

**DUE TO COVID-19 WEARING MASK OR FACE COVERING IS MANDATORY**

**EAST SEVIER COUNTY UTILITY DISTRICT BOARD OF  
COMMISSIONERS MEETING**

**April 8, 2021**

**5:30 P.M.**

**AGENDA**

- 1) Call to Order by President Roy Ivey
- 2) Introductions of Commissioners, Alliance Personnel and ESCUD Manager
- 3) Motion to approve the minutes of the previous Board meeting
- 4) Persons to be Heard (you must reserve time 2 days prior to meeting date)
  - **\*\*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 10 minutes.
  - Please be considerate of others that may wish to speak by keeping your comments brief.
  - Customers that interrupt others speaking may be asked to leave meeting.

**REPORTS**

- 5) Motion to approve the Accounts Payable Listing in total as submitted.
- 6) Alliance Water Resources – Financial Report / Operations

**OLD BUSINESS**

- 7) None

**NEW BUSINESS**

- 8) WWTP update
- 9) Adjournment – Next regular Board Meeting to be held on Thursday, May 13, 2021- 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, March 11, 2021

The Board of Commissioners of the East Sevier County Utility District met at 5:30 p.m. on Thursday, March 11, 2021, 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 5:32 p.m. for any old or new business. Introductions were made to acquaint visitors with Commissioners and Alliance staff.

A motion to approve the minutes of the February 11, 2021, meeting was made by Barbara. Janice seconded the motion. Motion carried.

### Persons to be Heard

Sharon Crabb of 1541 Wilhite Creek Road brought in a sample of her water, which was yellow. She said that is what is coming from her cold and hot taps. She informed the Commissioners that she was videotaping the meeting to show her attorney. In a very agitated state, she went on to explain that she attended the last Board meeting and had complained that her water was not clear at that time but no one had come out all month to flush the lines. However, when asked if she had called the office to report it during the month, she said she had not. Brenda, the office clerk, had verified that she had never received a complaint from Sharon the entire span of time between meetings.

Lisa Hawthorne of 1519 Lin Creek Road said she had not paid her bill from the time the water was out the first of this year and stated she was not going to pay it. She also reiterated her concerns about her parents having to pay a bill at 1530 Lin Creek Road even though they don't use water at that address. She was reminded that the Board had told her previously that the State had mandated that a bill would be sent to all properties regardless of their status. Another complaint she lodged was that the water bill was too high.

Barbara motioned, and Janice seconded the motion, to approve the accounts payable listing in total as submitted. Motion carried.

Evan Romo, Alliance Division Manager, went over key points of the financials. Barbara motioned to approve the financial report as presented; Janice seconded the motion. Motion carried.

Alliance personnel met with Hartford Welcome Center employees and Pace analytical to ensure all regulatory requirements are met in the future. James emailed TDEC to report what took place.

On the Mountain, new media was installed at Well D, improving water quality immensely. Well C SCADA system has not been working properly so staff will have to continue manually monitoring the filtration system until a Mission Communications technician arrives next week to address the issues. A new injector was installed in the Well C treatment system. Staff members met with a seasonal resident to ensure he had water when he returned to the Mountain. Last month's safety meeting covered bloodborne pathogens and a CPR review.

Offsite, staff replaced floats at a residence in Douglas Lake and installed a pump kit at Sherwood Forest. A sewer main line was repaired at Douglas Lake.

#### Old Business

None

#### New Business

Concerning the WWTP project, when the work begins, James will keep a log book and take pictures to send to TDEC, which would forego McGill's involvement and save the Utility \$48,000. *Amendment No.1 to Owner-Engineer Agreement* was included in the Board packet stating these changes to the original agreement. Janice motioned to approve the amendment; Barbara seconded the motion. Motion carried.

Alliance personnel has applied for a grant to pay for staff to set up GIS maps for meters, lines, and valves on the Mountain, which would aid staff in locating these sites. Based on the number of grants given last year, we have a good chance of receiving one.

The next regular meeting will be held on Thursday, April 08, 2021, at 5:30 p.m.

