27	23,268.51
Prepaid Expenses	16,940.57	18,460.90
Total Current Assets	484,851.41	416,422.74
PROPERTY, PLANT, & EQUIPMENT		
Land	76,657.80	76,657.80
Distribution & Collection System	3,256,013.33	3,139,998.32
Buildings	70,784.60	69,235.68
Machinery & Equipment	124,939.85	124,378.85
Vehicles & Trailer(s)	80,808.00	89,933.99
Construction Work in Progress	1,191,210.04	783,941.18
Less: Accumulated Depreciation	(1,521,121.64)	(1,363,691.89)
Net Property, Plant, & Equipment	3,279,291.98	2,920,453.93
RESTRICTED ASSETS		
Construction Account - Waste Water Project	2,021.04	813.37
Cash - Restricted - Customer Deposits	101,503.49	76,581.49
Total Restricted Assets	103,524.53	77,394.86
OTHER ASSETS		
Deposits	14,945.00	14,945.00
Total Other Assets	14,945.00	14,945.00
Total Assets	\$ 3,882,612.92	\$ 3,429,216.53

East Sevier County Utility District

Balance Sheets

October 31, 2022

	10/31/22	10/31/21
LIABILITIES AND DISTRICT'S EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$ 87,052.13	\$ 49,767.06
Retainage Payable	47,192.22	15,200.40
Sales Tax Payable	1,919.74	1,972.12
Payroll Taxes Payable	382.62	382.48
Unearned Revenue	35,675.67	33,069.88
Long Term Debt - Current	12,693.80	8,417.23
Accrued Interest Payable	1,115.88	-
Customer Deposits	101,503.49	76,581.49
Total Current Liabilities	287,535.55	185,390.66
LONG-TERM DEBT		
USDA 2018 Loan #1	552,670.83	553,284.74
USDA 2017 Loan #2	277,240.47	281,513.21
USDA 2017 Loan #3	252,454.05	256,646.69
USDA 2022 Loan	110,871.65	-
Less Current Portion of L-Term Debt	(12,693.80)	(8,417.23)
Total Long-Term Debt	1,180,543.20	1,083,027.41
Total Liabilities	1,468,078.75	1,268,418.07
DISTRICT'S EQUITY		
Retained Earnings (Deficit)	2,418,617.56	1,995,878.76
YTD Net Income	(4,083.39)	164,919.70
Total District's Equity	2,414,534.17	2,160,798.46
Total Liabilities and District's Equity	\$ 3,882,612.92	\$ 3,429,216.53

East Sevier County Utility District
Statements of Revenues and Expenses
Fiscal Year Jul 01 to Jun 30
For the Month(s) Ending
Actual vs Budget

<u>October, 2022</u>			<u>YTD</u>		
<u>Actual</u>	<u>Budget</u>		<u>Actual</u>	<u>Budget</u>	<u>Annual Budget</u>
		Operating Revenues			
\$ 19,733	\$ 20,163	Water Sales	\$ 80,912	\$ 77,794	\$ 237,263
60,443	59,768	Sewer Charges	242,714	228,350	727,810
1,250	-	Connection Fees - Water	2,500	1,250	2,500
1,250	2,500	Connection Fees - Sewer	12,250	13,750	38,750
(5)	1,206	Late Charge Fees	2,981	4,825	14,476
850	8,983	Reconnect/Meter Sets/Other Fees	27,197	35,930	107,791
25	200	Miscellaneous Income	107	800	2,400
83,546	92,820	Total Operating Revenues	368,661	362,700	1,130,990
		Operating Expenses			
54,395	54,395	Management & Operations Contract	217,580	217,580	652,740
4,731	5,000	Utilities	21,236	20,000	60,000
2,743	2,583	Insurance	10,971	10,333	31,000
2,906	9,104	Repairs & Maintenance	20,339	36,417	109,250
(1,820)	1,250	Legal Expenses	22,259	5,000	15,000
-	-	Accounting/Audit	-	-	7,000
2,082	2,083	Director Fees	8,330	8,333	25,000
159	167	Payroll Taxes	637	667	2,000
1,167	1,167	Bad Debts	4,667	4,667	14,000
32	-	Advertising	476	-	-
-	-	Permits	417	3,412	5,200
1	500	Miscellaneous Expenses	1,713	2,000	6,000
66,396	76,249	Total Operating Expenses	308,624	308,409	927,190
17,150	16,571	Net Income B/4 Other Income (Expenses)	60,037	54,291	203,800
		Other Income (Expenses)			
-	-	Grant Income	-	-	536,000
(3,038)	(1,792)	Interest Expense	(12,154)	(7,167)	(21,500)
(12,992)	(12,992)	Depreciation	(51,967)	(51,967)	(155,900)
(16,030)	(14,783)	Total Other (Income) Expenses	(64,121)	(59,133)	358,600
\$ 1,120	\$ 1,787	Net Income (Loss)	\$ (4,083)	\$ (4,842)	\$ 562,400

