

East Sevier County Utility District

1529 Alpine Dr.

Phone (865) 453-6704 Sevierville, Tennessee 37876

Regular Meeting, Thursday, November 10, 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. Half High
 - B. Generator and Concrete Pad
 - C. Outbuilding Construction
 - D. Well D Tank
- 9) Old Business
 - A. None
- 10) New Business
 - A. Credit Card Payment Merchant Agreement
 - B. Decision on Point of Contact for Open Records Request Policy
- 11) Adjourn – Next Regular Board Meeting to be Held on Thursday, December 8th, 2022 – 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, October 13, 2022

The Board of Commissioners of the East Sevier County Utility District met at 5:30 p.m. on Thursday, October 13, 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; and Janice Brooks-Headrick.

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 September 8, 2022, meeting was made by Barbara; Janice seconded the motion. Motion carried.

Persons to be Heard

Ron Mitchell of 954 Pawnee Court questioned Craig and JD regarding the issue at Half High, wanting new water lines, sewer lines and paving the road. Craig stated he is waiting on the drawings from the engineer to submit them to TDEC. Ron Mitchell asked about a timeline and as of right now there is no timeline to be given.

Randy Nininger of 1394 Alpine, wanted to address JD about a confrontation they had. He stated he had recordings and was asked by Craig to please provide him with a copy of them. Randy said he would see what he could do.

Jerry Hayes of 1201 Low Sunset Drive made complaints against quality of water customers are receiving. Craig stated the water has been fixed. He also questioned about the new Purchasing Policy in place and the cost of 5 new pressure reducer valves that were purchased. He stated the price of \$27,000 for all 5 was low compared to the prices he had researched about. Jerry questioned about a hydraulic study and if one had ever been done. Craig stated the lines were pre-engineered.

Heather Fromm of 1545 Wilhite Creek Road came to the Board with complaints against the quality of water customers are receiving she also brought to the board samples of bottled water from various places in her home on different dates. She stated the quality of the water has ruined her clothing, toilettes, and bathtubs. She must buy water from other sources for consuming and cooking. She asked the Board why she must pay for water she cannot feel safe. Barbara asked Heather how long the water has run clear and Heather responded, "Since yesterday." Craig stated that a company has come in and found issues with the filtration system and meter. Therefore, the meter to Well D has

been replaced and adjustments were made to the filtration system. Customers should experience a better consistent quality of water.

Patricia Rogers, 1208 Lakeside Court, questioned whether if there was investigation into drilling a new Well? Craig stated that we have tried to inquire about drilling a new well but the engineer put a stop to its placement. It was going to be drilled too close to an existing well and could potentially cause damage to it. Craig also stated we must look at the property to see where we can put a new well. Patricia questioned if there was a filtration system on wells A, B, and C. Craig informed Patricia that Well C has a filtration system but Wells A and B do not. Roy Ivey informed that Well A and B bypass Well C. She questioned if there are any new plans. Craig stated there is a lot of plans in place on completion of older projects, pouring a concrete pad on the 28th for the Well C generator, tying down the tank at Well D, trying to replace lines at Half High, PRV installs, finishing the WWTP project, and leak repairs. There was questioning on request for records and Craig informed that the record request exceeds the \$100 limit that was placed, and not every record is electronic.

Charles Rogers, 1208 Lakeside Court questioned the board about records request previously asked about and asked about plans to fix roads that were destroyed by ESCUD. Craig stated there is a budget for repairs and we need to get quotes on getting an asphalt company to fix them. He also questioned about records requests.

Ron Cooley of 1386 Aintree Drive questioned the board on how much pipe needs to be or has been replaced on Alpine and Hickory. Craig stated a lot needs to be replaced and was already replaced he also confirmed that a lot of problems will be fixed in replacement of the 5 new PRV's. The old PRV's that were in place were not functioning, when the PRV does not work properly it contributes to more water loss.

Leslie Cooley of 1386 Aintree Drive Came to the board with pictures of toilette tanks inside her home and complaints of water quality for customers. She stated she believes the discoloration in the water samples brought by Heather Fromm are from iron bacteria. If it is iron bacteria, it is unsafe to consume and shower with. Jan asked Craig if we test for iron and Craig stated we do. Craig also stated the filtration system on Well D is working properly now and we test the water once a month.

Jeffrey President of the English Mountain Condominium Association came to the board with complaints and comments on billing that was done when there was no water for customers for the length of 19 days. He asked the board for any type of credit to billing that he can provide to his customers. He stated there is 72 units and yearly the bill equals to \$110,000.00, 30 owners are there year-round, 20 are vacation homes and 23 are vacation rentals.

