

Jackson County Water and Sewerage Authority

Meeting Minutes September 11, 2014

Chairman Ehrhardt called the September 11, 2014 Jackson County Water and Sewerage Authority Board Meeting to order at 6:06 p.m.

Members present included Chairman Dave Ehrhardt, Vice Chairman Shade Storey, Board Member David Lathem, Board Member Pat Bell and Board Member Joe Hicks. Also present: Manager Eric Klerk, Attorney Paul Smart, Engineer Joey Leslie, Water/Wastewater Manager Mark Dudziak, CIO/GIS Analyst Mike Johnson, Finance Director Judy Smith and Board Secretary Karen Johnson. Visitors: Keith Hayes, Builder/Developer

Visitors

Chairman Ehrhardt introduced Keith Hayes and asked him if he would like to address the Board. Mr. Hayes said he is a developer /builder in Jackson County and does utility work. He stated he was interested in what kind of changes there are for the Standards and Specifications but he is just here to listen.

Approval of Minutes

Vice Chairman Storey made a motion to approve the August 14, 2014 board meeting minutes.

Member Bell seconded the motion. The motion carried with no objection and all board members present voting.

Old Business

Personnel Policy Revisions

Manager Klerk said he has emailed and spoken with several board members and feels everyone is up to date. He revisited the two major proposed changes to the personnel policy manual; the drug testing portion and the vacation/sick portion. He stated the Board had a copy of Jackson County's vacation/sick policy in front of them and the Authority policy mirrors the County's policy.

Manager Klerk said the proposal is to do away with vacation/sick time and replace it with general time. He stated this would alleviate \$100,000 in liability going forward. Manager Klerk said that liability grows about \$15,000 a year.

Manager Klerk explained the vacation pay out stating it will permanently remove the liability from the books.

Finance Director Smith said if the Board approves the change, employees will still have a bank of general leave from their current sick time.

Chairman Ehrhardt clarified that sick leave would still be available for vacation.

Finance Director Smith said the maximum leave accrued is 720 hours but it would take almost five years to accrue the maximum if you never took a day off.

Chairman Ehrhardt said that, under the proposed policy, when someone leaves the Authority they can't take any unused time with them. Finance Director Smith said that is correct.

Chairman Ehrhardt said the downside is if an employee leaves they get nothing.

Finance Director Smith explained if an employee had a catastrophic event we have short term and long term disability available and with manager approval, employees can donate leave to an employee in need.

Member Hicks said if they quit they forfeit their leave but if they retire is that built it into their retirement date? Finance Director Smith said we would not do that.

Member Lathem asked: would you not let them do that? Finance Director Smith said possibly but it would have to be scheduled to not hamper operations. Member Lathem said: so your liability really doesn't go down. Finance Director Smith said that liability would not be budgeted for.

Member Lathem stated "I would think that Eric would allow a retiring person to take - say nineteen weeks". Manager Klerk said "no", "that is not in the plan".

Vice Chairman Storey asked how you stop it if it's their time. Finance Director Smith said it would have to be approved by Manager Klerk. Manager Klerk added there is no legal obligation to approve it, the time is not vested. Attorney Smart concurred with Manager Klerk.

Vice Chairman Storey asked if there needs to be research on paid time off. Manager Klerk said our attorneys have already thoroughly researched that topic and the proposed changes are legal.

Chairman Ehrhardt said he feels he still wants to look at it more and needed a chance to review the County's policy. He said he would like to table this for one more meeting. Chairman Ehrhardt said he has looked at other counties too and they have tried to incorporate contributions of leave into their 401k retirement instead of losing it. He said that in Gwinnett County if you go over your hours you don't lose them. They make a donation to the employees 401.

This topic will be tabled until the October board meeting.

New Business

Standards and Specifications

Manager Klerk presented a draft of the revised Authority Standards and Specifications. He highlighted the big changes; wastewater contracts, acceptance of projects, Authority Board approval for projects proposed to use over 6,000 gallons per day (water or wastewater), water storage requirements and project approval clarifications. The following is a list of other changes as well.

1. Changed standard detail on cul-de-sac waterline location: C-2.
2. Changed standard detail on residential and 1-1/2" and 2" meter installs: C-5, C-6.
3. Simplified and clarified standard detail on pipe bedding: C-12.
4. Modified standard detail on air release valve manhole (water and sewer): C-16, D-6.
5. Modified/clarified standard detail on double check valve vault with the inclusion of a fire main meter and dismantling joint: C-17.
6. Modified/clarified standard detail on RPZ Backflow Preventer: C-18.
7. Modified standard detail on fill valve assembly (connection to a project from an Authority water main): C-19.
8. Added standard detail for installing trace wire: C-21.
9. Clarified standard detail on manholes: D-1.
10. Changed standard detail on drop manholes (inside drop becomes the norm): D-1-A.
11. Clarified standard detail on sewer service laterals and stubs: D-4, D-5.
12. Added requirements to standard detail on submersible pump station layout, requiring the entire inside of the fenced area 40' x 40') to be concreted, and the access road to have 2.5" of asphalt over an 8" stone base at a minimum: E-1.
13. Added a standard detail on handling cul-de-sacs, extensions to adjoining parcels, encourages sewer and water installation in streets.

(Complete presentation included in scanned packet)

Manager Klerk stated one of the big changes is the wastewater services contract. He said the assumptions that were built into these agreements no longer comply and has led to confusion and conflict.

