

**Knoxville Utilities Board
Board Meeting
Minutes
Thursday, October 20, 2016, Noon**

Call to Order

The Knoxville Utilities Board met in regular session in the Larry A. Fleming Board Room at 445 S. Gay Street, on Thursday, October 20, 2016, pursuant to the public notice published in the January 2, 2016, edition of the *News Sentinel*. Chair Thompson called the meeting to order at 12:00 p.m.

Roll Call

Commissioners Present: Jerry Askew, Kathy Hamilton, Celeste Herbert, Sara Pinnell, Nikitia Thompson, Eston Williams, and John Worden

Commissioners Absent: None

Approval of Minutes

The Minutes of the September 15, 2016, Board Meeting were approved as distributed upon a motion by Commissioner Williams and seconded by Commissioner Herbert.

Old Business

None

New Business

Consideration of Nominees for Commissioner Term Beginning January 1, 2017

Commissioner Herbert, Chair of the Nominating Committee, gave the following report:

This year's nominating process for the term beginning January 1, 2017 began in January of this year when the online application became available on KUB's website. The Committee met in August, and advertisements ran in the *News Sentinel* that month.

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She advised the Board that Commissioner Williams is in his second term and therefore he is ineligible to serve again.

The committee discussed submitted applications and identified qualified applicants to interview. The Charter requires that the Board provide the Mayor at least five nominees for each Commissioner vacancy. The Nominating Committee submitted the following five nominees:

1. Johnnie Cannon
2. Wade Davies
3. Ford Little
4. Tyvi Small
5. Petie Wilson

Chair Thompson recognized Mark Walker, Board Secretary, who distributed and collected the ballots. Mr. Walker then reported that each of the following nominees received a majority of the votes:

1. Johnnie Cannon
2. Wade Davies
3. Ford Little
4. Tyvi Small
5. Petie Wilson

Chair Thompson stated the names of the five nominees would be submitted to Mayor Rogero, and she thanked the members of the Nominating Committee for their work.

Resolution 1350, A Resolution Authorizing the Condemnation and the Taking of Electric Utility Easements as May Be Necessary in Support of KUB's Hogskin Valley Electric System Upgrade

President Roach recognized Paul Randolph, Vice President of Electric and Gas Engineering, to provide the details of the condemnation request.

President Roach recommended adoption of Resolution 1350 on first and final reading. Her written recommendation is included in Attachment 1.

Upon a motion by Commissioner Askew and a second by Commissioner Herbert, Resolution 1350 (*Attachment 1*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Askew, Hamilton, Herbert, Pinnell, Thompson, Williams, and Worden. No Commissioner voted "nay".

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President's Report

Financial Plan Presentation

President Roach reminded the Board that at last month's meeting staff reviewed the progress of the PACE 10 and Century II programs for the last 10 years and how the programs were funded. Ms. Roach noted today's presentation marks the first in a series of discussions with the Board looking forward to the next 10 years with Century II, the level of system investments and how those investments will be funded. She recognized Mark Walker, Senior Vice President and Chief Financial Officer, for the presentation.

TDEC Sanitary Survey and Wastewater Plant Inspection

President Roach advised Commissioners that the Tennessee Department of Environment and Conservation (TDEC) periodically inspects our water and wastewater treatment plants. In the last few months TDEC performed inspections at three treatment plants, including the Mark B. Whitaker water plant and two wastewater plants. The surveys are performed about every two years. She recognized Derwin Hagood, Vice President of Operations, to share the positive results.

Other Business

None

Public Comment

Xavier Presley – 1134 Glade Hill Drive – Knoxville, TN 37909

Adjournment

There being nothing further to come before the Board, Chair Thompson declared the meeting adjourned at 1:09 p.m.



Nikitia Thompson, Chair



Mark Walker, Board Secretary

Mark Walker, Board Secretary

Attachments

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| Attachment 1 | Recommendation Letter and Resolution 1350, A Resolution Authorizing the Condemnation and the Taking of Electric Utility Easements as May Be Necessary in Support of KUB's Hogskin Valley Electric System Upgrade | <u>Page(s)</u> 7693-7695 |
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Knoxville Utilities Board

October 14, 2016

Knoxville Utilities Board
445 S. Gay Street
Knoxville, Tennessee 37902-1109

Commissioners:

Resolution 1350 requests condemnation authority of one parcel, representing one property owner, in the Hogskin Valley area of Union County. The authority is needed in order to upgrade an existing electric distribution line serving customers in both Union and Grainger counties.

We have obtained 4 easements from property owners for this project and are continuing to work to on reaching an agreement with the remaining property owner. However, to avoid delays to the construction schedule, KUB would like to be in a position to move forward with condemnation if necessary. Further information about the parcel is included for your review.

I recommend adoption of Resolution 1350.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mintha E. Roach".

Mintha E. Roach
President and CEO

RESOLUTION NO. 1350

A Resolution Authorizing the Condemnation and the Taking of Electric Utility Easements as May Be Necessary in Support of KUB's Hogskin Valley Electric System Upgrade

Whereas, supplying the public need and demand for electric service makes it necessary and desirable for KUB to rehabilitate and improve the electric system and all related equipment (the "Facilities") on a portion of one certain property located in the Hogskin Valley area of Union County, Tennessee and being more particularly described on Union County Tax Maps: CLT 044 Parcel 080.00; and

Whereas, KUB is making improvements to the Facilities in the Hogskin Valley area to serve the needs of the community; and

Whereas, permanent utility easements and temporary construction easements across the aforesaid property must be obtained for the construction and location of the Facilities; and

Whereas, in the opinion of this Board, the easements for the properties described in this resolution best meet the needs and requirements of the public for the location of the Facilities; and

Whereas, time is of the essence in constructing the Facilities and it is advantageous for KUB officials to be authorized to condemn and acquire the necessary easements in the event that they cannot be acquired by negotiations at prices that KUB considers reasonably representative of the value of such property interests.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. That this Board finds and declares:

- (a) That public convenience and necessity require the installation of the Facilities in the easements for the properties described herein, so as to provide adequate utility service to the public, including the present and prospective customers of KUB's electric system.
- (b) That the cost of the easements, as mentioned in the preceding paragraph, shall be paid from appropriations heretofore made by this Board for the operation and construction program of the Electric Division.

- (c) That for the purpose of placing, constructing, repairing, maintaining, rehabilitating, improving and replacing the Facilities on the properties described herein, there shall be condemned such permanent utility and access easements and such temporary construction easements across the aforementioned properties, as may be determined to be necessary by the President and CEO or her designee.

Section 2. That the President and Chief Executive Officer or the Executive Vice President and Chief Operating Officer and the General Counsel for KUB, are hereby authorized and directed to take all action and do all things necessary or desirable for the acquisition of said easements described in this resolution, by condemnation or otherwise, including, without limitation, the institution of a suit in the name of KUB against any and all persons having any interest in the affected easement properties, for the condemnation thereof, and the determination of the amount of any deposit to be made in connection with any such suit.

Section 3. That this resolution shall take effect upon its passage.

Nikitia Thompson/s
Nikitia Thompson, Chair

Mark Walker/s
Mark Walker, Board Secretary

APPROVED ON 1st
& FINAL READING: 10-20-16
EFFECTIVE DATE: 10-20-16
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