Louie Fromm of 1545 Wilhite Creek came to the board with complaints of the water quality and flushing the lines after work is done. Craig informed him the filtration system to Well D is now working properly. Louie questioned about alerts being put out to customers when water is out or boil alerts. Craig informed the customers we have a

program called One Call they can sign up for and ESCUD will be more proactive in sending out alerts. Several customers complained about being able to receive help from the on-call number. They stated no one ever answers the phone when there is an emergency. Craig gave the customers the local manager Jason Damrons' personal phone number for any type of after-hours emergency.

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

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

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

5.) Review and Consideration to Approve Bills

Janice motioned; Barbara 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:

A.) The pad for Well C generator was fitted. A new 8in PRV has been installed on Alpine. We have a new employee, Lena Casey, who previously was employed in Martin County A big leak upstream from Well C was found and repaired. Contractors drilled through a 6-inch line at the Preserve and it was repaired. We are currently waiting for McGill and Associates to submit a drawing to TDEC in order to start the project on Half High. We had an inspection done on Well C; it currently leaks which makes it essential for installation of the PRV's to help correct a lot of water loss issues.

B.) The monthly Water Loss report was reviewed by Craig in total the water loss was 49.4%.

8.) Capital Projects Report

A.) Craig updated the board with a new WWTP update stating we are waiting on construction to be completed but the water is currently on.

9.) Old Business

A. Barbara motioned; Jan seconded the motion to Approve the Updated Purchasing Policy. Motion carried.

B. Janice motioned; Barbara seconded the motion to Approve the Capitalization Policy. Motion carried.

10.) New Business

A.) Samantha Ammann Leak Adjustment Request, Jason Damron informed the board that Samantha Ammann was unable to attend the board meeting and is requesting a One

Time Leak Adjustment. Samantha Ammann had shown up on the Leak Report with an extremely high reading of 75,000 gallons of water usage. She told Jason she was having a plumber come to fix the leak. Janice motioned to approve the leak adjustment; Barbara seconded the motion; Motion carried

B.) Alechia Kiss Leak Adjustment Request, Jason Damron informed the board that Alechia Kiss has requested a One Time Leak Adjustment. She has a history of 0 water usage and had shown up on the Leak Report of 58,000 gallons of water usage. Alechia is out of state and unable to attend the board meeting. Janice motioned to approve the leak adjustment; Barbara seconded the motion. Motion carried

Adjournment

The next regular Board meeting will be held on Thursday, November 10th, 2022, at 5:30 p.m.

Roy motioned and Barbara seconded the motion, to adjourn at 6:53 p.m. Motion carried.

Secretary-Treasurer

East Sevier County Utility District

Balance Sheets September 30, 2022

	9/30/22	9/30/21
ASSETS		
CURRENT ASSETS		
Checking Account - Operations	\$ 234,725.83	\$ 314,663.02
Checking Account - Alpine Rd Funding	99,944.85	112,202.85
Cash on Hand	100.00	100.00
Cash - Restricted - Customer Deposits	(101,503.49)	(75,481.49)
Total Cash	233,267.19	351,484.38
Accounts Receivable	157,490.29	149,451.34
Allowance for Doubtful Accounts	(68,999.89)	(73,500.01)
Unbilled Accounts Receivable	8,712.00	8,803.00
Inventory - Water and Sewer	147,635.28	23,268.51
Prepaid Expenses	20,938.02	19,773.83
Total Current Assets	499,042.89	479,281.05
PROPERTY, PLANT, & EQUIPMENT		
Land	76,657.80	76,657.80
Distribution & Collection System	3,256,013.33	3,133,825.25
Buildings	70,784.60	69,235.68
Machinery & Equipment	114,939.85	124,378.85
Vehicles & Trailer(s)	80,808.00	89,933.99
Construction Work in Progress	1,184,446.42	770,837.18
Less: Accumulated Depreciation	(1,508,129.97)	(1,330,325.21)
Net Property, Plant, & Equipment	3,275,520.03	2,934,543.54
RESTRICTED ASSETS		
Construction Account - Waste Water Project	6,699.04	67,595.71
Cash - Restricted - Customer Deposits	101,503.49	75,481.49
Total Restricted Assets	108,202.53	143,077.20
OTHER ASSETS		
Deposits	14,945.00	14,945.00
Total Other Assets	14,945.00	14,945.00
Total Assets	\$ 3,897,710.45	\$ 3,571,846.79

