

**MINUTES OF BOARD MEETING: November 10, 2016 – 8:03 a.m.
HENRY COUNTY WATER AUTHORITY**

I. CALL TO ORDER/ATTENDANCE

A regular meeting of the Henry County Water Authority Board, duly advertised, was held on Thursday, November 10, 2016, at the Authority's Administrative offices located at 1695 Highway 20 West, McDonough, GA. Mr. James C. Carter, Jr., Chairman, called the meeting to order at 8:04 a.m. The following members were present: James C. Carter, Mike Barr, Carlotta Harrell and Harold Jenkins. The following Authority staff and consultants were present:

Lindy D. Farmer, Jr., General Manager
Tony Carnell, Deputy Manager
Kim Osborne, Clerk
Roderick Burch, CFO
Pat Hembree, Div. Mgr., Water & Wastewater
Scott Sage, Div. Mgr. Engineering
Bill Banks, Contract Coordinator
A.J. Welch, Jr., Welch, Webb & White

II. VISITORS None

III. ACCEPTANCE OF AGENDA

Mr. Carter opened the floor for approval of the Agenda. He advised that the order of business will be changed slightly, however, there are no other revisions. Motion was made by Mr. Jenkins and seconded by Mr. Barr to accept the Agenda as presented. The motion carried (4-0).

IV. REPORT OF ATTORNEY

Mr. Welch advised the Board that the family of Jim Henderson has offered to donate to the Authority a conservation easement comprised of approximately 200 acres of property located off of Weems Road. He stated that an environmental report has been completed by Dr. Whiteside. He noted that one important benefit of having this easement is that the property will remain undeveloped along the Authority's reservoir. Mr. Farmer noted that a portion of the property is located in the water critical area. Mr. Welch reported that the Henderson family would like to finalize the donation this year in order to receive the tax benefit of the donation. Mr. Welch will provide all information to the Board for review, and it was requested that the Board place this item on the agenda for further discussion at its December meeting. He pointed out that the Authority will have no tax liability on this property should the conservation easement be accepted.

V. REPORT OF GENERAL MANAGER

Recommendation to Surplus Property/Equipment (Roderick Burch, CFO)

Mr. Burch addressed the Board concerning a request to surplus property and equipment. He reviewed the list of 28 items which was provided to the Board for review. He stated that some items have no value at all and will likely be discarded or recycled. Other items of value will be offered for sale on Govdeals.com which has proven to be a good method for disposing of the Authority's surplus items. Mr. Burch advised that the Board must declare these items as surplus items in order to offer them for sale and he requested the Board take action to do so. After some follow-up discussion, motion was made by Mr. Barr and seconded by Mrs. Harrell to surplus property/equipment as recommended by staff. The motion carried (4-0).

Drought Contingency/Reservoir Storage Report (Pat Hembree)

Mr. Hembree provided a report concerning the Authority's current reservoir levels, daily demand and remaining reservoir storage calculations. He advised that the Authority's reservoirs are down an average of about 4 feet. Current daily demand is 18.94 mgd, however, demand should reduce as the winter months approach. Assuming drought conditions persist with no rainfall and no inflow into any of the Authority's reservoirs, the Authority has enough storage to meet current demand for an estimated 332 days. Mr. Hembree advised that he and Mr. Scott Sage participated in a conference call yesterday with EPD and it is likely that a Level 2 drought declaration will be imposed in the coming week. Mr. Hembree advised that this should not affect the Authority, but a Level 2 drought declaration does put in place odd/even outdoor watering restrictions and allows customers to water two days per week. Mr. Carter noted that despite the seriousness of the drought situation, the Authority is still in good shape.

Quarterly Financial Report (Roderick Burch, CFO)

Mr. Burch provided a quarterly financial update utilizing a power point presentation. He addressed revenues to date from water and sewer sales, connection fees, and other miscellaneous fees collected through October 31, 2016. He stated that water sales have increased over the previous year's sales to date. He pointed out that the Board had recently authorized a 2% rate increase which took effect with November billing for October consumption. Mr. Burch advised that this is the first increase to residential customers in two years, and is a modest increase which would result in an increase of \$.54 on 6,000 gallons of consumption. Mr. Burch reported that sewer sales are more moderate than water sales due to the fact that the Authority has less sewer customers than water customers. However, sewer fees are up over previous years, as are connection fees. Collections of the two mil tax are also increasing for the third year and are almost back to 2009 levels.

JWA Public Relations

Dr. Wood was not in attendance, however, a written media relations report was provided to the Board. Mr. Harrison gave a brief report concerning the outcome of the recent youth deer hunting events.

Announcements

The Authority’s December Board meeting has been rescheduled and will be held on Thursday, December 1, 2016 at 8:00 a.m.

VI. PROJECTS AND ADJUSTMENTS

The following projects were presented for approval by the Board:

New Projects (By HCWA)

- EXT2787B Frog Rd. Water Line Extension
- EXT3557 Flat Rock, Bel Air, Evans Service & Iperl Replacement
- HCDOT3555 67 Panola Road Waterline Relocation
- HCDOT3558 Tye Road Waterline Relocation
- MTRUPG3484A Rte 116 Iperl Meter Replacement
- SPLOST3497 Mt. Carmel@Chambers Rd Waterline Relocation

Developer Projects

- DEV1982 Midland Logistics

Budget Adjustments:

- IC2852A Indian Creek WWTP Expansion – Design
- EXT2020A Rosser Rd @ Lake Dow Rd 6” PVC Abandonment

Mr. Farmer advised that the projects are in compliance with Authority policy and recommended the Board take action to approve them. A motion was then made by Mrs. Harrell and seconded by Mr. Jenkins to approve the projects as presented. The motion carried (4-0).

VII. APPROVAL OF MINUTES – October 13, 2016 Regular Board Meeting

Mr. Carter opened the floor for discussion and approval of the minutes of the Authority’s regular meeting which was held on October 13, 2016. There were no revisions and a motion was made by Mr. Jenkins and seconded by Mr. Barr to approve the minutes as submitted. The motion carried (4-0).

VIII. OTHER BUSINESS NONE

IX. EXECUTIVE SESSION

The Board took a break at 9:05 a.m. Upon return, the Board entered into an Executive Session to discuss personnel matters. Motion was made by Mr. Barr and seconded by Mrs. Harrell to enter into Executive Session at 9:20 a.m. for the purpose stated. The motion carried (4-0).

The Board returned to Regular Session at 10:47 a.m. on motion made by Mrs. Harrell and seconded by Mr. Barr. The motion carried (4-0).

Upon return to Regular session, motion was made by Mr. Barr and seconded by Mr. Jenkins to approve the General Manager's 2016 performance evaluation as presented by Ms. Cooper. The motion carried (4-0).

X. APPROVAL OF EXECUTIVE SESSION AFFIDAVIT/ADJOURNMENT

Motion was made by Mr. Barr and seconded by Mrs. Harrell to authorize the Chairman to execute the Affidavit concerning Executive Session matters. The motion carried (4-0). A motion to adjourn was then made by Mr. Barr and seconded by Mr. Jenkins. The motion carried (4-0) and the meeting adjourned at 10:48 a.m.

James C. Carter, Jr., Chairman

Kimberly Turner Osborne, Clerk