#### Adjournment

Roy motioned and Barbara seconded the motion, to adjourn at 6:05 p.m. Motion carried.

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Secretary-Treasurer

**East Sevier County Utility District  
List of Bills  
8-Apr-21**

<b>Regular Checking for Consideration</b>		<b>Total</b>
Barbara Darby	Meeting fee	\$ 266.05
Janice Brooks-Headrick	Meeting fee	\$ 277.05
Roy Ivey	Meeting fee	\$ 266.05
Barbara Darby	Insurance payment	\$ 350.00
Janice Brooks-Headrick	Insurance payment	\$ 350.00
Roy Ivey	Insurance payment	\$ 350.00
Alliance Water Resources, Inc	Inv# 9336, April 2021 Services	\$ 43,932.00
First Horizon Bank	Alpine Fund Drive	\$ 2,000.00
The Mountain Press	Meeting Announcement Ad# 30926424, Mar21	\$ 25.88
Power Pumping	Inv# 9678, Pump WWTP, 03/19/21, work completed	\$ 700.00
Big Orange Electric	Inv# 2157, Service calls, Feb21, work completed	\$ 1,650.00
Orenco Systems, Incorporated	Inv# 376504, Pump packages, Inventory, Mar21, S & H \$1,382.57	\$ 23,599.00
DSI	Inv# 108001445-00, parts, installed, Mar21	\$ 260.00
	Inv# 108001361-00, parts, 2 installed, 2 inventory, Mar21	\$ 1,338.68
Mark Jendrek	Inv# 15878, Legal services, Jan21	\$ 137.50
Srinivas Bopanna, 3-12800-1	Refund, overpayment	\$ 108.50
Devang Patel, 1-2975-1	Refund, deposit plus overpayment	\$ 154.50
Robert Towe, 5-10400-2	Refund, deposit plus overpayment	\$ 123.90
Jeff Wood, 1-10600-1	Refund, overpayment	\$ 39.20
<b>Total Regular Checking for Consideration</b>		<b>\$ 75,928.31</b>

<b>Charges and Bills Paid from Regular Checking Since March 11, 2021</b>		
Sevier County Electric	Utility	\$ 4,906.00
Sevier County Water	Utility	\$ 42.25
City of Pigeon Forge Water & Sewer	Utility	\$ 58.24
Appalachian Electric	Utility	\$ 126.90
USDA	Loan Repayment, November	\$ 2,076.00
State of Tennessee	Sales tax	\$ 2,040.00
IRS	Payroll tax	\$ 382.64
Bank fee	Analysis Service Charge	\$ 82.64
<b>Total Regular Checking Charges and Bills Paid</b>		<b>\$ 9,714.67</b>
<b>Grand Total Regular Checking</b>		<b>\$ 85,642.98</b>

<b>Charges and Bills Paid from Alpine Drive fund Since March 11, 2021</b>		
<b>Total Alpine Drive Fund Checking Charges and Bills Paid</b>		<b>\$ -</b>

<b>Charges and Bills Paid from WWTP fund Since March 11, 2021</b>		
<b>Total WWTP Fund Checking Charges and Bills Paid</b>		<b>\$ -</b>

