

Beulah Utilities District  
Minutes of Regular Board of Directors Meeting  
November 18, 2014  
5320 Lee Road 270 Valley, AL 36854  
6:00 pm CST

The Board of Directors of Beulah Utilities District met in a regular meeting on November 18, 2014 at the Beulah Water Department.

1. **WELCOME**

Chairman Sims welcomed those in attendance. Chairman Sims pointed out that this was the first meeting in the boardroom in the new office building and thanked all those who had helped to make it possible.

2. **CALL TO ORDER**

Chairman Sims called the meeting to order.

3. **ROLL CALL**

The following Board Members were present: Leon McCloskey, Shane Franks, James Majors, Dan Roberts and Lamar Sims. None were absent.

Visitors in Attendance - See attached Visitor Sign In Sheet.

4. **DECLARE QUORUM**

After the roll was called, Chairman Sims declared that a quorum was present.

5. **ADOPT AGENDA**

Chairman Sims presented the proposed agenda for adoption. Mr. Franks motioned to adopt the agenda. Motion was seconded and unanimously approved and the agenda was adopted.

6. **APPROVAL OF PREVIOUS MEETING MINUTES**    October 21, 2014

Chairman Sims asked for approval of the minutes from the October 21, 2014 Regular Meeting of the Board of Directors. Mr. Roberts motioned to approve the minutes. Motion was seconded and unanimously adopted and the minutes were approved.

7. **APPROVAL OF FINANCIAL STATEMENTS**

Chairman Sims briefed the Board on the financial reports for October 2014. Mr. Franks motioned to accept the reports. Motion was seconded and unanimously approved and the financial reports were accepted.

8. **OLD BUSINESS**

a. Revision of By-Laws

Chairman Sims pointed out that the only change from previous discussions on the by-law revisions was to add a provision for adopting a proposed agenda at the start of each meeting.

Mr. Majors motioned to adopt the new by-laws. Motion was seconded.

Mr. McCloskey asked to have language added that would require all contractual agreements be presented to all Board members five days prior to voting on them. He also asked that language be added that all contractual agreements be negotiated by at least two Board members. He also wanted language that would require the head of, or a representative from, each department (i.e. Water, Fire, Clearwater, etc...) to be present at all regular meeting of the Board.

Board Attorney, Mr. Rick Davidson, was asked for his opinion on the language proposed by Mr. McCloskey and stated that the contract provisions were appropriate for the by-laws and would fit into Article VI, Section 5. He stated that the other language was more appropriate for inclusion in a policy rather than the by-laws as it was not concerning the governance of the Board.

Mr. McCloskey motioned to adopt the by-laws as written with the suggested changes by Mr. Davidson.

Mr. James Hudmond, 580 Lee Road 275, was recognized and asked that an explanation of how the Fire Department and Water Department were related be included in the by-laws.

Motion was seconded and unanimously approved and the by-laws were adopted as written with the changes suggested by Mr. McCloskey.

b. Update on Modular Office Unit

Chairman Sims stated that the unit was finally set up and open for business but stated that work still needed to be done on the front porch to enable easier access to the building. He also stated that there were still invoices out and that the total cost of the building was still estimated to be around \$70,000.00 - \$75,000.00

c. Update on Equipment

Chairman Sims said that the new equipment was parked outside and encouraged everyone to go and look at it.

d. Update on Billing System

Chairman Sims stated that the training was done and that he felt it went well. If there were any issues with the posting of payments, he said they would be found and corrected.

9. **NEW BUSINESS**

a. Fire Department Report

Chief Jacob Geiger was recognized to give a report on the Fire Department. He stated that the month of October was very busy, running 94 calls. He also stated that new people had joined the pool of volunteer firemen and were currently going through training.

i. Recommendation to Refinance and Purchase New Pumper

Chief Geiger briefed the Board on his recommendation to refinance the current fire truck loan to an 11-year loan, with an annual payment of \$78,697.34 at an interest rate of 3.49%, and to purchase a new fire truck. He stated that these actions would allow the Department to maximize points in its Insurance Service Office (ISO) grade. Chairman Sims stated that this would make sense financially for the District as it would be cheaper to purchase the new truck now due to the fact that inflation would run the price up in the future.

Mr. B.J. Crenshaw, 52 Lee Road 965, asked about the types of tanks the new fire truck would have. Chief Geiger stated that it would have a 1,000 gallon water tank and a 50 gallon foam tank

Mr. Scott Windsor, 3077 Lee Road 270, asked why a FEMA grant wasn't applied for to purchase the new truck. Chief Geiger responded that the newly hired grant writer stated that since the Fire Department had recently purchased a pumper truck, it was unlikely they would be able to get a FEMA

grant to purchase another one so soon after and that the grant writing efforts should be directed towards updating the tanker system.

Ms. Gaynell Hammings, 1166 Lee Road 279, asked Chief Geiger to introduce the new Assistant Fire Chief.

Chief Geiger introduced Joseph Murray as the new Assistant Fire Chief.

Mr. McCloskey motioned to refinance the current fire truck loan and to purchase the new truck. Motion was seconded. Mr. Franks inquired how long it would take to get the new truck and was told by Chief Geiger that it would be delivered by the end of July or early August of 2015. Motion was unanimously approved to refinance the current fire truck loan and to purchase the new fire truck.

