

Hart County Water & Sewer Authority

Board of Directors Meeting December 19, 2016

The Hart County Water and Sewer Authority met on December 19, 2016, in the Hart County Cooperative Extension Service Building. Chairman Hugh Holland called the meeting to order at 6:00 pm. Present were Vice Chairman Wade Carlton; Board Members Jerry Cannady, Larry Haley and Mike MacNabb; Director Pat Goran, Legal Counsel Walter Gordon, and Board Secretary/Treasurer Holly McBrayer. Also present were The Hartwell Sun reporter Vivian Morgan and Hart County residents Tony Koehn, Ricky Smith, and Lori Wood.

Welcome

Approval of Agenda

Mr. MacNabb motioned to approve the agenda and Mr. Cannady seconded it. The motion passed 5 - 0.

Introduction of, and remarks by, invited guests

None

Approval of November 17th regular meeting minutes, November 29th called meeting minutes

Mr. Cannady motioned to amend the November 17th regular meeting minutes to exclude the statement “with promising results” from the 2017 CDBG agenda item. Mr. MacNabb motioned to approve the amended minutes. Mr. Haley seconded the motion which passed 5 – 0.

Mr. Cannady motioned to approve the November 29th called meeting minutes. Mr. Carlton seconded the motion which passed 5 – 0.

Financial report

Mr. Goran reviewed the financial report. Mr. Goran informed the Board of his chicken farmer usage research. He stated on average chicken farmers are using about three times as much water as they had committed to using with no intention of decreasing their consumption once their five year commitment is over. These findings indicate a significant decrease of the time required for “pay back” on HCWSA’s investment versus what was discussed at the previous Board meeting.

Old Business

Rock Springs Area project

Mr. Goran informed the Board of the progress of the Rock Springs Area project. He stated the main lines had been installed on Mockingbird Lane and Gilbert Lane, and the contractor is currently working on Seraph Point. Next the contractor will begin work on Tugaloo Heights Circle. Mr. Haley questioned whether tap payments had been received prior to construction beginning. Mr. Goran replied that prior payment was not part of the motion that the Board approved. After some discussion, Mr. Goran requested guidance from the Board regarding the remaining few unpaid tap commitments.

Mr. Haley motioned to change policy to state that tap payments must be received before construction begins on roads not originally included in the project scope. Mr. Goran cautioned the Board citing significant time

delays on construction. After some discussion, the Board agreed to revisit this topic at the next meeting. The motion failed to receive a second.

Mr. Goran reviewed the GEFA loan recap spreadsheet and the options to utilize the maximum principal forgiveness. Mr. Goran will be meeting with the GEFA representative on Tuesday. Mr. Goran noted an environmental review would have to be done before any of the requested projects could begin using GEFA funds. Mr. Goran suggested discussing Mouchet Road and all other water service requests at this time.

Mr. Goran stated that the Adamstown Road and Union Hill Church Road projects would need to be driven by chicken farmers. Several farmers had already verbally committed. Mr. Holland directed Mr. Goran to mail out commitment letters to residents of Union Hill Church Road, Carrie Craft Road and Martin Dairy Road.

Mr. Goran stated that the cost estimate for water line installation to address 195 Wolf Creek Trail currently met the \$5000 per customer criteria. Mr. Cannady motioned to proceed with Wolf Creek Trail up to address 195 or to the end of the road with a fifth commitment letter. Mr. MacNabb seconded the motion which passed 5 – 0.

Mr. Goran stated that the potential Oak Mountain Lane and Amber Lane project met the \$5000 per committed customer criteria based on the number of commitments already received.

Mr. Cannady motioned to proceed with the environmental reviews for each requested area and then determine which project to proceed with by the commitment letters received. Mr. MacNabb seconded the motion which passed 5 – 0. Mr. Cannady suggested delaying a decision on all other requests until the next meeting.