East Sevier County Utility District

Balance Sheets September 30, 2022

	9/30/22	9/30/21
LIABILITIES AND DISTRICT'S EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$ 101,871.81	\$ 171,831.37
Retainage Payable	47,192.22	15,200.40
Sales Tax Payable	2,287.61	1,748.86
Payroll Taxes Payable	382.62	382.52
Unearned Revenue	35,675.67	33,069.88
Long Term Debt - Current	12,693.80	8,417.23
Accrued Interest Payable	1,115.88	(1,503.33)
Customer Deposits	101,503.49	75,481.49
Total Current Liabilities	302,723.10	304,628.42
LONG-TERM DEBT		
USDA 2018 Loan #1	552,836.44	554,142.37
USDA 2017 Loan #2	277,594.94	281,861.52
USDA 2017 Loan #3	252,801.83	256,988.43
USDA 2022 Loan	111,033.32	-
Less Current Portion of L-Term Debt	(12,693.80)	(8,417.23)
Total Long-Term Debt	1,181,572.73	1,084,575.09
Total Liabilities	1,484,295.83	1,389,203.51
DISTRICT'S EQUITY		
Retained Earnings (Deficit)	2,418,617.56	1,995,878.76
YTD Net Income	(5,202.94)	186,764.52
Total District's Equity	2,413,414.62	2,182,643.28
Total Liabilities and District's Equity	\$ 3,897,710.45	\$ 3,571,846.79

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>September, 2022</u>			<u>YTD</u>		
<u>Actual</u>	<u>Budget</u>		<u>Actual</u>	<u>Budget</u>	<u>Annual Budget</u>
		Operating Revenues			
\$ 21,594	\$ 17,816	Water Sales	\$ 61,178	\$ 57,631	\$ 237,263
61,936	55,918	Sewer Charges	182,271	168,582	727,810
-	-	Connection Fees - Water	1,250	1,250	2,500
-	3,750	Connection Fees - Sewer	11,000	11,250	38,750
940	1,206	Late Charge Fees	2,986	3,619	14,476
5,392	8,983	Reconnect/Meter Sets/Other Fees	26,347	26,948	107,791
57	200	Miscellaneous Income	82	600	2,400
89,920	87,873	Total Operating Revenues	285,115	269,880	1,130,990
		Operating Expenses			
54,395	54,395	Management & Operations Contract	163,185	163,185	652,740
4,797	5,000	Utilities	16,505	15,000	60,000
2,743	2,583	Insurance	8,228	7,750	31,000
2,856	9,104	Repairs & Maintenance	17,433	27,313	109,250
14,537	1,250	Legal Expenses	24,079	3,750	15,000
-	-	Accounting/Audit	-	-	7,000
2,082	2,083	Director Fees	6,247	6,250	25,000
159	167	Payroll Taxes	478	500	2,000
1,167	1,167	Bad Debts	3,500	3,500	14,000
382	-	Advertising	443	-	-
-	-	Permits	417	3,412	5,200
442	500	Miscellaneous Expenses	1,712	1,500	6,000
83,559	76,249	Total Operating Expenses	242,227	232,160	927,190
6,360	11,624	Net Income B/4 Other Income (Expenses)	42,887	37,720	203,800
		Other Income (Expenses)			
-	-	Grant Income	-	-	536,000
(3,038)	(1,792)	Interest Expense	(9,115)	(5,375)	(21,500)
(12,992)	(12,992)	Depreciation	(38,975)	(38,975)	(155,900)
(16,030)	(14,783)	Total Other (Income) Expenses	(48,090)	(44,350)	358,600
\$ (9,670)	\$ (3,160)	Net Income (Loss)	\$ (5,203)	\$ (6,630)	\$ 562,400

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

Billing Charges For the Month of:		Sep-22
Water Revenue		21,594.28
Sewer Revenue		61,936.31
Installment Billing -Offsite Sewer Arrears		452.46
Sales Taxes		2,287.43
Late Charges		940.05
Installation Fees-Water		-
Installation Fees-Sewer		-
Other Miscellaneous Fees		5,391.99
Returned Checks		181.50
Deposits Applied/Adjustments		(765.00)
Customer Refunds Paid		1,078.50
Total Billing Charges		<u>93,097.52</u>
Water Gallons Billed		<u>989,871</u>
Water Customers Billed		<u>252</u>
Sewer Gallons Billed		<u>569,180</u>
Sewer Customers Billed		<u>891</u>
<hr/>		
Accounts Receivable		Sep-22
Beginning Balance		139,268.20
Billing Charges		93,097.52
Bad Debt Recoveries (Write Offs)		-
Accounts Receivable Collections		(81,465.40)
End of Month Accounts Receivable		<u>150,900.32</u>
<hr/>		
Water Revenue Checking		Sep-22
Beginning Balance		280,527.45
Deposits:		
Accounts Receivable Collections		81,465.40
Insurance Reimbursement for Well A/B lightning strike		12,102.14
Transfer from Construction Account to Reimburse Invoices Paid from Revenue Fund		16,489.25
Customer Deposits		1,585.00
Copies		33.20
Billing software payments entered for more than bank deposits		(1.10)
		<u>111,673.89</u>
Disbursements:		
Accounts Payable Checks		(138,078.68)
Auto Debit Charges-Utilities		(6,644.05)
Transfer to Construction Account to Correct Transfer in Error from Revenue Fund		(4,911.00)
USDA Loan Payment		(2,076.00)
Transfer to Alpine Road Funding		(2,000.00)
TN TAP - Sales Tax		(1,918.00)
Refund Checks		(1,078.50)
Payroll Taxes		(382.64)
Bank fees		(205.14)
Returned Auto Draft		(181.50)
End of Month Balance		<u>234,725.83</u>
Cash Receipts Collected To Date in:	Oct-22	86,084.45
Auto Debited Utilities in:	Oct-22	(4,705.55)
Bills Submitted for Payment in:	Oct-22	(129,899.88)
Available Balance		<u><u>186,204.85</u></u>

