



Henry County Water Authority

MINUTES

BOARD MEETING

February 9, 2023 – 8:30 a.m.

1. CALL TO ORDER/WELCOME VISITORS

A meeting of the Henry County Water Authority Board, duly advertised, was held on Thursday, February 9, 2023, at the Authority's Administrative offices (Engineering Building) located at 100 Westridge Industrial Blvd., McDonough, GA. The following Board members were present: Jimmy Carter, Chair; Sandra Rozier, Vice Chair; Myra Lott, Secretary/Treasurer; Bruce Holmes, Member; Warren Holder, Member; Fred Mays, Member-At-Large

Attendance: Administration - Tony V. Carnell, General Manager; Karen Lake-Thompson, Clerk; Dave Peterson, CFO. Directors: (Dan Newcombe, IT; Tamara Woodie, HR; Tara Brown, Strategic). Division Managers: (Pat Hembree, Scott Sage, Allen Rape). Staff: Travis Jackson, Eric Osborne, Patrick Kelley, Jeff Allen, Rodney Stroud, Ken Presley, and Lindsey Sanders

Counsel: Andrew Welch, III, Smith, Welch, Webb & White, LLC

Public Relations: Dr. Chris Wood, JWA Public Communications

Consultants: Stacey Key, Georgia Minority Supplier Development Council (GMSDC); Otis Crum, GMSDC; Dr. Rick Whiteside, Corblu Ecology Group

2. INVOCATION

Mr. Carter introduced Reverend David Rathbun, Senior Pastor - Bethany Baptist Church (McDonough) who gave the invocation.

3. ACCEPTANCE OF AGENDA

Motion was made by Mr. Holmes and seconded by Mrs. Rozier to accept the agenda as presented. The motion carried (6/0).

4. PUBLIC COMMENT None

5. SPECIAL PRESENTATIONS

Ms. Lindsey Sanders, Environmental Compliance Coordinator recognized Sidney Spencer, Union Grove Middle School student who won the Metro North Georgia Middle School Essay Contest for Henry County. Ms. Sanders noted that Sidney was the winner selected from over 600 essays. Ms. Spencer read her essay submission to the Board and thanked everyone for their support.

6. REPORT OF ATTORNEY

Drainage Easement at The Enclave at Brookstone (Resolution 2023-02)

Mr. Welch addressed the Board regarding the conveyance of the drainage easement from the Authority to The Enclave at Brookstone, LLC., and noted language regarding the drainage easement which releases and indemnifies the Authority of all liability. There being no further discussion, a motion was made by Mr. Holder and seconded by Mr. Holmes to approve the drainage easement resolution (HCWA Resolution 2023-02). The motion carried 6/0.

Racetrack/Iris Lake Road Intersection Project - Bond Savings Allocation (Resolution 2023-03)

Mr. Welch provided the history of the Bond Savings Allocation, which is a result of an agreement made with Henry County Board of Commissioners in 2020 (Resolution 2020-10) to split the savings of a \$1.6 Million refinance bond across Henry County Districts (\$325,000 per district). The approval process involves the County sending requests to HCWA for review and once approved, the funds are disbursed to water/sewer projects. This resolution will allocate \$82,624 from District 1 and \$82,624 from District 3 bond savings allocations towards Racetrack/Iris Lake Road Intersection Project. Mr. Holder also noted, this is an opportunity for the County not to use SPLOST funding towards the waterline relocations.

There being no further discussion, motion was made by Mrs. Rozier and seconded by Mr. Mays to approve the Racetrack/Iris Lake Road Intersection Project – Bond Saving Allocation Resolution (HCWA Resolution 2023-03) and the motion carried 6/0.

7. REPORT OF GENERAL MANAGER

Towaliga Water Plant Power Interruption

Mr. Carnell discussed the events of the recent tornado on January 12, which caused an interruption of service at the Towaliga Water Plant due to a power outage. He reached out to Clayton County Water Authority for an emergency supply of water, which was granted. Butts County reached out to Mr. Carnell for water supply assistance. Unfortunately, HCWA was not in a position to assist Butts County at the time of request. Mr. Carnell was in touch with officials at Central GA-EMC who informed him that they had three (3) power stations out due to the tornado and they had teams working around the clock to repair the stations. Mr. Carnell stated that HCWA is also on the high priority list next to area hospitals when it comes to power being restored. The next morning, the City of Locust Grove was experiencing mechanical issues at their lift station that was upstream from the Tussahaw Reservoir. The tornado caused the Towaliga Water Plant to be down for two (2) days, after which service was restored to the plant.

