

ATHENS MUNICIPAL WATER AUTHORITY
April 12, 2017

The Board of Directors of the Athens Municipal Water Authority ("AMWA") met in Regular Session on Wednesday, April 12, 2017, 8:00 a.m. at the Athens Municipal Water Authority Headquarters, with the following members present, to-wit:

Mike Peek, President
Ed Gatlin, Vice President
Don Foster, Secretary
Milburn Chaney, Board Member
Frank Lunceford, Board Member

others present: Bill Casey, AMWA Executive Director; Martin Bennett, AMWA Attorney; Beth McConnell, AMWA Office Manager; Corey Frentress, Velvin & Weeks Consulting Engineers

guests of note: Ed McCain, City of Athens; Mike Finney, City of Athens; Jerry Don Vaught, City of Athens; Monte Montgomery; Ed McCain, City of Athens; Ryan Adams, City of Athens, Barbara Holly, City of Athens; Steve Sparkman, former President, AMWA

constituting a quorum at which time the following proceedings were enacted to wit:

CALL TO ORDER

The meeting was called to order at 8:00 a.m.. by President Peek.

DECLARATION OF CONFLICT OF INTEREST

No conflicts of interest declared.

OPPORTUNITY FOR CITIZENS TO EXPRESS ITEMS OF CONCERN

No citizen wished to express an item of concern

CONSENT AGENDA

A motion was made by Director Foster, and seconded by Director Chaney to accept the minutes of the March 8, 2017 Regular Session Board Meeting, as presented. This motion carried unanimously.

COMMITTEE REPORTS

Director Gatlin presented the financial statements.

Director Gatlin presented the monthly bills for payment. A motion was made by Director Lunceford and seconded by Director Chaney for payment of those bills. This motion carried unanimously.

Director Gatlin presented the quarterly investment report, as prepared by the Executive Director.

Director Gatlin presented proposed budget amendments. A motion was made by Director Foster and seconded by Director Lunceford to accept the budget amendments as presented. This motion carried unanimously.

DISCUSS AND ACT UPON NEW QUOTATIONS FOR LAWN MOWER

Executive Director Casey stated that when the Board selected a lawn mower quotation last month, that the lawn mowers quoted, were not similar in specs. Upon doing additional research, Executive Director Casey solicited additional bids to compare identically specified lawn mowers.

A motion was made by Director Chaney, seconded by Director Foster, to purchase a 61" fuel injected, zero-turn SCAG lawn mower from SP Barkley, at a price of \$7,905.00. This motion carried unanimously.

DISCUSS AND ACT UPON QUOTATIONS FOR FOUR-WHEELER/UTV

Executive Director Casey presented quotations for a four-wheeler to inspect AMWA property. The specifications on the four-wheelers were the same, except the Kawasaki four-wheeler has a three year warranty, versus a one-year warranty on the Kubota four-wheeler. It was Executive Director Casey's recommendation to purchase the Kawasaki four-wheeler from Brinson PowerSports, to have a full three year warranty, at a difference of only \$235 over the Kubota offering.

A motion was made by Director Gatlin, seconded by Director Lunceford, to purchase the Kawasaki four-wheeler from Brinson PowerSports, at a cost of \$13,400.96. This motion carried unanimously.

DISCUSS AND ACT UPON CONDUCTING AN INSPECTION OF THE WATER TREATMENT PLANT BY AMWA OFFICIALS

Director Chaney explained that after Executive Director Casey gave a presentation to the Athens Kiwanis Club, he thought it would be a good idea to conduct a thorough inspection at the Water Treatment Plant. This inspection would allow AMWA to know what is and is not functioning as required.

After a brief discussion a motion was made by Director Chaney, seconded by Director Gatlin, to conduct an inspection of the Water Treatment Plant, and to notify the City of Athens of AMWA's intention to do so. This motion carried unanimously.

INFORMATION/DISCUSSION REGARDING FREEPORT TAX EXEMPTIONS

Directors Chaney and Lunceford, and Executive Director Casey, attended a workshop recently, conducted by the Athens Economic Development Corporation, regarding Freeport Tax Exemptions, and presented their findings including:

-The legislation that created the Freeport Tax Exemptions allows for most taxing entities to voluntarily opt in or out of offering these exemptions. However, this does not apply to municipal utility districts. If a company is eligible for and applies for a Freeport Tax Exemption, AMWA is required by law to give the exemption.

-The legislation that created the Freeport Tax Exemptions also allows most taxing entities to phase in the exemption (e.g. giving 25% of the exemption each year, until it reaches the 100% of the exemption). However, this does not apply to municipal utility districts. If a company is eligible and applies for a Freeport Tax Exemption, AMWA is required by law to give 100% of the exemption the first year.

