

UPPER OCONEE BASIN WATER AUTHORITY  
NEGRC HEADQUARTERS  
E.H. CULPEPPER CONFERENCE ROOM  
NOVEMBER 18, 2015

MINUTES

**Members Present:**

Melvin Davis, Chairman  
Elton Collins  
Gary Duck  
Nancy Denson  
Wayne Haynie  
Pat Graham

**Alternates Present:**

Joey Leslie\*

\*Representing Eric Klerk

**Others Present:**

Jim Dove, NEGRC Executive Director  
Mott Beck, NEGRC Executive Assistant  
Evans Brinson, Comptroller  
Chip Ferguson, Atkinson Ferguson  
Bob Snipes, Owner's Representative  
Brad Lanning, Jacobs  
Diana Jackson, Jacobs  
Chris Adams, Jacobs

**Media Present:**

Mark Beardsley, Mainstreet Newspapers

**CALL TO ORDER AND APPROVAL OF SEPTEMBER MEETING MINUTES**

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

**FINANCIAL REPORT**

At this time, Comptroller Evans Brinson presented the financial report for the period ending October 31<sup>st</sup>. Liabilities and net position totaled \$53,253,418. **A motion to accept the report as presented was made by Mr. Collins and seconded by Mayor Denson. The motion passed unanimously.**

## **COMMITTEE REPORTS**

**Finance**: Mr. Collins advised that the Revised FY15 and Proposed FY16 Budgets were forwarded to participating counties and the Resource Management Commission for review and comment. No comments or suggested changes were received, **and Mr. Collins made a motion to approve both Budgets. The motion was seconded by Commissioner Graham Pat Graham, and passed unanimously.**

**Engineering Report**: This report will be included in the Owner's Representative Report.

## **OWNER'S REPRESENTATIVE REPORT**

### **1. Engineering Projects**

#### **Drought Management Plan**

- Following approval by the Authority at the September 23<sup>rd</sup> meeting, the Joint Engineering/Operations Committee met on Tuesday, October 6<sup>th</sup> and approved the User's Guide for the Drought Management Water Supply Model. The Proposed Drought Management Policy/Plan and related documents were hand delivered to EPD on October 29<sup>th</sup>, and a follow-up letter was forwarded to Assistant Director Mary Walker on November 3<sup>rd</sup>. A memorandum was forwarded to Chairs of member governments asking that review of local plans be initiated and completed by January 2016. This would allow for EPD approval of the Authority's Policy/Plan and the local governments' revised plans within a time frame that would allow for implementation of the new policies/plans for use during the summer of 2016.

#### **High Service Pump #8**

- At the meeting on September 23<sup>rd</sup>, the Authority authorized Jacobs to perform Task #2 (final design phase) and Task #3A (bid phase) for modifications to High Service #8, at a cost-not-to-exceed of \$23,046. Jacobs was issued a notice-to-proceed on Thursday, September 24<sup>th</sup>.

### **2. Plant Operations**

- An annual inspection of the dam has been performed by Jacobs Engineering staff as part of the Utilities Service Agreement, and the related report is being finalized for submission to EPD.

- Mr. Snipes is currently reviewing with Jacobs' staff the information that is noted within the weekly and monthly reports. The Operations Committee may be requested to review how best to determine and present certain information.

### 3. Management

- At the Authority meeting on September 23<sup>rd</sup>, staff was authorized to work with Jacobs Engineering and Nelsnick Enterprises to develop proposed Scopes of Services for an update to the Capital Asset Master Plan and associated Resource/Replacement Fund. Since that time, staff has worked with representatives of both Jacobs and Nelsnick to develop said Scopes of Services. The Finance Committee met on November 3<sup>rd</sup> to review the Scope from Nelsnick (Bobby Sills) and recommends approval of subject scope at a cost-not-to-exceed \$5,600. Also, the Engineering Committee met on the same day to review the proposed Scope of Services from Jacobs Engineering and recommends approval of subject scope at a cost-not-to-exceed \$38,000. The total for both Scopes of Services is \$43,000. Mr. Snipes advised that he agrees with both recommendations. **A motion to approve both the Nelsnick and the Jacobs Scopes of Services was made by Mr. Collins and seconded by Mr. Gary Duck. The motion passed unanimously.** It is anticipated that the final Technical Memorandum and related recommendations will be presented to the Authority for consideration at the March 2016 meeting.