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

Billing Charges For the Month of:		Oct-22
Water Revenue		19,733.40
Sewer Revenue		60,442.56
Installment Billing -Offsite Sewer Arrears		452.46
Sales Taxes		1,919.13
Late Charges		(4.95)
Installation Fees-Water		1,250.00
Installation Fees-Sewer		1,250.00
Other Miscellaneous Fees		850.00
Returned Checks		1,719.50
Deposits Applied/Adjustments		(615.00)
Customer Refunds Paid		771.90
Total Billing Charges		<u>87,769.00</u>
Water Gallons Billed		<u>846,632</u>
Water Customers Billed		<u>252</u>
Sewer Gallons Billed		<u>644,256</u>
Sewer Customers Billed		<u>893</u>
<hr/>		
Accounts Receivable		Oct-22
Beginning Balance		150,900.32
Billing Charges		87,769.00
Bad Debt Recoveries (Write Offs)		-
Accounts Receivable Collections		(85,088.22)
End of Month Accounts Receivable		<u>153,581.10</u>
<hr/>		
Water Revenue Checking		Oct-22
Beginning Balance		234,725.83
Deposits:		
Accounts Receivable Collections		85,088.22
Transfer from Construction Account to Reimburse Invoices Paid from Revenue Fund		4,678.00
Customer Deposits		720.00
		<u>90,486.22</u>
Disbursements:		
Accounts Payable Checks		(125,088.28)
Auto Debit Charges-Utilities		(4,705.55)
USDA Loan Payment		(2,076.00)
Transfer to Alpine Road Funding		(2,000.00)
TN TAP - Sales Tax		(2,262.00)
Refund Checks		(876.90)
Payroll Taxes		(382.64)
Bank fees		(442.06)
Returned Auto Draft		(1,719.50)
End of Month Balance		<u>185,659.12</u>
Cash Receipts Collected To Date in:	Nov-22	150,577.81
Auto Debited Utilities in:	Nov-22	(4,376.46)
Bills Submitted for Payment in:	Nov-22	(131,824.48)
Available Balance		<u><u>200,035.99</u></u>

**East Sevier County Utility District, TN
Treasury Report
Summary of Cash and Investments
October 31, 2022**

Bank Account / Security	Maturity Date	Beginning Balance	Deposits	Interest Earned	Payments	Ending Balance
Checking Acct-Operations		\$ 234,725.83	90,486.22	-	(139,552.93)	\$ 185,659.12
Checking Acct-Alpine Road Funding		99,944.85	2,000.00	-	(1,992.00)	99,952.85
Checking Acct-Waste Water Plant		6,699.04	-	-	(4,678.00)	2,021.04
Cash on Hand		100.00	-	-	-	100.00
Total Cash and Investments		\$ 341,469.72	92,486.22	-	(146,222.93)	\$ 287,733.01

