

Beulah Utilities District
Minutes of Regular Board of Directors Meeting
October 20, 2015
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 October 20, 2015 at the Beulah Water Department.

1. **WELCOME**

Chairman Sims welcomed those in attendance.

2. **CALL TO ORDER**

Chairman Sims called the meeting to order.

3. **ROLL CALL**

The following Board Members were present: Linda Holt, Dan Roberts, James Majors, Shane Franks and Lamar Sims.

Absent: None

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 by Mr. Roberts and the agenda was unanimously adopted.

6. **APPROVAL OF PREVIOUS MEETING MINUTES** September 19, 2015

Chairman Sims asked for approval of the minutes from the September 19, 2015 Regular Meeting. Mr. Majors motioned to approve the minutes. Motion was seconded by Mr. Franks and the minutes were unanimously approved.

7. **APPROVAL OF FINANCIAL STATEMENTS**

Chairman Sims reviewed the financial statements. Mr. Franks motioned to accept the financial statements. Motion was seconded by Mr. Roberts and the Financial Statements were unanimously accepted.

8. **OLD BUSINESS**

A. Update on Tank and Lee Road 270 Project

Mr. Joshua Pierce from the District's engineering firm, Goodwyn, Mills & Cawood, Inc. (GMC) was recognized to give an update on the Lee Road 270 Water Main and Highway 29 Storage Tank Projects. He stated that the Lee Road 270 project was going well and had reached 55% budget completion. Concerning the Highway 29 Tank Project he stated that the only major work left to be done was cleaning and painting the tank.

B. Update on Lee Road 375 Water Main Relocation

Mr. Pierce also gave an update on the Lee Road 375 water main relocation. He stated that the Notice to Proceed was issued for October 19, 2015 with a project timeframe of 21 consecutive calendar days. He stated that all materials for the project had been received but that work had not yet started due to a subcontractor's equipment breakdown. He stated that the total contract amount was \$45,160.00.

a. Letter to Lee County

Chairman Sims stated that a letter had been drafted to be sent to the Lee County Commission concerning the amount of road work being done in the District necessitating the moving of water mains and the negative effect this was having on the District's budget. He stated that a copy of the letter would be circulated among the Board members and that if no one had any comments or objects, the letter would be signed and sent to the Commission.

C. Fire Station Number 2

Fire Chief Jacob Geiger was recognized to update the Board on the upgrading of Fire Station Number 2. Chief Geiger summarized for the Board the options for dealing with Fire Station Number 2:

The first option was to approve the quote from McGuire's Buildings for a little over \$68,000 for the construction of a metal building. He stated that this quote did not include demolition and site work and that factoring in those costs would push the total cost of the project to over \$100,000.

The next option was to engage the services of architect Suzanne Fields, who offered her services for no charge, to draw up plans for a building. He stated that under this arrangement, the District would only have to pay for the CAD Operator's time at a price of \$75/hour. However, the District would not have a new building constructed in time for the February 2016 ISO Re-grading.

The third option was to leave the current building alone and place a mobile building/home to the property which would give the Department the ability to staff the station. This would mean that the new, larger trucks could not be placed in the station but it would have the Station staffed in time for the ISO Re-grading.

Chief Geiger said the ultimate goal was to give the Department the ability to staff Station 2, which would help improve the District's ISO rating. He said that the District would be re-graded for ISO purposes in February of 2016 and that the re-grading could not be postponed any longer. He stated that the best option to staff Station 2 by the February re-grading would be to purchase and set up the mobile building/home structure.

Mr. B.J. Crenshaw, 52 Lee Road 965, was recognized and asked what the cost of the mobile home/building would be and wasn't going that route just putting the problem off. Chief Geiger said that one of the benefits of going with the mobile building/home was that once Station 2 was rebuilt, the mobile property could be moved to Station 3 so that it could be manned and which would increase the District's ISO grade even further.

The Honorable Robert Ham, Lee County Commissioner, was recognized and stated that he had looked into the costs of mobile homes and found that a small, two bedroom, 16' wide mobile home would cost approximately \$30,000 which included set up costs.

