

**REGULAR MEETING
LOUDON UTILITIES**

February 22, 2021

The Board of Directors of Loudon Utilities held its properly advertised regular meeting on February 22, 2021, at 4:30 p.m., in the public meeting space of the Loudon Municipal Building. Those present were Chairman Don P. Campbell, Directors Gene Farmer, Tim Dixon, Carlie McEachern, and Bart Watson. Others present were Manager Ty Ross, Nicole Curtis, John Davis, Bill Watkins, Attorney Kris Frye, and Secretary Meghan Hull. Parker Wright, *Loudon County NewsHerald*, represented the press. Also present or videoconferenced were approximately fourteen (14) residents and employees.

Chairman Campbell welcomed everyone and called the meeting to order. Campbell read a statement defining the meeting being held by videoconference pursuant to Executive Order No. 16 to protect the safety and health of the citizens of Loudon from the coronavirus outbreak.

Chairman Campbell asked everyone to take a moment in memory of Steve Cavett, retired long-time LUB employee.

Chairman Campbell honored employee Bill Kollock for his thirty-four (34) years of service.

Chairman Campbell asked if anyone wished to speak to the Board about anything not on the agenda. There was no response.

Chairman Campbell asked for approval of the minutes of the regular meeting held on January 25, 2021. **A motion was made by Director Dixon, seconded by Director Watson and unanimously passed that the minutes of the regular meeting held on January 25, 2021 be approved as written.**

Financial Reports for December and January were distributed. Finance Director Curtis gave a presentation on the financial reports and asked that the reports be deferred to the March meeting for acceptance to give the Directors more time to peruse the reports.

The first item for Board action was to consider amending the Capital Budget for the Water Department to include waterline replacement in Grove Place and waterline relocation on Queener Road. **A motion was made by Director McEachern and seconded by Director Dixon that the following resolution be approved:**

RESOLUTION NO. 2021-03

**AMENDING THE CAPITAL BUDGET FOR 2020-2021 FISCAL YEAR
FOR THE WATER DEPARTMENT**

Upon a vote, the resolution was passed unanimously.

Board next considered acceptance of the apparent low bid from Marvin Sledge Underground Utilities Construction, LLC for waterline relocation on Queener Road in the amount of \$156,500. Lee Utility Construction Inc. requested to be reconsidered for the award stating that the difference appears to be for required testing. After further discussion, **a motion was made by Director McEachern and seconded by Director Watson that the resolution be approved. Upon a roll call vote, it failed by unanimous vote.**

Board requested the resolution be rewritten with the next low bidder of Lee Utility Construction Inc. in the amount of \$161,450 for waterline relocation on Queener Road. **A motion was made by Director Watson, seconded by Director McEachern that the following resolution be approved:**

RESOLUTION NO. 2021-04
AUTHORIZING TO CONTRACT
WITH LEE UTILITY CONSTRUCTION INC.
FOR WATERLINE RELOCATION LABOR

Upon a roll call vote, the resolution was passed unanimously.

Next item was consideration of the proposals received from CPA firms for the City and LUB audit process. Finance Director Curtis explained the results with the recommendation of contracting with Pugh CPAs. The Loudon City Council will consider the contract at their meeting. **A motion was made by Director Farmer, seconded by Director Watson that the following resolution be approved pending Council concurrence:**

RESOLUTION NO. 2021-05
AUTHORIZING CONTRACT FOR AUDIT SERVICES
WITH PUGH CPAS

Upon a vote, the resolution was unanimously passed.

Manager Ross outlined some changes in the anticipated figures for the interior work at the Operations Center. Director of Customer Service Hensley requested painting for the Customer Service Center be included due to the office still primarily utilizing the drive thru. After discussion, **a motion was made by Director Dixon, seconded by Director McEachern that the following resolution be approved:**

RESOLUTION NO. 2021-06
AUTHORIZING INTERIOR REPAIRS
OF OPERATIONS CENTER

Upon a roll call vote, the AYES were: Dixon, McEachern, and Watson. The NAYS were: Farmer, and Campbell. Chairman Campbell declared the resolution passed 3-2 by majority vote.

Board was requested to consider authorization of requests for proposals of further upgrades for the Operations Center including: parking, mezzanine construction, door framing, and garage door installation. **A motion was made by Director Dixon, seconded by Director McEachern that the following resolution be approved:**

RESOLUTION NO. 2021-07
AUTHORIZING REQUEST FOR PROPOSALS
OF OPERATIONS CENTER UPGRADES

Upon a vote, the resolution passed unanimously.

The last item for Board consideration was to set the natural gas rate. Manager Ross explained the recent issues with natural gas pricing due to a recent force majeure and suggested two (2) price options for consideration. The Board stated that they preferred to price the natural gas rate at the calculation prior to the force majeure (\$1.18). **A motion was made by Director Farmer and seconded by Director Dixon that the following resolution be approved:**

**RESOLUTION NO. 2021-08
ESTABLISHING NATURAL GAS RATES
EFFECTIVE MARCH 2021**

Upon a roll call vote, the resolution was passed unanimously.

Manager Ross further stated that the Tennessee Valley Authority fuel cost adjustment for March had increased from \$0.01494 per kWh to \$0.01536 per kWh. This results in a \$0.42 increase for each 1,000 kWh of residential customer usage.

Director McEachern stated that a mild spring would be appreciated.

Director Farmer asked about the solar bids. Manager Ross stated that Director of Electric Watkins has received over twenty (20) inquiries.

There being nothing further, Chairman Campbell adjourned the meeting at 5:31 p.m.

Secretary

Chairman