

Hart County Water and Sewer Authority Board of Directors Meeting June 18, 2018

The Hart County Water and Sewer Authority met on June 18th, 2018 in the Hart County Cooperative Extension Service Building. Chairman Wade Carlton called the meeting to order at 6:00 pm. Present were: Vice - Chairman Hugh Holland; Board Members Patti Brown, Larry Haley and Marvin Justice; Director Pat Goran; Legal Counsel Walter Gordon; Board Secretary/Treasurer Holly McBrayer; The Hartwell Sun Reporter Michael Isom; and Hart County residents Pam Fields and Thomas Saxon.

Welcome

Approval of Agenda

Mr. Goran requested the removal of item 8E, "Peninsula at Sidney Pointe subdivision." Mr. Holland motioned to approve the amended agenda. Ms. Brown seconded the motion which passed 5 – 0.

Public Comments; remarks by invited guests

Mr. Saxon reiterated his request for water service on Mewborn Road, Eagle Grove School Road, and Liberty Church Road.

Approval of April 16th regular meeting minutes

Mr. Holland motioned to approve the May 17th called meeting minutes. Ms. Brown seconded the motion which passed 5 – 0. Mr. Holland motioned to approve the May 21st regular meeting minutes. Ms. Brown seconded the motion which passed 5 – 0.

Financial report

Mr. Goran presented the financial report. He noted the increase of active accounts to 1906. Mr. Goran also noted the change on the SPLOST Available Funds sheet that reflected projected SPLOST 5 dollars.

Mr. Carlton suggested allowing a reasonable but limited amount of time for a customer to fix a leak before being locked off for non-payment going forward.

Old Business

Request for water service – Mewborn Road, Eagle Grove School Road, Liberty Church Road poultry operations, residents

After some discussion, Mr. Carlton asked Mr. Goran to present funding options for the Mewborn Road, Eagle Grove School Road and Liberty Church Road potential project at the next meeting.

Request for water service – Beacon Light Road residents

The Board agreed to remove this request from future agendas since no additional commitments had been received.

Request for water service – Griffin Road / Roper Road poultry operation

The Board agreed to remove this request from future agendas since no representatives have attended the last several meetings.

Hydrant usage and payment for water withdrawn

After much discussion, Mr. Holland motioned to rescind the previous motion which was based on inaccurate information, and approve the hydrant use agreement policy that includes a \$1600 deposit, use of a HCWSA-furnished hydrant meter assembly only, a monthly base fee of \$90 with 9,000 gallons included and to enforce the policy should a hydrant user violate it. Mr. Justice seconded the motion which passed 4 – 1 with Mr. Haley opposed. The Board agreed to contact the hydrant user that has bought their own meter and inform them of the policy change.

Request for water service – Price Chapel Road

The Board agreed to revisit this request at the next meeting. Mr. Holland suggested reaching out to the Price Chapel Church of God and inquire if they would be interested.

University of North Carolina financial health check-up and rate review for Authority

Mr. Goran presented the rate comparison report and the staff's recommendation for a rate and fee increase. He stated that with an approximate 5% increase for base fees and 10% in volumetric fees, HCWSA remained 3rd and 8th in ranking respectively from highest to lowest rates when compared to 7 other neighboring utilities. Mr. Goran noted the need to address depreciation expense and funding for capital projects. Mr. Goran reminded the Board that it had been almost 10 years since the last rate increase.

Mr. Goran also reminded the Board that BASF had requested a decrease in their usage rate. Mr. Goran asked for direction from the Board and stated that lowering BASF rates would decrease revenue considerably. Mr. Carlton suggested a possible alternative of retaining their current rate if and when rates were increased. The Board agreed to discuss this topic at the next meeting.

Discussion of Authority Strategic business plan

Mr. Goran presented the Authority Strategic business plan for approval. After some discussion, the Board agreed to revisit this topic at the next meeting. Mr. Carlton requested a breakdown between the two vehicles in maintenance costs.

New Business

Health care insurance discussion

Mr. Goran informed the Board of the recent increase of health insurance premiums to employees through the County's health plan.

Request for water service – Bowersville Highway (potential 900'+- extension)

Mr. Goran informed the Board of the Bowersville Highway water service extension request. Mr. Goran stated that he would reach out to HCWSA's maintenance contractor for a cost proposal and determine how many commitments would be required to meet HCWSA guidelines. This topic will be revisited at the next meeting.

Discussion of meters for dedicated fire protection service

Mr. Goran explained that current policy stated anyone who wanted to connect to HCWSA's system for fire protection would have to pay for the installation of the meter as well as a backflow preventer. Mr. Goran said the Authority has spent about \$5,000 for a 4" domestic meter as requested by Haering and backflow preventer, which does not include the \$9,500 for the domestic meter vault. Additionally, a vault, a full size fire protection meter, backflow preventer and vault would have to be purchased at a significant cost, depending on what size meter is required.

Mr. Goran stated that the Industrial Building Authority had agreed to extend water and sewer service to the site and provide meter(s) at no cost to Haering as part of the negotiations to bring the company to Hart County. Mr. Goran recommended asking the County to use SPLOST economic development funds to pay all costs related to the Haering project. Mr. Holland so moved. Mr. Justice seconded the motion which passed 5 – 0.

Bayview Road "subdivision"

Mr. Goran informed the Board of the water service request for Bayview Road in which one parcel will be subdivided into 3 separate parcels. Mr. Goran asked for Mr. Gordon's interpretation of the County's definition of a subdivision according to the County ordinance. Mr. Goran stated that if it is determined to be a subdivision, according to the County ordinance, the developer must connect at its expense to HCWSA's system. Mr. Goran stated that the cost estimate was \$18,500. He also stated that installing a fire hydrant on Bayview Road was recommended.

Mr. Goran stated that in his opinion the county subdivision ordinance needed to be clarified. Mr. Goran suggested that he and HCWSA Board members meet with the County Administrator and/or commissioners to further clarify and define the subdivision ordinance.

Mr. Gordon stated that he would like time to further review the County ordinances before making a determination. The Board agreed to revisit this topic at the next meeting.

Peninsula at Sidney Pointe subdivision

Item removed.

Director's Comments

None

Members' Comments

None

Upcoming Meetings – July 16th and August 20th

The next two regular Board meetings will be held on Monday July 16th, 2018 and Monday, August 20th, 2018.

Adjournment

Mr. Holland motioned to adjourn and Ms. Brown seconded it. The motion passed 5 – 0.

Wade Carlton, Chairman

Holly McBrayer, Secretary

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