



Henry County Water Authority

MINUTES

BOARD MEETING

November 9, 2023 – 8:30 a.m.

A meeting of the Henry County Water Authority Board, duly advertised, was held on Thursday, November 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 (*via teleconference*), Vice Chair; Myra Lott, Secretary/Treasurer; Bruce B. Holmes, Member; Warren Holder, Member; Fred Mays, Member-At-Large

HCWA Attendance: Administration - Tony V. Carnell, General Manager; Karen Lake-Thompson, Clerk; Dave Peterson, CFO. Directors: Tamara Woodie, Human Resources, Dan Newcombe, IT, Tara Brown, Strategic Planning. Division Managers: Pat Hembree, Scott Sage, Allen Rape. Staff: Travis Jackson, Adam Barham and Michael Bell.

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

Public Relations: Chris Wood, PhD (JWA Public Communications)

HRKS: Ardie Harrison, Sr. Vice-President and Leigh Westholm, Sr. HR Consultant

Visitors: Montina Frasier, Don Veum and Reese Daigle

1. CALL TO ORDER/WELCOME VISITORS

Mr. Carter called the meeting to order at 8:31AM and welcomed all in attendance. Mrs. Montina Frasier introduced herself as the founder/owner of CIA Media Group.

2. INVOCATION

Mr. Carter introduced Reverend Mr. Charles Iner, St. James the Apostle Catholic Church of McDonough who gave the invocation.

3. ACCEPTANCE OF AGENDA

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

4. PUBLIC COMMENT None

5. REPORT OF ATTORNEY

Mr. Welch presented resolutions 2023-17, 2023-18 and 2023-19 regarding easements for sewer line extension projects to the Board. He explained the process and that offers have been submitted to the property owners. He further explained if the offers are rejected and the matter goes to court, condemnation proceedings can involve extensive litigation and legal fees.

Mr. Welch requested approval from the Board to authorize the General Manager and staff to offer compensation of up to 20% more than appraised value to property owners. This will help to offset legal fees and may avoid litigation, ultimately saving the Authority money. Mr. Sage followed up by showing all locations of the properties on the map.

Resolution (2023-17): Authorizing Acquisition of Certain Easement Areas and Rights on the Property known as Garcia Property located at 330 Nail Drive.

Motion was made by Mr. Holder and seconded by Mr. Holmes to approve Resolution 2023-17 as presented allowing the General Manager to negotiate up to 20% of current appraised value. The motion carried 6/0.

Resolution (2023-18): Authorizing Acquisition of Certain Easement Areas and Rights on the Property known as the Brake Property located at 641 Hwy 81 W.

Motion was made by Mr. Holder and seconded by Mr. Mays to approve Resolution 2023-18 as presented allowing the General Manager to negotiate up to 20% of current appraised value. The motion carried 6/0.

Resolution (2023-19): Authorizing Acquisition of Certain Easement Areas and Rights on the Property known as the Williams Property located at Patrick Henry Pkwy.

Mr. Welch stated that staff has been unsuccessful contacting the property owner, due to recent change of ownership, staff will continue to negotiate terms once contact is made with the property owner.

Motion was made by Mr. Holder and seconded by Mrs. Rozier to approve Resolution 2023-19 as presented allowing the General Manager to negotiate up to 20% of current appraised value. The motion carried 6/0.

6. REPORT OF GENERAL MANAGER

Quarterly Financial Report

Mr. Peterson presented the quarterly financial report which included revenue, expenses and debt through the first quarter of FY24 with comparisons to both budget and prior years. He noted revenue is trending ahead in all categories. Water revenue does not include rate increases and the sewer revenue is ahead of 2024 projections. He also noted Residential and Commercial impact fees will increase on January 1, 2024.

Mr. Peterson also noted expenditures are \$15.7 Million with each itemized category coming in under 25% as expected for this point in the fiscal year.

