

Jackson County Water and Sewerage Authority
Meeting Minutes
September 8, 2016

Chairman Ehrhardt called the September 8, 2016 Jackson County Water and Sewerage Authority Board Meeting to order at 6:00 p.m.

Members present included Chairman Dave Ehrhardt, Vice Chairman Dylan Wilbanks, and Board Member Jim Smith.

Also present: Attorney Paul Smart, Manager Eric Klerk, Authority Engineer Joey Leslie, Finance Director Judy Smith, CIO/GIS Analyst Mike Johnson, Wastewater Manager Mark Dudziak, Associate Engineer Nathan Hester and Board Secretary Karen Johnson. Visitors included Scott Thompson, Main Street Newspapers, Seefried Properties and Bobbie Sells, *Nelsnick Enterprises, Inc.*

Approval of Minutes

Vice Chairman Wilbanks made a motion to approve the August 11, 2016 Board Meeting minutes.

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

Finance Director Smith presented the financials, including water sales, new customers and water loss. She stated we had a record billing month.

Old Business

Seefried Valentine Park

Manager Klerk stated this agenda item was tabled at the last board meeting. He said representatives from Seefried are here to answer questions the board had from the previous meeting. He said the board asked Engineer Leslie to put forth the questions from the preliminary application.

Engineer Leslie ran through the proposed project and reminded the board this application requires board approval due to the amount of capacity requested. He said the submitted preliminary application is requesting flows of 63,750 gallons per day.

Greg Herron from Seefried Properties spoke to the board regarding their preliminary application. He said they are pursuing a specific user that has approximately 2500 employees but without that user, the number of employees would likely be 900-1000. He talked about amending the preliminary application for the number of employees from 2500 to a more typical application of 900-1000 employees. He stated the property, 184 acres, was purchased to build speculative warehouses.

Mr. Herron said he is asking the board to not render a decision based on their 2500 person preliminary application, but to table it and render a decision on their resubmitted application.

Mr. Herron paraphrased Engineer Leslie stating the “Authority/Board did not want to commit a large amount of capacity for sanitary sewer and not have any users”. He stated Seefried Properties understood our position. Mr. Herron said they are hoping we would make a commitment on a speculative basis with their resubmitted application.

Seefried’s engineer explained what has been submitted for review by the Authority has also been submitted to the County. He said construction would begin upon permitting.

Chairman Ehrhardt said “isn’t a warehouse a specific use”? Manager Klerk said yes, a warehouse is a specific use but the ERU’S are still speculative. He said warehouses are good for Jackson County but not necessarily good for the Authority.

Manager Klerk said this is a speculative development and we don’t know what is going in there. Therefore, if the board votes to approve this preliminary application or a new application, he would suggest that Seefried be required to submit a complete and accurate pretreatment industrial questionnaire. He said we are governed by the Authority’s Industrial Pretreatment Program, promulgated by state and federal regulations, to know what is going in there.

Chairman Ehrhardt said if Seefried completes a pretreatment form along with their new preliminary application, they are committed to that form.

Mr. Herron said they will re-submit their application with a pretreatment plan. He said he hoped the Board (tonight) will consider committing the capacity verbally.

Chairman Ehrhardt confirmed the infrastructure can take additional capacity and we are moving in the right direction.

Mr. Herron asked about a specific capacity scenario. Attorney Smart cautioned committing verbally, today, before getting the resubmitted application.

Chairman Ehrhardt said based on the information we have today, the capacity could be there.

Attorney Smart said as far as the agenda item, this application has been withdrawn.

Effluent Re-Use Project Motion Amendment

Manager Klerk said a motion was made (at a previous meeting) to approve the purchase of a pump, motor and controls for the Wastewater Plant Effluent Re-Use project. He stated he was looking for approval for the entire project. Manager Klerk said tonight, he is requesting approval for the project in its entirety. He stated he is confident the project will not exceed \$120,000.

Vice Chairman Wilbanks made a motion to approve the entire Effluent Re-Use Project for a not to exceed amount of 120,000.

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

New Business

Rate Analysis Presentation by Nelsnick Enterprises, Inc.

Manager Klerk stated the rate analysis has been completed. He said Bobby Sells of Nelsnick Enterprises is here to present the findings of the study.

Mr. Sells presented the study to the board. He said the following are their recommendations:

- 1% for 2017 commercial customers.
- 1% for 2017 residential customers.
- No increase for industrial customers.
- Residential wastewater rates can remain unchanged for 2017.
- Evaluate growth assumptions to determine if a 1% or 2% increase is needed in 2018.
- Consider the reduction of Tier 3 for industrial class over time if volume growth exceeds expectations.
- Consider large volume take or pay contracts for industrial customers
- No increase for user/connection fees
- Annually update financial model to verify model assumptions to actual year-end results.
- Update Cost of Services Analysis every five years.

Chairman Ehrhardt requested the board members that are not present be sent a copy of the findings.

Manager's Report

- Building renovation – we have received the preliminary drawings from the architect. State law requires handicap compliant public restrooms. Enlarged lobby, customer service area and conference room. Additional needed offices for the new 2017 employees. Architect will give formal presentation at next meeting.
- Possible called meeting to award the SPLOST contract for Swann Road.

Chairman Ehrhardt suggested not having a called meeting (leaving it up to Manager Klerk) and wait for the next board meeting to award the Swann Road contract. He discussed having work sessions for certain meetings.

With there being no further business to discuss, the meeting was adjourned at 7:30 p.m.

Karen Johnson,
Board Secretary