The Utilities Board of The Town of Cedar Bluff

June 20, 2023

STATE OF ALABAMA

CHEROKEE COUNTY

The Utilities Board of the Town of Cedar Bluff met for a regular business meeting Thursday, June 20, 2023, at 4:00 p.m. at 4971 Alabama HWY 68, Cedar Bluff Alabama 35959. The meeting was called to order by Chairman Mattie Williams.

Roll Call:

Allen Baker Present Jack Bond Absent

Linda Pickelsimer Present Mattie Williams Present

Meeting attendees: Larry Sutherland, Bobbie Hicks, Marcia Kastl, Attorney Bob McWhorter, John Hyatt, James Payton (LADD Env.), Darrell Sears (LADD Env.), Katherine Gargus (BMSS)

At this time the prayer was led by Chairman Williams followed by The Pledge of allegiance led by Board Member Baker.

**Approval of Minutes**

Office Manager Joshua Bolton presented the minutes from the meeting of May 16, 2023. Office Manager Bolton informed The Board of two corrections that were made after printing the drafts. Board Member Pickelsimer made a motion to accept the minutes with the correction, which was seconded by Board Member Baker.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

Office Manager Joshua Bolton presented the minutes from the meeting of May 25, 2023. Office. Board Member Pickelsimer made a motion to accept the minutes as written, which was seconded by Board Member Baker.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

**Manager Report**

Manager Steven Dutton presented the Managers Report and explained the color code on the report to the Board. The report consisted of 2 water tap, 1 sewer taps, 45 water leaks, 1 sewer leaks and 2 meter or fitting repair/replaced. There was a total of 109 Work Orders that were completed.

**Financial Report**

Chairman Williams explained to the Board and guest, for public record, that going forward BMSS Inc., will be providing the Financial Report at The Utilities Board of The Town Cedar Bluff’s, Board meetings. She also explained that BMSS Inc., originally provided the annual audit service, but will not be available for this service in the future due to their financial services to the Board. They are now the Utilities Board of The Town Cedar Bluff’s, Financial Advisors; acting as Chief Financial Officer for us. Treasurer Linda Pickelsimer introduced Ms. Katherine Gargus, Financial Advisor from BMSS Inc. Ms. Gargus presented a rough draft of the Financial Report and explained how The Utilities Board of Town Cedar Bluff’s financial information had been gathered in the accounting program, Quick Books Online. She explained the new layout of the Financial Report to the Board, as well as, BMSS Inc.’s new position as Financial Advisor offering Chief Financial Officer type services. After further discussion and explanation on the new layout of the Financial Report Board Member Pickelsimer made a motion to accept the Financial Report as printed by BMSS Inc., Chairman Williams seconded the motion.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

Office Manager Joshua Bolton presented and explained the Monthly Check Registry to the Board. He explained to the Board that the Check Registry was still being pulled from the accounting program Sage. He also added that Ms. Katherine Gargus from BMSS Inc., had been asked to produce a new “Check Registry” report, that could be produced from the Quick Books Online software used by BMSS Inc.

**Customer Concerns**

Customer Ralph Melody requested a bill adjustment from the Board due to a water leak on his property. Mr. Melody was unable to attend the meeting and asked Office Manager Bolton, to present the required documentation from his utility account (12- month sewer audit and repair receipts) to the Board on his behalf. Board Member Pickelsimer made a motion to decrease Mr. Melody’s sewer bill by $28.45, Board Member Baker seconded the motion.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

**Old Business**

Chairman Williams asked Manager Dutton what had been done in reference to the sewer tap on Lakewood Lane. Manager Dutton reported that the Utilities Maintenance Staff had completed 160ft of 2’ pipes for the sewer tap.

