

EAST SEVIER COUNTY UTILITY DISTRICT
1529 ALPINE DR. SEVIERVILLE, TN 37876 PH: (865) 453-6704

Regular Meeting, Thursday February 16, 2023- 5:30p.m.
East Sevier County Utility Building



MINUTES CONTUNUED FROM February 09, 2023

The meeting was called to order by President Jerry Hayes at 5:38p.m. The Commissioners introduced themselves at this time. Ron Cooley, Jerry Hayes, and Dan Barnett the three Commissioners all found to be present. Doug Overby, legal representation for ESCUD introduced himself. President Hayes introduced Greg Mize with TDEC.

At this time Alliance Representative Craig Miller introduced himself. Also, legal representation for Alliance Mike Tolles legal representation was on zoom on computer. It was decided as per the comptroller's office Mr. Tolles could listen to the meeting but could not speak or contribute.

- 1) President Hayes advised that a list of those wishing to be placed on the Board to sign up on a sheet that was passed around. The Interim Board needed to be made permanent per the Comptroller's office and there need to be 2 other names assigned below the present interim Boards names for Mayor Waters to pick from. A sheet that Secretary Cooley was passed around at this time for customers wishing to be considered.
- 2) A discussion between the Board and Counsel for ESCUD discussed Mr. Tolles participating by zoom. It was stated by Counsel it was an open meeting and if the Board wanted to allow him to listen. **Commissioner Cooley made a motion to allow him to listen with no participation or recording a second was made by Commissioner Barnett This motion passed unanimously.**
- 3) At this time the financial report from Alliance was given By Craig Miller

Financial Report filled Under Financial Reports from February 09,2023 until this meeting.
Questions, Answers, Discussion

- A) Mr. Miller stated the Alpine fund was like a rainy-day fund and contained just under \$100,000 thousand dollars.
- B) Commissioner Cooley asked who comprised the budget. Mr. Miller stated that Alliance proposed the budget, but it could be changed by the commissioners.
- C) Craig moved onto to capital expenditures.
- D) President Hayes asked about 5 invoices for December 2022 that had not yet been paid. Craig stated that these invoices had not been received prior and had not been paid.
- E) President Hayes stated all work, invoices, needed to be on timely manner and did not ESCUD pay for an upgrade to the system. Craig stated this was for the billing system.

1526 Alpine Dr. Sevierville TN 37876

Office: 865-453-6704 | www.EastSCUD.org

- F) President Hayes stated he did not see any invoices to match work orders. Craig stated that JD could make invoices and bills but had not done so.
 - G) President Hayes further stated the commissioners had been denied entry, Key, and no locks have been changed.
 - H) Commissioners Cooley stated that Alliance. Worked for the Commissioners and at the ESCUD pleasure.
 - I) President Hayes stated there was always excuses that Alliance was accountable All invoices should be in a packet for inspection. Invoices the Co Commissioners need to see what we are spending money on. Craig agreed with this.
 - J) Craig was asked about bids for Half High, which Craig stated he had given President Hayes those bids, but the Commissioners had not moved on this.
 - K) Craig stated there was an over payment to TN pumps and has been returned.
- 4) Commissioner Cooley made a motion to approve the report specially to prevent late fees. Commissioner Barnett made a second passed unanimously.**

**OPERATION REPORT from February 09,2023 until this meeting
Questions, Answers, & Discussion**

- A) John Sevier had a leak, but tank is ok, Craig Miller stated.
- B) Alliance has instituted a new work order to field system which should make work orders to be started and completed more rapidly.
- C) Materials to hook up second tank at well D are in and ready to be started.
- D) Commissioner Cooley asked Craig if he had the dates the offsite sewers were serviced or checked last. Craig stated the sites were in a rotation basis.
- E) President Hayes stated he had prove that several off sites had not been seen in 5 months. President Hayes did not elaborate on this information. President Hayes stated this could cause ESCUD to lose contracts.
- F) Jerry asked if ESCUD could seek mutual aid, once again. Mr. Overby stated that he would check on that.
- G) Commissioner Cooley brought up that the booster pump located at well C went offline early Sunday morning and was not put back into service until Monday morning. Craig said that Sunday was Lena's last day and she had come to check on it. Commissioner Cooley explained that he had spoken to JD and he said it was just a relay switch. Craig stated JD was the only employee and was unable to find anyone to hire. Commissioner Cooley stated our people deserve better. Craig stated you cannot have forced labor, and no one wants to work this mountain. Craig further stated they were trying to hire people and were using temporary service as there were no applicants. Commissioner Cooley stated this effected approximately 15 families out of water. **Commissioner Cooley made a motion that Legal counsel Mr. Overby to check on mutual aid at the earliest time possible. Commissioner Barnett second this motion. The motion passed unanimously.**
 President Hayes at this time appointed himself person of contact to try to find utility companies with TDEC to look for mutual aid from the outside. The meeting was interrupted by legal counsel for Alliance, who was not to speak. Mr. Tolles stated to go forward would violate the contract possibly breach of contract.

