

**JACKSON COUNTY WATER
AND SEWERAGE AUTHORITY**

**MEETING MINUTES
July 12, 2012**

Vice Chairman Ehrhardt called the July 12, 2012 Jackson County Water and Sewerage Authority Board Meeting to order at 6:00 p.m. Members present included Vice Chairman Dave Ehrhardt, Board Member Shade Storey, Board Member Dean Stringer, Board Member Pat Bell and Board Member David Lathem. Also present: Manager Eric Klerk, Attorney Paul Smart, CIO/GIS Analyst Mike Johnson, Engineer Joey Leslie, Finance Director Judy Davis, Water Manager Stacy Jenkins, Wastewater Manager Mark Dudziak, and Board Secretary Karen Johnson. Visitors included Mark Beardsley, Main Street News.

Vice Chairman Ehrhardt introduced and welcomed two new board members; Pat Bell and David Lathem.

Vice Chairman Ehrhardt said in order to proceed with the meeting we needed to hold an election of officers.

Attorney Smart read from the Authority by-laws the election process.

Vice Chairman Ehrhardt asked if there were any nominations for Chairman.

Member Bell nominated Dave Ehrhardt for Chairman. Member Lathem moved to close nominations. Member Storey seconded the nomination of Dave Ehrhardt for Chairman. The motion carried with no objection and all board members present voting.

Member Stringer nominated Shade Storey for Vice Chairman. Chairman Ehrhardt seconded the nomination of Shade Storey for Vice Chairman. The motion carried with no objection and all board members present voting.

Attorney Smart said elections for Board Secretary and Board Treasurer should be done as well.

Member Stringer nominated Karen Johnson for the position of Board Secretary. Vice Chairman Storey seconded the nomination. The motion carried with no objection and all board members present voting.

Vice Chairman Storey nominated Judy Davis for the position of Board Treasurer. Member Stringer seconded the nomination. The motion carried with no objection and all board members present voting.

APPROVAL OF MINUTES

Vice Chairman Storey made a motion to approve the minutes of the June 14, 2012 Board Meeting.

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

NEW BUSINESS

Resolution Regarding Sale of Sewer Tap Fees

Manager Klerk gave a brief history on the sale of sewer tap fees. He stated residential real estate developers would purchase sewer taps in order to reserve sewer treatment capacity for lots located in residential subdivisions. Manager Klerk said as a result of the decline in the local housing market, the Authority staff has been contacted by developers seeking to sell their unused sewer taps in order to obtain ready capital. He said the developers also asked about moving the taps to different parcels. Manager Klerk said these taps are tied to a particular track of land and the Authority staff has declined to participate in such proposals. He also stated such proposals appear to be contrary to the plain language of the Wastewater Contracts and do not appear to be in the interest of the Authority.

Manager Klerk said the Authority would like a resolution that will remove all doubt regarding the refunding or transfer of sewer tap fees. Member Bell pointed out that the developers purchased these sewer taps before the fees were scheduled to increase.

Manager Klerk said we have money invested nearby in master pumping stations and also reserved capacity in the wastewater treatment plant which has had ongoing upgrades costing millions of dollars. Chairman Ehrhardt concurred that the Authority has made a substantial investment in the infrastructure. Attorney Smart said he thought the intent of the language in the existing Agreements would be if the developer sold the property that the purchaser would have the rights to the sewer tap. Chairman Ehrhardt said we would table this until the next meeting.

Parks Creek Reservoir Agreement, City of Jefferson

Manager Klerk said there is an original Parks Creek Reservoir Agreement along with an addendum to the agreement in the board meeting packets. He explained the history of the Parks Creek Reservoir. Manager Klerk said the original agreement has Jackson County and the Water Authority entering into the agreement with Jefferson for the development of the reservoir but with the County having 25% interest in the reservoir. Manager Klerk said the Authority would like an addendum stating, "For its future needs the Authority wishes to obtain a 25% interest in the North Oconee River and Parks Creek reservoir project," and should Jefferson obtain the withdrawal permit, the Authority will pay Jefferson 25% of the cost of obtaining the withdrawal permit.

Manager Klerk stated he spoke with Hunter Bicknell, the chairman of the Jackson County BOC regarding this matter. He said Mr. Bicknell was in agreement with the addendum. Manager Klerk said the addendum would go to the BOC to sign, then to the City of Jefferson and then the Authority Board would need to sign it.

Manager Klerk said we are not obligated to purchase any water from the reservoir. He said the reservoir is an alternate water supply. Member Bell asked how soon Jefferson would have their permit.

Manager Klerk said the Corps of Engineers has given Jefferson a green light verbally for their permit but they have not received anything in writing. He said Jefferson is hoping to receive the permit sometime next month.

Manager Klerk said the estimated cost over the next eight years is four million dollars for the Authority's share of the 25%. He said a rough number for the initial buy in would be \$160,000 to \$180,000. Vice Chairman Storey asked where the money would come from. Finance Director Davis said the water capital reserves.

Member Bell made a motion to approve the Parks Creek Reservoir Addendum.

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

Authorization to Move Forward with Public Bid to Bore Under the Middle Oconee River at Galilee Church Road

Manager Klerk stated we had to do an emergency line relocate to one of the two lines that cross the river at the Galilee Church Road Bridge last year due to extensive washing-out of the river bed. Manager Klerk said the two lines crossing at this location supply water to the west side of the county and it is a "pinch point" with no practical alternate route. The second line is on the bridge and needs to be moved to accommodate the D.O.T. bridge project. Manager Klerk said we obtained easements that have been executed on two pieces of property so we can now relocate and bore the line under the river. He would like to complete this before the bridge work starts. Manager Klerk said we need to publicly bid the project because it is not an emergency and will cost over the \$100,000.00 threshold. He would like authorization from the Board to move forward to publicly bid the project. Manager Klerk said the estimated cost of the project is \$183,896.50.

Member Bell asked when the D.O.T. was starting the project and did they see any problems with our scope of work. Engineer Leslie said the D.O.T. will be bidding the project in September so it would be a few months after their bid process. He said the D.O. T. did not have any issues with the Authority's proposed project.

Chairman Ehrhardt suggested it would be good to continue to work with the D.O.T. to make sure our utilities are included on their plans.

Member Storey made a motion to approve the Authority to move forward with the public bid to bore under the Middle Oconee River at Galilee Church Road.

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

MANAGERS REPORT

WATER

Update on Harris Lord Cemetery Water Project:

The Highway 441 and Railroad Crossings have been completed, as well as the section of pipe between the two.

Another customer in close proximity to this project has signed up for water service; the end of Bolton Gordon Road across Highway 334. Currently this project has netted us 14 new customers.

Old Savage Road Project:

Work has been completed on the new 4-inch water line that the staff installed near the Bear Creek Reservoir down Old Savage Road to initially service five new customers.

SEWER

A Public Hearing is to be held at the Authority Thursday, July 19th at 4:00 pm. The hearing is for those in the general public that may have questions about the ARC Grant money as it applies to the Wastewater Plant upgrades. Design on the upgrades associated with this money will begin within the next month. Primarily this work will include another secondary clarifier (settling unit) and chlorination upgrades.

The Authority has received its 5-year Wastewater Facility Discharge Permit, or NPDES Permit, officially setting the plant's rated flow at 500,000 gals/day as a monthly average, and 625,000 gals/day as a weekly average. This is an increase of 200,000 gals/day over the previous permit due to the execution of various upgrades.

With there being no further business to discuss, the meeting was adjourned at 7:00 p.m.

Karen Johnson
Board Secretary