DISCUSS AND ACT UPON AMENDMENT TO CONCESSIONAIRE'S LEASE WITH LAKE ATHENS HOLDINGS, LLC

Executive Director Casey explained that Lake Athens Holdings, LLC was asking for AMWA to put the previously approved lease change (regarding the number of days a guest can stay at the RV park), as well as moving the date the restaurant must be opened to May 31, 2017, in this amendment.

Mr. Fran Curtain, who is operating the restaurant on behalf of Lake Athens Holdings, LLC, gave a presentation regarding the physical changes to the restaurant and spoke on the menu and his philosophy of running restaurants.

A motion was made by Director Chaney, seconded by Director Lunceford to approve the lease amendment. This motion carried unanimously.

DISCUSS ISSUE OF CITY OF ATHENS PERMITTING CONSTRUCTION OVER AMWA'S EASEMENT FOR THE RAW WATER LINES FOR THE RAW WATER INTAKE

Executive Director Casey explained that Robert and Theresa Vrij had received a permit from the City of Athens to renovate their home (Impala Point lots 1A-5). After obtaining the permit and receiving a passing inspection of their extended concrete pad, a City employee noticed that the new pad extended over the raw water lines. Executive Director Casey stated that the City of Athens never contacted AMWA, so that AMWA would be informed and participate in discussions regarding AMWA's easement and piping. Executive Director Casey also presented a possible solution of changing the angle of the raw water pipes and therefore moving the pipes away from the home.

Mrs. Theresa Vrij spoke about the confusion and run-around that the City of Athens had given her and her husband, after they issued a stop work order in November. Mrs. Vrij explained that the survey conducted when the property was purchased did show the easement. In her discussions with the City, it was never brought to her attention that the owner of the easement and water pipes was AMWA and not the City of Athens. Mrs. Vrij did not know that she should reach out to AMWA until after discussing this issue with a neighbor.

Mrs. Vrij is hoping that AMWA will be amenable to revising the existing easement and allowing them to relocate the pipes at their expense.

Executive Director Casey explained that it may be necessary to call a Special Session of the Board in the next few weeks, as a plan to move forward is finalized and will need Board approval.

DISCUSS AND ACT UPON A VARIANCE REQUEST TO THE RULES & REGULATION GOVERNING LAKE ATHENS, ARTICLE 2, SECTION 2, LENGTH OF PIER OR BOATHOUSE

Mr. Brandon Pope, who owns Viewpoint lot 3 and Viewpoint lot 4, would like to build his boathouse out an additional 20 feet. Currently he has a variance for a boathouse 80 feet in length, and would like to build further to reach deeper water.

Executive Director Casey explained that Mr. Pope will be angling this boathouse from Viewpoint lot 3 toward Viewpoint lot 4. Executive Director Casey also explained that if this variance is approved, and Mr. Pope sells Viewpoint lot 4, he must disclose that Viewpoint lot 4 will not ever be able to build a dock or boathouse. These notes have already been documented in the AMWA offices.

A motion was made by Director Gatlin, seconded by Director Foster, to approve the additional 20' length variance. This motion carried unanimously.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Casey gave his Executive Director and Chief of Police reports.

Executive Director Casey gave an overview of the changes requested to the *Rules & Regulations Governing Lake Athens*, that include

- adding a section for aquatic vegetation removal
- updating the penalties to match the State penal code

A motion was made by Director Lunceford, seconded by Director Chaney, to approve the revisions to the *Rules & Regulations Governing Lake Athens*, as presented by staff. This motion carried unanimously.

ENGINEER'S REPORT

Corey Frentress, of Velvin & Weeks Consulting Engineers, gave an update regarding the dam maintenance and toe drain project.

EXECUTIVE SESSION, PURSUANT TO TEXAS GOVERNMENT CODE, CHAPTER 551

Director Gatlin made a motion, seconded by Director Foster, to enter into Executive Session for the purpose of consultations with the attorney of the Authority, regarding continuing deliberations with TCEQ and the City of Athens contract. This motion carried unanimously.

The Directors entered into Executive Session at 8:52 A.M.

The Directors returned from Executive Session at 9:21 A.M., and no action was taken.

ADJOURN

A motion was made by Director Gatlin and seconded by Director Foster to adjourn the meeting at 9:22 A.M.

PASSED AND APPROVED on this 10th day of May 2017.

Mike Peek, President

ATTEST:

Donald A. Foster, Secretary