Mr. Overby was given a copy of the contract. It was decided between legal counsel that they would discuss this later. Until then Alliance would maintain regular control. **A motion to approve the report was made by Commissioner Barnett Second was made by Commissioner Cooley this passed unanimously.**

Water Loss Report from February 09, 2023 until this meeting

The water loss report was given stating there was a 37.9% water loss. Mr. Miller was question if these numbers were correct. Mr. Miller stated 1.26 million gallons had been pumped and 696,000 gallons had been billed. **A motion to approve the report was made by Commissioner Cooley seconded by Commissioner Barnett. Motion passed unanimously.**

OLD BUSSINESS

- 1) 1) President Hayes spoke to customer Ronald Mitchell 954 Pawnee Ct. "I was wrong I called three contractors about the work on Half High. The estimates I was given was 1. 1,000,000 2. 125,000 3. 150,000 this is way too high" President Hayes further stated bids cannot be approved without a board meeting. He also, stated he cannot personally approve bids. President Hayes also stated he would like SRD17 pipe or better.
- 2) As the Tennessee Comptroller's office had asked for a rate study. Mr. Craig Miller stated that the Tennessee Association of Utility Districts (TAUD) handles rate studies working with the ESCUD engineer. Mr. Miller said he would get clarification on this. **A motion by Commissioner Cooley to approve TAUD rate study Seconded by Commissioner Barnett this passed unanimously.**
- 3) Louie Fromm gave a report about the ESCUD website (eaststud.org) Mr. Fromm stated that numerous people are using the website and continues to grow. He stated there had been some issues with the email, but he has worked through those issues.
- 4) Mr. Miller was to get three bids on the cost of getting well F up and running. Mr. Miller lost his notes but stated you must put a pump in before seeing how it will function.
- 5) Mr. Miller spoke of a leak detection device. ESCUD has 1 listening device. Then you look at ESCUD's master meters.

Mr. Miller stated that 1 of 4 surveyors had responded with a cost of \$1,500 dollars. This in reference to the small piece of property between the creek and the English Mountain Volunteer Fire Department. Once the property is surveyed it can be signed over to the fire department with a quick claim deed, as promised by the previous Board of Commissioners.

NEW BUSINESS

1. **Commissioner Barnett made a motion to get a fresh, qualified engineering firm to do a RFQ for getting this firm, to work on \$125,000 meets the requirements which is part of the ARPA Funds. Commissioner Cooley seconded the motion this passed unanimously.**
2. There has been a lawsuit to do with the contractor who built new wastewater treatment plant. They have offered \$20,000 dollars to ESCUD to settle this claim. This has been being handled by attorney Lowe. They have increased amount up to this. The previous board had set an amount at \$25,000 dollars. Since it would cost more than \$5,000 dollars there would be nothing to gain as it was discussed. .

Commissioner Barnett made a motion that the Board except this offer. Seconded by Commissioner Cooley passed unanimously.