**East Sevier County Utility District, TN
Treasury Report
Summary of Cash and Investments
September 30, 2022**

Bank Account / Security	Maturity Date	Beginning Balance	Deposits	Interest Earned	Payments	Ending Balance
Checking Acct-Operations		280,527.45	111,673.89	-	(157,475.51)	234,725.83
Checking Acct-Alpine Road Funding		99,936.85	2,000.00	-	(1,992.00)	99,944.85
Checking Acct-Waste Water Plant		18,277.29	4,911.00	-	(16,489.25)	6,699.04
Cash on Hand		100.00	-	-	-	100.00
Total Cash and Investments		398,841.59	118,584.89	-	(175,956.76)	341,469.72

**EAST SEVIER COUNTY UTILITY DISTRICT
BILLING SUMMARY**

DATE	WATER REVENUE		WATER GALLONS (000s)		NO. OF CUSTMRS
	TOTAL	YTD TOTAL	TOTAL	YTD TOTAL	
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
Sep-21	19,738	60,035	848	2,686	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		
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
Sep-21	52,202	157,331	493	1,600	844	92,295



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

OCT – 2022

Administrative

Staff set up a date with TAUD for an independent water audit. The date for this audit is November 21st.

On November 22nd and 23rd, the financial auditors will be on site for the field portion of the financial audit.

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

Multiple water and sewer taps were installed on English Mountain for new homes being built.

Approximately, 10 customer sewer pumps were put in at Bearcreek Crossing and Sherwood.

Customer Service

New billing software Munilink was installed and is up and running for our customer service team. This new software will allow us to create reports for customer accounts and usage, as well as accept credit card payments, create work orders and better record keeping for the utility.

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



Project Updates

Recently purchased PRV'S have arrived at ESCUD and will be installed shortly.

Concrete pad for generators was pushed back to December 6th due to a miscommunication on size and depth.

Quotes for a Ford F-350 dump truck have been gathered and are ready for board review.

Safety

No new updates

Regulatory

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

Positives for the Month

While we did have some small outages staff at ESCUD was able to keep the impact of the leaks and outages minimal.

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

Leak Repairs

A leak on the 8" main on Alpine was repaired.

A block truck ran over and broke a shallow water main on Old Laurel.



Alliance Year-to-Date Capped Expenses through JULY 2022			
	Actual	Budget	Over (Under) Budget
Repair Expense	\$28,812	\$39,750	(\$10,938)
Chemical Expense	\$2,829	\$12,200	(\$11,183)

ALLIANCE WATER RESOURCES

Monthly Water Loss Report

Water Utility: East Sevier County Utility District

For the Month of: OCT Year: 2022

LINE #	ITEM	GALLONS (Omit 000)
1	WATER PRODUCED, PURCHASED & DISTRIBUTED	
2	WELL A+B	1,323
3	WELL C	680
4	WELL D	923
5	Water Purchased	
6	TOTAL PRODUCED AND PURCHASED	2,926
7		
8	WATER SALES	
9	Residential	847
10	Commercial	
11	Industrial	-
12	Bulk Loading Stations	
13	Wholesale	-
14	Public Authorities	
15	Other Sales (Explain) _____ 0	-
16	TOTAL WATER SALES	847
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
25		
26	WATER LOSS	
27	Tank Overflows	
28	Line Breaks	1,829
29	Line Leaks	
30	Excavation Damages	
31	Theft	
32	Other Loss	
33	TOTAL LINE LOSS	1,829
34		
35	Note: Line 14 + Line 22 + Line 31 Must Equal Line 4	
37	WATER LOSS PERCENTAGE	
38	Unaccounted-For Water (Line 31 divided by Line 4)	63%

Merchant Application & Agreement

Sales Agent Name: _____

Sales Agent ID#: _____

MCC Code: _____

Acquiring Bank Disclosure (Internal Use Only)

