



Sammy Rich, City Manager
Mike Hackett, Director
John Boyd, Assistant Director
WATER AND SEWER DIVISION
Customer Service Department
Bryan Parris, Director
Operations Department
Brandon M. Cook, Director
Water Reclamation Facilities
Johnny Massingill, Director
Water Treatment Facilities
Wayne Stanley, Director

WATER AND SEWER COMMITTEE MEETING
City Hall, 601 Broad Street, Sam King Room
Thursday, June 3, 2021
8:30 AM

PRESENT: Chairperson Jim Bojo
Commissioner Sundai Stevenson
Commissioner Wendy Davis
Mayor Craig McDaniel
Commissioner Mark Cochran
Mr. Sammy Rich, City Manger
Mr. Mike Hackett, Water & Sewer Division Director
Mr. John Boyd, Assistant Division Director
Mr. Bryan Parris, Customer Service Director
Mr. Brandon Cook, Operations Director
Mr. Johnny Massingill, Water Reclamation Director
Mr. Jeff Pope, Water Reclamation Assistant Director
Mrs. Toni Rhinehart, Finance Director
Mr. Joe Smith, City Clerk

VISITORS: Mr. Doug Walker, Rome News Tribune

CALL TO ORDER

Chairperson Jim Bojo welcomed everyone and called the meeting to order.

REVIEW OF THE MINUTES

No changes to the May 6, 2020 minutes were suggested. The minutes were approved by common consent.

Minutes prepared by: Bryan Parris, Customer Service Director
Water and Sewer Committee/ Commission Minutes, June 3, 2020

FINANCIAL REPORT

Mrs. Toni Rhinehart reported operating revenues were both up slightly from last year and expenses were down a bit. The budget in the water filter plant is pretty much in line with 2020, aside from a couple charges. 5710 has some large supplies as compared to 2020, at around \$300,000. The increase in 2021, from 2020 is around \$523,000. Debt service is 2.8, which is up from 2.05 last year. Mrs. Rhinehart stated there were several large expenses in April which were expected and capital projects came to a cost of 1.394 mil, as compared to 2020 at 38,000.

OLD BUSINESS

Burwell Creek Sewer Interceptor:

Mr. Hackett explained in 2017 there was a SPLOST package put together for replacement and repairs to this section of sewer mains with the hope that lines wouldn't be too degraded to use a technology called CIPP to correct the problems, unfortunately this was not included in the approved SPLOST package. The pipe has now become too degraded to use this process. As a result, to repair the pipe will now require us to use an open cut or pipe bursting. This line, about 3 miles long will have to be replaced soon. Hackett stated it was installed in the 90s and flow was much higher in the Shannon area at the time. Lower flows have contributed to the degrading of the line over time saying hydrogen sulfide in a low gravity line combines with the extra space to form sulfuric acid. Hackett showed an example of the pipe in question was shown. The sulfuric acid ate through the pipe, even though the pipe had a liner when it was installed. Dirt has fallen in the disintegrated pipe. A trench box had to be set up, and sewage had to be pumped out, while sewage was still flowing. All of the disintegrated pipe had to be removed, until enough stable pipe was found to reattach to. Hackett explained the pipe material is hard to get right now, and the crew only had 18-inch pipe on hand. It took two crews about two weeks to complete. Hackett said this was the 3rd collapse since he had been here and 30 years is the normal lifespan of these pipes. If not addressed, they can't confirm that another, larger or multiple collapses won't happen. Another example showed the 180 ft that had to be dug to find good pipe to reattach to. The illustration also showed the swampy areas at Rome High School and areas near Unity Christian School and Calvary Baptist Church. The estimate to fix, if using open cut is about \$150.00 per foot, and pipe bursting would cost approximately \$300, which will have to be used behind Celanese area due to PCBs. The new pipe will be SDR 26 PVC since it resists corrosion. Old drawings have been submitted to an engineer, and they are trying to see what portions can be done as a rehab, instead of a replacement. Timing is key, since the areas that are swampy will cost less if done when dry. Mr. Hackett said this could not be done in-house, due to the size of this project it would take the majority of our forces away from daily jobs. The estimate is 9 months, with an estimated cost of \$3-4 million. The more pipe that has to be cut will edge it closer to the 4-mil mark. This is a must do.

