

UPPER OCONEE BASIN WATER AUTHORITY
NEGRC HEADQUARTERS
E.H. CULPEPPER CONFERENCE ROOM
SEPTEMBER 23, 2015
9:30 A.M.

MINUTES

Members Present:

Melvin Davis
Elton Collins
Eric Klerk
Gary Duck
Wayne Haynie
Tom Garrett
Pat Graham
Nancy Denson

Alternates Present:

Joey Leslie
Blaine Williams
Mark Saxon

Others Present:

Jim Dove, NEGRC Executive Director
Mott Beck, NEGRC Executive Assistant
Evans Brinson, NEGRC Comptroller
Chip Ferguson, Atkinson Ferguson
Bob Snipes, Owner's Representative
Brad Lanning, Jacobs
Diana Jackson, Jacobs
Cecil Hammond, Resource Management Commission

Media Present:

Mark Beardsley, **Mainstreet Newspapers**

CALL TO ORDER AND APPROVAL OF JULY MEETING MINUTES

Chairman Melvin Davis called the meeting to order at 9:30 a.m. He asked for a motion to approve the July meeting minutes. Such a motion was made by Mr. Elton Collins and seconded by Mr. Gary Duck. The motion passed unanimously.

FINANCIAL REPORT

At this time, Comptroller Evans Brinson presented the financial report for the period ending August 30, 2015. Liabilities and net position totaled \$52,864,418. There being no corrections or deletions, a motion to accept the report as presented was made by Mr. Collins and seconded by Mr. Wayne Haynie. The motion passed unanimously.

COMMITTEE REPORTS

Finance: Mr. Collins advised that the Finance Committee met on several occasions and discussed the Revised FY15 and Proposed FY16 Budgets extensively. There was a reduction in the Revised FY15 Budget of \$386,950, which was less than anticipated. In the Proposed FY16 Budget, Jacobs' management costs increased by \$80,985, which was attributed to personnel and salary increases. The Capital Expenditures for FY16 include lagoon cleaning, chlorine scrubber, Chemical Room cleaner, and SCADA Upgrade for a total expenditure of \$470,000. The Revised FY15 and Proposed FY16 Budgets were approved by a recommendation of the Finance Committee for dissemination to the participating counties and Resource Management Commission for review and comment. The Budgets will be considered for adoption by the Authority at its November meeting.

Operations/Engineering: The Joint Committees met on September 16th to review a proposed draft of the Drought Management Policy/Plan, and the final draft was forwarded to Authority members prior to the meeting. There are several significant changes in the Plan including: 1) pro-active in nature; model based on anticipated stream flow and rainfall, current usage levels, reservoir level, and envisioned drought protection period; (2) calls for Authority action to designate drought stage(s), declaration of Drought Response Levels; 3) base reductions on prior non-drought use levels plus documented increases in use rather than prior 60 days; 4) calls for surcharges to be applied during the first 30-day period following Authority's declaration of water usage reduction; and 5) observations by members of Joint Engineering/Operations Committees (maybe). The five recommendations from the Joint Committees during the September 16th meeting are as follows:

1. **Accept the final "Proposed Final Draft of the Updated Drought Management Policy Plan" and the associated "Bear Creek Reservoir Drought Management Water Supply Model";**
2. **Authorize the Chairman and staff to submit the Policy/Plan and associated documents to the Georgia Environmental Protection Division (EPD) for review and possible approval; an**
3. **Upon EPD approval of the current or revised document to meet EPD needs, that the Authority consider approval of the EPD approved Final Updated Drought Management Policy/Plan.**
4. **That the Authority grant to the Joint Committees the authority to approve the technical guide without further action by the Authority; and**
5. **The Bear Creek Reservoir Drought Management Water Supply Model will require periodic updates during the year and perhaps frequency modeling during potential or designated drought periods; therefore, the Joint Committees are of the**

opinion that this technical support can be provided by Jacobs' staff within the scope of the Utility Services Contract; and this is also a recommendation of the Joint Committees. The current proposed FY16 Budget includes sufficient funding for this purpose.

