

Beulah Utilities District
Minutes of Regular Board of Directors Meeting
July 19, 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 July 19, 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: Linda Holt, Shane Franks, Dan Roberts, James Majors and Lamar Sims.

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. Ms. Holt motioned to adopt the agenda. Motion was seconded by Mr. Majors and the agenda was unanimously adopted.

6. **APPROVAL OF PREVIOUS MEETING MINUTES** June 20, 2016

Chairman Sims asked for approval of the minutes from the June 20, 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. Chairman Sims stated that there was a change to the financial statements to correct the Workers Compensation for the Fire Department being entered into the computer incorrectly as an asset instead of an expense. Mr. Majors motioned to accept the financial statements. Motion was seconded by Mr. Franks and the Financial Statements were unanimously accepted.

8. **OLD BUSINESS**

A. **Bond Refinancing/New Bonds**

Mr. Joe Jolly was recognized to brief the Board on the refinancing of the District's Bonds. He stated that the District was refinancing a portion of the 2010 Series Bonds. The new bond amount would be approximately \$2,230,000 with the interest rate dropping from 4.5% to 2.5%. Mr. Jolly said the District's annual payment would remain about the same. He mentioned that as a result of this transaction, the District would have a surplus of roughly \$205,000 to use for capital improvements. Mr. Jolly noted that the District's good financial condition made this transaction possible.

Mr. Jolly asked the Board to pass the resolution authorizing the transaction and authorizing the Chairman and Secretary to sign the necessary documents. Mr. Roberts motioned to adopt the authorizing resolution. Motion was seconded by Mr. Franks and the resolution was unanimously adopted.

B. **Asset Valuation Report**

Chairman Sims presented the asset valuation report prepared by the District's engineering firm, Goodwyn, Mills & Cawood. He said that the report assigns a dollar value to each one of the items the District has as a system asset. Mr. Houston Black stated that he had sent a copy of the report to the District's auditors.

C. **Update on New Hire for Fire Chief Position**

Chairman Sims stated that a total of 7 individuals applied for the Fire Chief position. He mentioned that some of the candidates withdrew their names from consideration upon learning that the salary would not be high enough for their needs. Chairman Sims said that two candidates, Mr. Padgett and Mr. Richardson, who met all the qualifications, were interviewed and that the Board would vote to hire one of the two tonight.

The Board voted as followed: **Majors** – Padgett; **Franks** – Richardson; **Holt** – Padgett; **Roberts** – Padgett; and **Sims** – Richardson.

Chairman Sims announced that by a 3-2 vote, the Board had voted to hire Mr. Padgett as the Fire Chief.

9. **NEW BUSINESS**

A. **Fire Dept. Report**

Mr. Blake Simpkins was recognized to give a report on the Fire Department. He stated that in June the Department ran 73 emergency calls which was an average month.

He said that there was interest in another Volunteer 160 course and that he was working with Tim Jennings to get that set up.

Chairman Sims stated that a cookout was being hosted this Thursday at the Fire Station as a thank you to the firemen for their work on improving the District's ISO grade.

Chairman Sims also stated that he would like the Board to approve some type of financial bonus for Mr. Simpkins for taking on the role as Interim Fire Chief. Mr. Franks stated that the Fire Committee needed to meet to address several items and motioned to table discussion on this topic to allow the Fire Committee time to meet. Motion was seconded by Ms. Holt and unanimously approved.

B. **Clearwater Solutions Report**

Mr. Black was recognized to give the Clearwater Report for the month of June.

He stated that there were two qualifying rate adjustments for June:

Mr. Ronald Ray	\$1370.40
Ms. Belvin	\$469.25

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

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

He then mentioned that Clearwater was requesting a roughly 4% increase in the Management Fee paid under the Operating Contract. He said that Clearwater had hired a new, more experienced employee to assist in the operation of the Water Department. He also mentioned that Clearwater would like to give the District employees merit raises and bonuses to reward them for their hard work. Finally he stated that the employee healthcare costs increased more than budgeted and may continue to rise. He stated that, if approved, the increase would go into effect at the beginning of October of this year and would be a monthly increase of \$1,254.91. Chairman Sims appointed himself and Mr. Majors to a committee to work with Clearwater on the rate increase and report to the Board at the August meeting. Ms. Holt motioned to table a vote on the rate increase until the

Committee could issue its report. Motion was seconded by Mr. Majors and unanimously approved.

C. Water Department Budget FY 2017

Mr. Black presented the Board with a draft of the Water Department Budget for the next fiscal year. He went over the highlights for the Board. He stated that he did not expect the Board to vote on the Budget tonight and that the Board had time to review the proposed Budget.

Chairman Sims asked Mr. Majors to review the proposed budget and prepare a report for the Board.

10. **OTHER BUSINESS**

Mr. Black stated he had forgotten to conduct the drawing for the Leak Incentive Program for May. He drew a name and Ms. Winters was the winner.

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 August 16, 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 6:41 p.m. C.S.T.

Signed _____