**EAST SEVIER COUNTY UTILITY DISTRICT
BILLING SUMMARY**

DATE	WATER REVENUE		WATER GALLONS (000s)		NO. OF CUSTMRS
	TOTAL	YTD TOTAL	TOTAL	YTD TOTAL	
Oct-22	20,910	82,277	847	3,626	252
Sep-22	21,435	61,367	990	2,779	252
Aug-22	20,035	39,932	914	1,789	250
Jul-22	19,897	19,897	875	875	253
Jun-22	20,375	249,773	905	11,504	248
May-22	20,535	229,398	947	10,599	251
Apr-22	19,728	208,862	773	9,652	251
Mar-22	21,767	189,135	1,034	8,879	250
Feb-22	27,657	167,368	1,772	7,845	250
Jan-22	19,870	139,711	779	6,073	252
Dec-21	19,895	119,841	880	5,294	251
Nov-21	19,800	99,946	826	4,414	252
Oct-21	20,111	80,146	902	3,588	251

**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		
Oct-22	61,817	244,376	644	2,232	893	85,088
Sep-22	61,774	182,559	569	1,588	891	81,465
Aug-22	60,530	120,785	525	1,019	888	87,864
Jul-22	60,255	60,255	494	494	891	108,472
Jun-22	56,384	659,835	541	7,170	883	159,782
May-22	55,271	603,451	483	6,629	877	81,438
Apr-22	55,042	548,179	437	6,146	872	93,775
Mar-22	57,296	493,137	692	5,709	874	107,204
Feb-22	63,499	435,842	1,433	5,017	871	97,990
Jan-22	54,774	372,343	454	3,584	870	90,563
Dec-21	53,961	317,569	523	3,130	862	137,291
Nov-21	53,191	263,608	484	2,607	853	88,473
Oct-21	53,086	210,416	523	2,123	853	85,572

**East Sevier County Utility District
List of Bills
8-Dec-22**

Regular Checking for Consideration		Total
19581 Barbara Darby	Meeting fee	\$ 266.05
19583 Janice Brooks-Headrick	Meeting fee	\$ 277.05
19586 Roy Ivey	Meeting fee	\$ 266.05
19582 Barbara Darby	Insurance payment	\$ 350.00
19584 Janice Brooks-Headrick	Insurance payment	\$ 350.00
19585 Roy Ivey	Insurance payment	\$ 350.00
19587 Alliance Water Resources, Inc	INV104128 Due 12/1/2022	\$ 64,395.00
19593 First Horizon Bank	Alpine Drive Fund	\$ 2,000.00
19589 The Mountain Press	Ad# 70513754 11/5/2022	\$ 33.26
19595 Woolf-McClane	Inv# 314864 Legal services 10/01/2022-10/31/2022	\$ 2,067.50
	Inv# 314865 Legal services 10/01/2022-10/31/2022	\$ 552.50
19590 Citco Water	Inv # S100200762 Sensus Annual Support 11/02/2022	\$ 3,500.00
	Inv#s100195258.003 3 PRV 12/01/2022	\$ 5,859.99
19594 English Mountain Spring Water Co.	Inv #196155 Water for customers outage 11/21/2022	\$ 775.00
19588 Specialized Operations Services, Inc.	Inv # 11432 5 Risers.5 30" Grade Ring, 1 Valve Assembly, 11/07/2022	\$ 1,907.00
19592 Kazmier & Associates, Inc.	Inv # 8002221082 11/21/2022	\$ 318.00
19596 Dale Parton	Inv# 336333 11/12/2022 3 loads of Crun	\$ 1,950.00
19591 MG CPA Group	Inv# 4868 11/28/22	\$ 3,425.00
19600 Volunteer Concrete	Inv # 347890 Concrete pad at Well C 12/07/2022	\$ 3,520.00
19597 Candace Anger	Refund for account 04-1990-4, 11/18/2022	\$ 255.25
19598 Robert Hensley	Refund for account 04-1815-1	\$ 83.00
19599 Stephanie Spence	Refund for account 01-8100-2	\$ 74.20
Total Regular Checking for Consideration		\$ 92,574.85
Charges and Bills Paid from Regular Checking Since November 10, 2022		
Sevier County Electric	Utility Various November Dates	\$ 3,798.83
Sevier County Water	Utility Various November Dates	\$ 42.25
City of Pigeon Forge Water & Sewer	Utility Various November Dates	\$ 29.12
Appalachian Electric	Utility Various November Dates	\$ 506.26
USDA	Loan repayment 11/14/22	\$ 2,076.00
State of Tennessee	Sales tax 11/21/22	\$ 1,899.00
IRS	Payroll tax 11/14/22	\$ 382.64
Bank Fee	Analysis service charge 11/21/2022	\$ 253.99
Total Regular Checking Charges and Bills Paid		\$ 8,988.09
Grand Total Regular Checking		\$ 101,562.94
Charges and Bills Paid from Alpine Drive fund Since November 10, 2022		
ACH USDA RD DCFO-Payment 210925000	Repay loan	\$ 1,667.00
USDA RD DCFO-Payment 0000	Monthly payment on the cost overrun loan of \$112,000	\$ 325.00
Total Alpine Drive Fund Checking Charges and Bills Paid		\$ 1,992.00
Charges and Bills Paid from WWTP fund since November 11, 2022		
Total WWTP Fund Checking Charges and Bills Paid		\$ -



