

## Jackson County Water and Sewerage Authority

### Meeting Minutes

March 13, 2014

Chairman Ehrhardt called the March 13, 2014 Jackson County Water and Sewerage Authority Board Meeting to order at 6:08 p.m.

Members present included Chairman Dave Ehrhardt, Board Member Pat Bell, Board Member David Lathem and Board Member Joe Hicks. Also present: Manager Eric Klerk, Attorney Paul Smart, Finance Director Judy Smith, Engineer Joey Leslie, Water/Wastewater Manager Mark Dudziak, CIO/GIS Analyst Mike Johnson, and Board Secretary Karen Johnson. Visitors included, Alex Pace, Main Street Newspapers, Tom Crow, BOC Chairman and Kenneth Hensley, Customer.

### Approval of Minutes

Member Bell made a motion to approve the February 20, 2014 board meeting minutes.

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

### New Business

#### *Kenneth Hensley Billing Dispute, 1282 McNeal Road*

Manager Klerk asked Mr. Hensley to address the Board regarding his concerns with his water bill. Mr. Hensley stated he didn't realize the trailer on his newly purchased property was connected to the Authority's water. He said the trailer is vacant and not in use. Mr. Hensley said a pipe burst and a leak occurred on his property after the last freeze. He stated this leak caused a large water bill and he is asking for forgiveness for those charges on his bill.

Finance Director Smith stated that a onetime leak adjustment was offered and further explained the leak ran over two billing cycles. She stated a payment plan is available as well.

Mr. Hensley asked for special consideration to have the bill forgiven. Chairman Ehrhardt explained that the Board has a responsibility to the Authority and its customers to follow policy therefore an exception could not be made. He referred back to the offered leak adjustment and payment plan.

#### *Bear Creek Costs and High Service Pump Proposal*

Manager Klerk reviewed the Bear Creek billing process and capital funding plan along with some proposed work for the UOBWA. He reviewed the Authority's annual costs over the next sixteen years. (1.819 million dollars)

He reminded the Board that we are paying capital replacement costs on capital items that we don't necessarily own, Jackson County government owns them. Manager Klerk said a proposed project not included is the treatment plant expansion (21.0 to 26 MGD). The three high pump service replacements may come sooner than scheduled. He said we would be billed by Jackson County's entitlement shares.

Manager Klerk explained the high service pumps are owned by the Authority. He said the cost to replace those pumps is close to \$700,000 dollars. Manager Klerk said the pumps are dedicated to Jackson County only. Oconee and Barrow have their own set of pumps.

Manager Klerk reviewed the M&O charges and fixed costs. He also explained Task One and Task Four of UOBWA proposed High Pump Interconnection and Clearwell Analysis. He said this information was presented at their last committee meeting. Manager Klerk said the Authority owns those pumps and this request would require Board approval to authorize any work involving them. Manger Klerk said all the UOBWA is looking for from the Authority is to get permission to do the study which involves looking closely at our pumps and controls (Task 1 and 4 only). He said there is no commitment on our part for anything else. Manager Klerk said we would be given the results of the study. As a side note, Manager Klerk said he is working on getting Engineer Leslie put on the Engineering committee. He stated there are costs coming back to the Authority on other projects like replacement of all of the water plant's chlorine solution lines and we will continue to see more costs, so he wants Jackson County and the Authority to be aware of this.

Member Bell asked how much our portion of the study would cost. Manager Klerk said he has not been given that information. The consensus of the Board is they do not have enough information to make a decision to authorize the UOBWA to go forward with the study. The Board has requested the cost of the study and our portion of that cost. Manager Klerk pointed out the only reason UOWBA has not moved forward with the study is because we may own the property. Member Bell said she wants to know the cost of the study (a not to exceed cost), how it will be divided among the other members and how does the cost get billed back to the Authority (how will it show up on the invoice). The Board directed Manager Klerk to make these inquiries before taking any action.

#### *Georgia Department of Transportation Highway 129 Project Update*

Manager Klerk said the Highway 129 project has been postponed until February of 2015.

Engineer Leslie presented a brief summary of the scope of the project. He said the project was pushed back because of an endangered bird.

Engineer Leslie said the original estimated cost of the project was \$115,000 but after the design drawings have been completed, our portion is now estimated at \$223,244. He explained the reasons for the increase in the cost and what the Authority did to help control the increased costs. Engineer Leslie stated the project would take two years to complete and the expenses could be spread over that time period.

Engineer Leslie explained the Authority worked out a cost limitation agreement with GDOT. He said if the project bids over the agreed cost estimate plus 10% GDOT will cover the extra costs. If it bids under our estimate, GDOT will refund us the difference. Engineer Leslie said the construction drawings and the estimate are being finalized. He stated the agreement between the Authority and GDOT will be brought to the Board when ready.

## **Old Business**

### *Fire Line Billing Policy*

Manager Klerk said the fire line policy proposed at last month's meeting has been revised to include forgiveness verbiage as requested by the Board. He stated the leak adjustment verbiage would be the forgiveness part of the policy. Manager Klerk said that is the only difference between the two proposed policies.

Manager Klerk said he drafted a letter regarding the new fire line policy that will be sent to all fire line customers. He said this letter will go out the week of March 17<sup>th</sup> and again in May as a follow up.

Member Bell made a motion to approve the Fire Line Resolution Policy as presented.

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

## **Executive Session**

Member Bell made a motion to go into Executive Session at 8:03 p.m.

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

Member Bell made a motion to come out of Executive Session at 8:43 p.m.

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

Member Lathem made a motion to approve the Amendment to Employment Agreement for Eric Klerk, extending the term to March 1, 2017, and further authorizing the Amendment as presented.

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

Member Lathem made a motion to approve the Resolution to amend the ICMA-RC Defined Contribution Program for Senior Management for Eric Klerk as presented.

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

### **Managers Report**

No report.

With there being no further business to discuss, the meeting was adjourned at 8:45 p.m.

Karen Johnson  
Board Secretary