

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY

WORK SESSION

February 5, 2009

Chairman Pugh called the work session to order at 5:30 p.m. Members present included Chairman Randall Pugh, Vice Chairman Dave Ehrhardt, Board Member Rob Jordan, Board Member Andy Goodman and Board Member Shade Storey. Also present: Manager Eric Klerk, Attorney Paul Smart, CIO/GIS Analyst Mike Johnson, Chief Engineer Fred Alke, Wastewater Manager Mark Dudziak, Water Manager Stacy Jenkins and Finance Director Judy Davis. Visitors included Mark Beardsley with The Main Street News.

AGENDA ITEMS DISCUSSED

Scott and Michele MacKinnon Billing Dispute

Chairman Pugh briefly explained the dispute that the MacKinnon's had with their water bill from August and September of 2008. Water Manager Jenkins said he went to the MacKinnon's house to verify that they did not have a water leak. While he was there, he observed that they had a pool. Water Manager Jenkins stated that our service technician performed a ten gallon test in the presence of Mr. MacKinnon. He also briefly explained how a water meter works. A work order was initiated per Manager Klerk to have the meter tested. This test was 99.9% accurate.

A brief discussion went on about the MacKinnon's history of a pattern of high water consumption. The consumption would fall off then become high again. Water Manager Jenkins stated he was confident that the water went through the meter. Chairman Pugh asked for the consumption history since September. This information will be provided at the meeting on February 12th. The MacKinnon's will be attending the meeting on February 12th.

No action was taken.

Water Service Agreement

Manager Klerk stated that there were revisions that needed to be made to the current Water Subscription Contract. This came about due to several meters that were tampered with this last cut off cycle. The following is a list of items discussed:

- Change to the tampering fee - First offense \$250.00 tampering fee payable with next water bill. Second offense \$500.00 tampering fee and meter pulled. The \$500.00 fee must be paid in full before the meter will be reinstalled.

- Clarifying what a locking device for a meter is and that there are different types of meters and locks.

Chairman Pugh asked what the cost was to remove a meter and what our reinstallation fee was. He also asked how often we would pull a meter. Vice Chairman Dave Ehrhardt inquired about if a customer had a medical reason would we keep the water on. Finance Director Davis responded yes we would with a doctor's letter.

Chairman Pugh stated he was concerned about how the economy is affecting customer's ability to pay. Finance Director Davis said if a customer will contact us we can make payment arrangements to avoid water disconnect.

No action was taken.

Proposal to Require Petition and Conditions for Neighborhoods Requesting Water

Chairman Pugh started the discussion with a brief explanation of this topic. It was suggested by Engineer Alke and Manager Klerk that there needed to be a formal procedure for neighborhoods requesting water service. Validating the signatures and possibly increasing the signatures from the proposed 51% minimum.

Engineer Alke explained that when a petition for water came from a neighborhood on Ed Bennett Road that only two of the twelve house hooked up to county water.

A possible format would be to accept the petition, validate the signatures then request earnest money or full payment up front before agreeing to install water lines.

Chairman Pugh requested Manager Klerk to draft a proposal to be brought before the board at a future work session meeting.

No action was taken.

Remaining Funds Allocation from 2006 B Construction Funds (Bonded SPLOST)

Manager Klerk said we are finishing all SPLOST projects. There will be roughly \$718,000 left over. The board will need to decide what to do with the remaining funds. Manager Klerk discussed using ½ of the remaining funds to pay final invoices from the sewer plant or take the entire amount and put into the sinking fund. Chairman Pugh talked about our serious debt service and if or when the economy would turn around. Chairman Pugh suggested saving funds for future use if needed. Chairman Pugh stated SPLOST dollars are getting smaller. Finance Director Davis explained what SPLOST funds can be used for. Manager Klerk and board agreed to put into the sinking fund for payment toward the 2006B Bond.

No action was taken.

Ben Shirley, South Apple Valley Road – meter connection

Chairman Pugh started discussion with explanation of Mr. Shirley's situation. He is a senior with limited income and his well is dry. His sister spoke with JCWSA about a meter connection. Mr. Shirley is not capable of paying the entire \$1500 meter fee all at once. Chairman Pugh talked about giving Mr. Shirley a discounted price on the meter connection or making payments. Finance Director Davis asked Secretary Johnson what a typical monthly payment is. Secretary Johnson responded that \$200 down and \$25 to \$50 a month for the payment is typical. Manager Klerk said we could put together a policy on hardship cases or continue to manage them on a case by case basis. Water Manager Jenkins said it costs about \$350-\$500 plus labor to install a meter connection and that since it's a hardship case he would begin planning for Mr. Shirley's connection. Attorney Smart said a decision would need to be approved by the board. The board will ratify it at the February 12th meeting.

No action was taken.

Closing

Chairman Pugh discussed the following: he wants the board to work closely with Manager Klerk to look at the cost of our service. He talked about how the authority used a consultant to help evaluate the financial future of the company. Chairman Pugh discussed creating a sub committee to look closely at our financial condition on a regular basis. He asked that Vice Chairman Ehrhardt, Board Member Jordan, Manager Klerk and Finance Director Davis to work with the consultant.

Chairman Pugh said he would be evaluating Manger Klerks' annual compensation this month. He would be working with Manager Klerk to review the entire wage package of the Authority at the end of the year. Chairman Pugh asked Board Member Goodman and Board Member Storey to assist with that.

No action was taken.

Chairman Pugh adjourned the meeting at 6:45pm

Karen Johnson
Board Secretary