

Jackson County Water and Sewerage Authority

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Meeting Minutes

July 10, 2014

Chairman Ehrhardt called the July 10, 2014 Jackson County Water and Sewerage Authority Board Meeting to order at 6:05 p.m.

Members present included Chairman Dave Ehrhardt, Vice Chairman Shade Storey, Board Member David Lathem and Board Member Joe Hicks. Board Member Pat Bell arrived at 6:54 p.m. Also present: Manager Eric Klerk, Attorney Paul Smart, Engineer Joey Leslie, Water/Wastewater Manager Mark Dudziak, CIO/GIS Analyst Mike Johnson and Board Secretary Karen Johnson. Visitors included, Mark Beardsley, Main Street Newspapers

Approval of Minutes

Vice Chairman Storey made a motion to approve the June 12, 2014 board meeting minutes with the following corrections: Member Hicks was not in attendance. Member Lathem was in attendance.

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

Old Business

Water and Sewer Connection Fees Staff Recommendations

Manager Klerk stated that April 2007 was the last time connection fees were increased for three quarter and one inch meters and fire lines. He stated 2006 was the first time larger connections were addressed and assigned escalating values dependent on meter size, and rates for residential connections were adjusted.

Chairman Ehrhardt asked how much does it cost the Authority to install a connection and what are the connection fees for surrounding water utilities. Manager Klerk directed the Board to their packets for that information. He stated the Authority is lower than other surrounding water utilities and will be even if we increase the fees.

Manager Klerk stated he was also asked to address our sewer connection fees. He directed the Board to their packets and a spreadsheet showing similar water/sewer authorities. He said we are a little high, \$5000 per ERU. Chairman Ehrhardt asked how the current \$5,000 sewer connection fee was established. Manager Klerk said it was calculated by the sewer treatment plant needs and recommendation from Metcalf and Eddy Engineers. He stated staff recommendation is to leave the sewer connection fee as is. Member Lathem stated he felt the proposed increases are competitive.

Manager Klerk addressed the fire lines and how the process works. Vice Chairman Storey asked if we were better off with a flat fee for a connection fee on the fire lines. Manager Klerk said “yes”. He reminded the Board that when customers are paying for connection fees they are buying capacity in our system. Member Hicks asked if these increases would cover our costs. Manager Klerk said “yes”. Chairman Ehrhardt stated at some time we will have to come back and revisit connection fees again. He asked how many taps have been sold this year. Manager Klerk stated so far this year for residential taps a little over one hundred. He said if we stay on course, we will have about 8000 customers in a couple of years.

Vice Chairman Storey made a motion to approve the residential and commercial water connection fees increase.

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

Vice Chairman Storey made a motion to not increase the current \$5,000 sewer tap fee.

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

Fire Line Policy Issues

Manager Klerk revisited the history of the recently approved new Fire Line Policy that has a July 15th implementation. He said all fire line customers received two separate certified letters informing them of the new policy but the policy has become complicated.

Manager Klerk said Engineer Leslie and Finance Director Smith contacted each fire line customer whose bill had an event. He reminded the Board that each event had a \$100 charge. Manager Klerk said there was a lot of confusion. He said customers didn’t understand why we are not able to measure the amount of water going through their meter. Manager Klerk discussed the heat of the day causing the activation of pop off valves and how our water is used to re-pressurize their various sprinkler zones and thus likely creating events. Larger warehouses had the potential to lose more water with more sprinkler zones than smaller warehouses.

Manager Klerk said he would like to put off implementing the policy and charge the base fee for now. He said the staff has been looking into other options such as “full boat” metering. He stated there is new technology that will allow this and he will be proposing a new policy. Manager Klerk said we will be ordering and installing these new meters soon. Member Lathem asked the cost of these meters. Engineer Leslie said the cost for a ten inch meter is \$8,400 and they are extremely accurate. He stated he has worked with this type of meter before and we will be able to capture more revenue using them.

Vice Chairman Storey made a motion to indefinitely post pone the implementation of the newly approved fire line policy.

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

Member Lathem asked how many meters will we need. Manager Klerk said we will need to purchase seventeen but they are not all ten inch, some are smaller and therefore less expensive.

New Business

Recommendation for Award for Possum Creek Lift Station Upgrade

Manager Klerk said he was going to recommend awarding the bid for the upgrade but the bids came back over the budgeted amount of \$100,000. He stated "Griffin Brothers" came in at \$139,560 and the other bidder was "All South" at \$172,500. Manager Klerk said because it was over the base bid by quite a lot, Georgia law allows for negotiations with the low bidder for up to sixty days.

Manager Klerk said that after further field work, engineering discovered from multiple draw down tests that the run times were exaggerated. He said the pumps don't need to be up sized to 600 gallons per minute. Manager Klerk said the pumps in there now are rated at 400 gallons per minute. He said Engineer Leslie ran the numbers and staff feels there is not a need to spend more money on larger pumps. He said we would add two new pumps and have the two old pumps worked on and kept as spares. He said there would be a cost savings since we are not upgrading. This should save about \$40,000 off the base low bid.

Engineer Leslie said he has spoken with Griffin Brothers about getting a price to just replace the pumps.

No action was taken. Item will be moved to August agenda.

Executive Session

Chairman Ehrhardt said there was a need for an Executive Session regarding litigation.

Vice Chairman Storey made a motion to go into Executive Session at 7:11 p.m.

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

Vice Chairman Storey made a motion to come out of Executive Session at 7:36 p.m.

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

No action was taken.

2013 Audit

Chairman Ehrhardt stated due to revenues decreasing and expenses increasing, we will need to address rates soon. The Board accepted the audit as presented.

Chairman Ehrhardt stated he accepted another term as Chairman. He said he has really enjoyed serving with the Authority staff.

With there being no further business to discuss, the meeting was adjourned at 7:40 p.m.

Karen Johnson
Board Secretary