BMO Harris Bank N.A.
8500 Governor's Hill Drive
Cincinnati, OH 45249
(847) 240-6600

Esquire Bank
320 Old Country Rd., Ste. 101
Garden City, NY 11530
(516) 535-2002

Citizens Bank, N.A.
One Citizens Plaza,
Providence, RI 02903
(401) 456-7096

People's Trust Company
14th Floor
888 Dunsmuir St.
Vancouver, BC V6C 3K4
Canada (604) 683-2881

Processor Disclosure	Member Bank Responsibilities	Important Merchant Responsibilities
<p>NCR Payment Solutions, LLC, 864 Spring Street, Atlanta, Georgia 30308 ("NCR" or "Processor") will act as payment processor for the Merchant in connection with Transactions under the Agreement, except for Discover Network and American Express (OptBlue) card transactions where NCR will act as Merchant's acquirer. Notwithstanding the foregoing, where the Merchant is boarded on the TSYS platform, NCR will act as payment processor for Merchant in connection with Transactions under the Agreement, except for American Express (OptBlue) card transactions, where TSYS will act as acquirer and processor, and Discover Network card transactions, where TSYS will act as processor and NCR will act as acquirer.</p>	<ol style="list-style-type: none"> The Bank is the only entity approved to extend acceptance of Payment Network products directly to a Merchant. The Bank must be a principle (signer) to the Merchant Agreement. The Bank is responsible for educating Merchants on pertinent Operating Rules which Merchants must comply; this information may be provided to you by Processor. The Bank is responsible for and must provide settlement funds to the Merchant. The Bank is responsible for all funds held in reserve. 	<ol style="list-style-type: none"> Ensure compliance with cardholder data security and storage requirements. Maintain fraud and chargebacks below Payment Network thresholds. Review and understand the terms of the Merchant Agreement. Comply with Payment Network rules. Retain a signed copy of this Disclosure Page. <p>The responsibilities listed above do not supersede the terms of the Agreement (as defined below) and are provided to ensure the Merchant understands some important obligations of each party and that the Bank is the ultimate authority should the Merchant have any problems.</p>



Merchant's Signature

Date

10A-1

Merchant Application & Agreement

Merchant Business Information															
Legal Name ("Merchant")				Merchant DBA or Trade Name				Federal Tax ID							
Legal Address				City		State		Zip Code							
DBA / Location Address (P.O. Boxes not allowed)				City		State		Zip Code							
DBA Phone Number:		Fax		Company Website (URL):											
Contact Information (select all that apply):															
Name				email				Phone							
Business Type															
Individual/Sole Proprietor		Corporation Private		Corporation Publicly Traded		Non-Profit		Partnership		Government		LLC		STATE	
Years in business:		Length Owned:		Any prior bankruptcies?		If Yes, when was the Filing Date?		Personal Bankruptcy		If Yes, when was the Filing Date?					
		Years: Months:		Business: Yes No				Yes No							
Does this location currently take AMERICAN EXPRESS™/VISA®/MASTERCARD®/DISCOVER Network®?						Reason for leaving?									
Yes No															
Average Ticket Amount:		Highest Ticket Amount		Monthly Credit/Debit Card Volume		Maximum Daily Sales:		# of Daily Transactions:							
\$		\$		\$		\$									
Nature of Business															
What type of service or product is being sold:						Merchant Type:									
						Retail		Restaurant		MO/TO		E-Commerce			
Sales Method: (by percent, total should = 100%)						When is the card charged?									
Card Present %		Internet %		Mail Order %		Phone %		Mobile %		On Order		On Shipment		Other	
When is the product or service delivered?						(If other, please explain):									
Time of Sale:		1-3 Days		4-5 Days		6-10 Days		11-15 Days		30+ Days		Recurring Payments %			
Seasonal Sales?		If yes, indicate months open:				What day(s) of the month:									
No Yes															
Refund Policy: No Refund						Other:									
Do you use a third party fulfillment house? Yes No						If yes, provide name and phone Name :				Phone:					
Do you use any third-party vendors related to accepting payments? Yes No						If yes, provide type of service, name and contact info below. (Provide separate pages if needed.)									
Vendor Name:				Type of service:		Email:									
Address:				City		State		Zip Code		Phone					

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Merchant Application & Agreement

Card Brands to Accept

US Processing	VISA	Mastercard	Discover	PIN DEBIT	American Express	EBT (requires additional setup)	FCS #
Canada Processing	VISA Credit	VISA Debit	Mastercard Credit	Mastercard Debit			
Additional Processing: ACH Processing	PPD	CCD	WEB	TEL	(ACH requires supporting documents)		

