

METROPOLITAN LYNCHBURG MOORE
UTILITY DEPARTMENT
BOARD MEETING
March 12, 2024

The Metro Utility Board meeting scheduled for March 12, 2024, at 6:00 P.M. was called to order by Shane Taylor, Chairperson. Member's present: Shane Taylor, Glen Thomas, Boo Johnston, Greg Guinn, and Ronnie Cunningham

Visitors: Tabitha Moore, *The Lynchburg Times*, and Anna Coburn, *The Moore County News* Bryant Griffin, *Hethcoat & Davis*, Joey Smith, and Preston Holliday

Glen Thomas made a motion to postpone the vote on the February 13, 2024 minutes until his letter was officially typed into them. Charles Johnston seconded his motion. Motion passed 5-0.

Public Comment: no one had any public comments.

E-Source- Shane Taylor referenced emailed comments John T Bobo had sent recommending contract changes to section 4 of the contract between E-Source and MUD. This recommendation is to move the business forum from Boulder, Colorado to Moore County, Tennessee. Glen Thomas stated he still opposes having E-Source come in and analyze anything. Greg Guig agrees with Mr. Thomas that E-Source is not his favorite option either, but to appease the state it is the only call to make right now. Glen Thomas says it is not the state's call to make. "They can't even give us options" of other companies to call for this type of work. Barry Posluszny asks if three entities were contacted and only one called back (E-Source). Barry asked if anything was mailed with tracking information to prove that three businesses were called. Shane Taylor stood up for MUD staff and said they had been diligent in the situation and the Comptroller's office is wanting action taken now. They are tired of waiting on corrective actions. Greg Guinn makes the motion to accept the contract with John T Bobo's recommendations about location changes from Boulder, CO to Moore County, TN. Charles Johnston seconded the motion. Roll Call vote: Glen Thomas- Yes, Greg Guinn- Yes, Barry Posluszny- Yes, Charls Johnston- Yes, Shane Taylor- Yes. Motion carries 5-0.

Engineer's Report: Bryant Griffin presented the board with a proposal for a water line extension on Womack Ridge Road. The estimated cost will be \$400,000 for only seven customers. After a lengthy discussion Greg Guinn made the motion to table this project due to the ROI being insignificant to justify the expense. Glen Thomas seconded the motion. Motion passed 5-0.

Water and Sewer Rate review: Glen Thomas presented the board with a handout he had Kristen Amos print for him listing all the current sewer customers and their rates. He proposed that all commercial businesses should be charged commercial rates no matter if they have a grease trap or back flow device installed. He says we need to get sewer rates up. He proceeded to make a motion that residential water and sewer rates be charged for houses, farm use, apartments, duplexes for resident's use, all county buildings, churches,

and the masonic lodge building. Commercial rates for both water and sewer should be for all businesses and commercially zoned. Industrial rates for both water and sewer should be charged to Jack Daniel Distillery, Lynchburg Distillery and Lynchburg Winery since they are producing a product from scratch (manufacturing outfits). He further proposed the Industrial water rate remain as it is, but a new Industrial sewer rate be imposed as \$5.39 base rate and \$33.47 per 1000 gallons used. Barry Posluszny seconded the motion. Greg Guinn spoke up and asked if Mr. Thomas was only addressing brick and mortar businesses. Mr. Thomas replied “no” if you are in the business to make money you should be charged accordingly. He referenced Duck River Electric stating they don’t pick and choose who is commercial or industrial, they just assign rates according to zoning codes. Charles Johnston agreed with Mr. Thomas’ statement about Duck River Electric. Shane Taylor spoke up and said he was confused by the handout in front of him and until he could see a list that made some sense, he could not support such a change. Glen Thomas told Ronnie Cunningham he could go to the Property Assessor’s Office and comb through the files to find out how each business is zoned and proceed from there. Ronnie Cunningham asked how he was supposed to handle the backlash from the public. Glen Thomas stated the people could call him directly and proceeded to give Ronie his phone number. Ronnie stopped him and said he already had his phone number and would be happy to give it out to disgruntled customers. Glen Thomas said he would be happy to explain the process to them. After a spirited discussion on the matter Shane Taylor asked to take a vote on the motion on the table. Roll Call vote: Glen Thomas -Yes, Barry Posluszny -Yes, Shane Taylor – No, Charles Johnston- No, Greg Guinn – No. Motion failed.

