

**Minutes of the Board of Commissioners  
East Sevier County Utility District  
September 14, 2023**

The regular meeting of the Board of Commissioners of the East Sevier County Utility District (“the District”), was held at the District’s Offices on September 14, 2023. Commissioners present were Jerry Hayes, President; Dan Barnett, Secretary/Treasurer; and Eddie Crosby. Others present were Bert Underwood, Wastewater Operations; Jeff Bragonier, Water Operations; LaDonna Holiway, Witt Utility; and Doug Overbey of Owings, Wilson & Coleman, General Counsel for the District.

Board President, Mr. Hayes, called the meeting to order at 5:30 p.m., and Commissioner Crosby gave the invocation.

Approval of Minutes of Prior Meetings

The Minutes of the Board of Commissioner’s August 10, 2023, regular monthly meeting, and September 5, 2023, special called meeting were presented. Mr. Barnett moved to approve both sets of Minutes. The motion was seconded by Mr. Hayes and approved unanimously.

Announcements

There were no announcements.

Review of Financials

There were no monthly financial statements presented for review. A list entitled, “Accounts Payable August 10, 2023 – September 14, 2023,” was presented. Mr. Crosby moved to approve payment of the accounts on the list. The motion was seconded by Mr. Barnett and carried unanimously. (A copy of the list is attached as Exhibit A to these Minutes.)

Report from Manager – Witt Utility

There was no report from the District’s manager, Witt Utility.

Unfinished Business

- A. RFQ for Rate Study: Mr. Barnett reported requests for qualifications were sent to three firms for a Rate Study and that all responses had been received. Mr. Crosby moved to approve the entering into an agreement with Jackson-Thornton for the Rate Study. The motion was seconded by Mr. Barnett and approved unanimously.
  
- B. MG Group Audit: It was reported that MG Group can have the annual audit done by November 27, 2023. Mr. Barnett presented a list entitled, “ESCUUD ‘Must Haves’,” that the auditor needs to complete the audit. (A copy of the list is attached as Exhibit B to these Minutes.)

- C. Sevier County Funding Request: Mr. Barnett reported meeting with Sevier County Mayor Larry Waters regarding the \$125,000 ARPA grant the County is holding for the District. Mr. Barnett reported that the discussion with Mayor Waters concerned repurposing the grant proceeds toward the engineering design for water filtration and that the Mayor requested TDEC approval before proceeding. Mr. Barnett made a motion to begin the process for redirecting the \$125,000 grant for the design work for water filtration. The motion was seconded by Mr. Crosby and carried unanimously.
- D. English Mountain Volunteer Fire Dept.: Discussion was had regarding the District's prior actions concerning a real property swap with the English Mountain Volunteer Fire Department. Mr. Crosby moved that the District begin the process of the real estate transfer and authorize the Fire Department to proceed with a survey of the property. The motion was seconded by Mr. Barnett and approved unanimously. Mr. Hayes directed the District's legal counsel to notify the Fire Department.
- E. SOS, Inc.: A representative of SOS, Inc., addressed the Board regarding monies owed by the District to SOS, Inc., for step system pump kits. The amount has been owed for a period of time and at one time the past due amount was \$90,000, although the District has recently made a payment of \$50,000. Following the presentation by SOS, Inc., Mr. Barnett moved that the District pay SOS, Inc., the sum of \$23,145 as soon as funds are available. The motion was seconded by Mr. Crosby and carried unanimously. Mr. Barnett then moved that, going forward, when the District receives pre-payment for step pump systems and new tap fees, he, as Secretary/Treasurer, be authorized to write checks and remit payment to SOS, Inc., upon collection of the pre-payment. The motion was seconded by Mr. Hayes and carried unanimously.

#### New Business

- A. ESCUD Water System & Filtration Systems: No report.
- B. ESCUD Sewer and Off-Site Sewer Systems: Mr. Underwood reported that there are no big issues with TDEC concerning the Calibration Log, but TDEC is asking for a close-out of the grant for the treatment plant. As to Forgotten Forest, Mr. Underwood reported that the treatment plant is not on. As to Bear Creek, Mr. Barnett reported the District had received a notice of violation from TDEC and that the development's HOA had sent a letter terminating the agreement with the District for the operation of the system. Mr. Barnett moved that the District not agree to a termination without a mutual release between the HOA and the District. The motion was seconded by Mr. Crosby and approved unanimously. It was also reported that regarding a concern with an off-site system at Douglas Lake, a leak has been fixed but the road has not been repaired.
- C. Customer Request for Service: There was a request for the District to provide service to a thirty-acre area in Happy Hollow. It was reported that the area is not within the District's service area.

