

Hart County Water & Sewer Authority

Board of Directors Meeting October 17, 2016

The Hart County Water and Sewer Authority met on October 17, 2016, in the Hart County Cooperative Extension Service Building. Chairman Hugh Holland called the meeting to order at 6:00 pm. Vice Chairman Wade Carlton; Board Members Jerry Cannady, Larry Haley and Mike MacNabb; Director Pat Goran, Legal Counsel Walter Gordon and Board Secretary/Treasurer Holly McBayer were present. Also present were The Hartwell Sun editor Mark Hynds and Hart County residents Mike Crow, Joe Sanders and Sidney Summers.

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. Crow, a resident of Tugaloo Heights Circle, questioned the process for choosing where water lines would be installed. Mr. Holland and Mr. Haley explained the guidelines HCWSA currently uses such as need, water quality, cost per committed customer and number of commitment letters received.

Mr. Sanders requested water service for his chicken farm on Bowersville Highway. Mr. Goran indicated that while EMI's cost estimate discussed during the August meeting was higher, he thought the total project cost would be around \$200,000 dollars. Mr. Goran stated that, based on residential equivalents, Mr. Sanders would need to sign a commitment letter to purchase 1,920,000 gallons per year and pay monthly base fees for 5 years in addition to paying the tap fee. Mr. Goran noted that depending upon the number of commitment letters received from other residents in the project area and the final project cost Mr. Sanders annual committed gallons could be decreased. Mr. Sanders agreed to sign a commitment letter. The Board agreed that HCWSA funds would be used. Mr. MacNabb motioned to proceed with the project contingent upon Mr. Sanders signing the commitment letter. Mr. Haley seconded the motion which passed 5 – 0. The Board agreed to have EMI begin the required engineering and permitting after the commitment letter had been signed.

Ms. Summers requested water service for Holly Drive. After some discussion, the Board decided to research the request further.

Approval of September 19th regular meeting minutes, and September 22nd called meeting minutes

Mr. Haley motioned to approve the September 19th regular meeting minutes. Mr. Carlton seconded the motion which passed 5 – 0.

Mr. Cannady motioned to approve the September 22nd called meeting minutes. Mr. Haley seconded the motion which passed 5 – 0.

Old Business

Rock Springs Area project

Mr. Goran reviewed the GEFA Loan Recap report. The report reviewed options related to the \$2,000,000 loan with 25% principal forgiveness. After some discussion, Mr. Cannady motioned to proceed with Tugaloo Heights Circle contingent upon receiving an additional 5 commitment letters as well as verifying the cost estimate. Mr. MacNabb seconded the motion which passed 4 – 1 with Mr. Haley opposed.

Mr. Cannady motioned to approve proceeding with Seraph Point contingent on receiving two commitment letters. Mr. MacNabb seconded the motion which passed 4 – 1 with Mr. Holland opposed.

Mr. Holland questioned whether or not Mr. Cannady was retired from real estate. Mr. Cannady answered that he was not retired and currently holds a brokerage license. However, Mr. Cannady stated that he was currently inactive in real estate and that if it was desired he would disown anything with it.

Mr. Gordon informed the Board that he had received a tentative easement agreement from property owners on Mockingbird Lane and Gilbert Lane to install a waterline. Mr. Cannady motioned to proceed with construction on Mockingbird Lane and Gilbert Lane contingent on receiving the legal documents and to waive the tap fee for the property owners. Mr. Carlton seconded the motion which passed 5-0.

Financial report

Mr. Goran reviewed the financial report. He noted that during FY16 HCWSA purchased 45.02% of its water from Hartwell, 45.08% from Lavonia and 9.90% from Royston. Mr. Holland commended Mr. Goran on a job well done.

Mr. Cannady motioned to remove the detailed capital expenditures breakdown from the Board packets. Mr. Carlton seconded the motion which passed 5 – 0.

Mr. Gordon informed the Board of the status of a collections judgment. The individual has since filed bankruptcy. Mr. Gordon asked for the Board's direction. The Board's consensus was to follow Mr. Gordon's counsel.

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

Mr. Goran informed the Board that "last chance" letters had been delivered to the Reed Creek area by Mr. Cannady. No other additional surveys had been received from the Cokesbury Highway area. Mr. Holland voiced his idea of revisiting the Cedar Creek Circle area instead. Mr. Goran reminded the Board that the Cedar Creek Circle area had not previously appeared to meet the CDBG demographic criteria.

Mr. Haley presented a request from a property developer for assistance on a new development on Swan Sanders Road adjacent to the recently-installed water line. The developer is planning to install a water line within a portion of the subdivision itself with his own funds but would like to know if HCWSA would assist financially with the tap costs. After some discussion, the Board asked Mr. Goran to contact the developer and place the request on the November meeting agenda.

Mouchet Road project

Mr. Goran informed the Board that construction had begun on Lou Gurley Road. Mr. Goran also informed the Board that Mr. Cannady and he had approved the addition of a portion of Carrie Craft Road since three customers had signed commitment letters and it would fall under HCWSA's policy. Mr. Goran said the project will take approximately 2 ½ to 3 months to complete.

2017 CBDG application

Mr. Cannady has contacted two individuals with census-taking experience to obtain the income surveys necessary for the Mount Olivet 2017 CBDG grant target area. Mr. Goran reminded the Board of the April 1, 2017 grant application deadline. Additional information will be provided at the November meeting.

Request for Water Service – Bowersville Highway chicken farmer

Mr. Sanders asked for an estimated time of construction for his chicken farm on Bowersville Highway. Mr. Goran stated it would be at least several months to allow for the necessary engineering, GDOT and EPD permitting, bidding and construction to take place.

Status of proposed Hartwell, Royston sewage treatment agreements

No change was reported.

New Business - None

Public Comments - None

Director's Comments - None

Members' Comments

Mr. Cannady informed the Board that an individual had asked to take ownership of the unused water tank on Highway 29. Mr. Gordon thought that Hart County actually owned the tank. Mr. Goran said he thought that the tank had lead paint. Mr. Cannady agreed to follow up. Mr. Cannady also informed the Board that he and Mr. Goran would be meeting with a property owner who owned several rental properties in the Reed Creek project area in an effort to gain additional customers.

Mr. Holland asked for the Board Members feedback regarding the recent proposal from the City of Hartwell to provide some services to HCWSA. The Board agreed that HCWSA would be interested in maintenance and new service installations only. Concerns were noted regarding prioritization between HCSWA and the City's needs. The Board also discussed the option of competitive bidding versus an inter-governmental contract.

Upcoming Meetings

HCWSA upcoming Board meeting will be Thursday November 17th and Monday December 19th.

Mr. Holland stated that any Water and Sewer Superintendent applicants who did not have water utility experience should not be considered.

Executive Session

Mr. Haley motioned to go into executive session. Mr. Cannady seconded the motion which passed 5 – 0.

Mr. MacNabb motioned to come out of executive session. Mr. Haley seconded the motion which passed 5 – 0.

Mr. Carlton motioned to narrow the candidates from ten to five. Mr. Cannady seconded the motion which passed 5 – 0.

Adjournment

Mr. MacNabb motioned to adjourn and Mr. Cannady seconded the motion. The motion passed 5 – 0.

Hugh Holland, Chairman

Holly McBrayer, Secretary