Mr. Peterson also provided an update on HCWA's Charitable Assistance Program (CAP). There are currently 2,986 customers signed up for the program, compared to 3,000 from last year. Mr. Peterson stated that financial assistance programs, such as ERAP and LIHWAP, will be coming to an end and more customers are anticipated to register for assistance in December. He also noted CAP contributions are averaging \$1,500 a month, which marks the highest contributions since starting the program in 2015. He also stated FY23 also marked the highest ever contributions totaling \$17,870 serving 32 households.

Mr. Peterson also highlighted the recent success of HCWA's Fall Supplier Conference held on October 24th where local businesses were invited to learn about how to do business with HCWA. Henry County and Clayton County Water Authority also shared available business opportunities within their respective counties. Archer Western and PC Construction (contractors awarded the Walnut Creek Expansion - \$181 Million project) also shared subcontracting opportunities and answered questions. He also noted \$2.1 Million in direct spending and over 170 vendors that have been subcontracted through the Walnut Creek Expansion. In addition, there are also 2.2% woman owned businesses and 2.5% minority owned businesses under contract and also noted the DBE (Disadvantaged Business Enterprise) compliance goals being 4%. He also mentioned HCWA's participation in Henry County's Plug-In Contracting Expo which was also a success.

Hwy 42 N Fire Station/Public Safety Sewer Extension – Bid Award (Scott Sage)

Mr. Sage provided an update on the bids received for the Hwy 42 N Fire Station/Public Safety Sewer Extension project. There were five (5) bidders with the lowest bidder being non-responsive, as a result the recommendation was to award the project to Mark Turner Grading, Inc., as the lowest responsive bidder.

There being no further discussion, motion to approve the bid award recommendation was made by Mr. Holder and seconded by Mrs. Rozier. The motion carried 6/0.

Bid Proposals - Lease of HCWA Property & Facilities for Cell Tower Usage

Mr. Rape presented a map of the Bear Creek site location for proposed cell tower usage. He further explained that a sealed bid was published on BidNet Direct on August 14th and closed out on September 14th with only one (1) bid received from Vertical Bridge (T-Mobile). He also noted that there were three (3) inquiries about the bid and noted all three (3) inquiring companies were hired by T-Mobile, which is standard practice and nothing unethical. Vertical Bridge (VB) proposed a 50-year lease at \$1,800 month with total term value of \$1.8 Million. Mr. Rape also presented lease term comparisons from other companies. Mr. Carnell asked if this was a good offer and Mr. Rape stated based on staff findings it was not a fair market value and recommended one (1) of the four (4) options for the Board's consideration and authorization:

1. Reject the bid and cease lease consideration.
2. Accept bid as is.
3. Authorize staff to enter negotiations with VB for more favorable terms.
4. Hire consultant to negotiate on behalf of HCWA with VB

Mr. Welch stated when there is only one (1) bidder, it is acceptable to negotiate with that bidder for more favorable terms. He further stated that based on his work with other local governments the cell phone tower lease rates averages \$3K per month with the City of Dahlenega contracting at a higher rate.

Discussions ensued with Board and staff on the options presented. There being no further discussions motion was made by Mr. Holder and seconded by Mrs. Rozier to move forward with option #4 to hire a consultant to negotiate on behalf of HCWA staff with Vertical Bridge for more favorable terms. The motion carried 6/0.

1803 Lake Point Variance Request

Mr. Carnell went over the Daigle settlement that was reached in July, 2023 and introduced Mrs. Brown to explain the new challenges faced by the Daigles.

Mrs. Brown provided an update on the variance requests from the Daigles and shared that Spalding County has zoning jurisdiction of this location because the property is located in Spalding County. She also stated that the Spalding County Board of Commissioners were meeting later this evening (November 9th) to vote on the variance request. Mrs. Brown also presented a map of the area showing the neighboring lots and buffer lines, stating that when the final plat was recorded for this phase of Heron Bay, the final reservoir elevation was recorded incorrectly resulting in errors in the vegetative buffer and impervious surface setbacks. This creates an unnecessary hardship for the owners of 1803 Lake Pointe Circle.

