

MINUTES
MURFREESBORO WATER RESOURCES BOARD
April 25, 2023

The Murfreesboro Water Resources Board met on Tuesday, April 25, 2023 in the conference room at the Operations and Maintenance Building, 1725 S. Church Street. Present at the meeting were Board members: Mr. John Sant Amour, Dr. Al Carter, Mr. Ron Crabtree, Mr. Brian Kidd, Ms. Kathy Nobles, Ms. Madelyn Scales-Harris, Ms. Sandra Trail, and Mr. Kirt Wade. Also present were Darren Gore, Doug Swann, Valerie Smith, Michele Pinkston, Marshall Fall, Josh Upham, Randy McCullough, Donald Hughes, Sarah Mathews, Alan Cranford, Joe Russell, John Strickland, Matt Powers, Steve Campbell, Travis Wilson, and Brent Fowler along with other members of the public.

The Consent Agenda was presented to the Board for approval:

A. Consider computers purchase

B. Consider JBS Task Order No. 23-03, WTP Valve Gearbox Investigation

Sandra Trail made a motion to accept the Consent Agenda as presented and it was seconded by Kathy Nobles. The Board voted unanimously to approve.

The March 21, 2023 Board Minutes were unanimously accepted as presented.

The Board considered SSR Task Order 19-41-108.0 Amendment #1, Overall Creek Pump Station Upgrades.

Additional services were requested beyond the scope of original project. These services include cold panels, relocate generator from DeJarnette Lane to the Overall Creek Pump Station, redesign of the drywell, adding bathroom, and relocation of CUD water lines. The additional services are in the amount of \$37,497.50.

Staff recommended amending the design fee for the additional work.

Brian Kidd made a motion to approve. Dr. Carter seconded. The motion unanimously passed.

The Board considered TTL Geotechnical Services budget revision for Overall Creek Pump Station Expansion project.

The original services were \$53,339. TTL anticipate being over \$27,000 due to micro pile construction, backfilling, and inspecting the underground geological conditions. This will ensure that the contractors are putting foundations on the right bedrock and backfilled properly. The cost addition will increase the contract to \$80,339.

Kathy Nobles made a motion to approve. Madelyn Scales-Harris seconded. The motion unanimously passed.

The Board considered the Hobas pipe sewer rehabilitation bids.

The design was completed, and bids were to be received in November. However, no bids were received for the project. LJA contacted several contractors who stated there was a lack of access as well as unknown requirements of working within CSX Railroad right of way.

At the request of staff, LJA has submitted an amendment to the Task Order for re-bidding the project as well as assisting in obtaining CSX approval and permits, and delineating access easements.

Bids re-opened April 20, 2023. SBW was the only bidder. LJA submitted bid at \$9,945,158.

Staff recommends awarding the contract to SBW Constructors.

TDEC through ARP (American Rescue Plan) awarded MWRD \$10.1 million which will be used for this project.

Brian Kidd made a motion to approve. Kathy Nobles seconded. The motion unanimously passed.

The Board considered FY2024 rate recommendation.

Staff recommended the following changes to the minimum monthly water charge adjustments for 5/8" meters through 2" meters:

<i>Meter Size (INCH)</i>	<i>FY23 Total minimum</i>	<i>FY24 Proposed minimum</i>	<i>Difference</i>	<i># of Accounts</i>	<i>Added Revenue</i>
5/8"	\$9.72	\$10.72	\$1.00	25,498	\$305,976
1"	\$21.54	\$22.37	\$0.83	554	\$5,518
1-1/2"	\$45.08	\$46.39	\$1.31	331	\$5,203
2"	\$70.77	\$72.49	\$1.72	424	\$8,751
3"	\$164.40	\$164.40	\$0.00	74	\$0.00
4"	\$328.80	\$328.80	\$0.00	23	\$0.00
> 6"	\$685.00	\$685.00	\$0.00	12	\$0.00
			Total	26,916	\$325,449

Staff recommended the following changes to the minimum monthly sewer charge adjustments for 5/8" meters:

<i>Meter Size (INCH)</i>	<i>FY23 Total minimum</i>	<i>FY24 Proposed minimum</i>	<i>Difference</i>	<i># of Accounts</i>	<i>Added Revenue</i>
5/8"	\$10.22	\$10.72	\$0.50	47,853	\$237,915
1"	\$27.98	\$27.98	\$0.00	261	\$0.00
1-1/2"	\$61.90	\$61.90	\$0.00	158	\$0.00
2"	\$100.06	\$100.06	\$0.00	96	\$0.00
3"	\$252.70	\$252.70	\$0.00	8	\$0.00
4"	\$507.10	\$507.10	\$0.00	1	\$0.00
> 6"	\$1,058.30	\$1,058.30	\$0.00	2	\$0.00
			Total	48,379	\$237,915

A reduced commodity rate for sanitary sewer recommended from \$5.67 per thousand gallons to \$5.50 per thousand gallons. Adjusting the commodity rate for sanitary sewer to a lower rate would lower monthly bills for all customer classes with 1-inch meters and larger.

