

MINUTES OF BOARD MEETING: May 4, 2017
HENRY COUNTY WATER AUTHORITY

I. CALL TO ORDER/ATTENDANCE

The Board of Directors of the Henry County Water Authority held its regular meeting and annual strategic planning session on Thursday, May 4, 2017. The meeting was duly advertised and was held at the Authority's Tussahaw Water Treatment Facility located at 199 Preservation Drive, Jackson (Henry County), GA. Mr. James C. Carter, Jr., Chairman, called the meeting to order at 8:15 a.m. The following members were present: James C. Carter, Jr., Harold Jenkins, Carlotta Harrell (by teleconference), Roslyn Williams and Warren Holder.

The following Authority staff and consultants were present:

Lindy D. Farmer, Jr., General Manager
Tony Carnell, Deputy Manager
Kim Osborne, Clerk
Roderick Burch, CFO, Division Manager
Scott Sage, Division Manager, Engineering
Pat Hembree, Division Manager, Water & Wastewater
Scott Harrison, Division Manager, Operations
Claudia Cooper, Employee Development Coordinator
Dan Newcombe, Mgr. Information Technology
A.J. Welch and Andy Welch, Smith, Welch, Webb & White

II. ACCEPTANCE OF AGENDA

Mr. Carter presented the Agenda for approval by the Board. There were no amendments and motion was made by Mr. Jenkins and seconded by Mrs. Williams to accept the Agenda as presented. The motion carried (5-0).

III. VISITORS None

IV. REPORT OF ATTORNEY None

V. REPORT OF GENERAL MANAGER

Mr. Farmer announced that the Authority has received the Award of Financial Reporting Achievement from Government Finance Officers Association, noting that this is the eighth year that the Authority has received this recognition. He congratulated Mr. Burch and his staff for this achievement. Mr. Carter also recognized Mr. Farmer, Mr. Burch and the Authority's staff and stated that the Authority is fortunate to be led by talented and capable people.

Mr. Farmer reported concerning attendance at the Tussahaw Open House event which was held in observance of National Drinking Water Week. He expressed appreciation to the employees who organized and attended the event. He stated that he had received many positive comments. Mr. Harrison reported concerning the Adult/Youth Fishing Tournament which was held on the same day. He also noted that the Authority will be participating in the Children's Water Festival on May 5th, which is an event sponsored by the Metropolitan North Georgia Water Planning District (of which the Authority is a part).

Dr. Chris Wood provided a media relations report and reported on recent news coverage.

VI. PROJECTS

The following projects were presented for approval by the Board.

Authority Projects:

EXT2570	Parkland Sanitary Sewer Force Main Replacement
EXT3554A	Manderley 2" Service Replacement
GDOT3569	Jonesboro Rd. @ Doris Street Water Line Relocation

Developer Projects:

DEV1043	Sandy Ridge Phase 3
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Budget Adjustments:

SPLOST3272	SR81 @ SR3
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Mr. Farmer advised that the projects are in compliance with Authority policy. Mr. Holder made a motion to approve projects as presented. Mr. Jenkins seconded the motion and it carried unanimously (5-0).

VII. APPROVAL OF MINUTES – April 13, 2017 Regular Board Meeting

Mr. Carter opened the floor for discussion and approval of the minutes from the Authority's regular meeting conducted on April 13, 2017. There were no revisions and a motion was made by Mr. Jenkins and seconded by Mrs. Williams to approve the minutes as submitted. The motion carried unanimously (5-0).

VIII. OTHER BUSINESS

Mr. Carter proposed that a joint meeting with the Henry County Board of Commissioners be scheduled in the near future to discuss topics such as the Authority's capital improvement plan as well as funding therefor. The members of the Board concurred. Mr. Farmer will contact

Chair June Wood and members of the Board of Commissioners to determine interest in scheduling a joint meeting, and to suggest potential meeting dates.

IX. STRATEGIC PLANNING SESSION

Mr. Carter opened the planning session and stated that the presentations that are provided by the Authority's staff during this meeting provide members with important information concerning the Authority's policies, financial status and future CIP plans, and offers members the opportunity to ask questions.