**East Sevier County Utility District**  
**Balance Sheet**  
**February 28, 2021**

	<b>02/28/2021</b>	<b>02/28/2020</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Checking Account - Operations	\$319,050.82	\$300,464.85
Checking Account - Alpine Rd Funding	99,869.85	75,869.85
Cash on Hand	100.00	60.00
Cash-Restricted-Customer Deposits	(59,540.49)	0.00
<b>Total Cash</b>	<b>359,480.18</b>	<b>376,394.70</b>
Accounts Receivable	177,143.60	151,931.21
Allowance for Doubtful Accts	(45,333.36)	(28,295.62)
Unbilled Accounts Receivable	10,539.00	6,045.00
Inventory	67,391.09	27,374.89
Prepaid Expenses	29,606.23	28,535.56
<b>Total Current Assets</b>	<b>598,826.74</b>	<b>561,985.74</b>
<b>PROPERTY, PLANT &amp; EQUIPMENT</b>		
Land	31,657.80	31,657.80
Distribution & Collection System	2,962,944.76	2,183,198.19
Buildings	69,235.68	69,235.68
Machinery & Equipment	122,963.26	119,884.26
Vehicles & Trailer(s)	88,334.99	61,272.58
Construction Work in Progress	175,135.63	832,580.22
Less: Accumulated Depreciation	(1,225,156.17)	(1,117,721.00)
<b>Net Property, Plant &amp; Equipment</b>	<b>2,225,115.95</b>	<b>2,180,107.73</b>
<b>RESTRICTED CASH</b>		
Construction Account - Waste Wtr Project	833.37	833.37
Cash-Restricted-Customer Deposits	59,540.49	0.00
<b>Total Restricted Cash</b>	<b>60,373.86</b>	<b>833.37</b>
<b>OTHER ASSETS</b>		
Deposits	14,370.00	14,370.00
<b>Total Other Assets</b>	<b>14,370.00</b>	<b>14,370.00</b>
<b>Total Assets</b>	<b>\$2,898,686.55</b>	<b>\$2,757,296.84</b>

**East Sevier County Utility District**  
**Balance Sheet**  
**February 28, 2021**

	<b>02/28/2021</b>	<b>02/28/2020</b>
<b>LIABILITIES AND DISTRICT'S EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$30,460.87	\$24,087.66
Sales Tax Payable	2,041.44	1,992.95
Payroll Taxes Payable	382.56	382.48
Unearned Revenue	30,420.85	26,417.05
Long Term Debt-Current	8,163.56	0.00
Accrued Interest Payable	9,418.46	4,408.37
Customer Deposits	59,540.49	40,075.00
<b>Total Current Liabilities</b>	<b>140,428.23</b>	<b>97,363.51</b>
<b>LONG-TERM DEBT</b>		
USDA 2018 Loan #1	152,506.25	172,237.97
USDA 2017 Loan #2	284,295.43	288,352.66
USDA 2017 Loan #3	259,380.22	263,545.34
Less: Current Portion of L-Term Debt	(8,163.56)	0.00
<b>Total Long-Term Debt</b>	<b>688,018.34</b>	<b>724,135.97</b>
<b>Total Liabilities</b>	<b>828,446.57</b>	<b>821,499.48</b>
<b>DISTRICT'S EQUITY</b>		
Retained Earnings	1,960,517.59	1,397,784.62
YTD Net Income	109,722.39	538,012.74
<b>Total District's Equity</b>	<b>2,070,239.98</b>	<b>1,935,797.36</b>
<b>Total Liabilities and District's Equity</b>	<b>\$2,898,686.55</b>	<b>\$2,757,296.84</b>

**East Sevier County Utility District**  
**Statements of Revenues and Expenses**  
**For the Eight Months Ending February 28, 2021**  
*Actual vs Budget*

