City of Peachtree City
JOINT WORKSHOP with WASA
Minutes of Meeting
May 9, 2006
7:30 p.m.

The City Council of Peachtree City met with WASA in a workshop session on Tuesday, May 9, 2006, at 7:37 p.m. Council Members attending were: Mayor Harold Logsdon, Steve Boone, Cyndi Plunkett, and Judi Rutherford. Stuart Kourajian arrived at 7:45 p.m. Staff members attending were: City Manager Bernard McMullen, Assistant City Manager Colin Halterman, and City Engineer Dave Borkowski. WASA members attending were: Mike Harman, chairman; Wade Williams, secretary/treasurer; Tim Meredith; Jeff Prellberg; and WASA General Manager Larry Turner. Richard Ferry, Senoia City Manager, also attended. The purpose of the workshop was to discuss sewer access on Huddleston and Hip Pocket Roads and to discuss the City of Senoia's request for wastewater treatment.

Turner gave a brief history of WASA (a copy of the PowerPoint presentation is included in the meeting file). The Authority was created in 1987 by an act of the Georgia Legislature. WASA acquired the Georgia Utility assets in May 1997. At that time, there were three wastewater treatment plants (WWTP) with a 4.9 mgd capacity, 142 miles of gravity sewer, 26 lift stations (only eight with standby power capability and none with telemetry), and the general condition of the system was described as poor to good. Today, WASA has two WWTPs with 6 mgd capacity, 171 miles of gravity sewer, 37 lift stations (all with telemetry and standby power availability), the general condition of the system was good to excellent, state of the art treatment process with urban reuse and ultraviolet disinfection, and lower than average rates for the Atlanta metro area.

Turner also went over the FY 2005 financials. The budgeted revenues were $6,240,500, and the actual revenues were $6,537,222. The budgeted expenses were $5,647,789, and the actual expenses were $5,793,202. Turner said $151,308 was added to WASA's reserves in FY 2005.

According to the Metropolitan North Georgia Water Planning District's Long-term Wastewater Management Plan 2030, WASA's capacity should expand to 8 mgd in 2011-2020. The proposed increase in the capacity was not due to growth in the City. Turner explained that, according to the plan, all of the septic systems in the County would be absorbed by the sewer system during that time period.

Turner discussed the system design and the current flow projections. The current contingency flow was 0.76 mgd. With the closing of Photocircuits, another 0.18 mgd was available for a total available capacity of 0.94 mgd. Turner noted that the request from the City of Senoia was for 0.50 mgd, which would leave the City with 0.44 mgd of available capacity. The maximum daily flow in 2005, with Photocircuits open, had been 3.89 mgd. Now, the maximum daily flow was approximately 3.7 mgd.

Turner said WASA would not know how much the closing of Photocircuits affected the budget until the end of the year. Photocircuits had been 8% of the total budget, and had been the biggest user. The budget was slightly in the red currently. The budget cost centers included administration, WWTPs, operators, laboratory, the collection system, maintenance, and technical services.

Rutherford noted that Senoia had a few options, one of which was to build its own plant. She noted that Tyrone was also growing and the state could expect the City to pick up the slack. McMullen said that a Development of Regional Impact (DRI) in Tyrone had just been approved. The development would have its own plant. The Atlanta Regional Commission (ARC) and the Georgia Regional Transportation Authority (GRTA) were not following the state plan when approving DRIs. Rutherford agreed, and added that Tyrone had community systems approved by the state that failed at a regular rate. The state was not following its own recommendations.

Turner pointed out that Council also needed to consider money. If Council approved the request from Senoia for wastewater treatment, the City's sewer rates would not have to double. The agreement with Senoia had to be firm before he could go to the bond market to do what needed to be done. Kourajian asked what would happen if Senoia wanted to up its capacity to 0.6 mgd. Turner said that Senoia would incur strong financial penalties for exceeding 0.5 mgd.

Turner addressed the sewage spill into Line Creek that occurred on May 6. The spill occurred at the Rockaway Road treatment plant and was due to the failure of the operator to react to flow stoppage. When the operator was relieved at the end of his shift, the new on-duty operator noticed the problem right away. Turner said the EPD had determined there had been no significant impact on Line Creek. He anticipated that WASA would receive a consent order and a fine. WASA would also be required to monitor Line Creek more often for a year. The tests would be done daily for a month, then weekly.

McMullen added that, with all of the City's properties platted and no more annexations, the City's population might get to 37,000. If the West Village annexation occurred, the population would increase by another 3,000-4,000. There could be 1,000-1,200 additional housing units if the annexation were to take place. Kourajian asked what was the recommended capacity. Turner said the Environmental Protection Division (EPD) required an expansion plan when the system was at 90% of the maximum flow. Logsdon asked how soon an expansion could take place. Turner said it would take approximately four years providing the permitting process sped up.

