

Hart County Water and Sewer Authority Board of Directors Meeting April 17, 2023

The Hart County Water and Sewer Authority met on April 17th, 2023, in the Hart County Cooperative Extension Service Building. Chairman Wade Carlton called the meeting to order at 7:00 pm. Present were Board Members Larry Haley, Bennie Harper, Marvin Justice, and Patti York; Director Pat Goran; Attorney Kim Higginbotham; Board Secretary/Treasurer Holly McBrayer Mathis; Hart County residents Kevin Brown, Jeremy Chitwood, and Jason Seawright.

Welcome

Approval of Agenda

Ms. York motioned to approve the agenda. Mr. Harper seconded the motion which passed 5 – 0.

Public Comments: remarks by invited guests

None

Approval of March 20th regular meeting minutes

Mr. Haley motioned to approve the March 20th regular meeting minutes. Mr. Justice seconded the motion which passed 5 – 0.

Financial report

Mr. Goran presented the financial report. Mr. Goran then requested authorization to transfer funds to the Georgia Fund 1 account periodically per his discretion to earn the higher interest rate. After a brief discussion, Mr. Justice motioned to authorize Mr. Goran to transfer funds from the Pinnacle Operations account to the Georgia Fund 1 account at his discretion while maintaining a minimum of \$150,000 in the Operations account. Mr. Haley seconded the motion which passed 5 – 0.

Old Business

Suggested capital projects for Board consideration, including extensions to Highland Ridge/Mary's Lane, Cedar Creek Circle

Mr. Goran presented the revised cost estimates for the Will Bailey/Highland Ridge/ Mary's Lane and Cedar Creek Circle proposed projects as requested. He reminded the Board that Will Bailey Road/Highland Ridge/Mary's Lane was part of a larger previously suggested project estimated at about \$1.6 million dollars.

Mr. Goran said that the current \$10,000 per committed customer criteria was a guideline that was created as a tool to determine if a potential project was in the Authority's best interest. He went on to say that the Authority already had service to most of the densely-populated areas of the County, with the exception of some homes in the Reed Creek area. He suggested the Board consider looking at the percentage of residents or property owners along roads that were willing to sign commitments as it was one of the criteria used in the Rock Springs area. Mr. Goran also suggested that capital projects be selected that are strategic in nature, meeting long term fire flow needs as the system expands, while using HCWSA funds in a fiscally responsible manner.

Mr. Goran recommended proceeding with the Will Bailey Extension project going to Highland Ridge and Mary's Lane and including Morris Road, the northern portion of Beacon Light Road, and Mount Olivet Road between Beacon Light Road and Fred King Road at an estimated cost of around \$1.6 million dollars.

The Board discussed extending the existing Beacon Light Road line from Fred King Road to Mount Olivet Road. Mr. Goran stated that he would provide cost estimates for the various scenarios at the next meeting. Mr. Goran also stated that he would follow up with EMI to determine recommended pipe sizes using their hydraulic model of our system.

Mr. Haley suggested that the Will Bailey Road line be extended to the intersection of Mount Olivet School Road. After much discussion, Mr. Haley motioned to extend the Will Bailey Road line to the intersection of Mount Olivet School Road and to serve Mary's Lane and the Highland Ridge subdivision as phase 1 of a larger project. Mr. Justice seconded the motion which passed 5 – 0.

The Board discussed the cost estimates to get to the Cedar Creek Circle area and asked Mr. Goran to send out commitment letters for each of the three possible routes and revisit this topic at the next meeting.

Mr. Goran stated that while the Authority currently has SPLOST and Authority funds available to do a large project without borrowing money that it was worth noting that if the Authority were to borrow money from the Georgia Environmental Finance Authority at their current rates, approximately \$20,000 per committed customer would cover the interest payments on a loan. He further stated that, based on net cash provided by operating activities over the last two years, the Authority could easily cover the payments on a \$2,000,000 loan.

Mr. Goran discussed SPLOST and said that it was his understanding that the current SPLOST 5 was projected to bring in \$16,000,000 in revenue but that is likely to be closer to \$26,000,000 and that based on the signed intergovernmental agreement that all of that projected excess collection, approximately \$10,000,000, will go to roads and bridges. He noted that if the SPLOST 5 agreement had called for the excess revenue to be shared equally among the recipients of SPLOST funds that the Authority would have received approximately \$5,300,000 rather than \$3,200,000.

Requirements for developer-funded projects

Mr. Goran presented examples of the internal HCWSA bid package that had been used in the past for small projects, and an example of the EPD delegation review process from the City of Hoschton. Mr. Goran explained that substantial water system expansion projects must follow EPD's minimum standards, must have EPD approval before construction begins, and the installation must be performed by a State of Georgia Licensed Utility Contractor. He suggested having EMI facilitate the developer-funded process to promote transparency.

Mr. Carlton asked Mr. Goran and Ms. Higginbotham to draft clear verbiage with respect to the above and request that the Hart County Board of Commissioners add it to the subdivision ordinance. Ms. Higginbotham stated that she would follow up with the Board of Commissioners.

New Business

Approval of revised bank signature cards

The Board members signed the revised signature cards for Pinnacle Bank.

Director's Comments

None

Members' Comments

None

Upcoming Meetings – May 15th and June 19th

The next Board meetings will be held on Monday, May 15th, 2023, and Monday, June 19th, 2023.

Adjournment

Mr. Justice motioned to adjourn, and Mr. Harper seconded it. The motion passed 5 - 0.

Wade Carlton, Chairman

Holly McBrayer Mathis, Secretary