Card Not Present Questionnaire

What percentage do you sell to:		Do you sell:		Do you sell a service or product?		Do you own the product/inventory?		Is the product stored at the DBA address above?	
Business (B2B)	%	Consumer (B2C)	%	Locally	Nationally	Service	Product		Yes
Address:				City		State	Zip Code	Yes	No
								If No, include address .	
How do you advertise? (catalogs, magazines, internet, etc.)									
Catalogs		Magazines		Online - Advertising		Other			
Are any other companies involved in the accepting, shipping, fulfilling the service or product, or the billing of the customer?					If you currently take payments: How many chargebacks did you have for the previous year?				
Yes					No				
					Count:		Total Amount: \$		

Merchant PCI DSS Information

Is your organization currently compliant with Payment Card Industry Data Security Standards (PCI DSS)? Yes No

PCI Vendor

Merchants may opt out of the Processor's PCI Compliance Program, but will be required to provide evidence of full compliance and breach insurance, with minimum coverage of \$50,000. Supporting documentation can be provided directly to the Customer Support team. All Merchants that do not properly complete the steps required to become PCI compliant will be charged a monthly noncompliance fee (disclosed in the Schedule A), until such evidence has been provided.



Merchant's Signature

Date

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Merchant Application & Agreement

Bank Information (Main Deposit account)

Bank Name	Account Name	Account Type
Routing #	DDA Account #	Account Type

Authorized Representative and Signatory Information

Authorized Representative/Signatory Name:					
Residence Address:		City	State	Zip Code	Country
Email			Home Phone	Mobile Phone	
Social Security #			Date of Birth	US Citizen Yes No	
Ownership % (if owner):	Owner Since:	Driver's License #	State	Issue Date	Expiration Date

Beneficial Owner and Control Person Information

(1) The following information for each individual, if any, who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns 25% or more of the equity interests of the legal entity or sole proprietorship for which the account is being opened.

Name	Title	U.S Person: SSN	Date of Birth	Ownership (%)
Address		City	State	Zip
Name	Title	U.S Person: SSN	Date of Birth	Ownership (%)
Address		City	State	Zip
Name	Title	U.S Person: SSN	Date of Birth	Ownership (%)
Address		City	State	Zip
Name	Title	U.S Person: SSN	Date of Birth	Ownership (%)
Address		City	State	Zip

Non-U.S. Person(s): In lieu of a Social Security Number, may also provide a passport number, an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

(2) The following information for one individual with significant responsibility for managing the legal entity listed above, such as: An executive officer or senior manager (e.g., Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, Treasurer); or any other individual who regularly performs similar functions. (If appropriate, an individual listed under section (1) above may also be listed in this section (2).

Name of Owner	U.S Person: SSN	Date of Birth	Ownership (%)
Address		City	State Zip

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Merchant Application & Agreement

Important Information About Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person (including business entities) who opens an account. When you open an account, NCR will request your name, residential/physical address, date of birth, taxpayer identification number and other information/documentation that will allow us to identify you. The undersigned entities/individuals hereby unconditionally authorize NCR, Bank or its agents to: (1) update such information periodically throughout the term of the Agreement; and (2) investigate the information and references contained in this Application, and to obtain additional information about the Merchant and such individuals by obtaining credit bureau and criminal background checks on the Merchant and its principals, including obtaining reports from consumer reporting agencies on individuals listed in this Application as an owner, general partner, control person, authorized representative, Signatory or Guarantor of Merchant, or providing their Social Security Number on this Application.

To help the government fight financial crime, federal regulation requires certain financial institutions to obtain, verify, and record information about the beneficial owners of certain legal entity customers. The formation of legal entities can be used to disguise involvement in terrorist financing, money laundering, tax evasion, corruption, fraud, and other financial crimes. Requiring the disclosure of key individuals who own or control a legal entity helps law enforcement investigate and prosecute these crimes. For more information go to <https://www.federalregister.gov/documents/2016/05/11/2016-10567/customer-due-diligence-requirements-for-financial-institutions>.

IRS Reporting Verification:

Payment settlement entities are required to report to the Internal Revenue Service the amount of reportable payment card transactions. Merchant will receive an annual 1099-K providing details of your previous year's reportable payment card transactions with a copy filed electronically with the IRS. THE BUSINESS INFORMATION MUST MATCH IRS RECORDS, AND SHOULD BE THE SAME AS THE INFORMATION LISTED ON YOUR INCOME TAX RETURN. IF YOUR INFORMATION DOES NOT MATCH IRS RECORDS, THE PROCESSING OF YOUR APPLICATION MAY BE DELAYED AND YOU MAY BE SUBJECT TO MANDATORY BACKUP WITHHOLDING AS REQUIRED BY IRS REGULATIONS.

