



Jackson County Water and Sewerage Authority

Work Session

November 7, 2013

Chairman Ehrhardt called the meeting to order at 5:35 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, Finance Director Judy Davis, Authority Engineer Joe Leslie, CIO/GIS Analyst Mike Johnson, Water/Wastewater Manager Mark Dudziak and Board Secretary Karen Johnson. Visitors included Alex Pace, Main Street News and Mr. and Mrs. Watson, Jackson County residents.

Agenda Items

Akers Road Waterline, Morris and Kathy Watson

Manager Klerk stated the Watson's spoke with Engineer Leslie about possibly getting water service on Akers Road.

Engineer Leslie pointed out the two pieces of property that the Watson's own. He explained the Watson's along with one other resident are hoping to fall under our Neighborhood Water Line Policy. He said the petition only has two signatures at this time therefore the cost per connection is \$9,995 (over our \$8,340 per connection limit) and therefore does not comply with our Neighborhood Water Line Policy. Engineer Leslie said he informed the Watson's that they are welcome to discuss this with the Board.

Mrs. Watson stated the other neighbors said their wells are functioning now but they might be interested in a connection in the future. Mrs. Watson stated that she and her husband need and want the connection now. She said they are in the process of building their home.

Manager Klerk stated there is a statement in the policy that allows for the Board to approve a water line request on a case-by-case basis.

Chairman Ehrhardt asked Engineer Leslie if we had four instead of two connections what would the approximate cost be per connection. Engineer Leslie said it would be well under our \$8,340 maximum, around \$3,800 per connection.

Chairman Ehrhardt informed the Watson's that this matter will be discussed then voted on at the November 14th board meeting.

No action was taken. This item will be considered at the November 14th board meeting.

Rachel Parr Billing Dispute

Manager Klerk stated this dispute involves several leaks over a period of years. He said this issue is over a leak that her plumber determined was due to her water softener.

Manager Klerk said the plumber repaired the water softener and the leak stopped. He said this was indicated by the e-coder that was recently installed. He said Mrs. Parr wanted to know what we were going to do to accommodate her since she has had various high water bills over the years. Manager Klerk denied the request due to the fact that she has already received three prior leak adjustments. He said he informed Mrs. Parr there wasn't anything else he could do for her. Manager Klerk said our meter reader actually found out what the problem was and informed Mrs. Parr. He said Mrs. Parr was not happy with the service she received stating we should have been more proactive.

Finance Director Davis said that in August of 2013 she started calling the Board and got a board member involved. She said Mrs. Parr has asked to come before the Board.

No action was taken. This item will be considered at the November 14th board meeting.

Award of Water Tower Maintenance to Utility Services, Inc.

Manager Klerk said as requested by the board, we publicly bid the water tower maintenance contract. He said we approached it this time with the decision of when to paint the water towers would be decided by the Authority, not the contractor. Manager Klerk pointed out that the contract that expired in April with Utility Services in the amount of \$70,000 a year included painting of the towers inside and out at their discretion.

Engineer Leslie presented the bid results and explained that the bids included maintenance, cleaning and inspection only, not painting. The tank painting would be at the Authority's discretion at an additional cost. Engineer Leslie said eight companies asked for plans and three companies actually bid on the project. He said Utility Services was the low bid at \$44,600. Southern Corrosion didn't have a Utility Contractors license so Engineer Leslie said he determined their bid to be non-responsive. He said Pittsburg Tank didn't use our required bid form so that bid was determined non-responsive as well. Engineer Leslie said we will continue to budget \$70,000 a year for future recoating. Engineer Leslie gave a brief rundown of our tank reports and their condition.

Member Lathem discussed the difference in price of maintenance only versus maintenance and recoating. The Board asked for a price on maintenance and recoating included in the same contract.

No action was taken. This item will be considered at the November 14th board meeting.

2014 Budget

Manager Klerk went over the highlights of the proposed 2014 budget. He cited changes in the M&O charges for the Upper Oconee Water Basin invoicing to cover repairs of roughly \$9,300 a month. Finance Director Davis stated the M&O charges would remain the same until 2017 then be reevaluated. Manager Klerk said the other major operating expense is the GDOT Highway 129 water line relocation project. Because there are no upgrades to the lines it is not a capital improvement item. He said these are the driving factors of the increase in the operating budget.

