

Jackson County Water and Sewerage Authority

Meeting Minutes

November 14, 2013

Chairman Ehrhardt called the November 14, 2013 Jackson County Water and Sewerage Authority Board Meeting to order at 6:00 p.m.

Members present included Chairman Dave Ehrhardt, Vice Chairman Shade Storey, and Board Member David Lathem. Also present: Manager Eric Klerk, Attorney Paul Smart, Engineer Joey Leslie, Water/Wastewater Manager Mark Dudziak, CIO/GIS Analyst Mike Johnson, Finance Director Judy Davis and Board Secretary Karen Johnson. Visitors included, Katie Cofer, Main Street Newspapers, Ronald Hopkins and Rob Alexander, Davison, Hopkins & Alexander.

Approval of Minutes

Vice Chairman Storey made a motion to approve the September 12, 2013 board meeting minutes and the November 7, 2013 work session minutes.

Member Lathem seconded the motion. The motion carried with no objection. The three board members present voted including the Chairman.

New Business

Rachel Parr - Billing dispute

Rachel Parr had requested an audience with the Board. She did not attend the meeting. Finance Director Davis pointed out that Ms. Parr's bill has gone back to normal since the leak has been repaired.

No action was taken.

Ronald Hopkins, Davidson, Hopkins and Alexander, P.C. – Traditions Sewer Taps

Attorney Rob Alexander addressed the Board regarding approximately 800 sewer taps at Traditions of Braselton. Mr. Alexander stated that he represents Gary Brock but there are seven or so legal entities that own the taps. He discussed the original contract between the Authority and 1048 Ltd. that took place in October of 2000. Mr. Alexander presented a timeline of what took place with those taps from October of 2000 to August of 2012. He stated the Authority is party to the original contract. Mr. Alexander said he is approaching the Authority to find a way to unify the ownership of the taps and the lots. He said if the Authority would collect the fees for the taps and keep \$500 per tap as an administrative fee it could be a win-win situation for both parties. Mr. Alexander said an alternative could be instead of the Authority collecting the tap fees and receiving the \$500 administrative fee, before capacity would be issued the purchaser would have to get an assignment from their client.

Member Lathem asked if Gary Brock owned the lots at one time. Mr. Alexander said yes he did. He stated Mr. Brock purchased the lots and tap fees separately, they were separate transactions.

No action was taken.

Akers Road Water Line Request

Manager Klerk said that Engineer Leslie has been in contact with the residents of Akers Road and asked if they would be willing to pay the difference to get the water line to their properties. Engineer Leslie said the residents are willing to pitch in some but wanted to negotiate. He said they are willing to put in \$2,000 each. He said to make up the difference and stay in compliance with our policy they really need to put in \$3,200 each. Engineer Leslie said that it is up to the Board to decide if that is acceptable. He said the total project is \$20,000 and the Authority would put in \$8,340 per tap. The residents would need to pay their tap fee of \$1,540 each in addition to the \$2,000. Engineer Leslie stated they also asked if they would be able to make payments instead of paying the total amount up front.

Vice Chairman Storey asked if we issue a contract when someone is purchasing a tap on a payment plan. Finance Director Davis said yes, there is a signed contract that is monitored for compliance.

The Board concurred we have a generous formula for getting people water. Manager Klerk said the residents were informed that the Authority would be contributing approximately \$16,000 for the project with a pay back of over twenty years.

Vice Chairman Storey pointed out that this is not an emergency situation. The Board agreed to require the residents contribute \$3,200 plus the \$1,540 tap fee allowing them to finance the tap fee only.

No Action was taken.

Award of Water Tower Maintenance to Utility Services, Inc.

Manager Klerk recommended to the Board that we table this agenda item. He stated that during the Work Session the Board had asked staff to look at asking Utility Services to include the cost of painting the towers along with maintenance and inspection services. Utility Services provided staff with the inspection, maintenance and painting service over a ten year period with cumulative costs in the \$1,000,000 range. Manager Klerk stated that he felt any costs to include tower painting justifies publically rebidding the work to include all perspective bidders, not just Utility Services. Manager Klerk said we should postpone this action and plan on bidding it at the end of 2014 for a signed contract in 2015. Engineer Leslie said our tanks have been visually inspected this year and are in good condition and he is comfortable with waiting until 2015.

The Board agreed to table this agenda item.

No action was taken.

2014 Budget Approval

Chairman Ehrhardt said he has reviewed the budget extensively and thought it looked good. Manager Klerk asked if all questions have been answered. Chairman Ehrhardt pointed out the budget did not include a rate increase.

Vice Chairman Storey pointed out our reserves look healthy. Finance Director Davis agreed with this stating most of our 2013 projects have been completed.

Member Lathem asked for further clarification on the operating and maintenance expense on the summary comparison. Finance Director Davis said this is a trending comparison using an estimate for 2013. The 2014 number is a budgeted number so it is going to be higher.

Vice Chairman Storey stated the 2014 budget mirrors the 2013 budget from a net income stand point. Finance Director Davis agreed.

Chairman Ehrhardt asked if the Traditions Lift Stations were in good shape. Manager Klerk said we have gone through the control panel and the pumps and motors. He reminded the board there is a \$50,000 contingency in the budget.

Chairman Ehrhardt asked if we are on budget with the current sewer plant project. Manager Klerk said we already have had to blast but it's going well. Engineer Leslie said the blasting is actually a deduction and we are on track.

Vice Chairman Storey made a motion to approve the proposed 2014 Jackson County Water and Sewerage Authority budget.

Member Lathem seconded the motion. The motion carried with no objection. The three board members present voted including the Chairman.

Gainesville Interconnection: Renewal of Agreement

Manager Klerk said Gainesville is ready to execute the agreement. All staff and attorneys for both parties have looked at the agreement. The only change is the agreement is for fifteen years instead of five years.

Manager Klerk said there is a standard termination clause in the agreement.

Member Lathem made a motion to accept the Gainesville Interconnection Renewal Agreement as presented.

Vice Chairman seconded the motion. The motion carried with no objection. The three board members present voted including the Chairman.

Board Approval of Sweitzer Engineering Agreement for Highway 129 GDOT Utility Relocation Project

Manager Klerk said GDOT has placed us on a tight time frame. He said Sweitzer Engineering had agreed to expedite the engineering design work and has already begun doing the work for us; in the interest of meeting a deadline he went ahead and executed the agreement. Manager Klerk said this agreement is over his spending limit so he needs the Board to ratify it.

Manager Klerk added we are on schedule with GDOT.

Vice Chairman Storey made a motion to ratify the Sweitzer Engineering Agreement for Highway 129 GDOT Utility Relocation project as executed by Manager Eric Klerk.

Member Lathem seconded the motion. The motion carried with no objection. The three board members present voted including the Chairman.

Managers Report

Wastewater Plant

Construction has been well underway. A temporary main bypass line between treatment units allowing the plant to continue uninterrupted operation has been placed in service. Excavation of the clarifier is taking longer than expected because of solid granite being encountered in the last seven feet of depth. This granite had to be blasted. Blasting is complete and the remaining rock and dirt is being removed. The slab for the chemical building is ready to be poured.

Wheeler Cemetery Pump Station

This project has been delayed, hopefully for only about one month, due to a forced change in pump specifications. The driver for the change is the significant change of 50 psi in the Commerce Water System's operating pressure, thereby changing the pump curve characteristics. Consequently the pump horsepower rating is changing from 25 to 40 hp for each of the two electric variable speed motors.

With there being no further business to discuss, the meeting was adjourned at 7:18 p.m.

Karen Johnson
Board Secretary