

MINUTES OF BOARD MEETING: October 11, 2018
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, October 11, 2018, 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 8:02 a.m. The following members were present: James C. Carter, Jr., Harold Jenkins, Carlotta Harrell, Roslyn Williams and Warren Holder.

The following Authority staff and consultants were present:

Lindy D. Farmer, Jr., General Manager
Tony Carnell, Deputy Manager
Roderick Burch, CFO, Division Manager, Admin. Services
Kim Osborne, Clerk
Scott Harrison, Division Manager, Dist. & Collections Systems
Scott Sage, Division Manager, Engineering
Patrick Kelley, PE
Scott Hennessey, ESI
Andy Welch, Smith, Welch, Webb & White

II. VISITORS None

III. ACCEPTANCE OF AGENDA

Mr. Carter presented the Agenda which was amended to include a presentation by Ms. Cooper concerning the GM evaluation process. Motion was made by Mr. Jenkins and seconded by Mrs. Harrell to accept the Amended Agenda. The motion carried unanimously (5-0).

IV. REPORT OF GENERAL MANAGER

Mr. Burch provided a quarterly financial report utilizing a power point presentation. He reviewed revenues from water sales, sewer/connection fees, impact fees and other revenue sources. He noted that revenue for the first quarter of FY19 is above expected projections. He also reviewed expenditures for FY18 and reported that FY18 actual expenditures were below budgeted expenditures. Mr. Burch also discussed the Authority's Charitable Assistance Program. He reported that 1,711 customers are participating with a current account balance totaling \$15,234. Mr. Burch presented the Authority's current fee schedule and noted that these fees have been approved by the Board previously, but the schedule has been updated to include all fees collected by the Authority for various services, including a new fee for same day "cut-on." Mr. Burch advised that when rates/fees change the schedule will be amended. Resolution No. 2018-11 was presented for the Board's approval to adopt the current schedule of rates and fees. A motion to

approve the schedule was made by Mr. Jenkins and seconded by Mrs. Williams. The motion carried unanimously (5-0).

Mr. Harrison advised that in accordance with the Authority's green initiative, old light fixtures are being changed out with new LED fixtures for better energy efficiency. He presented a request to surplus light fixtures, in lots of approximately 50 units each, for the Board's approval. He advised that these lots will be offered for sale periodically on Gov.deals as the Authority's staff installs the new fixtures. Motion was made by Mr. Holder and seconded by Mrs. Harrell to approve the surplus of light fixtures as recommended by staff. The motion carried (5-0).

Mr. Scott Hennessey of ESI addressed the Board to present wastewater treatment options in the Panola area. Mr. Farmer discussed trends in payments to DeKalb County for sewerage treatment. He noted that he and Tony Carnell will be attending a meeting with DeKalb County staff on Monday to request a change in the rate structure as well as the possibility of purchasing additional capacity from DeKalb. Mr. Welch addressed the Board concerning the provisions of the current contract with DeKalb County. There was lengthy discussion concerning the various options and costs to provide service to the area. It was felt that the long-term solution is to proceed with option 4 of the ESI study, and to have Mr. Welch determine if SPLOST would pay for this improvement. Mr. Sage agreed that if the Authority cannot negotiate a favorable rate with DeKalb County then the Authority should proceed with ESI's option 4 at a cost of \$8.4 million.

Mr. Sage presented bids received for the Camp Creek Sanitary Sewer Replacement Project. The apparent low bid was submitted by Universal Underground Utility Contractors in the amount of \$885,713.00. Mr. Farmer advised that \$600,000 of the project will be funded through developer contribution.

Mr. Farmer advised that he had received a letter from Mr. Tim Young of the City of Locust Grove concerning the Authority/Locust Grove sewer service area. The Authority was also recently notified that the City has received applications to annex property east of the railroad tracks along Highway 42. The City of Locust Grove would like to serve this property. Mr. Carnell advised that in April of this year the Authority and the City of Locust Grove entered into an amended service area agreement to allow the City to serve the Gardner Farm property and to establish new service area boundaries. Mr. Farmer advised that the City of Locust Grove has been notified that the Authority has future plans to serve the area east of the railroad tracks and that the Authority intends to provide such services in accordance with the provisions of the amended service delivery agreement.

V. REPORT OF ATTORNEY

Mr. Welch presented Resolution No. 2018-12 authorizing the Chairman to execute a revised timber sale agreement with Canal Wood, LLC for the harvesting of timber on the Authority's Walnut Creek property. Mr. Welch discussed the revisions that were made to the agreement which predominantly addressed an extension of time to complete the harvest. It was Mr. Welch's recommendation that the Board approve the agreement as amended. Motion was made by

Mr. Jenkins and seconded by Mr. Holder to adopt Resolution No. 2018-12 to approve the execution of the amended agreement with Canal Wood, LLC. Motion carried unanimously (5-0).

Mr. Welch presented Resolution No. 2018-13 authorizing the execution of an Intergovernmental Agreement with Clayton County Water Authority concerning a modification to the Bear Creek Sewer Agreement. He explained the modifications to the agreement and recommended the Board take action to approve it. Motion was made by Mr. Jenkins and seconded by Mr. Holder to adopt Resolution No. 2018-13 to authorize the Chairman to execute the Intergovernmental Agreement with Clayton County. The motion carried unanimously (5-0).

VI. PROJECTS AND ADJUSTMENTS

The following projects were reported to be within Authority policy by Mr. Farmer, and recommended for Board approval.

New Projects: EXT2820A Bethlehem Bottoms @ Price Drive SS Ext.
HCDOT3627 Mt. Bethel Rd. @ Stroud Rd. WL Relocation
Developer Projects:
DEV3626 Laurel Park
DEV1058 Crystal Lake Unit Seven
Budget Adjustments: None

Motion was made by Mr. Holder and seconded by Mr. Jenkins to approve the projects as presented. The motion carried (5-0).

VII. APPROVAL OF MINUTES – September 13, 2018 Regular Board Meeting and Executive Session

The Minutes of the Board's September 13, 2018 regular meeting and Executive Session were approved on motion made by Mr. Jenkins and seconded by Mr. Holder. The motion carried unanimously (5-0).

VIII. NEW BUSINESS

Reminder: HCWA Sponsored Youth Deer Hunts (10/13 & 10/27)
Regular Meeting of HCWA Board – November 8, 2018 at 8:00 a.m.

Ms. Cooper distributed to the Board the GM evaluation packet including report of accomplishments to date. She requested responses be returned to her by October 25, 2018. She advised that the full Board will discuss the results of the evaluation at its November meeting. She will schedule one-on-one interviews with each Board member to discuss the evaluation process. Mr. Carter requested a designee from the Board to assist him with the evaluation process. Mr. Jenkins volunteered and there was no objection by the Board.

IX. EXECUTIVE SESSION None

X. ADJOURNMENT

Motion was made by Mrs. Harrell and seconded by Mr. Holder to adjourn the meeting at 10:52 a.m. The motion carried unanimously (5-0) and the meeting was adjourned.

James C. Carter, Jr., Chairman

Kimberly Turner Osborne, Clerk

