

MINUTES OF BOARD MEETING: July 9, 2020
HENRY COUNTY WATER AUTHORITY

I. CALL TO ORDER/ATTENDANCE:

A meeting of the Henry County Water Authority Board, duly advertised, was held on Thursday, July 9, 2020, in the Engineering Conference Room of the Authority's Administrative campus located at 100 Westridge Industrial Blvd., McDonough, GA. Mr. James C. Carter, Jr., Chairman, called the meeting to order at 8:00 a.m. The following members were present: James C. Carter, Jr., Cletonya Stidom, Warren Holder, Carlotta Harrell, and Zuwena Poole. The following Authority staff and consultants were present:

Administration: Lindy D. Farmer, Jr. (by teleconference), Tony Carnell, Kim Osborne, Roderick Burch

Division Managers: Pat Hembree, Scott Harrison, Scott Sage, Allen Rape

Managers/Staff: Dan Newcombe, Bill Banks

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

Consultants: Gordon Mortin and Tom Owens, Raymond James (by teleconference)

II. VISITORS: Sidiqna Gibson

III. ACCEPTANCE OF AGENDA: Mr. Carter presented the Agenda for acceptance by the Board. Motion was made by Mrs. Stidom and seconded by Mr. Holder to accept the agenda as presented. The motion carried (5/0).

IV. REPORT OF ATTORNEY:

Mr. Welch presented for the Board's consideration and approval, Ordinance No. 5, providing for the sale and/or conveyance of Certain Property Interests in accordance with the provisions of O.C.G.A. Section 36-9-3(h). He explained that state law allows for the conveyance of small pieces of property to an adjoining property owner foregoing the sealed bid process. As an example, he explained that when the Authority determines that a utility easement is no longer needed, the easement is abandoned, and can be conveyed to the adjoining property owner in accordance with state law. Mrs. Harrell questioned if this process would still apply if the property was appraised over a certain value, or if would then be disposed of by sealed bid. Mr. Welch replied that most of the time we are talking about small or irregular shaped pieces of property, not property that would be considered a buildable lot. Oftentimes, the only person who can use these small pieces of property are the adjoining property owners. Mr. Carnell explained that we have had certain road improvement projects where a waterline is still there, but intersects someone's property, so that when the line is abandoned, under the provisions of this ordinance we can convey the abandoned area to the current property owner. Mr. Holder pointed out that while there is nothing wrong with this procedure, it isn't as clean as bidding it out. He noted that a property owner would have the right to bid on the abandoned property, but also transparency to allow everyone access is important. Mrs. Stidom concurred. Mr. Carnell also pointed out that staff will continue to bring these conveyances back to the Board for approval; and Mr. Welch stated that the Board must acquire or convey property on behalf of the Authority. Following discussion, Mr. Carter opened the floor for a motion concerning the adoption of said ordinance. Motion was made by Mrs. Harrell and seconded by Ms. Poole to adopt Ordinance No. 6 as presented by Mr. Welch. Mr. Carter, Mrs. Harrell and Ms. Poole voted in favor. Mr. Holder and Mrs. Stidom were opposed. The motion carried 3/2.

Mr. Welch presented Resolution No. 2020-06 to authorize the conveyance of a quit claim deed to abandon easement rights on property owned by McDonough Owner, LLC. Mr. Carnell explained that this utility easement has been abandoned and runs across the old Toys R Us site on Highway 42 to the Authority's water tank on Highway 155. He explained that Toys R Us paid to abandon this line years ago, but the easement was never abandoned by legal process. He stated the owner now wants to sell the property and needs to clear up the easement matter. Mr. Carnell recommended the Board abandon this easement as it serves no purpose to the Authority. Mr. Carter opened the floor for additional discussion/questions. There being none, motion was made by Mrs. Poole and seconded by Mrs. Harrell to adopt Resolution 2020-06 as presented. The motion carried (5/0).

Mr. Welch presented for the Board's consideration and approval, Ordinance No. 6 to implement provisions of O.C.G.A. Section 22-1-9 which prescribes for a procedure to waive the requirement of an appraisal of property with lower fair market value such as for the acquisition of utility easements. Mr. Welch advised that under state law the Authority can establish a value structure which can be utilized in such cases. Mr. Carnell discussed the Authority's easement acquisition process and noted that the adoption of this ordinance would not change the current process. He pointed out that the Authority never acquires real property without obtaining an appraisal and that when acquiring easements the Authority utilizes values established by the county. Mr. Welch pointed out that in some cases the cost of an appraisal is more than the value of the easement to be acquired. Therefore, it would benefit the Authority if an appraisal was not required. Mr. Carter opened the floor for additional discussion. Mr. Holder agreed that in practicality this is a good policy, and that the acquisition still comes back to the Board, but he is still concerned about transparency. Mr. Carnell noted that the Authority is required to make disclosures to the property owner and must also advise them of their rights. Mr. Welch advised that this process is known as the Property Owner's Bill of Rights which was adopted in 2010. He noted that the Authority does comply with these requirements. He also noted that if a property owner requests an appraisal the Authority will obtain one. He reiterated that the acquisition will still be presented to the Board for approval. Mr. Welch advised that in order for the Authority to utilize this process, the Board must adopt an ordinance to implement it. There being no further discussion a motion was made by Mrs. Harrell and seconded by Ms. Poole to approve and adopt Ordinance No. 6 as presented. The motion carried unanimously (5/0).

