

The Utilities Board of the Town of Cedar Bluff

July 16, 2013

STATE OF ALABAMA
CHEROKEE COUNTY

The Utilities Board of the Town of Cedar Bluff met for their regular business meeting Tuesday July 16, 2013 at 4:00 p.m. in the Utility Board room located at 3360 Old Hwy 9, Cedar Bluff Alabama. Chairman Donald Sanders called the meeting to order at 4:00 p.m.

Roll Call:

| | | | |
|-------------|---------|-------------------|---------|
| Ken Blair | Present | Linda Pickelsimer | Present |
| Cindy Early | Present | Donald Sanders | Present |
| Eugene Mann | Absent | | |

A motion was made by Cindy Early and second by Ken Blair approving the June 18, 2013 minutes as presented.

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|-------------|--------|-------------------|-----|
| Ken Blair | Yes | Linda Pickelsimer | Yes |
| Cindy Early | Yes | Donald Sanders | Yes |
| Eugene Mann | Absent | | |

Treasurer Linda Pickelsimer gave the financial report for the board. Mrs. Pickelsimer told those in attendance that she had looked over the financials for June and found them to be in order and correct. Treasurer Pickelsimer also stated, the water/sewer departments had a combined year to date profit of \$20,690.00 with \$1,287.00 of the profit coming from the water department and \$19,403.00 from the sewer department. A motion to approve the June financials as presented was made by Linda Pickelsimer and second by Ken Blair.

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|-------------|--------|-------------------|-----|
| Ken Blair | Yes | Linda Pickelsimer | Yes |
| Cindy Early | Yes | Donald Sanders | Yes |
| Eugene Mann | Absent | | |

Chairman Donald Sanders recognized Gloria Thacker. Mrs. Thacker then asked the board if there would be a conflict of interest due to the fact that the boards attorney Al Shumaker was also the attorney for other water and town entities including North East Alabama Water whom we purchase water from. After some discussion, the board agreed to contact Mr. Shumaker and get his input on the matter.

Chairman Sanders then turned the meeting over for the manager's report. Manager Jeff Harrell was absent at this time. Chairman Sanders turned the meeting over to board member Ken Blair for a discussion on fire hydrants. Mr. Blair informed the board that at this time there was no fire hydrant close to the condominium is located on the corner of

Alabama Highway 68 and West Chattooga Dr. The closest hydrant is at the corner of West Chattooga and Armstrong Rd. The hoses' on the fire trucks are not long enough to reach. Mr. Blair recommended the board put in a fire hydrant close to the condominium's. Cedar Bluff Assistant Fire Chief Brian Garner was also in attendance and told the board that at one time there was a hydrant in the parking lot and it had been removed. Manager Jeff Harrell arrived at this time. After more discussion, it was decided that Office Manager Marie Kelly would contact the current homeowner's association in charge of the Overlook Condominium's and ask them to attend the next meeting of the board and discuss installing a hydrant at their cost. Mr. Harrell will get a cost together for the association. Mr. Garner also told the board the fire department was in the process of going throughout the city checking hydrants, cleaning around them and painting. The board agreed to work with the fire department to make sure the hydrants were in working order and to assist them in numbering each hydrant.

In unfinished business, the garbage billing for the town was revisited. Office Manager Marie Kelly handed the board a cost estimate of what the cost to the board was each month for the billing to be done on behalf of the town. The cost estimate was as follows:

Garbage Billing Cost

| | |
|----------------------------|--------------|
| No. of Customers (average) | 1050 |
| Postage | <u>x 33¢</u> |
| Total | \$345.84 |
| Divide by 3 | <u>3</u> |
| Total for Postage | \$115.28 |

| | |
|-----------------------------------|-----------------|
| 2 employees @ 3 hours divide by 3 | \$ 39.39 |
| 1050 bills @ .3¢ divided by 3 | \$ 10.50 |
| Postage | <u>\$115.28</u> |
| Total bills and postage | \$165.17 |

| | |
|-------------------------------|-----------------|
| Yearly software update | |
| \$920.00 divide by 3 | |
| Divided by 12 for mtly charge | \$ 25.55 |
| Plus postage & bills | <u>\$165.17</u> |
| Total | \$188.17 |

| | |
|---|-----------------|
| Past Due Notices 150 avg. x .06¢ divided by 3 | \$ 3.00 |
| Postage divided by 3 | <u>\$ 16.50</u> |
| Total | \$ 19.50 |

| | |
|---|-----------------|
| 1 employee at 1 hour divided by 3 | \$ 6.67 |
| 2 employees 8 hrs for garbage only | |
| Work provided ex. new service request, | |
| exempt customers, pick up/delivery request, | |
| etc.... | <u>\$365.12</u> |
| Total of all expenses | \$579.46 |