Manager Klerk clarified the following capital outlay expenses: The addition of an IVR system that would work with our existing software and phone system, to take payments over the phone, the Parks Creek Reservoir, a remote meter reading system, Possum Creek Lift Station Upgrade and Server Room Upgrade.

Manager Klerk pointed out there is \$100,000 still in the 2013 budget for the Traditions main lift station but the approach to its upgrades are still being investigated by staff.

Manager Klerk discussed revenues stating a 2.5% increase has been budgeted based on trending over the last two years.

Chairman Ehrhardt asked for an explanation on the increase of salary and benefits and the addition of one employee and a replacement employee.

Manager Klerk said the replacement employee would be another field technician to replace Stacy. He stated that he and Engineer Leslie have had to go out into the field and perform manual work. Manager Klerk said the request to add a person up front is due to the size of our customer base. He said 7500 customers is more than one person can manage as far as billing, re-reads, exception reports, follow up, general account management and collections. He added that these functions are compressed into a few days every month. Manager Klerk said we also do not have a meter replacement program due to lack of staff. He said we wind up being reactive instead of proactive.

Finance Director Davis stated that our billing supervisor ends up taking a lot of her work home with her and she is not being compensated for. She said it has become more work than one person can handle.

Member Lathem asked if we have one billing cycle. Finance Director Davis said "yes". She stated we have thought about having two billing cycles. She said we have done a survey of surrounding neighborhood water systems and we are running very lean in that department. Finance Director Davis pointed out that the EPD annual mandated water audit includes a heavily weighted requirement to have a viable meter replacement program. She said our score was not as high as it should have been because we don't have a meter replacement program. Finance Director Davis said we have the software and reporting capabilities but we don't have the personnel to do it.

Chairman Ehrhardt asked if this person would be fully utilized. Finance Director Davis said yes, this is a full time position.

Water/Wastewater Manager Dudziak mentioned that his water field technicians work until 9:00-10:00 at night to get the rereads completed.

Finance Director Davis pointed out that we are proud that our average total budget percentage spent on salaries and benefits is under half of what other governments spend.

Vice Chairman Storey asked if there is anyone within the department that is underutilized that could assume part of this role. Finance Director Davis said the billing supervisor already delegates some of those duties to the CSR's.

Finance Director Davis clarified the total operating and maintenance expense. She said the Operating Summary Comparison is for enrichment only.

No action was taken. This item will be considered at the November 14th board meeting.

Gainesville Interconnection: Renewal of Agreement

Manager Klerk said the Gainesville Interconnection Agreement is ready for execution. He stated the original agreement expired in March of 2013. He said during an interconnection meeting with the City the agreement renewal was discussed. Staff and counsel on both sides have approved it. Manager Klerk said the agreement is for 15 years (the previous agreement was for five years) and calls for 1.5 million gallons of water that can be used in either direction as long as it doesn't exceed a 30 day period. He said he would like to get it executed at the next board meeting.

No action was taken. This item will be considered at the November 14th board meeting.

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

Manager Klerk said GDOT informed him that we are under a tight time line for the Highway 129 project. He said our on demand engineering services expired in June. Manager Klerk said he spoke with Chairman Ehrhardt in detail about the engineering agreement with Sweitzer Engineering. He said Sweitzer agreed to work with us on our tight time line. Manager Klerk said he has executed the agreement with Sweitzer Engineering and will need the Board to approve his signature at the November board meeting.

No action was taken. This item will be considered at the November 14th board meeting.

Manager Klerk noted that there was one item removed from the agenda. He said the Wheeler Cemetery Road project has had a "wobbly". Manager Klerk said the City of Commerce lowered their water system pressure by 50 pounds and our pump design was based on the original pressure of 75 to 80 psi. He said due to that we have to look at installing larger pumps. He said it won't change the "footprint" but it could result in a \$30,000 increase.

Chairman Ehrhardt added the following agenda item: Purchase of Sewer Tap Fees.

Chairman Ehrhardt explained there are lots in Traditions that are now under new ownership. He said the Authority has been approached about different ways to handle the sewer fees. Chairman Ehrhardt said these lots are going to start being developed. He said there are issues to address such as infrastructure and he has asked the Authority staff and council to look into these issues.

Chairman Ehrhardt said we will have to develop a universal standard program to deal with this type of situation.

Chairman Ehrhardt adjourned the meeting at 7:30 pm.

Karen Johnson,
Board Secretary