3. Commissioner Barnett brought up Grants and Loans. Rural 6 month to 1-year SRF loan program with 60% forgiveness. March 10th. ARPA fund is a 200 million competitive grant. There is also a 20 million regional direct funding and TDEC has emergency funding. Commissioner Barnett stated that 300 million would get ESCUD close to being fixed. Our system is known that every dollar matters.
4. Sewer discussion came up as Burke is interested in staying with ESCUD. Daryl has retired. We need a list of service and location of these offsites. Also, scope of service at each site and look at the contracts. And permits. TDEC is working with Burke since he had license in Florida and will take Tennessee test as soon as possible. **Commissioner Barnett made a motion to table this for now. This was seconded by Commissioner Cooley passed unanimously.**
5. To be able to put together the agenda in a timely manner by mutual consent 72 hours was decided on.
6. Jerry brought up that a log on each piece of equipment showing, service dates, oil changed, maintenance ECT.

Customers to be recognized.

- 1) Ron Mitchell- 954 Pawnee Ct- He asked Mr. Miller if he was going to lay the 4-inch pipe going up Half High. He asked Mr. Miller if he was going to approve an excavator for the job. Ron also brought out he would not be happy with cold patch that it would be a waste of money. Mr. Mitchell asked if Alliance was going to get a backhoe operator to dig the trench for the water line. Mr. Mitchell would like for the Board of Commissioners to act and was not happy.
- 2) Randy Nininger said 1 employee was a problem. He told Alliance to do their job
- 3) Eddie Crosby Old Laurel Lane asked why Alliance had multiple complaints and questions.
 - A) Why are the lines not being flushed? Craig answered tank levels had to be brought up to normal.
 - B) How long before I can use my home filtration system. Answer: the filtration system needs to be repaired.
 - C) Higher water bills Answer: no answer
 - D) How do we know repairs are made? Ron called it seems the Commissioners are working. Answer: receive notice on email
 - E) Mr. Crosby stated he has repairs and damage due to appliances such as the hot water heater, washer, which lead to the downstairs being flooded ruining photos and other personal items no answer
 - F) Why is water not kept in the office for emergency use? This is paid for by ESCUD and only in the emergency.
- 4) Heather Fromm Last week bills were not received and asked for no late fees. **Commissioner Cooley made a motion to no late fees for this month. Commissioner Barnett seconded motion. Motion passed unanimously.**
- 5) Debbie Lewis dogwood street complain that her home insurance doubled to \$1,478 dollars. President Hayes said the pipe was placed around 1971. The present pipe is subpar for what is needed. Pipe needed is SDR17 high rated pipe. We don't have a supply issue we have an infrastructure problem.

- 6) Liza Hawthorn ask why are we paying for water? Called out Alliance with vulgarities.
- 7) Louie Fromm asks for a motion to discuss exhibit A: Document to protect community drafted from several people he asked to please discuss. After some discussion **Commissioner Cooley made a motion to turn the document over to ESCUD legal counsel for review and if nessacery modify to bring back before the Commissioners. Seconded by Commissioner Barnett motion passed unanimously.**

At this time the list of people interested in serving as Commissioners was turned over to the Commissioner Cooley (Secretary) who then passed the list to President Hayes. President Hayes proceeded to go down the list placing 2 names below each Commissioner. Under President Hayes name was placed Charles Rogers and then Louie Fromm. Under Commissioner Cooley name was placed Ron Mitchell and Liza Hawthorne. Under Commissioner Barnett Bob Moorhead name was skipped as he had left the meeting President Hayes explained. The names placed below Commissioner Barnett were Patricia Rogers and Eddie Crosby. President Hayes said the list would be turned into the Mayor Waters office at 8A.M. Friday morning.

- 8) At this time Charles Rogers Lakeside Ct. rose to be recognized. He made several questions and statements.
 - A) How much pipe has Alliance laid. Mr. Miller gave really no answer but had excuses.
 - B) Fix the number of employees not enough to adequately have a work force. Right now, we are trying to hire personnel. We do have equipment that can be brought in from other areas.
 - C) Pumps frozen at wells should not have happened. Mr. Miller said when power was lost the stack kit in the building went down due to temperature at 10 degrees to 12 degrees. We lost power therefore the pumps stopped running.
 - D) Kentucky is in the same situation as ESCUD.
- 9) At this time Patricia Rogers Lakeside Ct. rose to speak. Where will you bring equipment from "Martin County? Inez , KY? Patricia stated she wanted Alliance gone.

At this time, President Jerry Hayes Adjourn the meeting.

Submitted By,

Ronald Cooley
ESCUD Board of Commissioners Secretary / Treasurer