V. REPORT OF GENERAL MANAGER:

Revenue Bond Refinancing 2010 and 2012 Series:

The Authority's financial advisors, Gordon Mortin and Tom Owens of Raymond James, addressed the Board via teleconference to discuss an opportunity to achieve savings by refinancing the Authority's Revenue Bond Series 2010 and 2012. They will continue to monitor the market and anticipate presenting a proposed resolution to the Board to authorize this refinancing later this calendar year if the market is favorable to do so. Mr. Burch advised that a refunding would not affect the sunset of the two mil tax. (Mr. Mortin and Mr. Owens exited the meeting at 8:45 a.m.)

GEFA SRF Loan Modification Agreements:

Mr. Burch addressed the Board concerning an offer made to the Authority by the Georgia Environmental Finance Authority (GEFA) to defer payments on State Revolving Fund (SRF) loans for six months. He further explained that interest will not accrue on the loan balances during this six month period saving the Authority a significant amount in interest. Mr. Burch advised that this is a really good deal for the Authority and no reason not to take advantage of this opportunity. Mr. Carter opened the floor for further discussion. A motion was then made by Mr. Holder and seconded by Ms. Poole to authorize Chairman Carter to sign the loan modification agreements with GEFA for loan #s CW06001, CW08001, CW08001P2, and DW10025, to effectuate the six month deferral of loan payments. The motion carried unanimously (5/0).

Southeastern Booster Pump station Bid Results/Recommendation of Award:

Mr. Sage addressed the Board concerning bids received for the construction of the Southeastern Booster Pump Station project. The bids were tabulated by the Authority's consultant, Barge Design Solutions. It was their recommendation that the project be awarded to the apparent low bidder, United Consolidated Group, Inc. with a bid of \$627,917.96. Mr. Carter opened the floor for discussion. A motion was made by Mr. Holder and seconded by Mrs. Harrell to award the project to United Consolidated Group in accordance with the recommendation of Barge Design Group. The motion carried unanimously (5/0).

VI. PROJECTS AND ADJUSTMENTS: The following projects were presented, noted to be in compliance with Authority policy and recommended for approval by the Board.

New Projects by Authority:	IC2852C	Indian Creek Additional Improvements
	BC2803A	Bear Creek Sewer Outfall MH Replacement
Developer Projects:	DEV3604	HWY155 South Sewer Extension
	DEV3695	Gates at Pates Creek
Budget Adjustments:	None	

Mr. Hembree discussed the status of the Indian Creek expansion project and additional needed improvements. He advised that the project is not yet closed pending receipt of lien waivers from the contractor. Mr. Welch advised that the contractor has been notified that the Authority is ready to close the project, but must receive lien waivers from all subcontractors. Mr. Hembree stated that there is no indication from the subcontractors of any outstanding claims. Mrs. Harrell requested clarification concerning the funding for the additional improvements at Indian Creek. Mr. Hembree stated that these additional improvements will be set up as a new project with new funding since the remaining funds on the existing expansion project are being held until the project is closed out. Mr. Banks provided information utilizing a video presentation to review the additional improvements to be completed at the Indian Creek facility. Mr. Sage provided information concerning the Bear Creek manhole replacement project. Mrs. Harrell questioned whether these two projects will be bid out. Mr. Banks advised that bids have been received for the additional improvements at the Indian Creek facility; and Mr. Sage advised that the Authority's annual labor contractor will be replacing the manholes for the Bear Creek project. Motion was made by Ms. Poole and seconded by Mrs. Stidom to approve the project as presented. The motion carried unanimously (5/0).

VII. APPROVAL OF MINUTES: June 11, 2020 Regular Meeting

The minutes of the June 11, 2020 Regular Meeting of the Board were approved on motion made by Mrs. Harrell and seconded by Mr. Holder. The motion carried (5-0).

VIII. OTHER BUSINESS: NONE

IX. EXECUTIVE SESSION:

The Board took a brief recess at 9:19 a.m.

Motion was made by Mrs. Harrell and seconded by Mr. Holder to enter into Executive Session at 9:25 a.m. for the purpose of discussing potential litigation and land acquisition. The motion carried (5/0).

Motion was made by Mrs. Harrell and seconded by Mr. Holder to return to Open Session at 10:17 a.m. The motion carried (5/0).

The Board took no action concerning Executive Session matters.

X. ADJOURNMENT:

Motion was made by Mrs. Stidom and seconded by Mrs. Harrell to authorize the Chairman to execute the Affidavit concerning Executive Session Matters. The motion carried unanimously (5/0). Motion was made by Mrs. Stidom and seconded by Mrs. Harrell to adjourn the meeting at 10:18 a.m. The motion carried (5-0) and the meeting was adjourned.

Warren E. Holder, Vice Chairman

Approved: August 13, 2020

Kimberly Turner Osborne, Clerk