Mrs. Brown presented the variance request to be considered according to the site plan submitted by the Daigles. This particular lot meets 5 out of 6 criteria that the Board can consider to grant a variance according to our Watershed Protection Ordinance (Sections 10.1.1 through 10.1.5). Notes that staff asked to be included in the site plan include provisions for the Authority to be included in approval of erosion control BMPs as well as staking any impervious surfaces prior to construction. All HCWA property lines/pins must also remain visible and undisturbed at all times.

Mrs. Brown then asked the Board to consider approval with the following conditions: 1) Approval of Spalding County; and 2) Request authorization for HCWA General Manager to approve any modifications to the plan subject to Spalding County's approval.

Mr. Carnell stated that the Daigles are at a standstill because they did not realize the HCWA property line was not the buffer. Mr. Welch also stated the original surveyors erred on the plat and not the property owners.

Motion to approve the variance as shown contingent upon Spalding County BOC approval and any changes with the General Manager's approval was made by Mr. Holmes and seconded by Mr. Holder. The motion carried 6/0. Mr. Welch also stated that the consent order would need to be amended with the court.

Georgia Association of Water Professionals (GAWP) Workforce Recruitment Video

Mrs. Brown showed a video that will run this month on Georgia Public Broadcasting Station (PBS) to promote water professional's workforce retention. In partnership with GAWP, HCWA staff and facilities will be featured in the promotional campaign will run this month on PBS highlighting some of HCWA facilities and staff with different perspectives on having a successful career in the water industry. HCWA employee Patrick Chesley (Operator of the Year) and other staff were highlighted in the video.

Mr. Carnell also stated that it wasn't an accident that HCWA's facilities and staff were chosen by GAWP to be highlighted in the video. HCWA was chosen due to the hard work of HCWA staff, Pat Hembree, Tara Brown, Lindsey Sanders and other staff members who conduct annual audits resulting in HCWA earning high marks and award-winning facilities.

Mrs. Brown also introduced HCWA Leadership Academy members, Michael Bell and Adam Barham.

JWA Public Relations Report (Dr. Chris Wood)

Dr. Wood presented a media relations report concerning newsworthy events and activities. He reported on the 2023 fishing/hunting season wrapping up. He will continue to raise awareness on HCWA's youth hunts and the upcoming veterans hunt hosted by HCWA. Dr. Wood shared his coverage of the Cubihatcha Kids event which started back in 2003 and to date over 50,000 Henry County students have participated.

Dr. Wood also provided an update of the recent Rivers Alive event where over 40 volunteers participated in a waterway cleanup in our Walnut Creek basin. HCWA also hosted Henry County's 2023 Model Water Tower Competition at our Tussahaw Water Treatment Plant. 22 towers entered to compete this year, designed by middle school students from across the county. The top 3 winners will go on to compete in the statewide competition in April 2024. He also stated he's looking forward to covering HCWA at the Georgia Association of Water Professionals (GAWP) fall conference next week.

Mr. Carnell also highlighted Dr. Wood's recent Communication Crisis training held at HCWA on November 1st, which was very timely and beneficial to staff, noting the recent AJC news article regarding PFAS (Polyfluorinated Alkylene Substance) and inquiries by media to HCWA staff. Dr. Wood commented that it is easier to do Public Relations when you have a client (HCWA) that does things the right way.

Announcements

Mr. Carnell announced HCWA's annual Veterans Day Hunt on November 18th and commended all of the hard work, logistics and dedication of staff to ensure that the hunts are safe and enjoyable for our local Henry County veterans. Mr. Carnell also stated that the veterans really appreciate and look forward to the annual event.

Mr. Carnell also shared that HCWA will also host an employee hunt on December 2nd to show appreciation for especially those staff members who always volunteer and serve the community (*staff will be selected through a lottery system*). Mr. Carnell also announced upcoming HCWA offices holiday closings, November 10th (in observance of Veterans Day), November 23rd & 24th (Thanksgiving Holiday). In addition, HCWA's employee family breakfast with Santa is scheduled for December 9th and the Employee Holiday Luncheon will be held on December 14th (11:30AM-1:30PM).