Chief Geiger asked the Board to adopt a resolution authorizing Lamar Sims, as Chairman, and James Majors, as Secretary-Treasurer, to sign the necessary documents to purchase the new truck. Mr. Majors motioned to adopt the resolution. Motion was seconded and unanimously approved and the resolution was adopted.

ii. Fire Hydrant Policy

Chief Geiger then asked the Board to amend the District's policy regarding requests for fire hydrants. He asked that the following language be changed from "All homeowners requesting a fire hydrant must be a water customer of the District or must become a water customer of the District" to "All homeowners requesting a fire hydrant must be a water and fire protection customer of the District or must become a water and fire protection customer of the District."

Mr. Toby Westfall was recognized and suggested the requirement to request a hydrant be the homeowners reside within the District.

Ms. Linda Holt, 315 Lee Road 377, was recognized and suggested that a requirement be added that stated that only customers in good standing could request a hydrant.

Mr. McCloskey motioned to adopt the new policy.

Chief Geiger suggested adding language that the requestor must be a water customer before installation of the hydrant would begin.

Mr. Franks expressed his concern about the ambiguous language in the policy and felt that further work needed to be done on the policy to clear it up.

Board Attorney, Rick Davidson, suggested tabling the vote on the new policy in order to come up with language to satisfy all of the ideas and concerns expressed during the discussion.

Mr. Franks motioned to table the vote on amending the hydrant policy. Motion was seconded and unanimously approved and the vote was tabled.

iii. Request for 3 Fire Hydrants

Chief Geiger next requested that installation of fire hydrants be approved by the board for the following locations:

7235 US Hwy 29 North  
111 Lee Road 802  
2149 Lee Road 177

The cost would be \$2250.00 per hydrant and that it would help acquire needed points for the District's ISO grade.

Mr. Franks asked when the hydrants needed to be installed by and whether or not more hydrants might be needed to help increase the ISO grade. He suggested installing one hydrant per month to help spread the cost out.

Mr. Toby Westfall suggested the Board adopt a policy mandating that all commercial buildings be required to have a fire hydrant. It was suggested that the cost of these hydrants could be added to the Tap Fees for new commercial buildings.

Mr. Franks motioned to approve the installation of the hydrants. Motion was seconded and unanimously approved.

b. ClearWater Solutions Report

Mr. Houston Black was recognized to give the ClearWater Solutions Report. He briefed the Board on ClearWater's activities since taking over as the District's Operator.

Mr. Black recommended the Board purchase a 1' bucket for the mini-excavator for \$945.00. Mr. Franks motioned to purchase the 1' bucket for \$945.00 from Thompson Tractor. Motion was seconded and unanimously approved.

Mr. Black then briefed the Board on the Water System data for the month of October. Chairman Sims asked Mr. Black to explain how Clearwater approached water loss.

Mr. Black stated that Clearwater was committed to lowering the amount of water the District was losing each month.

Mr. James Hudmund was recognized and reported some leaks he was aware of. He also stated that the county grass cutters had spotted two leaks. He said the county workers would be on the lookout for leaks and would report any they found.

Chairman Sims suggested that the mail people could also be on the lookout for and report any leaks.

Mr. Majors suggested that an incentive program might be implemented in order to encourage people to report leaks. There was a concern that an incentive program might lead to several bogus leak reports and would have workers out chasing those bogus leaks.

#### 10. **OTHER BUSINESS**

Mr. Franks asked about the status of the draining of the water tanks. He was informed that the tanks were empty.

Mr. McCloskey inquired about a letter sent from Board Attorney Rick Davidson to Mr. James Hudmund concerning invoices submitted by Mr. Hudmund and the Declaration of Emergency regarding the setup of the Office Module. He felt that the Board should have voted on both items. Mr. Davidson stated that the letter he sent was only for gathering information and that no Board action had been taken yet. Mr. Davidson suggested discussing the Emergency Declaration at the next meeting so that everyone could review the minutes and other pertinent information and be properly informed on the subject.

#### 11. **CITIZEN COMMUNICATIONS ON NON-AGENDA ITEMS**

Mr. B.J. Crenshaw was recognized and suggested the District install a night/weekend deposit slot at the office for those who cannot make it over to the office during normal business hours.

Mr. James Hudmund asked about the invoices he sent to the District and when he could expect payment.

Lee County Commissioner, Mr. Robert Ham, 20 Lee Road 2120, was recognized and thanked Clearwater for the work they were doing for Beulah. He also thanked the Board members for their work and asked the citizens of Beulah to support the Board and to stop the fighting that had plagued the community.

Ms. Gaynelle Hammonds was recognized and asked about the status of getting a new engineer under contract with the District and whether or not the current engineer's, Goodwyn, Mills & Cawood, status as a parent company of ClearWater was a conflict of interest. Chairman Sims stated that he was told by Clearwater that there wasn't a conflict of interest but stated that he was not opposed to exploring the issue further.

Chairman Sims announced that all information concerning Board meetings could be accessed at the following website: <http://www.beulahutilitiesdistrict.com>

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

Signed \_\_\_\_\_