Mr. Majors motioned to purchase and install a mobile home at Station 2. Motion was seconded by Mr. Roberts and unanimously approved.

9. **NEW BUSINESS**

A. Opelika Water Contract

The Board's Attorney, Rick Davidson, was recognized to update the Board on the negotiations for a new water supply contract with the City of Opelika. Mr. Davidson presented the Board with the most current draft of the proposed agreement and summarized the details of the negotiations and highlighted some of the major changes made from the version received from the City of Opelika. Mr. Franks motioned to approve the draft of the Water Supply Agreement presented

by Mr. Davidson. Motion was seconded by Mr. Majors and the draft contract was unanimously approved.

B. Review Board Compensation

Chairman Sims stated that a question had arisen regarding compensation for Board members. He stated that he had asked the Lee County Commission to search for the Resolution detailing the Board's Compensation. Commissioner Ham stated that as of the meeting time, the resolution had not been found but that they were still searching. Chairman Sims said that a Committee was being created to determine exactly what Board members were to be paid. Mr. Majors and Mr. Roberts were selected to the Committee.

C. Meeting With Skip McCoy

Chairman Sims stated that he was asking the Board for permission for him to meet with the District's previous attorney, Skip McCoy, to go over various matters for which the District currently does not have documentation for. He anticipated the meeting lasting not longer than one hour. Ms. Holt motioned to approve a one hour meeting with Mr. McCoy. Motion was seconded by Mr. Franks and a one hour meeting with Mr. McCoy was unanimously approved.

D. Review of Bank Accounts

Mr. Houston Black was recognized and reviewed the various bank accounts the District currently maintained at Auburn and Charter Banks. He presented a proposal to reduce the number of bank accounts from seven to five and to establish Water and Fire Reserve Accounts. Under the proposal, the Operating, Revenue and Security Deposit Accounts at Charter Bank would be closed and the funds transferred to Operating, Revenue and Security Deposit Accounts at Auburn Bank. The Water and Fire Reserve Accounts would be maintained at Charter Bank. He stated that the money in the System Development Fee Account would be used to pay for various projects around the District and that the Account would be closed unless the District reinstated a System Development Fee. Mr. Franks motioned to adopt the proposal. Motion was seconded by Mr. Roberts and the bank account restructuring proposal was unanimously approved.

E. Fire Dept. Report

Chief Geiger was recognized to give a report on the Fire Department. He stated that in September the Department ran 90 calls which was higher than average for the month.

He stated that he and other members of the Fire Department would be leaving soon to go to inspect the new pumper fire truck and that it was expected that delivery would be the first week of November.

Chief Geiger said that the Volunteer Firefighters participating in the state Volunteer Firefighter training course were in their final training block and they should find out after the first week of November which volunteers passed the course.

a. Fire Dept. Policy and Procedure

Chairman Sims presented proposed language to add to the Policy and Procedure Manual dealing with Billing and Payment of Fire Protection Bills. Mr. Majors motioned to adopt the policy changes. Motion was seconded by Ms. Holt and the policy changes were unanimously adopted.

i. Approve Letter for Non-Customers

Chairman Sims reviewed a letter that would be sent out to customers who were delinquent in paying their monthly fire fee. Mr. Roberts motioned to approve the letter. Motion was seconded by Mr. Franks and the letter was unanimously approved.

ii. Fire Rate for Non-Customers

Chairman Sims briefed the Board on the proposed fee for customers who called for Fire and/or EMS service but who were not covered by the monthly fire fee. He said that in reaching the number, the budget for the last fiscal year was analyzed to determine how much was spent responding to Fire and EMS calls and then that total was divided by the number of Fire and EMS calls that year to get an average cost per call. He stated that the proposed fee was that average cost plus ten percent. Mr. Majors suggested rounding the cost to \$1,250.00 and he motioned that the District adopt the \$1,250.00 fee. Motion was seconded by Ms. Holt and the \$1,250.00 fee was unanimously adopted.