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

NOV22 – 2022

Administrative

The well located at C tank stopped producing water and has caused a major water outage for customers on C Booster station.

Treatment

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

Treatment at the wastewater plant met all monthly parameters and were within permit limits.

Collection/Distribution

Water has been bought and distributed to customers who are without water service.

Distribution crews have also filled empty jugs of water for customers at the yard hydrant at the office. Th

Customer Service

Service orders are now being generated from the office to the field. This should result in greater efficiency in the field and more accurate record keeping in the office.

AWR staff completed all meter reading and customer service-related tasks during November.



Project Updates

Concrete pad for generator has been poured.

Generator delivery has been scheduled for Tuesday, December 13.

Safety

Safety meeting for November was over crane safety.

Regulatory

Monthly Water and Wastewater reports were submitted to Tennessee Department of Energy in a timely manner.

Positives for the Month

We have had a difficult month but luckily we have not had any significant leaks during this past outage. The main line on Alpine seems to be holding much better than any time in recent history. This is due to the PRV that was put in place in September.

Staff at ESCUD has shown their willingness to go above and beyond to keep customers in water.

Leak Repairs

No updates.



**Alliance Year-to-Date Capped Expenses through
JULY 2022**

	Actual	Budget	Over (Under) Budget
Repair Expense	\$ 30,009	\$39,750	(\$9,741)
Chemical Expense	\$3,322	\$12,200	(\$8,878)

ALLIANCE WATER RESOURCES

Monthly Water Loss Report

Water Utility: East Sevier County Utility District

For the Month of: NOVEMBER Year: 2022

LINE #	ITEM	GALLONS (Omit 000's)
1	WATER PRODUCED, PURCHASED & DISTRIBUTED	
2	WELL A+B	1,497
3	WELL C	103
4	WELL D	917
5	Water Purchased	
6	TOTAL PRODUCED AND PURCHASED	2,517
7		
8	WATER SALES	
9	Residential	1,354
10	Commercial	31
11	Industrial	-
12	Bulk Loading Stations	
13	Wholesale	-
14	Public Authorities	
15	Other Sales (Explain) _____ 0	-
16	TOTAL WATER SALES	1,385 55.0%
17		
18	OTHER WATER USED	
19	Utility and/or Water Treatment Plant	
20	Wastewater Plant	
21	System Flushing	250
22	Fire Department	
23	Other _____	-
24	TOTAL OTHER WATER USED	250 9.9%
25		
26	WATER LOSS	
27	Tank Overflows	-
28	Line Breaks	882
29	Line Leaks	
30	Excavation Damages	
31	Theft	
32	Other Loss	
33	TOTAL LINE LOSS	882 35.0%
34		
35	Note: Line 14 + Line 22 + Line 31 Must Equal Line 4	
36		
37	WATER LOSS PERCENTAGE	
38	Unaccounted-For Water (Line 31 divided by Line 4)	35.0%

