



Henry County Water Authority

BOARD MEETING

MINUTES

May 19, 2022 - 8:30 a.m.

Attendance:

Members of the Board: Cletonya LaGrand, Chair; Sandra Rozier, Vice Chair; Siddiq Gibson, Secretary; Jimmy Carter, Warren Holder, Fred Mays

Authority Staff: Tony V. Carnell, General Manager; Roderick Burch, CFO; Kim Osborne, Clerk; Karen Lake-Thompson, Deputy Clerk; Dan Newcombe, IT;

Division Managers: Scott Sage, Engineering; Pat Hembree, Water & Wastewater; Scott Harrison, Operations; Allen Rape, Administrative Services,

Authority Counsel: Andy Welch, Smith, Welch Webb & White

Consultants: Ms. Melissa Levin, Raftelis

1. CALL TO ORDER/WELCOME VISITORS

Chair LaGrand called the meeting to order at 8:30 a.m. and welcomed all in attendance. There were no visitors.

2. INVOCATION Mr. Fred Mays gave the invocation.

3. ACCEPTANCE OF AGENDA

Chair LaGrand called for a motion to accept the Agenda as published. Mr. Carter made a motion to amend Paragraph 9 of the Agenda to make the “Recommendation to Surplus Properties” a separate item for discussion during the Strategic Planning Session. He advised that one of the properties identified for possible surplus lies adjacent to his property and that he may have an interest in bidding on the property. He also stated that he would recuse himself from the discussion of this matter. Chair LaGrand advised that the Board will only conduct discussions concerning the properties and that no Board action will be taken at this time. She further stated that Resolution 2022-04 authorizing surplus of the properties will be tabled for a future meeting. There was no second to Mr. Carter’s motion, therefore the motion died. A motion was then made by Mr. Holder and seconded by Mr. Mays to accept the agenda as presented. The motion carried (6/0).

4. REPORT OF ATTORNEY

Mr. Welch provided an update concerning the Jodeco sewer matter. He stated that Mr. Carnell had issued a 90-day extension of the hearing that was scheduled to be held last week. He noted that the extension also provides that water service will not be interrupted during this time period. Mr. Welch advised that the property owners are working with engineers and the Authority’s staff to reach a resolution of the matter, and that this is the reason for granting the extension of time. Mr. Carnell stated that the property owners have submitted plans for a sewer line extension from another development, however, the utility lines for that development have not yet been deeded to the Authority which will cause some delay.

5. REPORT OF GENERAL MANAGER

- ARPA Project Funding - Update

Mr. Carnell addressed the Board concerning the status of the Authority's request for an allocation from the County's ARPA funds for the construction of certain Authority projects. He advised that he had met with Chair Harrell to review the list of projects. Following the meeting he contacted other members of the Board of Commissioners to determine what projects they would like to see completed in their districts. He also noted that County Manager, Cheri Hobson-Matthews has requested permission from the BOC to authorize \$6.4 million in funding for the projects, and that Mrs. Matthews has recommended that a memorandum of understanding be prepared for execution by the BOC and the Authority. Mr. Carnell advised that Mr. Welch has prepared a draft MOU which will be sent to Mrs. Matthews after final review by the Authority.

Mr. Carnell advised that at the last Authority Board meeting there was discussion about the possibility of receiving a second round of funding for additional projects. He advised he had spoken with members of the BOC about needs in their districts. Chair Harrell has requested that Mr. Carnell hold the Authority's request for a second round of funding. Mr. Carnell reviewed the list of projects which would benefit from the funding. He noted that the list is in order of priority.

- Request for Stormwater Fee Exemptions – Update

Mr. Carnell reported concerning the status of a resolution that was passed last month requesting that the BOC consider an amendment to its Stormwater Policy in order to provide exemptions to the Authority from the payment of stormwater fees on some of its properties. A letter along with the resolution was sent to Chair Harrell requesting that the matter be submitted to the BOC for consideration. Mr. Carnell advised that he had spoken with Chair Harrell to follow up on the request. He advised that the matter may be presented to the BOC at one of its meetings in June.

- Customer Satisfaction Survey – Presentation

Mr. Allen Rape presented the results of the Authority's recent Customer Satisfaction Survey. He noted that the focus of the survey was on customer service experiences. He provided a handout to the Board outlining questions, customer responses and data. He stated that over-all customer responses were very positive. The names of customers who participated were entered into a drawing for gift card prizes.

The Board took a recess at 9:50 a.m. and reconvened at 9:58 a.m.

- Public Relations Report

Dr. Chris Wood reported concerning media coverage and upcoming news releases. A clip file of recent media coverage was also provided to the Board.

Upcoming Events:

Mr. Carnell advised that the Council for Quality Growth will host the State of Henry County Address on May 25, 2022. Members of the Board were invited to attend. Mr. Carnell also reported concerning recent/upcoming public outreach events.