Chairman Williams explained to the Board that the Postal Service is continuing to have issues with delivering the mail in a timely manner, which has caused The Utilities Board of Town Cedar Bluff, our customers and vendors, not to receive bills/invoices or payments before any fees or penalties occur. Board Member Pickelsimer stated she in favor of all The Utilities Board of The Town Cedar Bluff, monthly or recurring bills being put on “auto pay” and or “bank draft”. She also suggested that the Board review what bills/vendors, would fall under this action, on a per case bases. Chairman Williams reminded the Board that we had agreed to have some bills on “bank draft” at last Board meeting. Office Manager Bolton than requested that The Utilities Board of The Town Cedar Bluff’s, DC Gas bill, be set up on “auto-pay” because currently the bills are not getting to The Board on time. Board Member Pickelsimer made the motion to put all future recurring bills for The Utilities Board of The Town Cedar Bluff’s on ‘auto-pay” or “bank draft”, which was seconded by Board Member Baker.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

Chairman Williams stated that the Board had received several complaints from customers, who had not received their monthly bill before the tenth. These customers felt a late fee or disconnection should not occur because they did not receive their bill on time, or at all. The Board unanimously agreed that The Utilities Board of The Town Cedar Bluff does not control the postal service and mail delivery schedule. Our customers are aware their utility bill due date, is the 10th of each month; regardless of rather the customer receives their bill or not. Delay or Non-receipt of your bill is a not a viable excuse for non-payment. The Board asked Office Manager Bolton if the “due date” information was noted customer billing. He stated that the billing does denote this information.

Chairman Williams reported that the Ammunition box of explosives located next to The Utilities Board of The Town Cedar Bluff’s aerator, were removed safely. The scrap pile on our Spray field area was hauled away. had also been hauled away. She also reported that Carson Web was hired in as our new temporary summer Utilities Maintenance employee. She asked Manager Dutton if he had anything to report on Mr. Web, he stated that “he is doing well and learning his duties and responsibilities.”

Chairman Williams stated that the Board voted on and agreed, to have a secondary email created for the use of correspondence, in reference to some of The Utilities Board of The Town Cedar Bluff ’s bills. She asked Office Manger Bolton if the email had been created, he stated that it has been put in place.

Chairman Williams reported that she had attended the Town of Cedar Bluff’s May and June Council meetings, but no Utilities Board Member had been appointed. The selection was tabled by the Council due to the lack of a quorum.

Chairman Williams asked Office Manager Bolton and Attorney Bob McWhorter to give their report on what was found during their investigation on the state sales tax, that is being paid by the Town of Cedar Bluff. Attorney McWhorter stated that Office Manger Bolton verified that The Utilities Board of The Town Cedar Bluff, has been paying the state license fee ourselves. He also stated that there was a town ordinance that allows the Town of Cedar Bluff to imposed a privilege tax on the Utilities Board of the Town of Cedar Bluff. This privilege tax is capped by state law at 3% and should be measured by last year’s gross receipts. The ordinance states that the tax should be paid yearly before January thirty first of each year. Chairman Williams asked Office Manager Bolton if the Utilities Board had been paying the 3%. Office Manager Bolton stated he not sure, because we have always paid the Town of Cedar Bluff on a monthly bases, instead of a yearly bases; according to our prior month gross receipts. Board Member Picklesimer confirmed that the Utilities Board has been paying this license fee monthly since 2010, until present and was probably put in place like that to avoid paying a huge lump sum yearly. Attorney McWhorter, stated he would send a letter to Town of Cedar Bluff’s attorney to get some explanation as to why we are paying this monthly instead of yearly. The Board collectively decided to leave the payment of these taxes, to the Town of Cedar Bluff, “as is”, to avoid possible complications to our accounting methods.

Office Manger Bolton reported that The Town of Cedar Bluff was sent an invoice on June 2, 2023, for outstanding Garbage Collection Service fees. Payment still has not been received. The Town of Cedar Bluff owes the Utilities Board $13,294.09. The Board instructed Office Manager Bolton to send a second invoice to the Town, within 30 days, if payment is not received.

**New Business**

Manager Steven Dutton explained the process of fixing water leaks under the road. A boring machine, the Hole Hog, is used to bower under the road so that the service lines can be replaced. In some cases, a hole needs to be dug to set the Hole Hog in so it can bore under the road. The entire process can take four to five hours under normal circumstances. He also explained the boring rods are expensive to replace. Manager Dutton presented the Board with three estimates on a Service Line Puller. He explained that the Service Line Puller would cut the repair time to one and a half hours as well as pull new lines under the road to replace existing lines. After much deliberation Member Baker made a motion to purchase a 1in Service Line Puller, Board Member Pickelsimer seconded the motion.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

Manager Steven Dutton reported to the Board that the power steering on the Big Yellow Truck needed to be repaired. The Board tabled the discussion until Manager Dutton could get an estimate on the cost of repair.