Mr. Osborne, Water Production Manager gave a brief history of the water system and challenges during the 2-day outage.

Mr. Patrick Kelley, Sr. Project Engineer explained the Water Modeling software and how it was used to analyze critical scenarios such as the recent storm events.

Mr. Mays stated having good relationships with neighboring counties is good. Mr. Carnell replied HCWA thankfully has developed very good relationships with neighboring counties and other utilities and it is a great relief knowing that they all support each other in time of need.

Quarterly Financial Update (Dave Peterson)

Mr. Peterson presented the quarterly Financial Update for FY2023 which included revenue, expenses and debt through 7 months of the fiscal year, with comparisons to both budget and prior years. Mr. Holmes inquired about the contingency. Mr. Peterson replied that it's usually \$2 Million and stated examples of how contingency funds could be utilized. Mr. Carnell shared how contingency was utilized in the past to assist with the Big Cotton Indian Creek force main emergency repair that happened on Christmas day several years ago.

Mr. Peterson also provided an update of HCWA's Charitable Assistance Program. There was discussion around any tax benefits of the program to those customers that contribute to the program.

Additional discussions were held around the 2 Mill Tax and if there were plans in place to replace the 2 Mill tax once it expires in 2030. Mr. Carnell responded that the Authority has a financial model in place through the year 2030 that supports the 2 Mill tax being phased out. However, inflation is driving up predictions of future project cost that may impact the model. Mr. Welch also stated that the Board adopted the Water Use Ordinance about 12 years ago to account for 5% automatic rate increases each year to support phasing out of the 2 Mill tax. If no action is taken by October of each year, the automatic rate increase will go into effect.

Purchasing & Procurement Programs

Jeff Allen, Purchasing & Inventory Manager, introduced Ms. Stacey Key, President, Georgia Minority Supplier Development Council (GMSDC), a non-profit organization. Ms. Key provided an overview of GMSDC mission to connect minority owned and small businesses with companies in Georgia. Ms. Key provided an overview of GMSDC and its partnership with HCWA.

Mr. Allen introduced Rodney Stroud, Procurement Compliance Specialist who provided an update of HCWA's Local Sheltered Market Program (LSMP) and Supplier Inclusion Program (SIP). To date, HCWA has distributed 100 applications for both programs. Mr. Stroud also noted upcoming community outreach events focused on engaging LSMP and SIP businesses.

Mrs. Sandra Rozier, Board Vice-Chair asked to be excused from the meeting at 10:13AM.

Watershed Protection Ordinance and Impacts to HCWA Permits (Scott Sage/Tony Carnell)

Mr. Scott Sage, Engineering, Division Manager presented an overview of HCWA's Watershed Protection Ordinance including the purpose, the associated regulatory requirements, the affiliated HCWA operating permits, the tools used to regulate development, and the history dating back to the early 1980s when it was first implemented. Mr. Sage also discussed the potential negative impacts to HCWA operating permits if the ordinance was not properly enforced.

Dr. Rick Whiteside, President, Corblu Ecology Group was introduced and continued discussions around the challenges with permitting that residents and businesses cause by being non-compliant. Permitting is essential to future growth and development, and the Authority cannot risk placing permits and their integrity in jeopardy if no action is taken when violations occur.

Upper Towaliga Buffer Violation (Allen Rape/Ken Presley)

Mr. Allen Rape, Customer Support Services, Division Manager discussed the challenges with developers who sell properties along Authority reservoirs as "waterfront properties", which is misleading to the homeowners who do not understand that there are rules and regulations for properties adjacent to our drinking water supplies. The surrounding buffer areas are protected and managed by the Authority and EPD.

Mr. Rape gave a report of a recent stop-order issued to a homeowner who has cleared 27 trees from the protected buffer area, after being notified and warned multiple times. The homeowner continuously removes the trees planted by staff and continues to clear the protected buffer area, clearly in violation of the Authority's Reservoir Management Plan, Watershed Protection Ordinance and EPD Regulations.