Manager Klerk is proposing sewer taps be paid for at the time they pay for the water connection fee by the property owner. He said they already have to pay for a water tap in order to get a building permit.

Manager Klerk said there is no reason to take money for capacity reservation because the backbone of the sewer system is installed, just like the backbone of the water system is in. This would put an end to the wastewater contracts.

Chairman Ehrhardt asked "Are we not going to build anymore"? Manager Klerk responded, "If the developer is going to connect to us they have to build any extensions".

Manager Klerk said we will still do inspections. He stated it will be a truly first come first served system.

Manager Klerk said the developer has always paid to get their lines where they need to be.

Keith Hayes asked if times change and if growth continued in residential, and you have a limited amount of capacity in an area away from existing lines, how would you handle that? Manager Klerk said the County would have to change its comprehensive plan.

Chairman Ehrhardt stated if a developer came in and is a half a mile away, under the old policy they would come in and pay to reserve the capacity. He asked: would we hire a contractor to run the line up to it? Manager Klerk said no. Manager Klerk further stated that the Developers have installed a lot of our system, particularly the subdivisions.

Manager Klerk said the County doesn't issue final plats and building permits unless the Authority agrees to the conditions.

Manager Klerk said the next change is how we accept projects. He said currently the developer is expected to give us a bond. He said we have water and sewer lines in nonexistent right-of-ways due to current past policy of accepting projects prior to county acceptance of roads.

Manager Klerk said in April of 2011 the Board passed a policy stating 75% build out or a two year bond. Manager Klerk is further recommending changing the maintenance water and sewer bond to be based on 100% of the project value instead of its current 10%. He said this is exactly in sync with the UDC.

Manager Klerk said \$40 per lineal foot for water and sewer with half of that to be held in cash in escrow at the Authority also mirrors that of the Jackson County UDC.

Manager Klerk recommends \$100,000 added to the bond if it's a lift station with the bond for the first two years or 75% build out.

Manager Klerk said the other major change is all projects less than 50,000 gallons per day have been approved at staff level. He is proposing any preliminary application that comes in that is 6,000 gallons per day and over be brought before the Board. He said this serves as a mechanism to possibly prevent over selling capacity and keep the Board apprised of upcoming potential capital up grades. Manger Klerk said currently approval time is about fifteen days and this could slow preliminary approval down to forty-five days.

Manager Klerk said incorporating a design report is proposed in the Standards that mirrors requirements outlined in the ten state standards. It would apply to projects projecting 3,000 gallons per day or more. He stated this is necessary because we don't receive enough data and calculations from the developer's engineers to verify their design. This then requires additional engineering for the Authority.

Manager Klerk is also proposing a storage evaluation requirement by the developer's engineer as a part of the design report. He questioned who would pay for the millions of dollars of upgrades; our existing customers or developers. He stated it's a basic question, that's what it comes down to.

Finance Director Smith stated in case of a small subdivision, you could set aside reserves for the cost of future storage. Chairman Ehrhardt said "I think that's the answer". He said it wouldn't be appropriate for someone to pay for the entire cost of storage.

Member Lathem stated some people would be getting a free ride. He said that cost should be spread over everybody. Finance Director Smith said we really aren't proposing that. She said we are getting to that level where we are going to have to make those decisions. Member Lathem said it seems like we should be looking at that in our rate structure.

Manager Klerk said if you put it in the rate structure now, you are throwing that on the back of our existing water customers.

Manager Klerk said these are decisions staff have been making for years. He said there's a disconnect between what needs to happen out in the water/sewer system, as far as where the monies need to go. He stated we have been approving many projects all over the place.

Manager Klerk said he is throwing this out for input; this is going to be a problem sooner than later.

Manager Klerk mentioned in the proposed Standards that all new projects and developments must connect to approved, Authority owned lines. He also stated the Authority's design approval is not ever lasting so we are proposing twenty-four months as expiration on project design.

Keith Hayes asked if that applies to taps people have already paid for. Manager Klerk said that per our attorney, it does not affect existing and valid wastewater contracts.

Manager Klerk pointed out all of the proposed changes that would be incorporated into the Standard Detailed Drawings. He also pointed out that within the Standard Detailed Drawings Plate E-3 has been added to address the location of water and sewer lines in streets and dead end lines in cul-de-sacs.

A lengthy discussion between Engineer Leslie, Manager Klerk and the Board ensued regarding various questions about the practicality of looping water lines, providing easements, stubbing out sewer and property layouts. Manager Klerk said this is proposed primarily to address ongoing and future water quality issues and only encourages designers to follow these guidelines as much as feasible.

Manager Klerk continued pointing out multiple minor changes to the Standards including insurance requirements, dispute conflict resolution, fire hydrant spacing requirements, wastewater service line ownership and pre-approved lift station pumps.

A discussion ensued with Keith Hayes regarding his concerns on the impact to the builders and developers.

Manager Klerk again reiterated looking system wide, the water system is full of cul-de-sacs which are dead ends and the result is water quality issues.

Engineer Leslie added that by looping these lines it would eliminate the Authority's need to put in water transmission lines in the future.

Manager Klerk spoke briefly about the final completion of the Wheeler Cemetery Pump Station.

Note: preliminary copies of the Standards and Specifications material was provided to attendees.

With there being no further business to discuss, the meeting was adjourned at 7:55 p.m.

Karen Johnson
Board Secretary