

Beulah Utilities District
Minutes of Regular Board of Directors Meeting
August 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 August 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: Linda Holt, Shane Franks, James Majors, Dan Roberts 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. Mr. Roberts motioned to adopt the agenda. Motion was seconded by Mr. Franks and the agenda was unanimously adopted.

6. **APPROVAL OF PREVIOUS MEETING MINUTES** July 19, 2016

Chairman Sims asked for approval of the minutes from the July 19, 2016 Regular Meeting. Mr. Roberts 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. Houston Black stated that he spoke to the accountants and they had to go back to the 2003 Bonds to ensure that the correct adjustments were being entered and that they recommended tabling approval of the July Financial Statements until the new bond numbers could be entered on the Balance Sheet. Chairman Sims said the Board would approve the July Financials at the September Board meeting.

8. **OLD BUSINESS**

A. Asset Valuation Report

Chairman Sims stated that the ball was in the accountants' court and it would probably be best for the accountants to do the Asset Valuation Report at the same time they are doing the District's audit. He said this would prevent the accountants from having to essentially do it twice.

B. Clearwater Contract

Chairman Sims said that as the District was reviewing the requested fee increase by Clearwater, it was decided that the District would assume payment for all office and other material expenses needed for the operation of the District. Under the amended contract, Clearwater would be responsible for labor only. This would enable the Board to gain a clearer understanding of the costs associated with running the District. As a result of this change, the parties agreed to a 3% increase instead of 4% for the upcoming year. Chairman Sims said that the amendment agreement had been reviewed and approved by the lawyers.

Mr. Majors motioned to authorize execution of the Second Amendment to the Clearwater Contract. Motion was seconded by Mr. Franks. Ms. Holt had a question concerning the postage costs indicated in the amendment which Mr. Black answered to her satisfaction. The contract amendment was then unanimously approved.

C. Water Dept. Budget FY17

Mr. Black stated that the Water Department Budget had been revised from the version presented at the July meeting to reflect the bond payment schedule received from the Bank of New York and the Clearwater contract amendment just approved. He said that while the interest payments would be going down roughly \$30,000 per year, depreciation would likely be going up due to all the recent capital improvements done by the District. He mentioned Clearwater's fee will need to be adjusted to account for when the new fee would take effect.

Mr. Franks motioned to approve the Water Department Budget as presented with the mentioned adjustment for Clearwater's management fee. Motion was seconded by Mr. Majors and unanimously approved.

D. Fire Dept. Bonuses

a. ISO Bonuses

Mr. Franks stated that at the last Fire Committee meeting, the matter of ISO Bonuses was discussed. He said that there were a total of 8 people who were involved with improving the ISO score, some of which were no longer with the District. He said the people involved included 1 Chief, 2 Assistant Chiefs, 3 Shift Captains and 2 Volunteers. He said the Committee recommended paying those individuals no longer with the District the bonuses because they had been promised the bonuses as a reward for improving the District's ISO grade.

Mr. Franks said the Fire Committee recommended paying each of the Chiefs \$600, each of the Shift Captains \$200 and the Volunteer Firemen \$150 each.

The Board unanimously approved paying the bonuses.

b. Acting Chief Bonus

Mr. Franks stated that to reward Blake Simpkins for serving as Acting Fire Chief for roughly two months, the Fire Committee recommended paying him a bonus of \$400. Mr. Franks said he heard very positive comments from the community concerning the operation of the Fire Department under Mr. Simpkins.

The Board unanimously approved paying the bonus.

9. **NEW BUSINESS**

A. Fire Dept. Report

Chief Padgett was introduced and recognized to give a report on the Fire Department. He stated that in July the Department ran 84 emergency calls, one of which was a fire call.

Chairman Sims said he and Mr. Majors would be working with Chief Padgett to add additional information to the Fire Report the Board would like to see.

a. Fire Dept. Budget FY17

Chairman Sims reviewed the proposed Fire Department Budget. Chief Padgett proposed that the Training Officer position formerly held at the Assistant Chief level, be held at the Shift Captain level. This would enable the Department to keep this position in house but at a lower cost.

Chief Padgett said he believed the Department would be able to fill the position internally. Chief Padgett also presented an organizational chart of the Fire Department. Chairman Sims stated that the new budget did factor in the fact that the District was not exempt from all taxation and would owe tax on some purchases.

Ms. Holt asked whether the Fire Department had smoke detectors on hand to give to customers. Chief Padgett said the Department did have some available. Ms. Holt asked whether the Department would install those in the customers' homes. Chief Padgett said they would as this insured the detectors were properly installed.

Mr. Roberts motioned to approve the Fire Department Budget. Motion was seconded by Mr. Franks and the budget was unanimously approved.

B. Clearwater Solutions Report

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

He conducted the drawing for the Leak Incentive Program for July. He said that the Board had only approved the Leak Incentive Program for a certain number of months and asked if the Board wished to make it a permanent program so he wouldn't have to keep coming back to the Board for an extension. Mr. Black stated he felt that the program was helping with the District's water loss. Mr. Franks motioned to make the Leak Incentive Program permanent. Motion was seconded by Mr. Majors and unanimously approved.

Mr. Black stated that there was one rate adjustment. A customer's house had burned down in April and she had forgotten to shut off the water service and discontinue the fire fee. The customer asked that the District waive her fees for the three months since the house burned down. Mr. Black stated that the District didn't have a policy for handling this type of situation. Mr. Black stated the District would be waiving the minimum monthly water and fire fee for the months after the house burned down as well as three late charges.

Mr. Roberts motioned to approve the adjustment. Motion was seconded by Mr. Majors and unanimously approved.

Chairman Sims asked that the Fire Department communicate with the Water Department whenever a house burns down so they will know to terminate the account until a new structure is built.

Mr. Black then briefed the Board on Clearwater's activities for the month of July.

10. **OTHER BUSINESS**

Chairman Sims stated that Josh Pierce from the District's engineering firm had sent him an email containing a letter he had sent to Mr. Lott asking him to work with the District through ADEM to secure funding loans which would be low interest or have a form of debt forgiveness to enable the District to make improvements.

Chief Padgett stated that he would like to promote Blake Simpkins to fill the vacant Assistant Fire Chief position effective September 1. Ms. Holt motioned to approve the promotion. Motion was seconded by Mr. Franks and unanimously approved.

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 September 20, 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 6:44 p.m. C.S.T.

Signed _____