Office Manager Bolton stated that he would like to send all The Utilities Board of The Town Cedar Bluff’s customers, the rules and regulations governing utility services. He also would like to change the current ‘Cut-off” date for non-payment of services; from the twentieth of the month to the twenty fifth of the month. He stated this would help customers who receive SSI, disability, or government checks, later in the month. Often times, they are unable to pay the current balance owed before the current off day; this will give them a fair chance to avoid disruption of water service. Board Member Baker made the motion to move the cutoff date from the twentieth to the twenty fifth of the month, Board Member Picklesimer seconded the motion.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

Board Member Baker made a motion to send the rules and regulations letter to the utility customer, Chairman Williams seconded the motion.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

Office Manager Bolton explained to the Board that he received an email on June 6, 2023, from Pace, who usually tests the water, that stated the Utilities Board owed $991.41. The email also stated that Pace would not release the DMR report until a payment was made in full. He stated that he had a conversation with Cindy Simpson, a repressive for PACE, in reference the past due balance. She was asked to send an invoice. Office Manger Bolton stated that Ms. Simpson had stated to him that she would investigate and report back to him her findings. Office Manger Bolton voiced his concern that it was now June 20, 2023, and Ms. Simpson has yet to supply him with information concerning the bill. Manager Steven Dutton stated that the DMR report needs to be submitted to ADEM by June 28, 2023 or the Utilities Board could be fined.

The Board instructed Manager Bolton to find another contact person other than Ms. Simpson to inquire about the bill owed. Attorney Bob McWhorter stated that if no information regarding the situation is received by the end of the week that he would send a letter to Pace.

Office Manager Bolton explained to the Board that there is an old laptop that the Utilities Maintenance staff uses to get the sewer readings that needs to be replaced. He explained that the laptop was outdated and the battery life last only thirty minutes off the charger. Office Manager Bolton explained that the files on the laptop are not backed up anywhere and he would need to purchase an external hard drive to back up the files. Board Member Baker made a motion to purchase a new laptop and an external hard drive, Chairman Williams seconded the motion.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

Darrell Sears, from LADD Environmental, addressed the Board about a grant that they had put together for the Cedar Bluff Utilities Board. The grant was applied for in January 2022. The total amount applied for was $527,150.00 and the total amount granted was $327,150.00. Mr. Sears stated that the Utilities Board would be required to come up with the remaining $200,000.00 to receive the grant. He also stated that in the past ADEM would not allow any change to the grant. Chairman Williams stated that the Board had voted not to accept the grant during a special called meeting on March 7, 2023, since Cedar Bluff Utilities Board didn’t have the matching funds. Chairman Williams asked Mr. Sears the procedures to decline the grant. Mr. Sears stated that once a formal letter is received by Cedar Bluff Utilities Board the grant would be declined if there are no funds to match.

John Hyatt, a representee for The Bluff Homeowners Association, addressed the Board and stated that The Bluff and other potential customers would be willing to help reach the matching funds (Possibly up to $100,00.00). Board Member Pickelsimer stated this brings us back to the point of sewer only customers and how difficult it is to regulate, and charge said customer. She also stated that the bylaws explains that Utilities Board provides service within the city limits of Cedar Bluff. After much deliberation, Attorney McWhorter stated he had several legal questions that he would like answered before Cedar Bluff Utilities Board accepts or rejects the grant. The first question was is can Cedar Bluff Utilities Board can bill the homeowner’s association and second if Cedar Bluff Utilities Board can run sewers outside the city limits. The other concern that Attorney McWhorter and Manger Dutton had was the type of meter needed to read the sewer coming into the sewer system. The Board decided to table any further discussion until Attorney McWhorter can answer the legal questions while The Board gets more information from ADEM.

Board Member Pickelsimer made a motion that all office personnel become certified notaries, Board Member Baker seconded the motion.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

Manager Dutton informed the Board that a customer just reported to him that someone was stealing water on Mony’s Bend. The Board informed Manager Dutton that if he receives a call from the customer to call the local police department to go with him to the premises.

Chairman Williams made the motion to adjourn the meeting, which was seconded by Board Member Baker.

Motion Carried (3-0)

Aye: Baker, Pickelsimer, Williams

Nye: None

Abstained: None

The meeting was adjourned at 5:32 PM.

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Mattie Williams, Chairman Date

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Joshua Bolton, Secretary Date