- Mr. Carnell reviewed Authority accomplishments over the past five years. A booklet was provided to Board members and Mr. Carnell reviewed pertinent sections of the book. Mr. Carter noted recent major line breaks in neighboring communities and inquired how the Authority addresses replacement of aging water distribution lines. Mr. Carnell advised that the Authority has a proactive plan to replace polybutylene and PVC pipes and routinely relocates these lines in conjunction with SPLOST projects. He noted that all of the Authority's transmission mains are ductile iron pipe. Mrs. Harrell inquired about providing sewer service in the Fairview area to serve Henry County citizens who are currently served by DeKalb. Mr. Carnell replied that the Authority has reviewed the feasibility of installing a line, however the costs for such a project are prohibitive. He noted it is more economically feasible for DeKalb to continue to serve those customers. Mr. Carnell reviewed a list of industry awards that the Authority has received over the last several years.
 - Mr. Sage provided a report concerning the Authority's 30 year Capital Improvement Master Plan. Mr. Sage advised that the Authority's CIP plan provides for the orderly development of the Authority's water and sewer system and helps to accommodate growth by staying ahead of future demand (for services). He advised that the plan is updated every five years in conjunction with Metro North Georgia Water Planning District plans. Mr. Carter inquired about the status of the Airport Sewer and Fairview Sewer projects. Mr. Sage advised that a meeting has been held with the design engineer, Croy and that Mid-South is moving quickly on phase one of the gravity sewer. He reported that work is on schedule. Mr. Sage reported that the Fairview gravity and force main have been installed and the contractor is working on the lift station.

10:09 a.m. The meeting was adjourned for a 15 minute recess.

- Mr. Burch reviewed the Authority's proposed FY18 budget. He reviewed revenue sources and expenditures, as well as funding for future CIP projects. He reminded the Board that the Authority has taken a "pay as you go" approach for funding designated projects in order to decrease the Authority's dependence on debt to finance future projects, by gradually adding funds to the Authority's R & E fund. Mr. Burch also reviewed the Authority's total debt and annual debt service payments.

He advised that at the June meeting he will recommend that the Board take action to approve and adopt the FY18 budget in the approximate amount of \$64.8 million which is a 2.4% increase over FY 17.

12:00 Noon Lunch Break

- Mr. Andy Welch gave a presentation concerning state and local governing board policy as related to code of ethics and conflicts of interest. He discussed Henry County's Code of Ethics policy and its scope and applicability to the Authority. He also reviewed examples of that would create conflicts of interest for members of the Board. Mr. Welch noted that the Authority's enabling legislation provides that the Authority can adopt policies and he feels this would include a code of ethics policy. However, if the Authority chooses to adopt its own policy, the county would need to amend its policy to remove the Authority, or include some exclusionary language. Mr. Carter suggested that between now and the next meeting there should be further review of these policies and a decision made if the Authority wants to adopt its own policy. Mr. Welch touched on Government in the Sunshine, what constitutes an open meeting, posting agenda, notification of special called meetings, and exceptions to "openness."
- Mr. Farmer and Ms. Claudia Cooper discussed succession planning.
- Ms. Cooper reviewed the Board Self-Assessment process, areas of evaluation, as well as the questionnaire. She also reviewed the rating instrument that each Board member utilizes to evaluate his/her performance. She stated that Board focus areas for the coming year are identified through this process. Mr. Carter reviewed last year's objectives for the benefit of the Authority's new board members. It was a consensus of the Board to forego the assessment year in order to give new Board members an opportunity to become knowledgeable of the Authority's operational policies.

X. **EXECUTIVE SESSION** NONE

XI. **ADJOURNMENT**

Motion was then made by Mr. Holder and seconded by Mrs. Williams to adjourn the meeting at 3:30 p.m. The motion carried (4-0) and the meeting was adjourned. (Note: Mrs. Harrell participated in the meeting via teleconference until 10:30 a.m. at which time she departed in order to attend a previously scheduled meeting.)

James C. Carter, Jr., Chairman

Kimberly Turner Osborne, Clerk