Mr. Carnell also reported that the Chamber recently hosted an educational event, attended by 50 vendors, to provide information on doing business in Henry County. He advised that Jeff Allen represented the Authority and did a great job. He noted that Jeff prepared informational booklets which were available to participants explaining how to complete the vendor application process.

6. PROJECTS and ADJUSTMENTS

Mr. Sage gave a brief explanation of the projects presented for Board approval.

Motion was made by Mr. Carter and seconded by Mrs. Rozier to approve the projects as presented:

EXT2820B	Bethlehem Bottoms @ Price Drive Permitting Design
EXT3795	Ann, Joyce & Ashemore Courts – W/L Replacement
DEV2130	BJ's Fuel Center
DEV3752	Mount Carmel Subdivision

There were no further questions and the motion carried unanimously (6/0).

7. APPROVAL OF MINUTES April 14, 2022 Regular Meeting

Motion was made by Mrs. Rozier and seconded by Mr. Holder to approve the minutes of the Regular Board Meeting held on April 14, 2022. There was no discussion, and the motion carried (6/0).

8. STRATEGIC PLANNING SESSION

HCWA 2020-2050 (30 Year) Capital Improvement Projects Plan (CIP)

Mr. Sage made a presentation to the Board concerning the Authority's 30 year CIP master plan. He stated that the primary plan components are water (raw water supply/treatment and transmission) and wastewater projects (conveyance and treatment) totaling \$986 million. Utilizing a power point presentation, Mr. Sage explained each of the proposed projects planned within the current 5-year implementation schedule and illustrated their locations (Water CIP's 38 projects; sewer CIP's 29 projects). He also provided a table containing information on cost estimates for each project. He noted that development agreements may provide some funding for some of these future improvements.

Walnut Creek Expansion

Mr. Hembree discussed the Walnut Creek Wastewater facility expansion. He explained that the project expansion consists of a 6 MGD new treatment plant which will be constructed along-side the existing 8 MGD treatment plant, and that the new plant will provide a much higher level of treatment. The original design plans for the expansion have been revised to provide for a new ATAD and solar dryers to help process wasted sludge from both facilities. Mr. Hembree reported that these additions, along with rapid inflation and supply chain issues has increased the cost of this project significantly. He emphasized that the goal is to complete the facility expansion before we reach maximum capacity.

New Growth/Development Agreements

Mr. Carnell and Mr. Sage discussed new growth/projects in Henry County. Mr. Carnell advised that development agreements could provide for funding for the construction of some of the Authority's projects/system improvements which would serve these new projects. Mr. Hembree also discussed the

future Tussahaw/Leguina Mill wastewater treatment facility and noted that this project will be completed under a developer agreement.

Lunch Break 11:45 a.m. – 1:00 p.m.

FY23 Proposed Budget

Mr. Peterson utilized a power presentation to review the Authority's proposed FY23 budget. He reviewed projected revenues from water sales, sewer fees, 2 mil tax, impact fees and connection fees. Personnel costs, operating/capital expenditures and debt (GEFA-SRF Loans and Revenue Bonds) were also explained. Mr. Peterson advised that the final FY23 budget in the amount of \$74,278,000 will be presented to the Board for approval at the June meeting.

Mr. Peterson also reported concerning the Authority's Charitable Assistance Program. He advised that we now have 3,179 customers participating and we are collecting about \$1,350.00 per month. Mr. Peterson presented a report from Connecting Henry concerning assistance provided for the period July, 2021 – April, 2022.

Results of 2021 Water and Sewerage Rate Study

Dave Peterson introduced Melisa Levin with the consulting firm of Raftelis, who presented the results of the recently concluded water and sewer cost-of-service rate study. The recommended rate increase for residential water service averaged 3.5% across the three-tier rate structure. The average increase across the two-tier sewer service rate structure was 4.5%. Other recommendations were to increase municipal and fire line rates by 5%, adjust irrigation base charges, and remove the outside-county multiplier. Board Members requested additional information in order to consider raising municipal rates by more than 5% (7% to 10% was suggested). The Board also did not want to eliminate the out-of-county multiplier, although they would consider a reduction from the current rate of 1.5. Chair LaGrand commented that she would like to see a larger increase to commercial rates.

Recommendation to Surplus Properties

Mr. Carnell provided a list of properties which have been evaluated by staff and recommended for surplus. He provided additional details concerning each property and justification for surplus; and he answered questions from the Board. Resolution 2022-04 authorizing the surplus of these properties was provided to the Board, however it was tabled for further discussion at a future meeting.

9. ADJOURNMENT

There being no further business, motion was made by Mrs. Gibson and seconded by Mr. Carter to adjourn the meeting at 3:10 p.m. The motion carried.

Cletonya LaGrand, Chair

Kim Osborne, Clerk