100 Unit Housing-Payback Analysis:

Mr. Hackett stated this relates to the discussion about incentives for development. This includes eliminating connection fees for new developments. An example of a 100-unit development with a ¾ inch water service and a 6-inch sewer service was used in the presentation. The tap fee would be \$1600 each, or \$160,000 for water, \$180,000 for sewer, which totals \$340,000 in connection fees.

The monthly projected revenue, yearly revenue and 10-year revenue was shown on a slide, showing recoupment of the incentives over that period of time, using some assumptions. A variable cost assumption as well as a fixed cost

assumption and a zero-cost assumption were compared and discussed. Commissioner Cochran asked if the new lines for the proposed 100 new units were considered an asset or a liability, Mr. Hackett answer was both. When the pipes are new, they are an asset, but after time and deterioration, they become a liability to maintain and replace.

Commissioner Davies reminded the Committee of the overall economic impact of the 100-unit perspective highlighting the property taxes coming in from those houses, people who live in those houses spending money in the city, and the impact on the overall city.

Industrial Surcharge Resolution:

The next topic discussed was industrial pretreatment. Mr. Hackett, Mr. Massingill and Mr. Pope explained the industrial surcharges cover the expense of removing heavy wasted concentrations by industrial users. The last surcharges were based on 2016 numbers. Those surcharges went into effect in 2017. Mr. Massingill stated the budget since then has increased 45% while permit levels have dropped from 30mg to 10. If the discharge at the Rome plant is at 25mg or over, that is considered a major spill. By keeping the numbers low, it has also required the use of more chemicals. A slide was shown to see what businesses would be affected. Ball, Marglen, Lewis, and Polyventive. The numbers for Ball in 2020 were \$492.42. The cost at the new rate would be \$6566.75. The difference between rate increases and penalties for being over limit was explained. Mr. Massingill said the cost of the new rates, all though in the thousands, is well below the cost of the companies used in the example installing and maintaining their own equipment. The changes in the permit limits and other naturally occurring costs and the increase of business costs are what are causing the price increases.

Commissioner Stevenson made the motion to take the new rate proposal to the full commission. Commissioner Davis seconded the motion. Chairperson Bojo asked for presentation could be made at the next caucus.

2021 Floyd County Water Rate:

Mr. Hackett stated there current is no real wholesale water purchase agreement currently in place and since the previous agreement ended there a had simply been an agreed to amount charged year to year by both the City and County. The current charged is \$1.46 per thousand gallons. Mr. Hackett went on to say now that the new Berry transmission line is in place, we are self-supplying and with becoming self-supplying, is there a real reason to have an agreement and at what rate?

Mr. Hackett said with knowing the contract Floyd County has with Calhoun will be up for renewal soon, this raises the question if it is best to continue wholesale pricing, or to treat them as a regular customer, since the costs incurred are on the City, and the County continues purchasing less water regardless of the price we are charging than in years past. Commissioner Davis and Stevenson both stated the current rates did not seem justified and need to be reconsidered.

OTHER

Commissioner Stevenson stated she wanted to thank the Water and Sewer Division for all their hard work and efforts put forth to continuously provide the City and its citizens with outstanding service.

Mr. Hackett and Mr. Massingill informed the Committee that Mr. Jeff Hill had just received GAWP Operator of the Year District One and WEF William D. Hatfield Georgia Operator of the Year award.

Adjourn

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There being no further business to discuss the meeting was adjourned

Respectfully submitted

Mike Hackett, Director
Rome Water and Sewer Division