Mr. Ken Presley, Reservoir Manager also addressed the Board on the notification process of homeowners found to be in violation and stated that most homeowners immediately correct violations once notified. Mr. Rape also added that most homeowners are required to take corrective action at their expense to restore the buffers.

Metro North GA Water Planning District/GA EPD Audits (Tara Brown/Lindsey Sanders)

Ms. Tara Brown, Strategic Director, provided an overview of the Metro North Georgia Water Planning District which was developed in 2001 for the purpose of developing comprehensive regional and watershed-specific plans for the metro-Atlanta area. Ms. Brown also noted that the Authority is a member of the District, and that Tony Carnell was appointed by the County Commissioner Chair Carlotta Harrell as the Designee. The Georgia Environmental Protection Division (GA EPD) recently sent a letter to HCWA, Chair Carter, regarding an upcoming audit that will be conducted to ensure HCWA's compliance with following applicable action items within the District Plan. The GA EPD audit is due by April 15th, 2023.

Ms. Lindsey Sanders, Communications and Regulatory Coordinator represents the Authority as part of the Metro District's Technical Coordinating Committee which is comprised of local government officials and staff from counties, cities and authorities in the Metro Water District. The committee provides data and information to support the District's work in the areas of water supply and conservation, wastewater management, stormwater and watershed management, and education and public awareness. Ms. Sanders provided a snapshot of the 45

action items for 2023 and pointed out new changes to the leak reduction program, she noted that HCWA is ahead because of our Advanced Metering Infrastructure (AMI) program and customer portal.

Announcements

Mr. Carnell announced upcoming events, where HCWA staff will be present: Henry County Chamber of Commerce Annual Awards – February 10; Henry County Schools Work Based Learning Program – Success Seminar – February 16 (Mr. Carnell will be presenting to 600 students on the topics of career/interview & job application); Henry County Chamber Capitol Day @ GA State Capital – March 15; and Fix-A-Leak Week, where staff will be on hand to engage customers on water conservation at Lowes, McDonough on March 17.

2023 HCWA Goals and Objectives

Mr. Carnell provided an overview of the 2023 Goals and Objectives and went over the Effective Utility Management (EUM) Primer, which has ten (10) attributes and is widely recognized and adopted within the utility industry. The 2023 attributes are Customer Service, Employee Leadership & Development, Infrastructure Strategy & Performance and Operational Optimization. Mr. Carnell also stated that over the past 14 months, HCWA has had some department reorganizations and succession planning of vital roles within HCWA. A copy of an updated Organization Chart was included as part of the Board Members packets.

8. PROJECTS and ADJUSTMENTS

Mr. Sage addressed the Board concerning the following projects and provided a description for each project which are all within the Authority’s policy.

New Projects:	EXT2844A	Hwy 42 Fire Station North Sewer Extension
	EXT2837A	Gardner Reservoir Dam Rehab Design

Developer Projects:	DEV1514	JDA Westridge
	DEV3819	Springdale SS Extension at Wolf Creek Drive

Motion was made by Mr. Holmes and seconded by Mrs. Lott to approve the New Projects and Developer Projects as presented. The motion carried (5/0).

9. APPROVAL OF MINUTES

Motion was made by Mr. Holder and seconded by Mr. Mays to approve the January 9, 2023 Board minutes. The motion carried 5/0.

10. EXECUTIVE SESSION (An executive session may be held pursuant to O.C.G.A. §50-14-2)

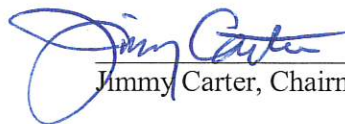
Motion was made by Mr. Holmes and seconded by Mr. Holder to enter into Executive Session at 11:37AM in order to consult with the attorney pending property litigation matters. The motion carried unanimously (5/0).

The Board returned to Regular Session at 12:11PM. The motion was made by Mr. Holder and seconded by Mr. Holmes. The motion carried unanimously (5/0).

Motion was made by Mr. Holder and seconded by Mr. Holmes authorizing Mr. Welch to bring suit against the property owner of 1803 Lake Pointe Circle, Locust Grove, GA 30248 for unlawful encroachment of Water Authority property. The motion carried (5/0).

11. ADJOURNMENT

Motion was made by Mr. Holmes and seconded by Mrs. Lott to adjourn the meeting at 12:30PM. The motion carried (5/0).


Jimmy Carter, Chairman

Karen Lake-Thompson, Clerk