



Henry County Water Authority

BOARD MEETING

MINUTES

June 9, 2022

Attendance:

Members of the Board: Cletonya LaGrand, Chair; Sandra Rozier, Vice Chair; Siddiqah Gibson, Secretary; James C. Carter, Jr., Warren Holder and Fred Mays

HCWA Staff: Tony V. Carnell, General Manager; Roderick Burch, CFO; Tara Brown, Manager, Sewer Line Maintenance Dept.; Kim Osborne, Clerk; Karen Lake-Thompson, Deputy Clerk; Division Managers: Scott Harrison, Scott Sage, Pat Hembree and Allen Rape

HCWA Counsel: Avriel Jackson, Smith, Welch, Webb & White (Mr. Welch was not in attendance.)

1. CALL TO ORDER/WELCOME VISITORS Chair LaGrand Called the Meeting to Order @ 8:30 a.m. and welcomed all in attendance. Visitors present were: Commissioner Dee Anglyn, District III; Pastor Jermell Miller of One Step of Faith Outreach Ministries and Mr. Don Veum.
2. INVOCATION Pastor Miller gave the invocation.
3. ACCEPTANCE OF AGENDA Motion was made by Mrs. Rozier and seconded by Mr. Carter to accept the agenda as published. The motion carried (6/0).
4. PUBLIC COMMENT (None)
5. REPORT OF ATTORNEY

Ms. Jackson advised that she had no matters on which to report.

6. REPORT OF GENERAL MANAGER

- Approval of FY23 Budget & Board Compensation

Mr. Burch addressed the Board concerning the Authority's budget for FY23. He noted that a draft of the budget was presented and reviewed with the Board during its May planning session. Since that time, there have been no further questions concerning the budget and there have been no changes to the budget as presented. Mr. Burch recommended the Board take action adopt Resolution No. 2022-05 approving the Authority's FY23 budget in the amount of \$74,278,000. He also pointed out that this resolution establishes the Board's compensation for the coming year. Motion was made by Mrs. Rozier and seconded by Mrs. Gibson to adopt Resolution 2022-05 as presented. There was no further discussion and the motion carried unanimously with all members voting in favor (6/0).

- Recommendation to Surplus Authority Assets

Mr. Burch referred to the Board's agenda packet containing a list of Authority assets/equipment which have been recommended by staff for surplus. He advised that the items will be posted to Gov.deals for sale. He stated that the Authority does not establish a value for the items, and that the items are sold to the highest bidder. The value of the item is the price that a bidder is willing to pay. Motion was made by Mr. Holder and seconded by Mr. Carter to approve the list of Authority assets for surplus. There was no further discussion and the motion carried unanimously (6/0).

- Abandonment of Sewer Line Easement in Heron Bay (Resolution No. 2022-06)

Mr. Sage addressed the Board to recommend the abandonment of a sewer line easement running across the golf course area of the Heron Bay subdivision. He advised that the original design of the project was later changed and that the easement and dry sewer installed therein was now located on the golf course and would never be utilized by the Authority. It was recommended that the Board take action to abandon the easement and revert title back to Heron Bay. Mr. Sage answered questions from the Board. A motion was then made by Mr. Carter and seconded by Mrs. Rozier to adopt Resolution No. 2022-06 authorizing the abandonment of the sewer easement as recommended by staff. There was no further discussion and the motion carried unanimously (6/0).

- Bethlehem Bottoms Sewer Agreement - JDN Enterprises, LLC (Resolution No. 2022-07)

Mr. Sage addressed the Board regarding a new project in District 1. He advised that the developer, JDN Enterprises, LLC, will need sewer to serve the project site located on the east side of I-75. He stated that the Authority has a future CIP project to extend sewer (to the area) from Bethlehem Bottoms. However, a cost-benefit analysis indicated that this CIP project would not benefit the Authority at this time. JDN Enterprises approached the Authority regarding the possibility of entering into a development agreement and committed \$1.25 million to assist with the construction of this project.