TAD (Tax Allocation District)

Mr. Carnell updated the Board on a recent development regarding GEOSAM. He was contacted via email by Mr. Brooks with GEOSAM on November 8th to see if HCWA could meet to discuss the TAD application they submitted to Henry County on August 24th, 2023. Mr. Carnell responded that staff just received a draft of the proposed TAD on November 2nd and staff would need more time to thoroughly review and provide feedback. Mr. Carnell also noted this is the first time in HCWA's history of ever reviewing and/or providing feedback on a TAD. Mr. Brooks responded that he understands and looks forward to discussing with staff the week of December 4th. Mr. Carnell informed the Board that staff is actively reviewing the document and will compile feedback into one (1) report. Mr. Carnell shared copies of the proposed TAD with the Board members.

7. PROJECTS and ADJUSTMENTS

Mr. Sage addressed the Board regarding the new projects, stating EXT3898 is being conducted in accordance with our Water Line Extension Policy for a private property owner, EXT3832A is an ARPA funding exchange and MTRUPG3484H is a meter replacement project at East Lake Road in North Kelly town.

- New Projects: EXT3898 Laney Road Waterline Extension
EXT3832A North Ola Road PVC Replacement
MTRUPG3484H Route 106 Iperl Meter Replacement

Mr. Sage addressed the Board regarding the developer projects.

- Developer Projects: DEV3559 Price Drive Sewer Extension
DEV3869 Kelleytown Senior
DEV3885 Hudson Bridge Commons

Mr. Sage addressed the Board regarding the budget adjustments highlighting EXT3687 was due to the increase in material costs and EXT3741 adjustment was due to property ownership changing over multiple times and having to cover easement costs.

- Budget Adjustment: EXT2844A Hwy 42 Fire Station Sewer Extension
EXT3687 Hwy 81 W Water Main Ext Construction
EXT3741 W Parallel Connection SS Extension Design

There being no further discussion motion was made by Mr. Holder and seconded by Mr. Holmes to approve the New Projects, Developer Projects and Budget Adjustments as presented. The motion carried (6/0).

8. APPROVAL OF MINUTES

Motion was made by Mrs. Lott and seconded by Mr. Mays to approve the October 12, 2023 Regular Session Meeting minutes. The motion carried (6/0).

The Board took a recess @ 10:12AM and reconvened at 10:29AM.

9. EXECUTIVE SESSION (An Executive Session may be held in pursuant to O.C.G.A. §50-14-2)

Motion was made by Mr. Holder and seconded by Mrs. Rozier to enter into Executive Session at 10:30AM in order to consult with the attorney for personnel matters. The motion carried (6/0)

Motion to end the Executive Session and return to Regular Session was made by Mr. Holmes and seconded by Mr. Mays at 11:11AM. The motion carried (5/0/1) *Mr. Holder left the meeting @ 10:55AM.*

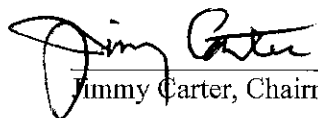
Upon return to Regular Session the Board approved a merit increase of 3% for the General Manager based on his performance evaluation rating of 3.81 out of 4.00. Motion was made by Mrs. Rozier and seconded by Mrs. Lott to approve the merit increase of 3%. The motion carried (5/0/1) *Mr. Holder left the meeting @ 10:55AM.*

Mr. Carnell thanked everyone and the contributions of HCWA staff and stated he's looking forward to 2024. Mr. Carnell also shared that he will present HCWA 2024 goals during the February 2024 meeting.

10. OTHER BUSINESS None

11. ADJOURNMENT

Motion was made by Mr. Holmes and seconded by Mrs. Lott to adjourn the meeting at 11:21AM. The motion carried (5/0/1). *Mr. Holder left the meeting @ 10:55AM.*


Jimmy Carter, Chairman

Karen Lake-Thompson, Clerk