

MINUTES OF THE OXFORD MAYOR AND COUNCIL MEETING WORK SESSION MONDAY, NOVEMBER 17, 2023 – 9:00 AM Newton Chamber of Commerce

ELECTED OFFICIALS PRESENT:

David Eady - Mayor
George Holt – Councilmember
Jim Windham – Councilmember
Laura McCanless – Councilmember
Jeff Wearing – Councilmember
Erik Oliver – Councilmember

STAFF PRESENT:

Marcia Brooks – City Clerk/Treasurer Bill Andrew – City Manager Mark Anglin – Police Chief

ELECTED OFFICIALS NOT PRESENT

Mike Ready - Councilmember

OTHERS PRESENT: David Key (Carl Vinson Institute of Government), Bobby Sills (Nelsnick Enterprises), Art Vinson, Laurie Vinson

Agenda (Attachment A)

1. Peak Solarworks Power Purchase Agreement

Mayor Eady stated that based on the discussion in the last Regular Session and consensus to move forward with upgrading the City's substation, he has reached out to MEAG Power to find out what the next steps should be. This issue will be voted on at the December Regular Session.

Jim Windham asked how Peak Solarworks is coming out so good on this deal that they are able to offer the prices stated in their proposal. Mayor Eady stated that the initial cost will be partially covered by the grant they have received. They will also benefit from the Inflation Reduction Act which they will realize investment tax credits from.

Erik Oliver asked several questions concerning the solar farm, which Mayor Eady answered:

- a. How big in acres is the field? About ten acres.
- b. What is the lifespan of the panels before they must be replaced? Each panel has at least a thirty-year service life.

c. What type of security will there be to secure the property? The proposal from Peak Solarworks states they would install a fence around the property. They would also likely install cameras. Peak Solarworks will be responsible for the security of the site.

Jim Windham and Laura McCanless both expressed appreciation to the City Hall staff for the monthly notices to customers regarding anomalous usage of water.

2. New System Development Charges for Water and Sewer

Bill Andrew introduced this subject by reviewing why the City of Oxford has engaged with Nelsnick Enterprises to evaluate its tap fees for water and sewer. As mentioned in the most recent Regular Session, current tap fees are based on a 2016 rate schedule of the Newton County Water and Sewer Authority (NCWSA). The current tap fees are sometimes inadequate to cover the installation costs of taps, and moreover, they do not provide for the setting aside of funds for future replacement/development of infrastructure.

Nelsnick Enterprises has evaluated Oxford's cost to install taps in the future, including staffing, infrastructure replacement, and capacity. The proposed charges are significantly higher than what the City currently charges customers, but Mr. Andrew feels that the proposed fees align with those of other jurisdictions he has experience with. He also noted that the proposed fee structure distinguishes properties on the west side of Oxford from the east side because they are in two different water basins and are served by different water authorities.

Bobby Sills with Nelsnick Enterprises provided clarification on tap fees vs. system development fees. Tap fees are development costs. If a developer absorbs the development costs, a municipality should not charge for them. If the City does the work or contracts with someone to do it, the cost should be passed on to the developer. A system development charge covers capacity charges as well as recurring charges paid to the provider and costs to replace infrastructure. The calculations also include a credit to developers to negate the effect of them essentially paying double for system development charges. Water calculations are lower because Oxford only pays a distribution cost for water. He provided a technical memo outlining the recommended charges which was sent to the City Council members. These costs are only applicable to new installations of meters. They do not apply to customers on existing meters.

Mr. Sills also mentioned that NCWSA does not currently charge anything to the City for capacity, while the City of Covington currently charges \$22 per gallon. Once NCWSA completes their study the SDC rates will need to be reevaluated.

Mayor Eady mentioned blended rates as one option to make the rates the same across the different basins. Mr. Sills stated that might work for customer monthly rates, but it would be difficult for SDC rates because one set of customers would likely be subsidizing the rates of the other set of customers.

Bill Andrew stated that the Carter & Sloope is working on some figures to help the City Council evaluate in December whether to request more capacity from the City of Covington than is needed for Archer Aviation.

3. Adjourn

The meeting was adjourned by Mayor Eady at 9:57 a.m.

Respectfully Submitted,

Marcia Brales

Marcia Brooks

City Clerk/Treasurer