**Handy Sanitary District**

**Regular Meeting of the Board**

**October 17, 2017**

**Minutes**

**Board Attendees:** Chairperson Debbi Yarbrough, Secretary Richard Smith, Charles Hobson, Pauline Weaver

**Staff Attendees:** General Manager Darrell Hinnant, Office/Finance Manager Lisa Hedrick, Clerk Angela Jennings, Attorney Frank Wells

**Guest Attendees:** Charlie McGougan-MBD Consulting Engineers, Jon Galloway-Montgomery Herald.

Chairperson Debbi Yarbrough called the meeting to order, welcomed all guests, and asked for a moment of silence.

**Adoption of the Agenda:**The Board reviewed the Agenda and Richard Smith made a motion to adopt the Agenda as written, seconded by Charles Hobson, passed by the Board 4-0.

**Approval of Minutes:** The Board reviewed the Minutes for September 19, 2017, and Charles Hobson made a motion to approve the Minutes as written, seconded by Pauline Weaver, passed by the Board 4-0.

**Business Agenda**

**CMT Coatings Bid To Remove & Replace Protective Coating at PS #10:** Darrell Hinnant informed the Board that since the District already had the bypass pumps; it was his recommendation that we go ahead and replace the protective coating at pump station #10. He also informed the Board that due to the weather being cooler at night, the coating may take an extra day to cure. After discussion, Charles Hobson made a motion to approve the contract with CMT Coatings to remove and replace the protective coating at pump station #10, in the amount of $25,502.00, and to authorize the General Manager to sign the contract, seconded by Richard Smith, passed by the Board 4-0.

**Charles Underwood & Associates Bid for Bypass Installation:** Darrell Hinnant discussed that in order to replace the coating at pump station #10, a bypass would need to be installed. He informed the Board that the bid from Charles Underwood & Associates was cheaper than pump station #9 because we already purchased a 3,000 gallon portable tank and are reusing pipe and valves. After discussion, Richard Smith made a motion to approve the contract with Charles Underwood & Associates to install piping, tanks, bypass pumps for bypass during PS #10 coating replacement, in the amount of $42,762.00, and to authorize the General Manager to sign the contract, seconded by Pauline Weaver, passed by the Board 4-0.

**BSR Pump Station #5:** Darrell Hinnant informed the Board that due to the new pump station being so close to the lake, the District wanted to install a diesel powered bypass pump for emergencies. Engineer Charlie McGougan discussed that the bypass pump would replace the standby generator, but would result in an increase to the project budget of approximately $31,000.00. He informed the Board that he’d discussed the change with contractor Dennis Herrin, who suggested eliminating the concrete retaining wall and just filling in the slope, which would offset the increase by approximately $25,900.00. Charlie discussed that the removal of the concrete retaining wall would essentially make it easier for field personnel to access the pump station wet well in order to maintain it and in the case of an emergency. Charlie informed the Board that he had completed the new design drawings and would get it to Tom Poe with NC-DENR for approval. He informed the Board that he expected a 2-3 week turnaround from the State.

**Resolution Approving LWSP for 2016:**  Darrell Hinnant discussed that a third party was reviewing Local Water Supply Plans for the State and that NC-DENR required a Resolution from the Board for final approval. He discussed that any growth would be reported in 2017’s LWSP. Charles Hobson made a motion to approve the Resolution for Approving Local Water Supply Plan for 2016, seconded by Pauline Weaver, passed by the Board 4-0.

**BSR Lagoon Closure:** Darrell Hinnant informed the Board that he was in the beginning process of closing one lagoon at BSR. He discussed that he’d been in contact with NC-DENR in Fayetteville, who gave him the approval to close one lagoon as long as Darrell informed them of when we were going to start and where we were putting the sludge. Darrell also informed the Board that the project would need an engineer’s certification. He discussed that field personnel were already pumping water off the larger lagoon and putting it into the pump station to send to the Town of Troy. He also discussed that we can use the dirt from the BSR project to fill in the lagoon. He informed the Board that the current quote from Herrin Industrial is $135,000, which us $37,000 less that his previous quote due to him already having his equipment down there. Darrell also informed the Board that Herrin Industrial is only asking for 40% of the quoted price to close the first lagoon.

**November Board Meeting Change:** Darrell Hinnant informed the Board that Chairperson Debbi Yarbrough would not be able to attend the regularly scheduled Board meeting on November 21, 2017. He inquired of the Board whether they wanted to move the meeting to the following Tuesday, November 28th, or keep the meeting as scheduled. After discussion, the Board decided to keep the meeting as scheduled on November 21st.

**Financials:** Lisa Hedrick discussed that the District was 3 months into the Fiscal Year and should be at 25%. She informed the Board that Revenues were at 26.98%. She discussed that on the Expenses side, Water Purchased Department was at 24.56%, the Water Department Expenses were at 29.99%, Sewer Department Expenses were at 18.49%, and the Admin Department Expenses were at 19.53%. Lisa informed the Board that annual expenses had been paid in full during the first month of the fiscal year, such as insurance, software support, and computer backup, which caused some departments to appear over budget. She discussed that those expenses should even out as the District gets further into the year. Lisa also discussed that she didn’t have an updated Town of Denton water rate, and that they wouldn’t have it to us until after their audit was completed. She informed the Board that the auditor had been to the office and that he’d said there would be no problem getting the audit complete and sent to the State by October 31, 2017.

**Water Loss:** Angela Jennings discussed that the current Water Loss Report showed the District had purchased 23,622,300 gallons of water from the Town of Denton and had sold 19,221,667 gallons, for a water loss of 19% or 4,400,633 gallons. She discussed that leak usage amounted to 975,100 gallons or 22% of the loss and flushing usage amounted to 652,468 gallons or 15% of the loss. She discussed that the adjusted water loss was 12% or 2,773,065 gallons. She informed the Board that the monetary value of the 19% water loss was $6,552.98.

**Miscellaneous:** Darrell Hinnant informed the Board that he was waiting on a report from Camp Walter Johnson.

Charles Hobson asked about new sewer connections and Darrell informed him that there’d been a lull, but that there were 17 locations where we were waiting on the plumber to be finished with their work.

Darrell informed the Board that one customer on the disconnect list for October was caught by the new policy requiring mandatory connection.

**Public Comment:** There were no guests in attendance.

Pauline Weaver made a motion to Adjourn, seconded by Richard Smith, passed by the Board 4-0.