

**UPPER OCONEE BASIN WATER AUTHORITY
MEETING
NEGRC HEADQUARTERS
E.H. CULPEPPER CONFERENCE ROOM
JANUARY 25, 2017
9:30 A.M.**

MINUTES

Members Present:

Pat Graham
Elton Collins
Wayne Haynie
Joe Goodman
John Daniell
Amrey Harden
Eric Klerk
Frank Stephens

Alternates Present:

Harry Sims*
Joey Leslie
Blaine Williams
Mark Saxon
Mike Renshaw

*Representing Nancy Denson

Others Present:

Jim Dove, NEGRC Executive Director
Mott Beck, NEGRC Executive Assistant
Evans Brinson, NEGRC Comptroller
Alicia Page, NEGRC Comptroller
Chip Ferguson, Atkinson Ferguson
Bob Snipes, Owner's Representative
Brad Lanning, Jacobs
Ron Bridgeman, **Mainstreet Newspapers**
Jim Thompson, **Athens Banner Herald**

CALL TO ORDER AND APPROVAL OF NOVEMBER MEETING MINUTES

Chairperson Pat Graham called the meeting to order at 9:30 a.m. and welcomed those in attendance. She asked for a motion to approve the minutes of the November meeting. **Such a motion was made by Mr. Elton Collins and seconded by Commissioner Harry Sims. The motion passed unanimously.**

FINANCIAL REPORT

At this time, NEGRC Comptroller Alicia Page presented the financial report for the period ending December 31, 2016. **A motion to accept the financial report as presented was made by Mr. Collins and seconded by Mr. Amrey Harden. The motion passed unanimously.**

JOINT ENGINEERING/OPERATIONS COMMITTEE REPORT

The Joint Committee met on two occasions to discuss the Utilities Services Contract with Jacobs. Prior to the Authority meeting, they met to develop a recommendation to present to the Authority regarding said renewal. Mr. Wayne Haynie, Chairman of the Operations Committee, deferred this item to the Owner's Representative to be presented during his report.

UPDATE ON LOCAL LEGISLATION REGARDING RESOURCE MANAGEMENT COMMISSION

At this, Mr. Chip Ferguson provided an update on the status of the amendment to the Authority's enabling legislation which would abolish the Resource Management Commission. The required notices of intent to introduce local legislation have run in the four local newspapers. Representative Regina Quick, with support from the rest of the local legislative delegation, is leading the effort to introduce and promote the legislation.

OWNER'S REPRESENTATIVE REPORT

The reservoir refilled by the beginning of January 2017 and currently remains at full pool. There has been approximately 6.4 inches of rain since the beginning of January, and this is higher than the 45-year average of 4.29 inches. However, the 3-month stream flow outlook is about the same as the design year of 1986, and current 2017 January stream flows are significantly less than the January 2016 flows. The PHDI continues to decrease, and the current 3-month outlook (-4.87 or 0%) is significantly less than the design year of 1986 (-2.39 or 22%). If the PHDI does not rebound in the next couple of months, base streamflow may be an area of concern as the next typical drought protection period approaches. Current environmental conditions suggest that the area continues in a drought and appears to be a drought severity stage D. All of the above seems to suggest the need for the Authority to continue to closely monitor conditions.

Plans and supporting documents for the modification to the Lagoon Discharge System were submitted to EPD on October 11th, and they approved said modification on December 7th. Jacobs' staff, in cooperation with the contractor, completed the modification on December 22nd. The cost-not-to-exceed estimated cost for this project was \$37,500 (professional services - \$27,000 and construction - \$10,000). The final total cost was \$9,387.71 (professional services - \$4,460.21 plus construction - \$4,747.00), or about \$28,000 less than originally estimated. Therefore, the potential annual savings to total initial cost ratio for this project is approximately 20:1 for non-drought conditions and about 99:1 for drought conditions. Further, the minimum first year savings is about \$186,613 with equal or greater savings expected in each year thereafter.

Regarding the High Services Pump #8, the current schedule for this project calls for construction to be completed during the next few months. Efforts are underway to

refine the construction schedule and define ways to minimize the potential negative impact to the Jackson County system during construction.

Chemical bids are currently being solicited. Jacobs' staff anticipates having a bid recommendation within the next several weeks.

The Annual Report from Owner's Representative Bob Snipes was forwarded to members and alternates on January 23rd. This is required in Section 2(k) of the Professional Services Contract between the Upper Oconee Basin Water Authority and Bobby M. Snipes, P.E., Owner's Representative. This report shows the cost savings and other positive results achieved as a result of work efforts associated with the referenced Professional Service Contract. This document will be attached to these minutes.

Representatives of Barrow, Jackson, and Oconee Counties, along with Legal Counsel Chip Ferguson and Mr. Snipes have been meeting to explore alternatives for addressing future sources of treatment plant capacity for Oconee County. If general agreement can be reached by the three member governments, the proposed contractual concepts will be presented to the Joint Engineering/Operations Committee for consideration and possible subsequent recommendation to the Authority.

As alluded to above, the recommendation of the Joint Engineering/Operations Committee pertaining to the Jacobs Contract is as follows: **the Joint Committee recommends to the Authority that the Utilities Services Contract with Jacobs Field Services North America, Inc. (JFSNA) be extended for a three-year period of time, subject to the current contract annual renewal provision, and subject to the following conditions:**

- 1. The total effective compensation multipliers in Section 4.5.1 Contractors Compensation of the current contract be unchanged and accepted as noted in condition "2";**
- 2. The total effective compensation multipliers for all work performed by Diana Jackson and/or Chris Adams will be 2.35 unless Jacobs opens an office within the four-county area of the Authority and these individuals work from such office;**
- 3. JFSMA contract representative will engage the designated authority representative(s) in a client satisfaction review of treatment plant staff and initiate staff replacement action if requested by the Authority representative. Such review to be completed and any requested staff replacement action initiated by no later than 120 days prior to the end date of the annual contract period; and**
- 4. The contract amendment for the three-year extension period to be in a form acceptable to the Authority's Attorney and fully executed no later than 120 days in advance of the current contract ending date.**

A motion to accept this recommendation of the Joint Engineering/Operations Committee as stated above was made by Commissioner Sims and seconded by Commissioner John Daniell. The motion passed unanimously.

The Authority's Cost Allocation Methodology calls for an update review every five years, and the last update was completed in 2012. Staff has already identified a need to review and possibly revise the method for calculating the recommended level of working capital. Bobby Sills has estimated that this update would cost approximately \$9,000 or less and that the level of funding appears to be available within the approved 2017 budget. Mr. Snipes will contact Mr. Collins; and if he is agreeable, this item will be referred to the Finance Committee for review.

OPERATIONS AND MANAGEMENT

Mr. Brad Lanning advised that operations of the Bear Creek facility is normal and in compliance with EPD rules and regulations. The Reservoir is at full pool, and staff pumped an average of 7.4 MGD of treated water, compared to 6.8 MGD at the same time last year. Staff will be draining and cleaning the sediment basins, and there have been no major maintenance issues.

EXECUTIVE SESSION/PUBLIC COMMENT

There was no need for Executive Session, and no one signed up for Public Comment.

OTHER BUSINESS

The next meeting will be held on March 22nd.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:00 a.m.

Respectfully Submitted,

Martha "Mott" Beck
UOBWA Secretary