

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

February 27, 2018 @ 6:00 P.M.

The meeting was called to order in the Rockwood City Hall Council Room at 6:00 P.M. with Chairman Darryl Meadows presiding. Commissioners Loren Bone, Tim Couch, Dudley Evans, and Joe Moore were present. Commissioner Tim Couch was absent.

Public Comment: None.

Chairman Meadows asked for a motion to move Item G under New Business to the beginning of New Business. Commissioner Evans made the motion and Commissioner Moore seconded. The motion passed unanimously.

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

Approval of financials for January 2018: Joan Kerley reported that water and sewer revenues for January were \$330,615, expenses were \$257,893. Year to date, water and sewer revenue exceeded expenses by \$203,296. Gas operating revenues totaled \$565,880; operating expenses not including the cost of gas were \$79,529. Year to date, gas expenses exceeded revenues by \$314,483. Commissioner Bone made a motion to accept the financials as presented and Commissioner Moore seconded. The motion passed unanimously.

General Manager's Report: Kim Ramsey reported that sewer lines in Basin 8 will be smoke tested in March. A notice has been placed in the Roane County News and doorhangers will be placed on the doors of those in the smoke testing area. The 2016-2017 audit is basically complete and will be presented at the meeting in March.

OLD BUSINESS:

- a. **Report on I & I:** A written report was provided to all Commissioners.

NEW BUSINESS:

- g. **Discussion of Water Leak Policy – customer requested:** Under the current policy, ServLine reimburses RWSG for underground water leaks that have been repaired by the customer. Ms. Richard Utsey was present to request additional assistance with the leak at her property at 725 New Hope Rd on a bill totaling over \$4,800. ServLine has adjusted \$1,000 that has been received on the account. She explained that the leak was in a field away from any structures. It was found and repaired after notification from RWSG that there was a problem. Ms. Ramsey

notified Commissioners that there is another customer, Robert Smith, in a similar situation. He has a bill of over \$5,300 that has not yet been adjusted pending leak repairs. Commissioner Evans made a motion to reduce the Utsey and Smith bills to \$300 and Commissioner Moore seconded. After some discussion, Commissioner Evans amended his motion to reduce both bills by \$2,500 and Commissioner Moore seconded. The amended motion failed by a 2-2 vote with Commissioner Bone and Chairman Meadows voting no. The original motion failed by a 4-0 vote. Chairman Meadows asked Ms. Ramsey to bring back a proposed policy change to next meeting that will handle extraordinary measures for leaks. He also asked that all penalties on these two customers be waived until an agreement can be reached. Lynda Carter, 513 Pumphouse Rd, stated that her outside faucet had been left on and asks that her sewer is adjusted on that usage on the November and December bills. Commissioner Evans made a motion to waive sewer, base on a \$50 normal bill, and waive penalties. Commissioner Moore seconded. Commissioner Evans withdrew his motion after discussion. Commissioner Bone then made a motion to calculate a three-month average sewer bill, adjust excess, and adjust penalties by 50% and Commissioner Moore seconded. The motion passed unanimously.

- a. **Consider and approve Agent of Record proposal for employee benefits:** Sarah McCain submitted the only proposal. Ms. Ramsey stated that she has done a good job for employees. Commissioner Evans made a motion to approve and Commissioner Moore seconded. The motion passed unanimously.
- b. **Consider and approve proposal from SJ Patterson (sole source):** He is one of only a few welders that have been approved by the state and federal authorities to weld high pressure gas lines. He submitted a proposal for Phase 1&2 of the City Gate Station in the amount of \$49,358. Commissioner Moore made a motion to accept the proposal and Commissioner Bone seconded. The motion passed unanimously.
- c. **Consideration and approve proposal for audit services for FY19 – Parsons and Wright:** The proposal total for audit is \$22,000 – up from \$20,000 for this year. Commissioner Evans made a motion to approve and Commissioner Bone seconded. The motion passed unanimously.
- d. **Consider and approve application for Natural Gas Vehicle grant application:** TDEC's Office of Energy Programs is offering a second round of grants for natural gas vehicles. The grant will cover up to 70% to purchase a vehicle up to \$25,000. A fueling station must be planned or available in order to receive the funding. Total cost committed by RWSG would not exceed \$226,000. Deadline for submission of a resolution indicating financial commitment is March 15, 2018. Commissioner Bone made a motion to approve the resolution and Commissioner Moore seconded. The motion passed unanimously.

- e. **Report of committee for Project Priority List:** Chairman Meadows stated that this will be a blueprint for the future of RWSG and will be included in CIP in the coming year's budget.

- f. **Consideration and approval authorizing option negotiations for new facilities:** The project committee discussed the steps towards purchasing property to relocate the office and operations center. There are three tracts on West Rockwood Street that are available for possible office space and various properties for the operations center on Front St. Approval was requested for the Chairman and General Manager to proceed with purchasing options on the various properties to bring back for Board and Council vote. Commissioner Evans made a motion to allow Chairman Meadows and Ms. Ramsey to negotiate the best options for new facilities and Commissioner Moore seconded. The motion passed unanimously.

After a brief communication from board members, the meeting was adjourned at 7:19 PM by motion of Commissioner Bone and seconded by Commissioner Evans.

Darryl Meadows, Chairman

Joan Kerley, Secretary