Mr. Holder noted the proximity to the proposed new interchange and stated that a development agreement would benefit the Authority to have financial participation in this project. Mr. Carter noted that the cost estimate for the project is \$2.5 million, and questioned whether this estimate could change due to economic factors. Mr. Sage stated he feels this estimate is high, and could come in under budget. He noted that the most costly portion of the project is the bore which will be required under I-75. He advised that this agreement will cap the developer's contribution at \$1.25 million. Mrs. Rozier questioned what the Authority's responsibility would be if the project exceeds the cost estimate. Mr. Carnell advised that if the cost exceeds \$2.5 million the Authority would pay the balance above the \$1.25 million developer contribution. He stated that the developer has submitted a letter of intent and a \$50,000 payment which will cover the Authority's upfront costs, including staff time and attorney's fees. If the developer backs out of the project, the Authority retains the \$50,000 payment.

Motion was made by Mrs. Rozier and seconded by Mr. Holder to adopt Resolution No. 2022-07 to authorize the Authority to enter into a development agreement with JDN Enterprises, LLC for the construction of the Bethlehem Bottoms sewer line extension. The motion carried unanimously (6/0).

- Presentation – Overview of Sewer Line Maintenance Dept. (Tara Brown)

Mrs. Brown gave a presentation giving an overview of the functions of the Authority's Sewer Line Maintenance Department.

- Report - Walnut Creek Nitrates

Mr. Hembree addressed the Board concerning the issue of high levels of nitrates at the Authority's Walnut Creek Water Reclamation facility. He noted that the nitrate levels in the monitoring wells has been increasing over the years. He advised that monthly sampling of these wells is conducted. The Authority has been communicating with EPD since 2019. We have lowered our nitrates leaving our facility. Studies show over-fertilization over the years may contribute to the problem in that nitrogen remains in the soil for a long period of time. Will continue conversations with EPD – we could have to defend a violation in the future or an enforcement/consent order. Other utilities are having the same issue. It was also noted that Walnut Creek Facility is located within a ground water recharge area which might be a contributory factor. He advised that conversations have been held with EPD about the issue, the actions the Authority has taken to reduce nitrate levels and other possible causes for the high levels. He noted that the problem has been ongoing.

- Mr. Carnell announced the following upcoming events:
 - **June 9th - Citizens Academy Begins (19 Henry County Citizens Signed Up – Reg. Closed)**
 - **June 21st - Purchasing & Inventory hosting 2022 Summer Supplier Conference**
 - **June 22nd -Safety & Security Day – Varsity Lunch 11:30 a.m. – 1:00 p.m.**

He also announced the retirement of Mr. Scott Harrison, Division Manager, Operations Dept., effective July 1st. He noted that Mr. Harrison has 32 years of service to the Authority. Mr. Harrison stated that he has been blessed to be a part of this organization. He emphasized the quality of staff, incredible programs offered by the Authority, and expressed appreciation for the support received by members of the Board over the years. He stated that it has been a pleasure to serve this Authority and the citizens of Henry County.

7. PROJECTS and ADJUSTMENTS

Mr. Hembree discussed the blower system at the Walnut Creek facility explaining the importance of maintaining a balance of oxygen in the system. He advised that a consultant was hired to evaluate the blower system and to make recommendations to the Authority. The consultant recommended installing a jockey blower which will provide a variety of blower capacities, allowing staff to run different combinations to provide the exact amount of air needed in the system. Other recommended improvements included installation of actuated control valves as well as installing more probes in the basin to measure dissolved oxygen. The goal/benefit of these improvements is to reduce the nitrates that form during the treatment process, and to improve operations as well. Mr. Hembree also noted that these improvements may be looked upon favorably by EPD as we work to resolve the issue of high nitrates. Motion was made by Mrs. Gibson and seconded by Mr. Carter to approve the project as presented. The motion carried unanimously (6/0).

New Projects: EXT2911C Walnut Creek WRF Blower Upgrade
Developer Projects: None
Budget Adjustments: None

8. APPROVAL OF MINUTES Motion was made by Mr. Carter and seconded by Mrs. Rozier to approve the minutes of the May 19, 2022 Regular Meeting of the Board as presented. The motion carried unanimously (6/0).

9. EXECUTIVE SESSION NONE

10. ADJOURNMENT

There being no further business, motion was made by Mr. Holder and seconded by Mrs. Rozier to adjourn the meeting at 9:39 a.m.

Cletonya LaGrand, Board Chair

Kimberly Turner-Osborne, Clerk