<u>February</u>			<u>YTD</u>		<u>Annual Budget</u>
<u>Actual</u>	<u>Budget</u>		<u>Actual</u>	<u>Budget</u>	
		<b>Operating Revenues</b>			
\$20,448	\$19,152	Water Sales	\$159,467	\$154,479	\$237,263
49,966	41,596	Sewer Charges	415,188	328,580	503,224
0	0	Connection Fees - Water	2,500	1,250	2,500
2,250	1,500	Connection Fees - Sewer	20,750	10,250	16,250
0	926	Late Charge Fees	0	7,405	11,107
7,693	7,222	Reconnect/Meter Sets/Other Fees	94,574	57,779	86,668
0	200	Miscellaneous Income	1,200	1,600	2,400
<b>80,357</b>	<b>70,596</b>	<b>Total Operating Revenues</b>	<b>693,679</b>	<b>561,343</b>	<b>859,412</b>
		<b>Operating Expenses</b>			
159	167	Payroll Taxes	1,221	1,333	2,000
43,932	43,932	Management & Operations Contract	351,456	351,456	527,184
5,224	4,000	Utilities	34,564	32,000	48,000
2,495	2,000	Insurance	19,831	16,000	24,000
4,233	4,417	Repairs & Maintenance	62,607	35,333	53,000
0	417	Professional Outside Services	0	3,333	5,000
2,082	2,083	Directors' Fees	15,958	16,667	25,000
138	1,000	Legal Expenses	8,983	8,000	12,000
0	0	Accounting	7,350	7,300	7,300
1,167	1,167	Bad Debts	9,333	9,333	14,000
0	0	Dues	0	825	825
0	0	Office Expense	(47)	0	0
26	0	Advertising Expense	214	0	0
1,500	0	Permits	6,162	4,306	5,200
83	250	Miscellaneous Expense	5,004	2,000	3,000
<b>61,039</b>	<b>59,433</b>	<b>Total Operating Expenses</b>	<b>522,636</b>	<b>487,886</b>	<b>726,509</b>
<b>19,318</b>	<b>11,163</b>	<b>Net Income B/4 Other (Inc) &amp; Exp</b>	<b>171,043</b>	<b>73,457</b>	<b>132,903</b>
		<b>Other Income (Expenses)</b>			
(380)	(1,792)	Interest Expense	(11,722)	(14,333)	(21,500)
(6,200)	(6,200)	Depreciation	(49,600)	(49,600)	(74,400)
0	(83)	Bond Issue Costs	0	(667)	(1,000)
<b>(6,580)</b>	<b>(8,075)</b>	<b>Total Other Income (Expenses)</b>	<b>(61,322)</b>	<b>(64,600)</b>	<b>(96,900)</b>
<b>\$12,738</b>	<b>\$3,088</b>	<b>Net Income(Loss)</b>	<b>\$109,721</b>	<b>\$8,857</b>	<b>\$36,003</b>

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

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<b>Billing Charges For the Month of:</b>	<b>Feb-21</b>	
Water Revenue		20,448.08
Sewer Revenue		51,033.36
Installment Billing -Offsite Sewer Arrears		754.72
Sales Taxes		2,040.76
Late Charges		-
Installation Fees-Water		-
Installation Fees-Sewer		2,250.00
Other Miscellaneous Fees		7,693.13
Returned Checks		-
Deposits Applied/Adjustments		-
Customer Refunds Paid		264.35
<b>Total Billing Charges</b>		<u><b>84,484.40</b></u>
<b>Water Gallons Billed</b>		<u><b>976,511</b></u>
<b>Water Customers Billed</b>		<u><b>247</b></u>
<b>Sewer Gallons Billed</b>		<u><b>465,300</b></u>
<b>Sewer Customers Billed</b>		<u><b>830</b></u>
<hr/>		
<b>Accounts Receivable</b>	<b>Feb-21</b>	
Beginning Balance		164,292.42
Billing Charges		84,484.40
Bad Debt Recoveries (Write Offs)		-
Accounts Receivable Collections		(95,566.27)
<b>End of Month Accounts Receivable</b>		<u><b>153,210.55</b></u>
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<b>Water Revenue Checking</b>	<b>Feb-21</b>	
Beginning Balance		345,652.91
<b>Deposits:</b>		
Accounts Receivable Collections		95,566.27
Customer Deposits		1,321.00
		<u>96,887.27</u>
<b>Disbursements:</b>		
Accounts Payable Checks		(111,453.92)
Auto Debit Charges-Utilities		(5,073.31)
USDA Loan Payment		(2,076.00)
Transfer to Alpine Road Funding		(2,000.00)
TN TAP - Sales Tax		(1,860.00)
Payroll Taxes		(382.64)
Refund Checks		(264.35)
Bank fees		(229.14)
Charge backs		(150.00)
End of Month Balance		<u>319,050.82</u>
Cash Receipts Collected To Date in:	<b>Mar-21</b>	96,164.35
Auto Debited Utilities in:	<b>Mar-21</b>	(5,133.39)
Bills Submitted for Payment in:	<b>Mar-21</b>	(76,056.12)
<b>Available Balance</b>		<u><u><b>334,025.66</b></u></u>

**East Sevier County Utility District, TN**  
**Treasury Report**  
**Summary of Cash and Investments**  
**February 28, 2021**