Sandra Trail made a motion to approve. Brian Kidd seconded. The motion unanimously passed.

The Board considered Water Resources and Stormwater Funds 2024 draft budgets.

	FY21 ACTUAL	FY22 ACTUAL	FY23 BUDGET	FY23 PROJECTED	FY24 BUDGET
REVENUES					
WATER, OPERATING REVENUE	\$ 16,312,648	\$ 16,970,612	\$ 17,468,000	\$ 17,846,690	\$ 17,665,000
REPURIFIED, OPERATING REVENUE	\$ 31,289	\$ 38,551	\$ 36,000	\$ 44,870	\$ 40,000
SEWER, OPERATING REVENUE	\$ 30,566,937	\$ 32,087,394	\$ 32,561,000	\$ 33,173,911	\$ 32,815,000
OTHER INCOME AND EXPENSE	\$ 453,140	\$ 378,379	\$ 318,000	\$ 3,114,715	\$ 2,198,000
TOTAL OPERATING REVENUES	\$ 47,364,013	\$ 49,474,937	\$ 50,383,000	\$ 54,180,186	\$ 52,718,000
INTEREST INCOME OTHER INVEST.	\$ 68,759	\$ 54,074	\$ 28,000	\$ 950,865	\$ 850,000
TAP RECEIPTS	\$ 10,948,117	\$ 9,422,336	\$ 7,150,000	\$ 6,219,172	\$ 6,150,000
TOTAL REVENUES	\$ 58,380,889	\$ 58,951,347	\$ 57,561,000	\$ 61,350,223	\$ 59,718,000
EXPENSES					
WATER, OPERATING & MAINTENANCE	\$ 7,034,642	\$ 7,297,929	\$ 8,584,600	\$ 8,462,805	\$ 9,957,800
SEWER, OPERATING & MAINTENANCE	\$ 7,511,193	\$ 8,358,683	\$ 10,500,400	\$ 8,677,843	\$ 11,283,400
CUSTOMER BILLING & COLLECTION	\$ 1,959,029	\$ 2,161,977	\$ 2,761,000	\$ 2,491,433	\$ 2,904,000
ADM & GENERAL EXPENSES	\$ 5,524,014	\$ 6,993,838	\$ 7,062,800	\$ 6,633,344	\$ 7,369,300
TOTAL OPERATING EXPENDITURES	\$ 22,028,877	\$ 24,812,427	\$ 28,908,800	\$ 26,265,425	\$ 31,514,500
CAPITAL EXPENDITURES	\$ 2,494,713	\$ 2,796,280	\$ 8,455,900	\$ 2,987,149	\$ 8,790,500
DEBT SERVICE	\$ 12,753,837	\$ 8,990,584	\$ 9,029,700	\$ 9,029,700	\$ 9,066,700
TRANSFERS TO RESERVES	\$ 17,369,306	\$ 12,274,759	\$ 11,166,600	\$ 11,290,086	\$ 10,346,300
TOTAL EXPENDITURES/RESERVES	\$ 54,646,733	\$ 48,874,051	\$ 57,561,000	\$ 49,572,360	\$ 59,718,000
DEBT COVERAGE RATIO (DCR)					
OPERATING REVENUES	\$ 47,364,013	\$ 49,474,937	\$ 50,383,000	\$ 54,180,186	\$ 52,718,000
OPERATING EXPENSES	\$ 22,028,877	\$ 24,812,427	\$ 28,908,800	\$ 26,265,425	\$ 31,514,500
FUNDS AVAILABLE FOR DEBT COVERAGE	\$ 25,335,136	\$ 24,662,510	\$ 21,474,200	\$ 27,914,761	\$ 21,203,500
DEBT SERVICE	\$ 12,753,837	\$ 8,990,584	\$ 9,029,700	\$ 9,029,700	\$ 9,066,700
DCR (Goal = >1.2)	1.99	2.74	2.38	3.09	2.34

Sandra Trail made a motion to approve the water and sewer budget. Dr. Carter seconded. The motion unanimously passed. Sandra Trail made a motion to approve the stormwater budget. Brian Kidd seconded. The motion unanimously passed.

Under Other Business, the Board considered bid for residuals to be removed from the lagoon at the Stones River Water Treatment Plant.

Staff requested the Board to recommend to City Council to approve a contract with Slurry Systems Company for the lagoon residuals removal in the amount of \$498,000.

Madelyn Scales-Harris made a motion to approve. Kathy Nobles seconded. The motion unanimously passed.

Staff presented and discussed the Water Resources Dashboard Performance for March 2023.

Staff presented the Financial Reports for the year ending March 31, 2023.

There being no further business, the meeting was adjourned.

John Sant Amour, Chairman