

Beulah Utilities District

Minutes of Regular Board of Directors Meeting

October 21, 2014

Beulah Fire Station 1, 5350 Lee Road 270 Valley, AL. 36854

6:00 pm CST

The Board of Directors of Beulah Utilities District met in a regular meeting on October 21, 2014 at the Beulah Fire Station 1.

Chairman Sims called the meeting to order and welcomed those in attendance.

It was recognized that a quorum had been met, with the following Board Members in attendance:

Lamar Sims, Chairman
Shane Franks
James Majors
Dan Roberts
Leon McCloskey

Visitors in attendance: see attached visitor sign in sheet.

Mr. Sims asked for approval of the minutes from the October 7 Special Meeting. There being no comments, Mr. Roberts motioned to adopt the minutes. Motion was seconded and unanimously approved and the minutes were adopted.

Mr. Sheppard Dearing was recognized to give an update on the Highway 29/County Road 262/263 Project. Mr. Dearing reported that the project was nearing 100% completion with just a few items left to finish off. He also stated that the notice of completion was required to be run for four weeks and after that the project would be completed.

Mr. Dearing also stated that the Highway 158 project was totally completed.

Mr. Sims gave an update on the office module. He stated that significant work had to be done to repair the damaged caused by the roof leak. He said that the office should be ready for the November 3 opening. He stated that training will take place as discussed at the last meeting. He mentioned that the internet had been tested by Computer Network Inc. (CNI) and that everything worked. He said that there were some unexpected expenses that would push the total cost of the building to between \$65,000-\$75,000. He noted that this was over the \$50,000 bid limit but that after consulting with the Board's attorney, Mr. Rick Davidson, these emergency repairs fell under the emergency provisions of state law and thus the building was not subject to the bid laws. (A copy of the written Declaration of Emergency is attached to these minutes) Mr. Buddy

Cofield was recognized and expressed his frustration that the roof leak and rot had been missed. Ms. Carolyn Lott was recognized and stated her concern with how much the building had cost and felt that the District could have bought a brand new building for the amount of money it was costing the Board to fix up the used one they bought. A citizen asked if the Board would sell the office module once the District built a new office building. Mr. Sims stated that the fire department would take over the office module to use for training purposes and to improve the District's ISO rating.

Mr. McCloskey was recognized to give an update on the purchase of additional equipment. He stated that they had had the bid openings for the truck, skid steer and mini-excavator. He stated that for the truck, Langley Buick GMC had come in with the low bid of \$37,278. He motioned to purchase the truck at that price plus buy a spare tire and an electric brake controller for a total of \$37,885. Motion was seconded and unanimously approved to purchase the truck, spare tire and electric brake controller.

Mr. McCloskey then motioned to purchase the mini-excavator and a thumb for a total of \$41,659. Motion was seconded and unanimously approved to purchase the mini-excavator and a thumb.

Mr. McCloskey next motioned to purchase the skid steer for \$38,896. Motion was seconded and unanimously approved to purchase the skid steer.

Houston Black from Clearwater was recognized and briefed the Board on pumps he had researched. He recommended that the Board purchase a new 2" Trash Pump and a new 3" Diaphragm Pump. He recommended that the Board purchase the pumps from Consolidated Pipe. Mr. Franks motioned to purchase a new 2" Trash Pump for \$895 and a new 3" Diaphragm Pump for \$1695 from Consolidated Pipe. Motion was seconded and unanimously approved to purchase the pumps.

Mr. Sims gave an update on the office systems. Mr. McCloskey was recognized said that the radio read equipment was working and was only awaiting the setup of the computer system. Mr. Sims said that the individual parts of the billing system were tested and that the tests went well. He mentioned that the full system was not yet set up so a full systems test could not be done. Ms. Carolyn Lott was recognized and inquired about how information would be input into the Quickbooks software. She accused the Board of taking short cuts with billing and payroll and felt that the board should have spent more money and gone with a different program that would have automated the entire process.

Mr. Sims brought up the proposed amendments to the Bylaws. Mr. McCloskey motioned to table the amendments. Motion was seconded and approved by a majority of the Board members and the proposed Bylaw amendments were tabled.

Mr. Sims proposed that the Board adopt the following resolution:

RESOLVED, (A) that the Board of Directors of Beulah Utilities District does deem it advisable and prudent to change the contact information for the Beulah Utilities District Utility Revenue Bonds, Series 2010 from East Alabama Water, Sewer and Fire Protection District to Beulah Utilities District

(B) That the Incumbency Certificate/Authorized Callbacks form be completed and signed by each Board Member and submitted along with a copy of this Resolution to The Bank of New York Mellon/The Bank of New York Mellon Trust Company, N.A. (collectively, “BNY Mellon”).

Mr. McCloskey motioned to adopt the resolution. Motion was seconded and unanimously approved and the resolution was adopted.

Mr. Sims then informed the Board of the requests for adjustments that had been received. He stated that they totaled \$635.45. Mr. Franks motioned to approve the adjustments. Motion was seconded and unanimously approved.

Mr. Sims thanked the people from East Alabama for their help in preparing the Financial Report for September. Mr. Sims then briefed the Board on the Financial Report for September. Mr. Roberts motioned to accept the report. Motion was seconded and unanimously approved to accept the Financial Report for September.