Hear From District Customers: Various customers addressed the Commissioners with their concerns and positive comments. Also, Mr. Crosby distributed to the Board of Commissioners two documents, one entitled, "Meeting Topics," and the other entitled "ESCUD Org. Chart." (Copies of these documents are attached as Exhibit C to these Minutes.)

There being no further business, the meeting was adjourned at 7:35 p.m.

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Dan Barnett, Secretary/Treasurer



**Accounts Payable August 10, 2023 – September 14, 2023**

Appalachian Electric:	\$483.24
AT & T:	\$364.88
City Of Pigeon Forge:	\$29.12
Sevier Electric:	\$4,164.29
Sevier Water:	\$42.25
Pumps Of TN:	\$4,210.55
Owings, Wilson & Coleman:	\$5,000.00
Lakeway Answering:	\$315.00
Landon Electric:	\$472.86
Bert Underwood Payroll:	\$6,045.00
Bert Underwood REIMB:	\$1,886.97
A & A Rentals:	\$197.00
MG Group:	\$480.00
TN Dept. Of Conservation:	\$417.30
Witt Utility:	\$30,000.00
Daryl Baker Payroll:	\$1,000.00
Bakers Wrecker Service:	\$125.00
Analysis Service Charge:	\$260.87
Domain Listings:	\$288.00
G & C Supply:	\$133.26
TN State Revenue:	\$1,556.00
Specialized Operations:	\$10,000.00
Jeff Bragonier Payroll:	\$935.00
Jeff Bragonier REIMB:	\$65.11
Alliance Water:	\$5,000.00

Total: \$73,471.70

EXHIBIT A

## ESCUD "Must Haves"

1. Accounts payables (amounts owed at 6/30/23)
2. Cash disbursements
3. g/l for Jan – Jul 23
4. invoices for Inventory
5. invoices for capital assets
6. Board minutes
7. Receipt testing
8. Related party tests
9. Cash receipts
10. Bank statements July 22 to July 23
11. Rates being charge
12. Bond payments
13. Trial Balance at 6/30/23
14. Cyber security plan
15. Payroll records
16. Accounts Receivable at 6/30/23
17. Customer Deposit list at 6/30/23

EXHIBIT B



*Prepared by Comm. Crosby*

**MEETING TOPICS**

**MATERIALS REMOVED form ESCUD:**

- RF Meters
- Computers
- Prints & any Paperwork
- Fittings, Piping, Tools & Materials
- Filter Media

**PRE-WINTER TASK:**

- Generators for Power Outages
- Well Pump Housing Covered
- Exposed Piping at A&B Well
- Water at Office for Outages

**REPAIR or PLACE into ACTION:**

- D-Well Back Flush
- Telemetry for Tanks & Pumps
- Filtration System & Pad
- Generator & Pad

**BOARD NOTES:**

- Get Letter out to Customers
- Billing must happen now \$\$\$
- Do we know what we are losing just on Off-Sites? /Is it not enough to Help get us ahead?
- Review Off-Site Agreements
- WUD Filtration Unit Sale?
- Generator & Pad
- Parts Inventory / Shelves Empty
- Bert & Jeff Licensing if Interested?
- Board Member Training
- Off-Site Agreements:
  - Bear Creek & Forgotten Forrest
  - For by Grace & #2 (Jorge Amets)
  - Smoky Mountain Ridge (Erika Brown)
    - 2<sup>nd</sup> Complaint
- We need copies of:
  - By-Laws
  - Contract

**Questions / Concerns / Thoughts / Opinions**

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East Sevier County Utility  
District 1529 Alpine Dr.  
Sevierville, TN. 37876  
Site Office: (865) 453-6704  
Email: info@eastscud.org

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***ESCUD ORG. CHART***

**BOARD MEMBERS**

President  
Jerry Hayes

Treasurer  
Dan Barnette

Commissioner  
Eddie Crosby

**ESCUD STAFF**

Water Treatment Operator  
Jeff Bragonier

Waste Treatment Operator  
Bert Underwood

Office Coordinator  
LaDonna Holiway

Water / Waste Helper / Meter Reader / Office Assistant  
Lena Casey

**ESCUD SUPPORT & LICENSEES**

Water Treatment License  
Ben Harris

Waste Treatment License  
Darryl Baker