### CONTINUATION OF OWNER'S REPRESENTATIVE

Mr. Snipes forwarded a letter to Chairman Davis advising of his desire to continue his contract as Owner's Representative for another year. **A motion to continue said contract for the period January 1, 2016 through December 31, 2016 was made by Mayor Denson and seconded by Mr. Duck. The motion passed unanimously.** Mr. Snipes will prepare an Annual Report for dissemination to Authority members after the end of the current year.

### 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 7.147 MGD, compared to 8.219 at the same time last year. Inspection of the Dam is complete, and there have been no maintenance issues. The state is in the process of updating the Statewide Water Plan.

**PUBLIC COMMENT**

There were no public comments.

**EXECUTIVE SESSION**

There was no Executive Session.

**OTHER BUSINESS**

The next meeting will be held on January 27, 2016.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:20 a.m.

Respectfully Submitted,

Martha "Mott" Beck  
UOBWA Secretary

# Upper Oconee Basin Water Authority

Date: January 18, 2016

To: UOBWA Members and Alternates

From: Bob Snipes, P.E. – Owner's Representative



Re: Georgia Dept of Natural Resources (DNR) Proposed Revisions to Rules for Dam Safety

The purpose of this memo is to provide you with information regarding DNR proposed revisions to the Rules for Dam Safety (Chapter 391-3-8) and to advise you of the potential impact of such revisions on the Upper Oconee Basin Water Authority (Authority).

In late August of 2015, the Legislative Policy Coordinator of the Association of County Commission of Georgia (ACCG) provided information to Authority Chairman Davis regarding DNR proposed revisions to the Rules for Dam Safety. Chairman Davis subsequently provided that information to me with a request that I, along with Jacobs Engineering staff, review the subject proposed revisions and provide insight regarding possible impacts to the Authority.

A summary of each of the areas of proposed revision to the Rules for Dam Safety are noted below along with staff comments that are the result of the review of this issue.

- a) Ensure all potential Category 1 Dams are identified and categorized appropriately – The Bear Creek Reservoir Dam is already identified as a Category 1 Dam. Therefore, there is no envisioned impact to the Authority as a result of this revision.
- b) Ensure that all Category 1 Dams are permitted – The Bear Creek Reservoir Dam is already permitted as a Category 1 Dam. Therefore, there is no envisioned impact to the Authority as a result of this revision.
- c) Ensure that all Category 1 Dam are formally inspected annually – The Georgia Environmental Protection Division (EPD) of DNR has previously been responsible for performing such formal dam inspections and has typically conducted such inspections bi-annually.

The Authority's current Utility Service Contract with Jacobs Field Services (JFS) requires JFS to administer the dam permit requirements, to perform required dam inspections, and to arrange for maintain related to the Bear Creek Reservoir dam. In compliance with the contract provisions, JFS currently performs routine quarterly inspections of the Bear Creek Reservoir dam and a formal inspection during the years

that EPD has not performed such an inspection. JFS performed a formal inspection of the Bear Creek Reservoir dam in 2015 and that report has been provided to EPD.

The impact of this proposed revision is that JFS will be required to perform a formal inspection of the Bear Creek Reservoir dam each year rather than bi-annually as has been the typical past practice. The cost of a formal annual inspection is approximately \$3,000.

- d) Ensure correction of all problems/deficiencies identified by the formal annual inspection/report – All deficiencies identified by the 2015 annual inspection/report for the Bear Creek Reservoir dam have been addressed.

There is no envisioned impact to the Authority as a result of this revision since the Authority's current practice is to address such issues in a timely manner.

- e) Ensure that all Category 1 Dams have an Emergency Action Plan – The Authority does not currently have such a plan for the Bear Creek Reservoir dam and such a plan has not previously been required by EPD/DNR or, to our knowledge, any other regulatory agency. I and the JFS staff are of the opinion that this new requirement to develop such a plan seems appropriate.

