

**ATHENS MUNICIPAL WATER AUTHORITY**

**August 10, 2016**

The Board of Directors of the Athens Municipal Water Authority ("AMWA") met in Regular Session on Wednesday, August 10, 2016, 8:00 a.m. in the Hart-Morris Conservation Center of the Texas Freshwater Fisheries Center, with the following members present, to-wit:

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

absent: Frank Lunceford, Board Member

others present: Bill Casey, AMWA Executive Director; Martin Bennett, AMWA Attorney; Corey Frentress, Velvin & Weeks; Tyler Hendrickson, Velvin & Weeks; Beth Flach, AMWA; JW Lambright, Smith, Lambright & Associates; John Legard, Smith, Lambright & Associates; David Hopkins, Smith, Lambright & Associates

guests of note: Jerry Don Vaught, City of Athens Mayor; Joe Whatley, City of Athens Councilmember; Gary Whittle, City of Athens; Lawrence Cutrone, City of Athens Director of Public Works

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**

Mr. Dorian Reeder, of Zueller Hawley Subdivision and Lake Athens Property Owners Association, expressed the desire of LAPOA for the Authority to enact nighttime speed limits on Lake Athens.

**CONSENT AGENDA**

A motion was made by Director Gatlin and seconded by Director Foster to accept the minutes of the July 13, 2016 Regular Session Board Meeting, as presented. This motion carried unanimously.

**DISCUSSION ON THE IMPLEMENTATION OF RULES & REGULATIONS CONCERNING RESTRICTING BOATING SPEEDS ON LAKE ATHENS**

Following Lake Athens residents' concern from the July 13, 2016 board meeting regarding the high speed travel of some boater, Counsel Martin Bennett explained that Texas Parks and Wildlife has a very explicit statute that does not allow for political subdivisions to restrict boating speeds on public water, outside of what is deemed "safe and reasonable". Additionally, numerical speed limit signs are prohibited on public waters.

**COMMITTEE REPORTS**

Director Gatlin presented the financial statements.

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

The Board of Directors then reviewed the prepared second draft of the 2016-17 fiscal year budget, as prepared by staff.

A motion was made by Director Gatlin and seconded by Director Chaney, to schedule a public hearing for the 2016-17 budget, during the September 14, 2016, Board meeting. This motion carried unanimously.

Office Manager McConnell then presented a report on the previous month's public relations activities.

#### **ENGINEER'S REPORT**

Corey Frentress of Velvin & Weeks Engineering Consultants gave an update on the various projects that are in development, including the dam maintenance. E TTL Engineering has completed the testing on the seepage problem at the dam and will have final recommendations on a course of action at the September Board meeting.

A motion was made by Director Gatlin and seconded by Director Foster to accept Morrow Construction's bid of \$268,617.50 for phase one of the new headquarters building. This motion carried 3-0, with Director Chaney abstaining.

A motion was made by Director Gatlin and seconded by Director Foster to accept Republic Contractor's bid of \$290,434 for phase two of the new headquarters building. This motion carried 3-0, with Director Chaney abstaining.

#### **2016-17 TAX RATE**

A motion was made by Director Gatlin and seconded by Director Chaney to open the floor for public comment on the proposed 2016-17 tax rate. This motion carried unanimously.

No public comments were made.

A motion was made by Director Chaney and seconded by Director Gatlin to close the public comment period on the proposed 2016-17 tax rate. This motion was carried unanimously.

A motion was made by Director Chaney and seconded by Director Gatlin to adopt a resolution setting the 2016-17 tax rate at \$0.119729/\$100 of valuation, which remains unchanged from the 2015-16 tax year. This motion carried unanimously.

#### **AUDIT REPORT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2015**

JW Lambright gave a summary of the findings of the 2014-15 financial audit, as prepared by his firm, Smith, Lambright & Associates.

A motion was made by Director Gatlin and seconded by Director Chaney to accept the 2014-15 fiscal year audit as presented. This motion carried unanimously.

#### **CAPITAL ASSET DEFINITION**

A motion was made by Director Foster and seconded by Director Gatlin, to adopt a resolution changing the definition of a capital asset from an asset costing more than \$500 and used for multiple years, to an asset costing more than \$1,500 and used for multiple years. This motion carried unanimously.

### **PROFESSIONAL SERVICES RFP – AUDIT SERVICES**

A motion was made by Director Chaney and seconded by Director Foster, to allow the Executive Director and staff to solicit requests for proposals for audit services for the 2015-16 through 2017-18 fiscal years, with options for the two following fiscal years. This motion carried unanimously.

### **REVISIONS REQUESTED TO THE MARINA CONCESSIONAIRE'S LEASE**

Lake Athens Holdings, LLC requested several changes to the concessionaire's lease that was signed on October 14, 2015.

A motion was made by Director Gatlin and seconded by Director Foster to change the provision regarding the number of consecutive days a guest may stay in the RV Park. The original lease states that an RV guest can stay 90 days of a 180 day period. The board revised the lease to state that an RV guest can now stay up to 180 days of a 365 day period. This motion carried 3-1, with Director Chaney dissenting.

A motion was made by Director Gatlin and seconded by Director Chaney to *not* allow tent camping anywhere on the Marina property. This motion carried unanimously.

Discussion was held on several other items with it being decided that more information was needed. A request will be made of Lake Athens Holdings, LLC to make a formal presentation to the Board of Directors, during open session, on the requests of (a) leasing Airstreams, other recreational vehicles or dwellings for overnight stays and (b) a schedule of operations during non-peak times.

### **COMMUNICATING WELL DEVELOPMENT EXPECTATIONS TO THE CITY OF ATHENS**

President Peek spoke on the speculation regarding the contents of the letter proposed to be sent to the City of Athens and read a brief synopsis of the letter including: the City communication in July 2015, that additional wells were not wanted, and that because of that the Athens Municipal Water Authority has put the planned development of the Powder River Well Farm on hold, indefinitely. This letter also communicates the requested 24 month time period that the Authority needs to properly develop a well, and a special report on the negative effects of stagnant conditions in a water well system.

At this time, some members of the delegation from the City of Athens began talking about non-agenda items, such as: the need to meet more frequently between the organizations and wanted to partner with the Authority to replace aging City infrastructure. Additionally, there was discussion between the City and the Authority over the real issues at the existing well, located at the Water Treatment Plant.

A motion was made by Director Chaney and seconded by Director Foster, to send the City of Athens Council and Administrator a letter expressing the Authority's expectation when a well is needed in Athens. This motion carried unanimously.

### **EXECUTIVE DIRECTORS REPORT**

Executive Director Casey gave an update on AMWA and the AMWA Police Department.

### **ADJOURN**

A motion was made by Director Foster and seconded by Director Chaney to adjourn the meeting at 9:31 A.M.

PASSED AND APPROVED on this 14th day of September, 2016.

---

Mike Peek, President

ATTEST:

---

Donald A. Foster, Secretary