

**Minutes of the Board of Commissioners
East Sevier County Utility District
January 10, 2024**

The monthly meeting of the Board of Commissioners of the East Sevier County Utility District (“the District”), was held at the District’s Offices on January 10, 2024, at 4:00 p.m.. Commissioners present were Dan Barnett, Secretary/Treasurer, and Lisa Hawthorne. Others present were Tim Ham, General Manager, Tennessee Utility Assistance, LLC (“TUA”); and Gavin Smelcer, Owings, Wilson & Coleman, General Counsel for the District.

Mr. Barnett called the meeting to order at 4:00 p.m.

Approval of Minutes of Prior Meetings

The Minutes of the Board of Commissioner’s December 14, 2023, meeting were presented. Commissioner Hawthorne moved to approve the Minutes. The motion was seconded by Commissioner Barnett and carried unanimously.

Announcements

Mr. Ham announced that, while TUA, LLC, is typically set up to come in and help utility districts by working with the established personnel at the district and does not usually assign a TUA, LLC, employee specifically to one (1) district, TUA, LLC, will be assigning Nathaniel Allsup full time to the District. Nathaniel will be assigned solely to the District for the next year; however, he will not be at the District’s office every day, but will be there most days. Mr. Ham stated that he will remain involved, but will be in a managerial role working with the Comptroller’s Office, applying for grants, *etc.*

Review of Financials

Mr. Ham discussed the District’s financials. Mr. Ham stated that the District’s operating account balance is currently under \$100,000.00; Mr. Ham will have complete financials for the Board by February 15, 2024.

Report from General Manager

- A. Water System: Mr. Ham gave a report on the current status of the District’s water system.
- B. Sewer System: Mr. Ham gave a report on the current status of the District’s sewer system.
- C. Discussion of Witt Utility Billing: Mr. Ham reported that the District will engage in negotiations with Witt Utility regarding the amount owed; that he has had discussions with Witt Utility’s new general manager and that negotiations will continue.
- D. Billing: Mr. Ham reported that the current billing system is incorrect/inadequate in places. The District’s ratepayers will all receive a minimum bill for December; working on updating billing system.

- E. Insurance: Mr. Ham notified the District's Board of Commissioners that their new insurance policy was now effective.

Unfinished Business

- A. ESCUD Sewer and Off-Site Sewer Systems:

Bear Creek: A brief discussion was held regarding Mr. Smelcer's letter to the Tennessee Department of Environment and Conservation ("TDEC") requesting termination of the District's State Operation Permit # 03043. Mr. Smelcer reported that he had not received a response from TDEC.

New Business

- A. Discussion of Contract regarding New Well: Mr. Ham presented the Emergency Community Water Assistance Grant ("ECWAG") contract to be executed by the District and Ardurra in connection with the United States Department of Agriculture ("USDA") grant. Mr. Ham noted to the Board that the cost of this contract was to be fully funded by the USDA grant; that the District would have no cost associated therewith. Mr. Ham recommended that the ECWAG contract be approved and be executed by the District's authorized signatory.

Commissioner Barnett made a motion to approve the ECWAG contract and cause it to be executed by the District's authorized signatory. Commissioner Hawthorne seconded the motion, and it carried unanimously.

- B. Discussion of Purchase of New Vehicle for the District: Mr. Ham reported that the District needs a new truck to be used for District purposes; that the District has a truck, but it is inadequate and unsuitable for the District's needs. Mr. Ham stated that he had located a truck in Bristol, Tennessee, in connection with his work for another utility district. The price for the truck is \$21,445.00, which is the wholesale price, and has 98,000 miles on it.

Discussion was had by the Board of Commissioners regarding the need for a new truck for Bert Underwood and the inadequacy of the District's current truck. Commissioner Hawthorne made a motion to approve and authorize the purchase of the truck. Commissioner Barnett seconded the motion, and it carried unanimously.

- C. Discussion of Names Submitted for Commissioner Vacancy: The District's Board of Commissioners received applications for the vacancy on the Board of Commissioners caused by Mr. Eddie Crosby's resignation. Mr. Ham discussed the applicants and their qualifications and recommended Louis Fromm be placed first on the list of names to be sent to Mayor Waters.

Commissioner Barnett made a motion that the names of Louie Fromm, Strube Cody Jackson, and Edward Morgan be submitted to the County Mayor in that order for

consideration of appointment to the District's Board of Commissioners. Commissioner Hawthorne seconded the motion, and it carried unanimously.

- B. Appointment of President of the Board of Commissioners: Mr. Ham noted that the USDA grant paperwork required the signature of the President of the District's Board of Commissioners. Mr. Ham recommended that the Board of Commissioners appoint a president of the Board so that the USDA grant paperwork could be signed and finalized.

Commissioner Barnett made a motion that Lisa Hawthorne be appointed president of the District's Board of Commissioners. Commissioner Hawthorne seconded the motion, and it carried unanimously.

Hear From District Customers: Various customers addressed the Commissioners with their concerns and positive comments.

There being no further business, the meeting was adjourned at 5:19 p.m.



Dan Barnett, Secretary/Treasurer