

Hart County Water & Sewer Authority

Board of Directors Meeting March 20, 2017

The Hart County Water and Sewer Authority met on March 20th, 2017 in the Hart County Cooperative Extension Service Building. Chairman Hugh Holland called the meeting to order at 6:00 pm. Present were Vice Chairman Wade Carlton; Board Members Jerry Cannady, Larry Haley and Mike MacNabb; Authority Director Pat Goran, Legal Counsel Walter Gordon, and Board Secretary/Treasurer Holly McBrayer. Also present were Hart County Commissioner R.C. Oglesby; Hart County residents Brian Griggs, Paul Martin, Reese Oglesby, Thê Pham, and Eric Sanders.

Welcome

Approval of Agenda

Mr. MacNabb motioned to approve the agenda and Mr. Haley seconded it. The motion passed 5 – 0.

Introduction of, and remarks by, invited guests

Mr. Martin requested water service for Green Meadows Drive which is located off Clay Brown Road. Mr. Goran will provide a cost estimate at the next meeting.

Commissioner Oglesby requested commitment letters be sent to property owners on the Cedar Creek Circle project. The Board agreed and requested that staff send the letters.

Mr. Sanders requested the Bowersville Highway line extension project be extended about 2,500 feet and provided 5 signed commitment letters. Mr. Goran will provide a cost estimate at the next meeting.

Mr. Griggs requested water service for a new subdivision being developed located off Bobwhite Drive. Mr. Holland stated that an agreement must be signed before proceeding. Mr. Gordon stated that a plat showing the right of way, paved road, and 10 foot wide waterline easement that meets HCWSA and Hart County standards must accompany the legal contract. Mr. Holland asked Mr. Griggs to contact Mr. Goran later this week after the new plat had been recorded.

Mr. Pham requested water service for his chicken farm on Boleman Hill Road. Mr. Pham currently has 6 chicken houses.

Mr. Holland informed each person requesting water service of the \$5,000 per committed customer guideline the Board used to determine which new projects to undertake.

Approval of January 9th called meeting minutes, January 12th called meeting minutes, February 20th regular meeting minutes, and February 27th called meeting minutes

Mr. Haley motioned to approve the January 9th called meeting minutes. Mr. MacNabb seconded the motion which passed 5 – 0.

Mr. MacNabb motioned to approve the January 12th called meeting minutes. Mr. Haley seconded the motion which passed 5 – 0.

Mr. Haley motioned to approve the February 20th regular meeting minutes. Mr. Carlton seconded the motion which passed 5 - 0.

Mr. MacNabb motioned to approve the February 27th called meeting minutes contingent upon Mr. Gordon's changes. Mr. Haley seconded the motion which passed 5 – 0.

Financial report

Mr. Goran reviewed the financial report. He noted the negative amount for customer deposits due to refunds from several years ago not being processed in a timely manner. Mr. Goran also noted these errors were currently being corrected.

Mr. Holland informed the Board of the Board of Commissioners vote to withhold 5% of SPLOST dollars for all recipients until the funds are actually received. Mr. Goran stated the withholding equals approximately \$160,000 dollars of SPLOST funds currently allocated to HCWSA. Mr. Holland advised the Board to be cautious in their spending and project choices.

Mr. Gordon stated that the Board of Commissioners had been discussing potential Level 1 and Level 2 projects for SPLOST 5, but a final decision had not yet been made.

Mr. Cannady said the Board of Commissioners had not yet voted on the SPLOST 5 allocation. He also noted that the President's proposed 2018 Federal budget included drastic cuts to both EPA and CDBG funding.

Old Business

2013 GEFA loan update and required modifications; requests for water service (including Bethany Church Area, Rock Springs area, Mouchet Road, Blackmon Road, end of Old Mount Hebron / Oak Mountain Lane / Amber Lane)

Mr. Goran stated that Arrowood General Contracting is planning to finish Tugaloo Heights Circle by the end of this week. He also stated that the Blackmon Road and Old Mt. Hebron Road/Oak Mountain Lane/Amber Lane projects were pending the environmental reviews from EPD.

Reed Creek Phase II (2015 CDBG) and proposed addition of Cokesbury Highway

Mr. Goran stated that EMI was currently conducting field work for Cokesbury Highway. He also stated that Allen-Smith Consulting had submitted the formal amendment package to the Department of Community Affairs.

Bowersville Highway line extension

Mr. Goran reminded the Board that bids for the Bowersville Highway line extension project were due on Tuesday, March 21st at noon. He also informed the Board that a bid award meeting requiring at least three Board members in attendance would be scheduled for early next week. Mr. Goran said "here we come" and commitment letters for Bowersville Highway will be sent out shortly.

Requests for water service – Adamstown Road, Union Hill Church Road / Carrie Craft Road / Martin Dairy Road, Reese Lane / Park Lane / Hanley Road, Cedar Creek Circle

The Board reviewed the cost estimates and EMI proposals for each requested project. After some discussion, the consensus was that no new large projects should be started until the SPLOST 5 referendum has been voted on. The Board also decided to revisit the request for water service on the Hanley Road/Reese Lane/Park Lane project at the next meeting. There was some question about how many commitment were

required. Ms. McBrayer will research past meeting minutes to ensure the Board honors any previous statements made to area residents.

The Board agreed to review the results of the Cedar Creek Circle project mail out at the next meeting.