It is estimated that it will cost approximately \$25,000 to initially develop an Emergency Action Plan for the Bear Creek Reservoir dam and an additional annual cost of \$1,500 each year thereafter to update the plan.

In summary, the DNR proposed revisions to the Rules for Dam Safety (Chapter 391-3-8) will have minimal impact on the current practices of the Authority. However, the subject revisions will have a onetime financial impact of approximately \$25,000 and a reoccurring annual impact of about \$4,500. Further, it appears that any professional services required by the subject proposed revisions to the Rules for Dam Safety can be provided within the scope of the Authority's current Utility Service Contract with JFS.

It is noted that conversation with EPD staff indicates that the DNR Board has not approved the subject proposed revisions to the Rules for Dam Safety and are not anticipated to do so before the spring of 2016. Therefore, the above noted additional financial impacts to the Authority are most likely to occur in the Authority's 2017 budget and budget planning for that year should consider such costs.

If you have questions or comments regarding this memo prior to the January 27, 2016 Authority meeting, please contact me.

Copy:

Chip Ferguson – Authority's Attorney

Jim Dove – Director of Northeast Georgia Regional Commission

Evans Brinson – Northeast Georgian Regional Commission

Brad Lanning, P.E. – Jacobs Engineering

# Upper Oconee Basin Water Authority



**Date:** January 18, 2016

**To:** Upper Oconee Water Authority Members and Alternates

**From:** Melvin Davis – Chairman, UOBWA  
Bob Snipes, P.E. – Owner's Representative

**Subject:** Annual Report for 2015 Owner's Representative Professional Services Contract

The purpose of this report is to fulfill the requirement of Section 2(k) of the Professional Services Contract between the Upper Oconee Basin Water Authority (Authority) and Bobby M. Snipes, P.E. (Owner's Representative). The referenced section of the subject contract calls upon the Chairman of the Authority and the Owner's Representative to jointly provide the Authority a good faith annual report (January 2015-December 2015) showing the cost savings and other positive results achieved as a result of work efforts associated with the referenced professional service contract. The remainder of this document is intended to provide such information.

## Engineering Projects

- A. Update to Drought Management Policy/Plan – During this contract period the Owner's Representative worked with the Joint Engineering/Operations Committee to update the Authority's Drought Management Policy/Plan. This involved the development of a scope of services for consultants to assist in the update effort, the development of innovative concepts for pro-actively managing the Authority's water resources during drought conditions, modifications to the drought management policy/plan, and interaction with the Georgia Environmental Protection Division (EPD). This policy/plan has been submitted to EPD and is currently under review by that agency.
- B. Bear Creek Treatment Plant High Service Pump #8- The Owner's Representative worked with the Joint Engineering/Operations Committee of the Authority to continue consideration of possible modifications to High Service Pump #8 which serves the Jackson County system. Efforts during this contract period included the development of a scope of service for Jacobs Engineering to accomplish tasks necessary for the design of pump modifications, the development of associated probable construction cost, possible bid solicitation/evaluation/award, and possible construction administration.

Work on this project has currently progressed to the end of Task #2 (Final Design). The proposed final design documents and probable construction cost have been provided to the Jackson County Water and Sewer Authority (JCWSA) and that entity is in the process of determining



whether or not to request that the Authority authorize this project to move to the bid solicitation phase. It is anticipated that the JCWSA will make a decision on this issue during the early part of 2016.

### Plant & Reservoir Operations

- A. Procedure for Acquiring Grounds Maintenance Services – A review of the procedure for acquiring grounds maintenance services at the Bear Creek Reservoir and Treatment Plant was initiated by the Owner's Representative. The review was accomplished in cooperation with Jacobs staff and the results of that review were documented in a memo dated January 15, 2015 and presented during the January 28, 2015 Authority meeting.

This review resulted in the implementation of a more structured process for acquiring such services which now requires 1) a written description of the maintenance areas to be addressed, 2) the specific level or frequency of service for each maintenance area, 3) the type of service to be provided in each maintenance area, etc. This revised process has been utilized during the 2015 calendar year and has produced positive results.

