

Beulah Utilities District  
Minutes of Regular Board of Directors Meeting  
February 16, 2016  
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 February 16, 2016 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: Dan Roberts, Linda Holt, Lamar Sims, James Majors and Shane Franks.

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**     January 19, 2016

Chairman Sims asked for approval of the minutes from the January 19, 2016 Regular Meeting. Mr. Roberts motioned to approve the minutes. Motion was seconded by Mr. Majors 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. Project Update

Mr. Joshua Pierce from the District's engineering firm, Goodwyn, Mills & Cawood, Inc. (GMC), was recognized to report on the status of the various projects currently ongoing in the District. He stated that the Lee Road 270 Water Main Project was essentially complete with only testing and punch list items remaining to be done. The project was at 97.02% budget completion. He said that the Highway 29 Tank Project was also wrapping up with only some equipment installation and punch list items remaining to be done. He said that the total costs for both projects was \$1,291,347.10 which was \$17,390.90 below what was estimated.

Mr. Pierce stated that the Lee Road 375 project was substantially complete and that the water main had been placed back into service. He said that the project had come in approximately \$1200 under budget.

Overall, he said that the projected bond fund deficit would be around \$35,620.

B. Water Dept. Old Asset Allocation Project

Chairman Sims reviewed the situation with the District's old asset allocation and the need to come up with a formula to apply to older assets to allow for them to be properly accounted for. Mr. Roberts motioned to have the District work with its Accounting and Engineering Firms to come up with an old asset allocation formula. Motion was seconded by Mr. Franks and unanimously approved.

C. Lee Road 341 Water Main Relocation

Mr. Houston Black from Clearwater was recognized to discuss the situation on Lee Road 341. He stated that one of the District's Water Mains runs under a house and that about 600 feet of pipe needed to be relocated. He stated that L&K Contracting gave a project cost estimate of \$25,450.

Mr. Roberts motioned to contract with L&K Contracting to move the pipe. Motion was seconded by Mr. Franks and unanimously approved.

9. **NEW BUSINESS**

A. **Review of 2010 Bond Proposal by Joe Jolly & Co. Inc.**

Chairman Sims stated that he had spoken with representatives from Joe Jolly & Co. and that they recommended that the district consider refinancing some of the 2010 Bonds, as doing so could save the District up to \$123,000 as bond rates are lower. Mr. Majors motioned to refinance the 2010 Bonds. Motion was seconded by Mr. Franks and unanimously approved.

Chairman Sims stated that Joe Jolly & Co. looked at the District's financials and said that the District could sell more bonds to get more money to pay for projects in the District. He said the District could also borrow money or do what is called a wrap structure whereby the District would only pay interest on bonds until the bonds became due. Mr. Franks said that there are issues in the District that need fixing and that the cost might be over one million dollars. He said that while it would be a long process to get the issues fixed, it was nevertheless worth exploring the District's options. Mr. Black said that he and the Engineers would get together to tinker with various pressures and valves to see if water pressure could be improved to certain areas of the District before having the District embark on costly projects such as water tanks. He said it would likely be a couple of months before they could determine if the tinkering made a difference.

B. **Fire Dept. Report**

Chief Jacob Geiger was recognized to give a report on the Fire Department. He stated that in January the Department ran 88 emergency calls, 5 of which were fire. He said that this was an average month for the District.

He briefed the Board on a new hiring policy for the Fire Department. Ms. Holt motioned to adopt the hiring policy. Motion was seconded by Mr. Franks and the hiring policy was unanimously approved.

Chief Geiger stated that the ISO re-grading was done earlier in the day. He said that the ISO representative said that the District had improved its grade but that he could not guess what the grade would be. He mentioned that it would likely be 8-10 months before the grade was issued.

Chairman Sims mentioned a problem with 911 calls from cell phones in the District being routed to Harris County, GA when the cell tower the phone was using was located in Georgia. Chairman Sims stated that he has spoken to some people and that this problem should be worked out in the next couple of weeks.

C. Clearwater Solutions Report

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

Mr. Black stated that the District did not collect some quarterly water samples in the time frame specified by ADEM. He apologized for this mistake and said that it would not happen again. He said the District was waiting on a letter from ADEM outlining corrective measures.

He then conducted the drawing for the Leak Incentive Program for January.

He stated that there was one qualifying request for a rate adjustment for January:

Charles McDonald	\$113.60
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Mr. Franks motioned to approve the qualifying adjustment request. Motion was seconded by Ms. Holt and the qualifying rate adjustment was unanimously approved.

Mr. Black presented the Board with Pay Request #6 for the Lee Road 270 Project in the amount of \$100,367.16. Mr. Franks motioned to pay the pay request. Motion was seconded by Ms. Holt and unanimously approved.

Mr. Black then presented the Board with a pay request from GMC for \$2,926.94 for its work on the District's projects. Mr. Black noted that once this is paid then the District would have paid GMC in full for the Lee Road 270, Hwy 29, Lee Road 262/263 & Water Tank projects. Ms. Holt motioned to pay the pay request. Motion was seconded by Mr. Majors and unanimously approved.

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

Mr. Black said that the people from the Alabama Rural Water Association still had not contacted him regarding a date to come and check for leaks in the District.

Mr. Black stated that FEMA would not allow the District to count lost revenue so the District did not meet the requirements to apply for FEMA aid. He said the District would try to get help through the County.

10. OTHER BUSINESS

None.

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

None.

Chairman Sims stated that the next Regular Meeting would be at 6:00pm C.S.T. on March 15, 2016.

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 7:10 p.m. C.S.T.

Signed \_\_\_\_\_

