

Bolivar Utility Board  
September 6, 2017

The Bolivar Utility Board met in regular session Wednesday, September 6, 2017, at the Bolivar Municipal Center with the following attendance:

Present: Jerry Wilhite, Chairman (A)

Also Present: Cliff Henson, Director

Larry Crawford

Julian McTizic, Mayor

Joe Clark

Shelia Dellinger, Clerk

Jonathan Joy

Wes Clayton, Attorney

Paul Fuller

In absence of Chairman Wilhite, Cliff Henson, Director of BUD, called the meeting to order and asked if there were any corrections to the August 2, 2017, minutes. There being no corrections, Mr. Crawford moved, seconded by Mr. Clark to approve and dispense with the minutes as presented. All voted "Aye."

Mr. Henson stated the Bolivar Gas Department was requesting to advertise for bids for a new trailer for the mini-excavator. This item is included in the gas department budget. The current trailer in use is 28 years old and is no longer safe to put on the road. After a short discussion, Mr. Crawford moved, seconded by Mr. Fuller to approve to have Mr. Henson to advertise for bids for the new trailer. All voted "Aye".

Mr. Henson informed the board he had been contacted by Tennessee Energy Acquisition Corporation about joining the Tennessee Customer Group. This is a group of Municipalities and Utility District that formed in order to have legal representation concerning transportation demand, storage deliverability, and storage space on the pipeline. McCarter & English, Attorneys at Law is the company that represents this Group, which now has 25 members. James R. Choukas-Bradley is the attorney that represents Tennessee Energy Acquisition Corporation (TEAC), the company that we now use to purchase our gas. Mr. Choukas-Bradley is a partner with McCarter & English and is very knowledgeable and specializes in pipeline gas purchases. Mr. Henson stated he had spoken to other municipalities that are in the group and they stated this group has been a great asset to their City. The estimated cost to Bolivar would be approximately 2.8%. This is data that was put into an actual formula from February 2014 thru May 31, 2017. The group between these periods paid legal fees in the amount of \$582,117.00, Bolivar's share would be approximately \$16,300. That covers a period of 40 months, so the average monthly cost would have been less than \$410.00. After a short discussion, Mr. Crawford made a motion to recommend the Bolivar Gas Department join this group. Mr. Clark seconded the motion. All voted "Aye."

Mr. Henson stated he was checking on the cost and efficiency of changing over from lime

treatment to caustic soda. The costa soda is much cleaner and safer to use. We are presently lime which is having to be stored on the upper level of the water treatment plant and is very heavy. The elevator is in dire need of repair which is very costly. Mr. Robert Stigall, Engineer is checking on what is involved in changing from lime to costa soda. The board agreed to have Mr. Henson to check on this process and report back next month.

Mr. Henson asked the board to advertise for bids for 10,000 feet of ¾" gas pipe and 5,000 feet of 2" gas pipe. He stated Hurricane Harvey has created an issue to get pipe due to transportation issues. Mr. Joy moved, seconded by Mr. Fuller to approve Mr. Henson to advertise for bids. All voted "Aye."

Mr. Henson reported gas prices remain at .65 cents per 100 cubic feet.

Attorney Wes Clayton reported he is working with Mrs. Dellinger on check with different agencies on getting a interdepartmental loan to lower the interest rate on several of the existing loans for the water and sewer department.

There being no further business, Mr. Clark moved, seconded by Mr. Crawford to adjourn the meeting. All voted "Aye."

Attest:

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Chairman  
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Member  
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Member  
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Member  
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Member

\_\_\_\_\_  
Director