b. Fire Department Reserve Account

Chairman Sims reviewed an analysis of Fire Department funds for the prior two fiscal years and stated that the District would have \$169,847.92 to put into the soon to be established Fire Department Reserve Fund. He said that in the future, any Fire revenue not spent during the year would be added into this reserve account.

c. Review Funding Options for Fire Service

Chairman Sims reviewed the current state of Fire Department fees and stated that the District was currently determining who lived in the District but didn't pay the monthly fire fee. He stated that a Committee was being

formed to explore the possibility and process of mandating that everyone within the District pay the monthly fire fee. Mr. Franks and Ms. Holt were appointed to serve on the committee.

F. Clearwater Solutions Report

Mr. Houston Black was recognized to give the Clearwater Report for the Month of September.

He stated that the District had received a request to sponsor the Beulah Bass Team. Ms. Holt stated that she was worried that if the District sponsored this group, it would be pressured to sponsor all groups and organizations that came to the Board and she was concerned that the District did not have sufficient funds to do that. Hearing no motion, the Board took no action on the matter.

Mr. Black presented the Board with a pay request from GMC in the amount of \$15,836.47 for the work it had done for the District over the past several months. Ms. Holt motioned to pay the pay request. Motion was seconded by Mr. Roberts and unanimously approved.

Mr. Black then presented the Board with pay request number two from L&K Contracting Co. in the amount of \$64,237.68 for the work it was doing on the Lee Road 270 project. Ms. Holt motioned to pay the pay request. Motion was seconded by Mr. Franks and unanimously approved.

Mr. Black presented the Board with a pay request from Dixie Painting & Sandblasting, Inc. in the amount of \$52,348.80 for the work it was performing on the Highway 29 Storage Tank. Mr. Franks motioned to pay the pay request. Motion was seconded by Mr. Roberts and unanimously approved.

Mr. Black said that as approved, the District's Leak Reporting Incentive program was to run for six months and then be reexamined. He said that the six months had run and asked the Board if it wished to continue the program. He mentioned that the office received between 10-15 verified leak reports each month since the program started. Mr. Franks motioned to continue the program for another six months. Motion was seconded by Mr. Majors and unanimously approved.

Mr. Black then announced the monthly winner of the Leak Reporting Incentive program.

He stated that there were four rate adjustments for September:

Rickey Miller	\$273.35
Tabetha Colley	\$102.95
J. David Harris	\$165.50
Felicia Thrift	\$106.50

Mr. Franks motioned to approve the adjustments. Motion was seconded by Ms. Holt and the rate adjustments were unanimously approved.

Mr. Black then briefed the Board on Clearwater's activities over the past month.

Mr. Black stated that Clearwater's total repair and maintenance expenditures in July were \$3,893.69. He stated that this would be the last month such money would be due to Clearwater as the District was taking over repair and maintenance expenditures in the new fiscal year. Ms. Holt motioned to pay Clearwater \$3893.69. Motion was seconded by Mr. Franks and unanimously approved.

Chairman Sims suggested that the District make us of the Alabama Rural Water Association's free service of coming into the District to check for leaks. Mr. Black was given time to put together a price proposal for paying the water employees overtime to assist with this.

10. **OTHER BUSINESS**

Chairman Sims stated that there would be a free training session put on by the Alabama Rural Water Association on November 5th in Opelika. He encouraged the Board members to sign up and attend.

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

Mr. B.J. Crenshaw, 52 Lee Road 965, was recognized and spoke in support of the mobile home option for Fire Station Number 2. He also asked how the water rates the District charges compare to the rates charged by other water districts. Chairman Sims responded that a study was currently underway to determine that.

Chairman Sims stated that the next Regular Meeting would be at 6:00pm on November 17, 2015.

There being no further business, Mr. Franks motioned to adjourn. Motion was seconded by Ms. Holt and unanimously approved and the meeting was adjourned at 7:31 p.m. C.S.T.

Signed _____