American Express Disclosure:

Existing Accounts: If you currently accept American Express (Amex), and your annual Amex volume is \$1MM or more, you must provide your 10-digit AMEX SE #. This number will remain unchanged when you begin processing with NCR.

Existing Amex SE#:

New Accounts: If you do not currently accept Amex, and your annual volume is less than \$1MM, we will establish an Amex account for you so you can start accepting Amex payments. If after you begin processing with us your Amex volume increases to more than \$1MM annually, you could be converted to an Amex direct account, in accordance with the terms of the Agreement. If you do not currently accept Amex, and your annual volume is \$1MM or more, you will need to contact Amex to set up a direct account.

OPT-OUT OF AMEX MARKETING COMMUNICATIONS: If you do not wish to receive future commercial marketing communications from Amex, email customer service at assist.payments@ncr.com or check the box below. Opting-out of marketing messages will not preclude Merchant from receiving important transactional or relationship communications from Amex.

Opt-Out of Amex Marketing: _____

Third Party Services Disclaimer: Merchant may select to participate in third-party services that are not provided by Bank. Merchant agrees that Bank is not a party to any agreement for services that are provided by a third-party and any such agreement is strictly between Merchant and the company providing the service. Merchant must be approved by each third-party company and each company may send its terms and conditions to the address of Merchant indicated herein upon such approval. Merchant agrees to be bound by such company's terms and conditions.

Privacy Policy: NCR's privacy policy is located at: <https://www.ncr.com/privacy>.

Acknowledgments and Signatures

This Merchant Application, including any other applicable, amendments, schedules, exhibits, attachments and addenda hereto, as amended (the "Application") is subject to review and approval by NCR and Bank. Merchant acknowledges receipt of the Merchant Card Processing Terms and Conditions located at <https://www.ncr.com/terms-and-conditions/> under the link 'Payment Solutions – Merchant Terms and Conditions' (the "Terms & Conditions"). This Application and the Terms & Conditions are collectively referred to as the "Agreement". All capitalized terms that are not defined in this Application have the meanings specified in the Terms & Conditions.

This Agreement is between NCR Payment Solutions, LLC ("Processor" or "NCR"), the legal entity or sole proprietor identified as the merchant on the first page of this Application (the "Merchant") and the Bank. Bank is a member of Visa, U.S.A., Inc. ("Visa") and Mastercard International, Inc. ("Mastercard"). NCR is a registered acquirer of Discover Financial Services, LLC ("Discover").

The undersigned individual ("Signatory") represents and warrants that Signatory is authorized to sign on behalf of Merchant and to bind Merchant to the terms of this Agreement. By signing below, Signatory certifies, on behalf of Merchant, that: (1) Merchant has received a full and complete copy of the Agreement; (2) Signatory has read, understands, and accepts all of the terms and conditions in the Agreement, and (3) all information provided in this Application is true, accurate, and complete.

Signatory, on behalf of Merchant: (1) agrees to be bound by the terms of the Agreement, including the venue, jurisdiction and choice of law provisions in the Terms and Conditions; and (2) acknowledges that Merchant understands and agrees to comply with the Rules.

Signatory authorizes NCR or its representative to: (1) perform a background investigation on Signatory and Merchant using a third-party credit reporting agency or other third party; (2) provide information in this Application to third parties for fraud and risk purposes; and (3) perform an initial and ongoing comprehensive credit inquiry or investigation.

Merchant irrevocably authorizes NCR to initiate Automatic Clearing House ("ACH") debit and/or credit entries from and to the designated bank account(s) for all fees, costs, and amounts due to NCR or payable to Merchant pursuant to this Agreement and the ACH rules and regulations. If a credit or debit entry is erroneously initiated, Merchant authorizes NCR to correct the error. This ACH Authorization will remain in full force and effect until NCR has collected payment on all fees, costs, and amounts due or which may become due pursuant to the Agreement. The designated bank account may not be changed or altered without thirty (30) days' prior written notice to NCR and the execution of any forms required by NCR.

Whether or not NCR approves Merchant's Application, Merchant's submission of a transaction for processing, whether to NCR, Bank or NCR's third-party providers, is an expression of Merchant's consent to the terms of the Agreement. Merchant acknowledges and agrees that the Terms & Conditions are available at <https://www.ncr.com/terms-and-conditions/> under the link for 'Payment Solutions – Merchant Terms and Conditions' and may be amended, revised, changed, or supplemented pursuant to relevant sections of the Terms & Conditions. The acceptance and processing of Transactions by Bank and/or NCR shall be deemed the consent and execution by NCR and Bank of the Agreement and will evidence NCR's and Bank's receipt, approval of, and agreement to this Application signed by Merchant.