After discussion, a motion to accept the aforementioned five recommendations of the Joint Operations/Engineering Committees was made by Mayor Nancy Denson and seconded by Commissioner Pat Graham. The motion passed unanimously.

The Joint Committees discussed High Service Pump #8 and the modification of the pump from a constant speed to a variable speed pump. At the Authority meeting in July, the Authority accepted a Technical Memorandum related to the analysis of said pump prepared by Jacobs as Task #1 of a scope of services accepted by the Authority on March 25th. The Authority agreed to take no further action on the subsequent Tasks within the noted Scope of Services until Jackson County Officials requested the Authority to move forward with said modifications to Pump #8. On September 11th, Mr. Leslie advised Mr. Snipes that the Jackson County Water and Sewer Authority (JCWSA) had authorized its staff to proceed with the final design and bidding of the modifications to Pump #8, and Mr. Leslie requested that the UOBWA take the necessary actions to move forward with the project. This request was presented to the Joint Committees, and the following recommendation was made:

- 1. Authorize Jacobs to proceed with Task #2 (Final Design Phase) and Task #3A (Bid Phase) for modifications to High Service Pump #8, at a cost-not-to-exceed of \$23,046, as outlined in the Scope of Services accepted on March 25th, and**
- 2. that no further future actions be taken related to this pump modification until the JCWSA has reviewed the project bids and requested the UOBWA to proceed with the bid award and pump modification project.**

A motion to accept this recommendation regarding High Service Pump #8 was made by Mr. Collins and seconded by Mr. Gary Duck. The motion passed unanimously.

OWNER'S REPRESENTATIVE REPORT

Mr. Snipes advised that operations of the facility are normal with only routine purchases as appropriate. The Utility Services Contract with Jacobs will renew for another 12-month period beginning on Saturday, September 26th.

Regarding the Series 2015 Bonds, all expenses have now been paid, and the Cost of Issuance Account has been closed. The remaining balance of \$6,228.29 in that account has, in compliance with bond documents, has been moved into the Authority's 2015 Bond Sinking Fund Account with First American Bank & Trust (fund custodian).

Member governments that participated in the 2015 Bond transaction will have their pro-rata share of the COI account balance credited toward their next Sinking Fund payment.

The Capital Asset Master Plan (AMP) and Capital Asset Reserve and Replacement Fund (CARRF) were developed in 2012, with a minor update in 2013, and the annual funding level was originally established at \$420,000. A general review of the AMP and CARRF by Evans Brinson, Bobby Sills, and Mr. Snipes as part of the annual budget process suggests that the current funding level of \$420,000 should be increased significantly. It is Mr. Snipes' recommendation that the Authority authorize staff to develop a proposed scope of work for Jacobs Engineering and Bobby Sills to develop an updated comprehensive listing of all items that should be included within the AMP and the calculation of the associated new annual CARRP contribution level. Such an effort is anticipated to cost \$50,000 or less and it appears that sufficient funding would be available if the proposed FY2016 Budget is approved.

OPERATIONS AND MANAGEMENT

Operations are normal and in compliance with EPD rules and regulations. The reservoir remains at full pool, and the treatment plant pumped an average of 9.8 MGD during the last month, compared to 9.9 MGD at the same time last year. There were neither construction projects nor maintenance issues during the past month.

OTHER BUSINESS

Chairman Davis advised that Mr. Snipes forwarded a letter expressing his desire to renew, for an additional one year period (January 1, 2016 through December 31, 2016), the current professional service contract between the Upper Oconee Basin Water Authority (UOBWA) and himself. Formal action by the Authority regarding this contract extension will be taken at the November meeting. Mr. Snipes will develop an annual report, and it will be provided to the Authority after the end of the current calendar year.

On another matter, due to the Thanksgiving Holiday, the next meeting will be held on November 18th.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:45 a.m.

Respectfully Submitted,

Martha "Mott" Beck
UOBWA Secretary