

MINUTES

THE BOARD OF COMMISSIONERS OF HALLSDALE POWELL UTILITY DISTRICT MET IN REGULAR SESSION ON MONDAY, MARCH 20, 2023, AT THE DISTRICT OFFICE AT 6:00 P.M. THOSE PRESENT WERE:

KEVIN JULIAN  
TODD COOK  
KELLY BARGER  
DARREN CARDWELL  
JOHN VALLIANT

SANDY LIFORD  
CODY HUMPHREY  
NICK JACKSON  
SUMMER PRICE  
JOHN VALLIANT, III

ROBERT CAMPBELL  
BART KREPS  
FORD MORIARTY  
GENE & BONNIE HOLLOWAY

ROBERT G. CAMPBELL & ASSOCIATES LP  
RAFTELIS FINANCIAL CONSULTANTS  
RAFTELIS FINANCIAL CONSULTANTS  
CUSTOMER - 3637 N. FOUNTAINCREST DRIVE

THE PREVIOUS MINUTES OF THE FEBRUARY 13, 2023, MEETING WERE APPROVED ON A MOTION BY MR. COOK, SECOND BY MS. BARGER. THE MOTION PASSED UNANIMOUSLY.

MR. CARDWELL REPORTED TO THE BOARD ON THE GROWTH OF THE DISTRICT IN THE PAST MONTH:

WATER METERS SET IN FEBRUARY 2023: 45  
SEWER INSPECTIONS IN FEBRUARY 2023: 27

WATER TREATED IN FEBRUARY 2023: 180.6 Million Gallons  
(6.5 MGD Average)

WASTEWATER TREATED IN FEBRUARY 2023: 289.2 Million Gallons  
(10.3 MGD Average)

TOTAL RAINFALL IN FEBRUARY 2023: 5.5"

DISCUSSION WAS HELD ON THE LEAK ADJUSTMENT REPORT. THE BOARD APPROVED THE CUSTOMER LEAK ADJUSTMENTS IN THE AMOUNT OF \$1,603.59 AND CATASTROPHIC LEAKS IN THE AMOUNT OF \$30,144.03 ON A MOTION BY MS. BARGER, SECOND BY MR. COOK. THE MOTION PASSED UNANIMOUSLY.

MR. CARDWELL UPDATED THE BOARD ON THE PROGRESS OF THE FOLLOWING CAPITAL IMPROVEMENT PROJECTS.

PAY REQUESTS WERE SUBMITTED UPON RECOMMENDATION BY ROBERT G. CAMPBELL & ASSOCIATES:

- Garney Companies, Inc. \$1,485,666.08  
Project H -Norris Lake Crossing Water Line Improvements  
Pay Request #1
- Brabston Trucking, Inc, \$58,035.32  
Dry Gap Pike & Fountain City Rd Water Line Improvements  
Pay Request #1

A PAY REQUEST WAS SUBMITTED UPON RECOMMENDATION BY JACOBS ENGINEERING GROUP:

- Cleary Construction, Inc. \$706,419.97  
Beaver Creek Interceptor Improvement Project – Contract 2  
Pay Request #31 – Partial Retainage #1

A PAY REQUEST WAS SUBMITTED UPON RECOMMENDATION BY FOX, P.E.:

- Morgan Contracting, Inc. \$162,950.44  
Melton Hill WTP Electrical Improvements  
Pay Request #7

THE BOARD APPROVED THE PAY REQUESTS UPON RECOMMENDATION BY THE CONSULTING ENGINEERS ON A MOTION BY MR. COOK, SECOND BY MS. BARGER. THE MOTION PASSED UNANIMOUSLY.

MR. KREPS, WITH RAFTELIS FINANCIAL, PRESENTED A POWERPOINT REPORT ON HPUD'S RATES AND FINANCIAL FORECAST.

MR. COOK COMMENTED ON A PREVIOUS DISCUSSION HE HAD WITH THE TENNESSEE ASSOCIATION OF UTILITY DISTRICT'S (TAUD) REGARDING A FINANCIAL AUDIT OF THE DISTRICT. TAUD'S RECOMMENDATION WAS TO HIRE A RATE CONSULTANT AND FOLLOW THEIR ADVICE. MR. COOK NOTED THAT RAFTELIS HAS BEEN A CONSULTANT FOR HPUD FOR 20 YEARS AND THEY HAVE ALWAYS BEEN ON MARK WITH THEIR RECOMMENDATIONS.

MR. COOK STATED THE BOARD DOES NOT WANT TO HAVE RATE INCREASES, HOWEVER, HPUD HAS HAD ZERO RATE INCREASES IN FIVE OF THE LAST TEN YEARS. MS. BARGER COMMENTED THAT HISTORICALLY HPUD'S DRASTIC RATE INCREASES WERE A CATCHUP PLAN. ADVANCE PLANNING SHOULD BE UTILITZED IN THE FUTURE SO CATCHUP PLANS ARE NOT NECESSARY.

THE BUDGET FOR FY2024 AS PRESENTED AT THE FEBRUARY 2023 BOARD MEETING WAS DISCUSSED AND APPROVED ON A MOTION BY MS. BARGER, SECOND BY MR. COOK. THE MOTION PASSED UNANIMOUSLY.

UPON RECOMMENDATION BY RAFTELIS, MR. COOK MADE A MOTION TO INCREASE RATES AS FOLLOWS FOR THE NEXT TWO FISCAL YEARS.

FY2024: WATER – 3% INCREASE / SEWER – 4% INCREASE

FY2025: WATER – 3% INCREASE / SEWER – 4% INCREASE

MS. BARGER SECONDED THE MOTION AND THE MOTION PASSED UNANIMOUSLY.

MR. CARDWELL DISCUSSED THE PROPOSED FEE STRUCTURE REVISION AS PRESENTED AT THE FEBRUARY 2023 BOARD MEETING. THE FEE STRUCTURE REVISION WAS APPROVED ON A MOTION BY MS. BARGER, SECOND BY MR. COOK. THE MOTION PASSED UNANIMOUSLY.

MR. CARDWELL REMINDED THE BOARD OF THE NEXT REGULAR MEETING SCHEDULED FOR MONDAY, APRIL 10, 2023, AT 1:30 P.M.

THERE BEING NO FURTHER BUSINESS, THE MEETING WAS ADJOURNED AT APPROXIMATELY 6:50 P.M. ON A MOTION BY MR. COOK, SECOND BY MS. BARGER. THE MOTION PASSED UNANIMOUSLY.

  
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KEVIN JULIAN, CHAIRMAN

  
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TODD COOK, SECRETARY

  
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KELLY BARGER, TREASURER