This Agreement supersedes all prior agreements or representations between the parties whether written or oral regarding the subject matter of the Agreement. No modifications, alterations, or manual changes (including the deletion of fees) made to the Agreement will be effective unless NCR consents to such changes in a separate writing. This Agreement may be executed in several counterparts, each of which will be deemed an original, but all of which together constitute one and the same Agreement. A signature or other indication of acceptance received electronically or via facsimile shall be legally binding for all purposes and equally effective as an ink signature.

Merchant Legal Name:		Date
Signatory Signature:		
Signatory Name:		
Signatory Title:		

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Unlimited Personal Guaranty

As a key inducement for NCR and Bank to enter into the Agreement (as defined above), each individual or entity signing below (a "Guarantor") agrees to be bound by all the terms and provisions of the Agreement the same as Merchant (as defined above). Each Guarantor understands that the Agreement may be renewed, extended, or modified from time to time (including with regard to fees and to Merchant's payment obligations) without notice to Guarantor, even if the modifications and/or extensions increase Guarantor(s)' obligations hereunder. Guarantor(s), individually and severally, also unconditionally and personally guarantee the Merchant's full performance of its obligations under the Agreement. Guarantor(s) understand and agree that the NCR or Bank may proceed directly against Guarantor(s) without first exhausting remedies available against Merchant. Moreover, in the event Guarantor(s) is or are natural person(s), this guaranty is continuing and shall survive the death of Guarantor(s) and be binding on Guarantor(s)' heirs and estate, without any diminution of the rights of NCR or Bank with respect to the guaranty. To the fullest extent permitted by law, Guarantor(s) waive all rights and defenses available to Guarantor(s) respecting the Bank or NCR's enforcement of this guaranty. Without limiting any of the foregoing, each Guarantor agrees that his or her liability under this guaranty will not be limited or canceled because: (i) the Agreement cannot be enforced against the Merchant; (ii) either NCR or Bank makes or agrees to changes or modifications to the Agreement; (iii) NCR or Bank releases any other Guarantor or the Merchant from any obligation under the Agreement; (iv) a law, regulation or order of any public authority affects the rights of either NCR or Bank under the Agreement; or (v) anything else happens that may affect the rights of either NCR or Bank against the Merchant or any other Guarantor. Each Guarantor further agrees that: (vi) NCR and Bank each may delay enforcing any of its rights under this guaranty without losing such rights; (vii) NCR and Bank each can demand payment from such Guarantor without first seeking payment from the Merchant or any other Guarantor; and (viii) such Guarantor will pay all court costs, attorney's fees, and collection costs incurred by either NCR or Bank in connection with the enforcement of any terms of the Agreement or this guaranty, whether or not there is a lawsuit, and such additional fees and costs as may be directed by a court.

Guarantor Signature:	
Print Name:	
Date:	
Home Address (no P.O. box)	
Date of Birth:	
Phone Number:	

Guarantor Signature:	
Print Name:	
Date:	
Home Address (no P.O. box)	
Date of Birth:	
Phone Number:	

Schedule A

Date:

Client Name

Boarding Set Up	
1. CIS system utilized	
2. Web module utilized	
3. IVR system utilized	
4. POS system utilized	
5. POS device(s) utilized	
6. Merchant Category Code (MCC)	

Fees	
Set up Fees	
FIXED Recurring Fees	

Transaction Charges				
Payment Type	Payment Method	Payment Limits	Fee Per Transaction	Fees Paid By

Other Rates and Fees	
Options	EMV Swipe Readers - \$ Check Scanner - \$500.00 per device
Charge-backs (credit cards)	
NSF Check Returns	

The rates listed under Transaction Charges include interchange and other fees, charges and assessments imposed by the Bank or Payment Networks. Transactions that are not fully qualified transactions may be subject to mid-qualified or non-qualified rates and fees based on their interchange qualifications. Any rates and other percentage fees are calculated by multiplying the applicable rate or percentage fee by the value of each settled transaction on a per transaction basis. Other fees that are per item, per transaction or assessed periodically will be charged as indicated on each line item.

See Section 7 of the Terms & Conditions for information more about Settlement, Chargebacks and Processing Fees, and Section 11 of the Terms & Conditions for more information about Processing Fees.



Printed Name: **Signed** **Date**

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Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at www.irs.gov/w9. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

November 10th, 2022

TO: East Sevier County Utility District
Board of Directors

INFORMATION & DECISION

FROM: Staff

RE: Requesting Board Decision for Point of Contact for Records Requests

During October's board meeting. The board of directors approved a Public Records Request policy. This policy defines the utilities requirements for public records requests as defined by Tennessee state law.

Part of the policy requires the district to specify a person of contact.

Staff is recommending that Jason Damron – Local Manager be the point of contact.