Shane Taylor speaking for the nays- asks for specific information clarifying which businesses will be classified as commercial and which businesses will be industrial before the motion can be brought up again.

2024-2025 Budget Proposal: Glen Thomas jumped into the discussion saying he has not received a budget with correct figures since he has been on the board. He further stated he doesn’t think “she” can do a budget and we have a problem at the office. Greg Guinn agreed with this statement. They both feel like they cannot make sound business decisions without proper figures in front of them. Glen Thoams asks for the column to be changed to reflect the 2022-2023 budget figures approved by the Metro Council. He went on to say that he wants each employee listed and their exact salary and longevity pay broken out on the budget. He addressed Ronnie Cunningham about the difference in the employees’ pay increases. Ronnie replied that according to the utility handbook (page 20) the General Manager has the right to adjust employees’ wages amounts. Mr. Thomas said he changed the budget. Ronnie said he didn’t change the budget he simply eliminated two positions and took that budgeted amount and split most of it between all the employees excluding his salary. Glen Thomas said, “well you have me there.” Shane Taylor said that this is typically a preliminary budget that the board receives every year to see what management wants to budget. Ronnie Cunningham said they used to audited expenses from 2022-2023 and added 10% to them. Barry Posluszny asked if they had the audit copies yet. Ronnie said it would be presented at the April meeting. Shane Taylor stated this would be revisited next month. Greg Guinn said he hoped with more accurate figures.

Manager’s Report:

1. Serveline leak insurance paid MUD \$13, 893.00 for the January water leaks. This was money MUD will not have to write-off.
2. The EPA is using MUD as their small utility example on their website showcasing our efforts to fight Cyber Crimes.

Greg Guinn said he had something he would like to discuss. He discovered a company called Sustainability Partners who assists financially small government entities with large asset purchases. E called and spoke to this company and shared an email with the utility board members about their services. He said when he spoke to the salesman, he was assured this company will rent meters to MUD and will warranty them for a certain period. They base their pricing on a formula. If the meters break, they will come a fix them for a small charge. He thinks this is a good option for the utility board to consider. He wants to have the salesman come to the April meeting and conduct a presentation to explain their services. Barry Posluszny says he knows they helped three communities in Louisiana with water services. Greg wants to get the entity in touch with Ronnie Cunningham so he can schedule them to come to the meeting.

Glen Thomas asked a question about the 12” water line. Ronnie says he has meetings scheduled with all the relevant parties. He will be organizing when the 12” water line goes live. Mr. Thomas asked about the tie into the water tank. Who will be responsible for that portion? Ronnie said he would be discussing that in his meetings. Glen Thomas then asked about the money this outfit owes MUD. Shane Taylor said that there is no contract right now and that needs to be finished before any invoices can be sent. Ronnie Cunningham said he would know more next month after his meetings. He said the developer has another issue with sewer. Glen Thomas asked what could that be? Ronnie said they want to install grinder pumps and make MUD responsible for them. Glen Thoams said that need to be discussed further. Shane Taylor said this would open MUD up to future responsibilities they wouldn’t want to get into. Ronnie said he would report back after all his meetings. He stated that Prince Utilities has until April 8th to complete the water line installation.

Shane Taylor said he would like to take care of the vice-chair position being vacant. Ronnie Cunningham said he and Brooke Fanning had discussed this a few days earlier. Shane Taylor opened the floor for nominations. Glen Thmoas nominated Barry Posluszny. No other nominations were made. Motion passed 5-0.

A motion was made by Barry Posluszny, and seconded by Greg Guinn, to adjourn. The meeting adjourned at 7:38 PM. Motion passed 5-0.

Shane Taylor, Chairperson