The amount currently charged to the town on a 4% gross receipt basis is around \$480.00. After some discussion, a motion was made by Ken Blair and second by Cindy Early to raise the rate for billing to 7% of gross receipts. The increase is to take effect on Oct. 1, 2013 and be reevaluated in 6 months. A notice is to be mailed to Mayor Martha Baker and the Town Council notifying them of the increase.

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|-------------|--------|-------------------|-----|
| Ken Blair | Yes | Linda Pickelsimer | Yes |
| Cindy Early | Yes | Donald Sanders | Yes |
| Eugene Mann | Absent | | |

Office Manager Marie Kelly then told the board that the Attorney General had answered Mayor Martha Baker's request concerning appointing new members to the Utility Board. It is his opinion that it cannot be done without the approval of the current Utility Board and rewriting the Articles of Incorporation of the board.

After some discussion, a motion was made by Cindy Early and second by Ken Blair to include the Attorney General Report into the minutes. **See attached report.**

| | | | |
|-------------|--------|-------------------|-----|
| Ken Blair | Yes | Linda Pickelsimer | Yes |
| Cindy Early | Yes | Donald Sanders | Yes |
| Eugene Mann | Absent | | |

Manager Jeff Harrell updated the board on Phase II sewer upgrade. He told the board that bids on the project would be opened July 30, 2013 at 2:00 p.m. by LADD with him in attendance here at the office and a meeting was needed to approve or disapprove bids presented. After some discussion, it was decided that a meeting would be called for July 30, 2013 at 4:00 p.m. to discuss the bids and make a decision. Mr. Harrell told the board they were welcome to be present at the bid opening.

Office Manager Marie Kelly informed the board that when Network Solutions attempted to upload the newly purchased Peachtree Accounting software onto the existing server they met with several problems due to the age and limited space available. The current server is outdated and in need of replacement. Mrs. Kelly presented the board with a quote from Network Solutions for \$4750.00.

After some discussion, a motion was made by Linda Pickelsimer and second by Cindy Early authorizing the purchase of the server from Network Solutions as presented.

Ken Blair Yes
Cindy Early Yes
Eugene Mann Absent

Linda Pickelsimer Yes
Donald Sanders Yes

Mrs. Kelly then asked the board to consider changing from Peachtree Accounting to QuickBooks Accounting. She stated that after talking to Wes Davis of Hindsman & Davis, Mr. Davis stated this would be the best option to save money, ease of use, and the ability for the accounting firm to pull information directly from the software to perform the yearly audit. The new program will cost around \$540.00 a year depending on the program chosen. The money paid to Peachtree Accounting for the new update was refunded. After some discussion, a motion was made by Linda Pickelsimer and second by Ken Blair authorizing Office Manager Marie Kelly to purchase the new accounting software on the advice of our auditors.

Ken Blair Yes
Cindy Early Yes
Eugene Mann Absent

Linda Pickelsimer Yes
Donald Sanders Yes

Gloria Thacker acting on behalf of the Red Cross asked the board if it would be possible to ask customers to donate through their bills to help Red Cross or if anyone would like to volunteer. Mrs. Thacker wants to see more participation from Cedar Bluff and its residents. Vice-Chairman suggested the board contact Al Shumaker concerning the legalities and if this was something, the board could do to help.

After assuring there was no further business, Chairman Donald Sanders asked if anyone was opposed to adjourning. There was none.

Meeting adjourned at 5:02 p.m.

APPROVED August 20, 2013:

DONALD H. SANDERS, CHAIRMAN

MARIE KELLY, SECRETARY