Mouchet Road project

See Rock Springs Area project

Reed Creek Phase II (2015 CDBG) and proposed addition of Cokesbury Highway

Mr. Cannady informed the Board that the income surveys received for the Cokesbury Highway addition had qualified it for CDBG funding but Cedar Creek Circle did not qualify. He also noted that construction in the Reed Creek area had been completed. Mr. Goran added detailed engineering must be done and that GDOT and EPD permits are needed before construction could begin on Cokesbury Highway. The Board discussed whether to solicit competitive bids or negotiate with the current contractor for the Cokesbury Highway addition, but no decision was made.

2017 CDBG application

Mr. Cannady informed the Board that the income surveys for the 2017 grant were currently being collected in the Mt. Olivet area in an effort to narrow the target area. He remarked on the tight schedule due to the April 1st grant application deadline.

Mr. Goran reminded the Board of the time constraints and the benefit of having permits in hand when the application is submitted to increase the chances of receiving the grant. Surveys and demographics were still needed before the Board could make a decision on a final target area. A final target area must be determined before drawings could be done and permits applied for.

Procurement Policy

Mr. Cannady submitted a supplemental procurement policy draft regarding federal funds only. Mr. Gordon suggested removing the last paragraph on page 1 regarding “Organizational Conflict of Interest”. Mr. MacNabb motioned to accept the supplemental procurement policy with the paragraph removed. Mr. Haley seconded the motion which passed 5 – 0.

Mr. Cannady will send copies of the final document to both Allen-Smith and EMI to ensure compliance. Mr. Gordon suggested including the procurement policy “protest procedure” into future invitations to bid.

System Mapping Update

Mr. Goran said he met with EMI regarding the mapping project. Drawings from Cedar Farms & Construction and Goldie & Associates were still required before the system mapping could be complete. EMI anticipates an end of January completion date. Mr. Goran stated that once the maps have been received from EMI, he and/or our Field Technician would need to field-verify the drawings.

New Business

Request for water service - Wolf Creek Trail

See Rock Springs Area project

Request for water service – Adamstown Road

See Rock Springs Area project

Request for water service – Union Hill Church Road chicken farmers

See Rock Springs Area project

Request for water service – Oak Mountain Lane/Amber Lane

See Rock Springs Area project

Request for water service – Holly Drive

After some discussion the Board agreed to delay a decision on the request for Holly Drive.

Public Comments

None

Director’s Comments

Mr. Goran informed the Board that the non-payment cut-off date would be delayed until Tuesday, December 27th due to the holidays. Mr. Goran expressed his concern for future project planning and funding because the SPLOST 5 tax had not yet been placed on the voting ballot. Mr. Gordon stated that depending on when the vote occurred and if and when it passed, a lapse of up to one year in funding could result.

Members’ Comments

Mr. Haley questioned the commitment letter process. Mr. Goran explained the current process for new projects typically requires commitments from potential customers before the Board decides to proceed. Once the Board approves a project, Authority staff normally sends out “here we come” letters to area residents. If someone wants service at that point, they complete an application and pay the tap fee – there is no commitment to use, or pay for, any water.

Mr. Haley also questioned the availability of water if there were extended drought conditions. Mr. Goran stated he had been assured that there was no reason for concern in the foreseeable future.

Upcoming Meetings – December 19th, January 23

The next regular Board meetings will be held on Monday, January 23rd due to the Martin Luther King, Jr. holiday and Monday, February 20th.

Executive Session - Personnel

Mr. Cannady motioned to go into executive session. Mr. MacNabb seconded the motion which passed 5 - 0.

Mr. Carlton motioned to come out of executive session. Mr. MacNabb seconded the motion which passed 5 -0.

Mr. Carlton motioned to extend Mr. Goran’s consulting agreement to as long as needed and/or three months. Mr. Holland seconded the motion which passed 5 – 0.

Mr. Cannady motioned to request interviews with four candidates. Mr. MacNabb seconded the motion which passed 5 - 0.

Adjournment

Mr. Carlton motioned to adjourn and Mr. Haley seconded it. The motion passed 5 – 0.

Hugh Holland, Chairman

Holly McBrayer, Secretary