Mr. Sims proposed that the Board adopt the following resolution:

RESOLVED, (A) that the Board of Directors does deem it advisable and prudent that the Certification of Incorporation (the “Certificate”) which is recorded in Corporate Volume 7, Page 437 in the Probate Court of Chambers County and amended by those filings at Corporate Volume 7, Page 729 and, in the Probate Court of Lee County, Corporate Volume 1289, Page 514 be amended as follows:

1. Paragraph 4 is amended to provide that the principal office of the District shall be on:

5320 Lee Road 270 Valley, AL 36854

(B) That application be made to the Lee County Commission, for their approval of the herein above proposed amendments. Said Application to be executed by the Chairman and attested to by the Secretary.

Mr. Majors motioned to adopt the resolution. After motion was seconded and unanimously approved, the resolution was adopted.

Mr. Sims then announced the Committee Assignments. The Water Committee would be made up of Mr. McCloskey and a representative from Clearwater. A subcommittee would be formed to address the District's water loss and would be made up of Mr. Roberts and a representative from Clearwater. The Fire Committee would be made up of Mr. Sims and Chief Jacob Geiger. A subcommittee would be formed to address Improving the District's ISO Rating in the next 12 months and would be made up of Mr. Sims, Chief Geiger and Mr. Toby Westfall. The Finance Committee would be made up of Mr. Majors and Mr. Jeff Hilyer. The Legal/Public Relations Committee would be made up of Mr. Franks and Mr. Rick Davidson. All the committees would seek to find a third member who would be a resident in the District and would have some experience or expertise in the subject matter of the committee. Mr. Sims stated that these committees would provide a report at each regular meeting. He also stated that the committees would be advisory only and could only provide recommendations to the Board.

Mr. Sims opened the floor for Citizen Comments. Attorney for the Board, Mr. Rick Davidson was recognized and reminded those in attendance that this portion of the meeting was for comments on items not on the agenda. Mr. B.J. Crenshaw was recognized and addressed the incentive to improve the District's ISO rating. He also inquired about the readiness of Clearwater to take over the operation of the water system. Mr. James Hudmund asked for clarification on when he needed to ask questions relating to agenda items. Ms. Carolyn Lott was recognized and asked that she be provided with a copy of the Financial Report. Ms. Linda Holt was recognized and inquired about the new phone number for the office. Mr. Toby Westfall was recognized and expressed his disappointment with the people who are working against and trying to hurt the District, especially those who wanted the District to go in the direction it is currently going. He asked that everyone come together to help the District move forward. Mr. Toney Segrest from East Alabama was recognized and thanked the employees for their work and the customers for allowing them to provide them with service. He expressed his disappointment with the people who had been attacking East Alabama and accusing them of wrongdoing. He said that the Board owed the East Alabama employees an apology for not debating those people who accused the employees of wrongdoing. Ms. Gaynell Hemmings inquired about the status of the installation of a fire hydrant. Mr. Sims thanked Mr. Segrest and his staff for their work and stated that he personally did not agree with those who attacked him and East Alabama. Mr. Sims apologized for all of the turmoil and stated that everyone needed to work towards the goal of providing the best service possible.

There being no further business, Mr. Majors motioned to adjourn. Motion was seconded and unanimously approved and the meeting was adjourned.

Signed _____

Benlah Athletics District
 Regular Board Meeting
 Visitor Sign in
 Oct 21, 2014

NAME	Address	Organization	Speak Yes/NO
Stephano			Yes/NO
Sheppard Deering	GMC		
Josh Pierce	GMC		
Carolee Goff			✓
B. J. Crewshaw			✓
Tony Segrest			✓
Rudby Field			✓
Winda Holt			✓
Jeremy Cole			
Kim Bonner			
Dana Oliver			
Alaine Hodge			
Alice McCloskey			
Gaynell Hemming's			
Joseph Murray			
Gatt			
Jud Sands			
James [unclear]			
John Westfall			✓

DECLARATION OF EMERGENCY

The Board of Directors of Beulah Utilities District ("The Board") does hereby declare, pursuant to Alabama Code 1975 §41-16-23, that an emergency affecting the public health, safety and convenience does exist in the Beulah Utilities District. ("The District") The nature of the danger to public health, safety and convenience is as follows:

1. The District is to provide potable water and fire protection to its customers.
2. The District purchased a modular office building ("The Building") to serve as the principal office and center of operations of its Water Department.
3. The Building will operate and house The District's computerized billing and payment systems.
4. The deadline to begin operations out of The Building is November 3, 2014.
5. Shortly after delivery of The Building in late October 2014, it was discovered that a roof leak had caused serious rot in many of the internal walls.
6. Without a structurally sound and sealed building, the necessary computer and office equipment cannot be installed and set up.
7. If not ready by the aforementioned deadline, The District will have no place to house or operate its Water Department.
8. Without the services provided by the Water Department, The District will not be able to supply its customers with potable water.
9. The emergency created by the condition of The Building has created the necessity to expend funds in excess of the original budget and will cause the project as a whole to exceed \$50,000.

Therefore, it is hereby declared that an emergency affecting the public health, safety and convenience does exist in the Beulah Utilities District as of the 21 day of October, 2014



Chairman