

**REGULAR MEETING OF THE
ROCKWOOD WATER, WASTEWATER & NATURAL GAS BOARD**

May 24, 2017 @ 6:00 P.M.

The meeting was called to order at 6:00 p.m. with Chairman Darryl Meadows presiding. Roll call found Commissioner Loren Bone, Commissioner Tim Couch, Commissioner Dudley Evans, and Commissioner Joe Moore present.

Public Comment: None.

Approval of the April Minutes: Commissioner Bone made a motion to approve the minutes as presented and Commissioner Moore seconded. The motion passed unanimously.

Approval of financials for April 2017: W/S revenue for the month of April was \$334,657; expenses were \$204,749; and revenue exceeds expenses YTD of \$302,577. Gas revenue for the month was \$238,533; Gas expenses excluding gas cost was \$70,022; and revenue exceeds expenses YTD of \$263,242. Commissioner Bone asked if a YTD comparative for Gas could be included in financials. Commissioner Evans then made a motion to accept the financial report and Commissioner Couch seconded. The motion passed unanimously.

General Manager's Report: Kim Ramsey reported that Fleenor Security is finished installing security at the Church St. location, is getting close at the WTP, and then will move on to the WWTP. An entry level Service Worker position will be advertised this week. The sewer project is on schedule and should be completed on time. There may be some changes in Board terms in the near future. City Council has approved changes on first reading and the changes will be effective after second reading. Commissioner Evans asked City Attorney Greg Leffew if this Board can terminate another member for cause. He responded that, according to state law, county court would hear any ouster suits against Commissioners and state law supersedes city ordinances.

Executive Session – Front Street sewer project: Commissioners, Ms. Ramsey, and Attorney Leffew met in Executive session.

OLD BUSINESS:

- a. **Report on I/I:** A written report was provided to all Commissioners.
- b. **Consideration of executive session concerning Front Street project:** Commissioner Evans made a motion and Commissioner Bone seconded in order to open the floor for discussion. Attorney Leffew noted that any lawsuit approved by Commissioner would authorize suit for negligence/malpractice against Fulghum MacIndoe, all engineers, all inspectors, all designers, as well as Adams & Sons. Commissioner Evans then made a motion to amend his recommendation to include all parties listed and forward to City Council and Commissioner Bone seconded. The motion passed unanimously.

NEW BUSINESS:

- a. **Consideration and approval of cleaning contract – Kimco Services:** REU took this service to bid and we can be added to the contract for cleaning services. This is a budgeted item that has been performed by employees with some overtime in the past. Commissioner Bone made a motion to approve and Commissioner Couch seconded. Commissioner Evans stated that we need to know who is coming in our buildings and if references have been provided. Ms. Ramsey answered that Dwayne Hagler from Rockwood will be in charge of the cleaning personnel and that REU has checked references. They will be bonded and is insured. The motion then passed unanimously.
- b. **Discussion of budget for FY2018 – workshop:** Ms. Ramsey pointed out the highlights of her proposal to include:
- 2½% raise for employees
 - Christmas Bonus same as last year - \$300 for full time employees and \$150 for part time employees
 - Benefits to remain the same
 - 20% health insurance increase built in since exact rates have not yet been provided
 - Gas revenue is estimated conservatively due to the mild winter last year
 - Water/sewer revenue was increased slightly due to the rate increase approved by the Board during this FY
 - There is a \$438,838 shortfall on the W/S budget due to the \$500,000 bond issue approved by the Board this FY
 - Electric costs will increase this year due to misreads at pump stations by REU. There was an issue with their software dating back to 2013 and they will be recouping back to that date per TVA requirements. The increase was not included in the budget since notification was just received this week.
- Commissioners agreed on a workshop to discuss the budget on June 7th at 6:00 pm. Ms. Ramsey suggested a committee to study and recommend capital expenditures for the next 5-10 years and noted such things as rehab vs. rebuilding of the old side of the WTP. She is concerned about future growth of North Rhea County with the Huber Plat re-opening and the possible development of Plateau Park.
- c. **Approval of accounts for write off and collection action:** Ms. Ramsey stated that any account with greater than \$1,000 balance owed is given to Attorney Leffew to file with Roane County Court. All others are forwarded to Automated Collection Services for

collection. Commissioner Evans made a motion to approve and Commissioner Couch seconded. The motion passed unanimously.

Communications from Board members: Commissioner Evans said that he would still like to meet the newly hired employees. Commissioners agreed with Commissioner Bone's statement of appreciation for all employees.

Commissioner Evans made a motion to adjourn and Commissioner Bone seconded. The meeting adjourned at 6:52 p.m.



Darryl Meadows, Chairman



Joan Kerley, Secretary