Bank Account / Security	Maturity Date	Beginning Balance	Deposits	Interest Earned	Payments	Ending Balance
Checking Acct-Operations		345,652.91	96,887.27	-	(123,489.36)	319,050.82
Checking Acct-Alpine Road Funding		97,869.85	2,000.00	-	-	99,869.85
Checking Acct-Waste Water Plant		833.37	-	-	-	833.37
Cash on Hand		100.00	-	-	-	100.00
<b>Total Cash and Investments</b>		<b>444,456.13</b>	<b>98,887.27</b>	<b>-</b>	<b>(123,489.36)</b>	<b>419,854.04</b>

**EAST SEVIER COUNTY UTILITY DISTRICT  
BILLING SUMMARY**

DATE	WATER REVENUE		WATER GALLONS (000s)		NO. OF CUSTMRS
	TOTAL	YTD TOTAL	TOTAL	YTD TOTAL	
Feb-21	21,063	177,415	977	9,329	247
Jan-21	19,944	156,352	750	8,352	249
Dec-20	21,862	136,408	1,227	7,602	250
Nov-20	20,126	114,546	935	6,375	250
Oct-20	19,644	94,420	817	5,440	250
Sep-20	19,440	74,776	854	4,623	245
Aug-20	19,566	55,337	841	3,769	249
Jul-20	35,771	35,771	2,928	2,928	247
Jun-20	19,948	241,664	1,032	12,014	247
May-20	19,393	221,715	911	10,982	247
Apr-20	19,479	202,322	956	10,071	246
Mar-20	20,417	182,843	979	9,115	248
Feb-20	18,829	162,426	761	8,136	246

**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		
Feb-21	52,180	426,518	465	5,399	830	95,566
Jan-21	52,376	374,338	456	4,934	825	96,451
Dec-20	54,364	321,963	859	4,478	827	110,401
Nov-20	52,333	267,599	572	3,619	824	69,016
Oct-20	51,849	215,266	492	3,047	824	79,482
Sep-20	51,729	163,417	502	2,555	824	70,655
Aug-20	51,329	111,689	499	2,053	820	98,021
Jul-20	60,359	60,359	1,554	1,554	816	85,621
Jun-20	49,449	572,773	621	7,531	814	95,517
May-20	48,576	523,324	528	6,910	811	82,140
Apr-20	48,098	474,748	576	6,382	806	86,379
Mar-20	48,235	426,650	569	5,806	799	78,211
Feb-20	46,901	378,415	452	5,237	788	79,590

**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**

**March – 2021**

**Administrative**

Audits have been performed at all offsite wastewater facilities. Audits identify the strengths and weaknesses of each facility. Identifying needs is the first step to creating a successful game plan in terms of operation and maintenance.

**Treatment**

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

Treatment at the wastewater plant is effective. All monthly parameters were within permit limits.

**Collection/Distribution**

A GIS training session was held for ESCUD staff.

Flushed numerous lines on the Well D footprint.

Performed maintenance at the Sherwood Forest Drip field.

Cleaned nozzles at the Lashbrooke estates WWTP.

Annual instrument calibration was performed by Labtronx.

**Customer Service**

A customer within the Well D footprint had concerns over water quality. Staff verified clean water at customer's residence.

**Project Updates**

The wastewater plant project has been approved.



**OPERATIONS REPORT – East Sevier County Utility District**

**Safety**

Back injury prevention and slips, trips and falls were March’s safety topics.

**Regulatory**

Monthly Water and Wastewater reports were successfully submitted to the Tennessee Department of Environment and Conservation.

**Concerns for the Month**

Creating a positive impact on water loss.

Sharing the roadways with tourists.

**Positives for the Month**

Holding multiple safety meetings for three consecutive months has created a renewed focus on safe work practices.

**Leak Repairs**

A water main was repaired on Lin Creek Road.

<b>Alliance Year-to-Date Capped Expenses through January 31, 2021</b>			
	<b>Actual</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
<b>Repair Expense</b>	\$29,138	\$23,268	\$5,870
<b>Chemical Expense</b>	\$2,384	\$7,119	(\$4,375)