- B. Use of Authority Owned Vehicles – A review of the management and use of vehicles owned by the Authority. This review was initiated by the Owner's representative and accomplished in cooperation with Jacobs staff. The results of this review were documented in a memo dated January 15, 2015 and presented during the January 28, 2015 Authority meeting.

The review recommended a policy, which was subsequently approved by the Authority, that 1) specifies the permitted uses of Authority vehicles by Jacobs employees, 2) specifies the process for approval for employees to drive Authority vehicles to and from on-call employee's place of residence, and 3) created a requirement that each vehicle use a log book and that the driver(s) of each vehicle record in the log book the date of use, the beginning odometer reading, the ending odometer reading, the trip destination, and the trip purpose each time the vehicle is driven outside of the treatment plant site. This vehicle use policy has been in place during 2015 and has produced positive results.

- C. Award of Bids Associated with Bear Creek Treatment Plant and Reservoir – During 2015, the Owner's Representative fulfilled the responsibilities outlined for this position in the Authority's Purchasing Policy (revised in 2014). The major areas of review are noted below:
- Award of bid for chemicals
  - Award of bid for annual preventive maintenance for chlorine system
  - Award of bid for maintenance service for variable speed drives for reservoir and high service pumps
  - Purchase of replacement memory backup batteries for variable speed drives on reservoir and high speed pumps



- Purchase of handheld radios
- Award of bid for replacement of HVAC systems in filter building
- Award of bid for acquisition of floats for the Clari-Vac system utilized in the sediment basins
- Award of bid for particle counters for Water Treatment Plant

D. Annual Reservoir Dam Inspection – The Owner’s Representative worked with Jacobs Engineering staff to finalize the 2015 Reservoir Dam Inspection Report and to submit that document to the Georgia Environmental Division Safe Dam Program.

### Management

A. Refinancing of Authority’s Series 2005 Revenue Bonds – The Owner’s representative continued with efforts initiated during late 2014 related to the subject bond refinancing. During 2015, the Owner’s representative was involved in efforts to select and engage a Bond Underwriter, a Bond Counsel, and an Underwriter’s Counsel. The Owner’s representative was also directly involved in the negotiation of the fees for such services and the underwriter’s discount. This involvement contributed significantly to a savings in excess of \$220,000 related to the initially proposed fees and underwriter discount (see memo to Authority dated May 22, 2015).

The Owner’s Representative also added value to this process by coordinating efforts related to 1) developing a Methodology for Allocating the Cost for Refinancing the 2005 Bonds, 2) management of the Cost of Issuance Account, and 3) development of reports related to and support of the refinancing effort (e.g. Arbitrage Reports, etc).

The refinancing of the Series 2005 Revenue Bonds resulted in a total cash flow savings of approximately \$7,924,738 to the Authority.

- B. Review of Month Financial Statements – During 2015 the Owner’s Representative continued the review of monthly bank statements for the Authority and journal adjustments to the Authority’s accounting system as recommended by the Authority’s 2013 Annual Audit.
- C. Annual Review and Recommendation Regarding Utility Service Contract – During 2015 the Owner’s Representative reviewed the performance of Jacobs Field Services during the previous contract period and recommended renewal of the subject contract for an additional one year period. This process is more fully discussed in a memo dated May 22, 2015 and presented to the Authority on May 27, 2015.
- D. Capital Asset Master Plan (AMP) and Capital Asset Reserve/Replacement Fund (CARRE) - The Owner’s Representative worked with staff of the RDC, the Finance Committee, and consultant staff to 1) determine that the annual contribution to the CARRF should be evaluated, 2) develop

associated scopes of service for Nelsnick and Jacobs consultants, and 3) initiated an update to the AMP and CARRF. The work associated with updating the AMP and CARRF is anticipated to be complete by early spring 2016.

It is noted that the total annual cost of the subject professional service contract is less than \$45,000 and that the total savings and added value that have resulted from this contract far exceed this cost. Further, it is respectfully suggested that the subject contract has again been a wise investment by the Authority and one which has returned significant dividends.

Please contact either Chairman Davis or Bob Snipes should you have questions or comments regarding the content of this report.

Copy:

Jim Dove – NEGRC

Mott Beck – NEGRC

Evans Brinson – NEGRC

Chip Ferguson – Attorney for the Authority