

Hart County Water & Sewer Authority

Board of Directors Meeting November 27, 2017

The Hart County Water and Sewer Authority met on November 27th, 2017 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 Jerry Cannady, Larry Haley and Mike MacNabb; Director Pat Goran; Legal Counsel Walter Gordon; Board Secretary/Treasurer Holly McBrayer; The Hartwell Sun reporter Michael Isom; and Hart County resident William Tucker.

Welcome

Approval of Agenda

Mr. MacNabb motioned to approve the agenda. Mr. Holland seconded the motion which passed 5 – 0.

Public Comments; remarks by invited guests

None

Approval of October 16th regular meeting minutes and November 9th called meeting minutes

Mr. Cannady requested the October 16th minutes to read “conduct a rate study” instead of “consider increasing rates” under “Member Comments.” Mr. Cannady motioned to approve the amended October 16th regular meeting minutes. Mr. Haley seconded the motion which passed 5 – 0.

Mr. MacNabb motioned to approve the November 9th called meeting minutes. Mr. Holland seconded the motion which passed 4 – 0. Mr. Haley abstained since he was not in attendance.

Financial report

Mr. Goran presented the financial report. The Board briefly discussed past due tap payment plan accounts.

Old Business

Cokesbury Highway Addition (2015 CDBG amendment)

Mr. Goran informed the Board that Dale Construction had begun water line installation on Cokesbury Highway and hoped to complete the project by February 2018. Mr. Goran stated that he may have the contractor do some minor additional work in order to spend enough funds to receive the entire grant amount.

2018 Community Development Block Grant application

Mr. Goran stated that surveys were still being collected to meet the 90% completion requirement.

Hydrant usage and payment for water withdrawn

The Authority discussed the progress made on obtaining agreements concerning the newly approved hydrant meter use agreement. Mr. Goran reported that letters were sent to the three current holders of the hydrant meters. Two have returned a signed agreement together with the \$1600 required deposit. One of the two sent

an email confirming that all water withdrawn had been metered and reported, and Mr. Goran will follow up on this with the other.

Mr. Haley asked Mr. Goran if Volunteer Fire Department usage was metered. Mr. Goran answered that while fire department usage was not metered, it is supposed to be reported and accounted for. Mr. Goran pointed out that the Fire Department had always been furnished water for firefighting at no cost, this practice was approved by the full Authority many years ago, and that this was a common practice in the surrounding area as well.

Mr. Tucker then addressed the subject with the Authority. He asked if his company had received a letter, and Mr. Goran affirmed that a letter had been sent. Mr. Tucker then said that he thought the amount charged (\$10.00 per 1,000 gallons) was excessive, and pointed out some other rates in the area. Mr. Tucker made a comment about three areas where meters were running constantly, that his company pays more sales taxes on its equipment than anyone else in Hart County, and requested a variation on the policy. He also reported that someone took his picture filling a tanker with water from a hydrant without using a meter. He prefers that the Authority continues to offer hydrant metering at multiple locations, and stated his willingness to pay \$6.00 per 1,000 gallons, saying that his company accommodated the Authority by flushing the Authority's lines. He made other comments about a news report on this subject.

Mr. Haley said that the Authority's rates were too high, and that poultry houses pay less than hydrant meter users. He reported that he had seen trucks at Eagle Grove. Mr. Goran asked him to report any evidence he had of illegal use, and that the Authority would address it.

The discussion ended with Mr. Goran stating that Mr. Tucker's company needed to address the matter in the two letters that had been sent: sign the new agreement; either make the \$1600 deposit or return the Authority's meter, and; report any usage that had not been metered. Mr. Tucker agreed.

Financial / Billing Software Update

Mr. Goran informed the Board that HCWSA is now live in both the financial and utility billing software, meter reading is in process, and the conversion is going well at this time.

Mr. Holland suggested amending the budget to include the additional revenue and expense accounts which were previously not broken out by account line item number. There was some discussion about whether that should occur after a few months of revenue and expense history was gathered.

New Business

Discussion of water service delivery territory near the City of Bowersville

Mr. Goran apprised the Board of the City of Bowersville's desire to possibly expand their water system into HCWSA's current service delivery area. After some discussion, the Board agreed to table this topic until a Bowersville representative could attend a HCWSA meeting. The consensus of the Board was that HCWSA should have the right to acquire any lines installed by Bowersville in HCWSA's current territory in the future, and that the waterlines meet HCWSA specifications. Mr. Goran stated that he would follow up with Mayor Jordan.

Discussion of possible demolition of out-of-service Royston Highway tank

Mr. Goran stated that he had received an unsolicited bid from Pittsburg Tank for demolition of the out-of-service water tank on Royston Highway for about \$32,000 to \$34,000.

After some discussion, Mr. Holland motioned to proceed with obtaining bids. Mr. MacNabb seconded the motion which passed 4 – 1, with Mr. Haley opposed.

Review and discussion of Authority rates and policies

Mr. Carlton requested a rate study to be prepared for the next meeting. Mr. Cannady proposed options such as EMI or UNC to assist with the study to help assure that HCWSA collects enough revenue for operational costs and future system expansion. Mr. Holland stated that he would not vote to increase rates at this time.

Request for water service – Mewborn Road poultry farmer

The Board agreed to table the request until the requestor was in attendance. Mr. Carlton asked that Mr. Goran have a cost estimate prepared as well. There was some discussion about the merits of expanding HCWSA's system primarily to benefit chicken farmers versus installing water lines that primarily serve residential areas.

Director's Comments

Mr. Goran suggested considering fee increases, such as the account set up fee, as well as changing the cut-off date from 30 to 20 days past due. Mr. Carlton suggested including those proposals with the rate study.

Members' Comments

Mr. MacNabb stated his support for local chicken farmers due to the amount of revenue generated that in turn supported system expansion.

Mr. Haley questioned whether or not commercial farms incurred conservation rates due to their higher usage. Mr. Goran replied that conservation rates applied to residential customers only.

Upcoming Meetings – December 18th, and January 18th

The next two Board meetings will be held on Monday, December 18, 2017 and Thursday, January 18, 2017.

Adjournment

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

Wade Carlton, Chairman

Holly McBrayer, Secretary