Turner showed an aerial view of Hip Pocket Road that showed the properties on septic systems. Plunkett asked if the area residents had been surveyed to see if they wanted to connect to sewer. Turner said they had not. He continued that a low-pressure system would be the least expensive to install, but was not as reliable as a gravity system. A gravity system was the most expensive to retrofit. WASA had looked at the area in 2000, and the cost would have been $7,200 per lot. Today, the cost to put all the homes on sewer would be $10,000 per lot. The cost included constructing the grinder pump and lines, plus a connection fee of $1,750. Boone asked if WASA could set up a special tax district. Turner said he was not sure, but the City did have authority to set up special assessment districts.

Kourajian asked what the benefit of connecting to sewer would be for someone whose septic system was working fine. Logsdon said Council needed to consider what was best for the entire City, and that was to get the area on sewer to protect Lake Peachtree. He noted that the lots were small, and the property owners probably would not have room for another field and would not be able to get a permit for a new system. McMullen said Council's hammer was that the owners whose systems failed would have to come to Council to get permission to put in a pressure line in the right-of-way. One line in the right-of-way was fine, but there would be problems when there were six-12 lines and one ruptured. It would be difficult to find out which property the line belonged to, and there would be another spill while staff was figuring it out.

Logsdon said they should contact the homeowners association in the area and find out if the residents were interested.

Turner said that when the City acquired the system, a few property owners on Huddleston Road contacted WASA about connecting to the system. The uses in the area were commercial and industrial. The problem had been how to apportion the cost due to the various uses. The property owners did not like the cost, and the matter was put on a back burner. Halterman added that WASA would also be required to resurface the entire street.

Logsdon said Huddleston Road needed sewer. It was a prime area for redevelopment. He asked how the City could make it happen. McMullen said there would have to be a special assessment district. They would have to get all of the property owners to buy in in terms of redevelopment of the whole area. Connecting to sewer would increase the property values. It would also be possible to freeze the property values in terms of taxes for a period of time. Plunkett said that, just because there were hurdles, there was no reason not to explore the possibility and to ask the questions. Logsdon asked how many of the property owners had to participate in order to do the work. McMullen said the optimum situation would be for the City to work with one developer. Plunkett said there should a similar incentive for residential neighborhoods. Rutherford said they would get a better price when they sold.

Logsdon asked if the City should meet with property owners and explain the concerns about the septic systems. Rutherford said she wanted to get the information on the tax districts first. Logsdon said the information from WASA was good, and he wished there were an easy answer.

Turner said that, since Hip Pocket Road would be a low-pressure system, it would be best for all the homes to go on the system at the same time. Kourajian asked if there were a minimum number required for the system to work properly. Turner said 80% of the homes would be needed to keep the flows going and the odors down. The homeowner would provide the outlet and pay the electricity. WASA would install the pumps, the force main, and connect the line to the houses.

Plunkett noted that the bottom line for the Senoia request was that WASA had the capacity. Entering into an agreement with Senoia would offset the cost of the system for the City residents, and the state would eventually mandate the connection. Turner added that WASA had lost 0.5 mills in revenue and would have to start dipping into its reserve funds.

Kourajian asked Turner if WASA was taking in less than it cost to run the system. Turner said WASA was currently taking in less money than it took to run the system. Harman added that it had been a good year for sewer connection fees, which had helped, but it would take a year to see what the closing of Photocircuits would do to the budget. He explained WASA's rate structure. He said that if industry was responsible for 20% of the total flow, then 20% of the cost was assessed to industry. If other industrial or commercial users did not replace Photocircuit's flow, then residential users would have to take over a bigger share of the costs. The rates would increase. Harman said the City did not need the capacity that Senoia was requesting. Rutherford asked if Senoia would do the billing and collections. Harman said Senoia would pay WASA, then would do its own billing and collections. It was a great deal for WASA and the City. Kourajian said he was not sure it was a good deal for everyone. Harman said everyone's rates would increase. Otherwise WASA was not operating in the black – it was about the degree of loss. Turner said the City would not see another user like Photocircuits. Atlanta was out of water, and the state's development officials were turning away industries that needed a lot of water. Rutherford asked how often WASA looked at its rate structure. Turner said every two years. Photocircuits had been 8% of WASA's budget.

McMullen asked Council if anyone needed more information. Kourajian said he would like to see more financial information. The request from Senoia would be placed on the June 1 Council agenda.

There being no further business to discuss, the meeting adjourned at 9:17 p.m.

Pamela Dufresne
Pamela Dufresne, Recording Secretary

Harold K Logsdon
Harold K. Logsdon, Mayor