Request for water service – North Point “subdivision” (off Swan Sanders Road)

Mr. Goran informed the Board that Mr. Parker now planned to install a water line around the entire road within North Point subdivision. Mr. MacNabb motioned to proceed with the North Point subdivision project contingent upon the signed agreement with Mr. Gordon’s changes. Mr. Haley seconded the motion which passed 5 – 0. It was agreed that Mr. Parker could have additional taps done per the terms of the agreement during the one year warranty period, but after that Mr. Parker would need to come back before the Board.

Mr. Cannady motioned to proceed with the Bobwhite subdivision with an updated plat under the same agreement as the North Point subdivision. Mr. MacNabb seconded the motion which passed 5 – 0.

Discussion of commitment letters, interest letters and timing of committed customer tap payments

The Board clarified that the new \$200 down payment required would be expected when the signed commitment letter was returned to HCWSA. The new commitment letters would also include a statement regarding potential refunds. Mr. Cannady motioned to require signed commitment letters, \$200 down payment, and Board approval before proceeding with outside engineering services. Mr. Haley seconded the motion which passed 5 – 0.

GEFA loan for radio read retrofit and meter replacement

Mr. Goran informed the Board of the progress of the GEFA loan for the radio read retro fit project. Mr. Goran stated that the loan agreement had been changed from a 5 year to a 10 year loan for a total of \$365,000. The increase in amount will cost an additional \$900 in closing costs. Mr. Holland stated that spending should not go over the original \$275,000 that the Board had previously approved without further Board approval.

City of Hartwell’s request for increase in wholesale water price

Mr. Gordon said he would contact the City Manager to further discuss the increase request. Mr. MacNabb said the rate increase request was due to an increase in the cost for treatment, chemicals, salaries, etc. for the treatment plant to operate. Mr. Holland reminded the Board that the current contract requires that a rate increase request be submitted by November and this request came after that.

System mapping update

Mr. Goran stated that with the exception of new projects, the mapping update should be done by the time of the next meeting. Mr. Goran reminded the Board that the information EMI was using came from the contractors’ “red-line” drawings and therefore HCWSA staff would need to field-verify the EMI drawings to ensure accuracy, and suggested that HCWSA purchase hand-held GPS equipment to assist in that effort.

New Business

Request for water service - Old Hendry’s Church Road

Local developer Jimmy Myerholtz has requested water service for Old Hendry’s Church Road and has verbally committed to purchasing three taps. Mr. Myerholtz plans to subdivide a parcel at the intersection of

Royston Highway into three individual parcels. Mr. Goran stated that HCWSA would have to do a case bore under Royston Highway to accommodate the request. Mr. Goran stated that this would incur an additional cost of about \$8,000 to \$10,000, and suggested this additional cost should not be included in the \$5,000 cost per committed customer analysis. After some discussion, the Board agreed to not vary from the \$5,000 cost per committed customer criteria.

Mr. Cannady said if this a subdivision then Hart County's subdivision policy should apply. Mr. Goran will investigate and discuss at the next meeting.

Discussion of compensatory time off vs. paid overtime; on-call pay

Mr. Cannady motioned to amend the current policy to pay overtime unless there are special circumstances such as a long term family illness. The motion failed to receive a second. After some discussion, Mr. Carlton motioned to revisit this topic at the next meeting. Mr. MacNabb seconded the motion which passed 5 – 0.

City of Hartwell's maintenance contract proposal

After some discussion, the consensus of the Board was to continue using the current maintenance contractor. Mr. Gordon will create an agreement to be signed by Arrowood General Contracting and HCWSA.

Election of Authority Officers

Mr. MacNabb motioned to elect Mr. Carlton as Board Chairman. Mr. Holland seconded the motion which passed 4 -0. Mr. Carlton abstained.

Mr. Haley motioned to elect Mr. Holland as Vice-Chairman. Mr. MacNabb seconded the motion which passed 4 – 0. Mr. Holland abstained.

Mr. Holland motioned to reappoint Ms. McBrayer as Secretary/Treasurer. Mr. MacNabb seconded the motion which passed 5 – 0.

Discussion of Audit Committee

The Board agreed to revisit this topic after the FY16 audit had been completed.

Public Comments

None

Director's Comments

None

Members' Comments

Mr. MacNabb inquired about accepting credit/debit cards in the office. Ms. McBrayer stated that she and Mr. Goran were currently researching new utility billing and financial management software that included credit/debit card processing in the office. Mr. Goran asked the Board to think about whether the card processing fees should be paid for by customers or HCWSA. Mr. Holland asked that formal quotes be presented at the next meeting.

Mr. Haley suggested increasing the Chairman's pay per meeting. Mr. Gordon stated that Board members were allowed a maximum of \$1200 per year per state law. Mr. MacNabb motioned to pay the Chairman \$75 per meeting. Mr. Haley seconded the motion which passed 5 – 0.

Mr. Holland offered his thanks to the Board members, Mr. Goran and Mr. Gordon for their support during his time as Chairman. He also congratulated the Board on their hard work and good decisions to provide water service to county residents. Mr. Holland also offered his assistance to incoming Chairman Carlton.

Upcoming Meetings – April 17th, 2017 and May 15th

The next regular Board meetings will be held on Monday, April 17th, 2017 and Monday, May 15th, 2017.

Adjournment

Mr. Carlton motioned to adjourn. Mr. MacNabb seconded the motion which passed 5 – 0.

Hugh Holland, Chairman

Holly McBrayer, Secretary