

UPPER OCONEE BASIN WATER AUTHORITY  
NEGRC HEADQUARTERS  
E.H. CULPEPPER CONFERENCE ROOM  
MARCH 25, 2015  
9:30 A.M.

MINUTES

**Members Present:**

Melvin Davis, Chairman  
Elton Collins  
Eric Klerk  
Gary Duck  
Nancy Denson  
Chris Thomas  
Randy Dowling  
Pat Graham  
Amrey Harden

**Alternates Present:**

Mark Saxon  
Harry Sims  
Joey Leslie

**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  
Chris Edwards, Auditor (McNair, McLemore, Middlebrooks & Co.)  
Jamie Wilson, Bond Underwriter (Stifel, Nicolaus & Co.)  
Jim Woodward, Bond Counsel (Gray, Pannell, & Woodward)  
Logan Propes, Jackson County Finance Officer  
Judy Smith, Jackson County Water & Sewer Authority  
Mark Beardsley, Mainstreet Newspapers  
Jim Thompson, Athens Banner Herald

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

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

## FINANCE COMMITTEE REPORT AND PRESENTATION OF AUDIT

The Finance Committee met on March 17<sup>th</sup> to review and discuss a draft of the FY14 Audit, and a consensus was reached to present the Audit to the Authority. At this time, Mr. Collins introduced Mr. Chris Edwards, who led a discussion and gave highlights of the Audit. Mr. Edwards advised that he and the other Auditors had a very successful audit experience and great participation from NEGRC staff. The Audit received an Unmodified Opinion, which is the highest given. He advised that there were neither findings nor deficiencies with internal controls, and no adjustments were noted. Mr. Edwards indicated that the four participating counties will be receiving a refund, which is anticipated to be much higher than last year. ***After discussion, a motion to accept the FY4 Audit as presented was made by Mr. Collins and seconded by Mr. Chris Thomas. The motion passed unanimously.***

At this time, Owner's Representative Bob Snipes provided information related to the Proposed Methodology for Allocation of Cost – Refinancing of Series 2005 Revenue Bonds. At the meeting in January, the Authority voted to approve refunding of the Bonds and to engage the Bond Underwriter and Bond Counsel; and to authorize Chairman Davis to approve the Underwriter's Counsel and related fee structure. Today, the Authority is asked to make a determination to move forward with the bond refinancing and to consider an issuance Cost Allocation Methodology for sharing the common expenses associated with said refinancing (Attachment A). Although there was no quorum at the March 17<sup>th</sup> Finance Committee, it was consensus of those present to recommend that the Authority adopt the subject methodology and move forward with refinancing; Mr. Snipes concurred with this recommendation. Mr. Jamie Wilson and Mr. Jim Woodward provided additional comments. After discussion, ***a motion to accept the recommendation of the Finance Committee and Owner's Representative to move forward with the refinancing process, to adopt the Cost Methodology for Allocation of Cost for Refinancing Upper Oconee Basin Water Authority's Series 2005 Revenue Bonds, and to consider Option A as presented by Mr. Wilson was made by Mr. Collins and seconded by Commissioner Pat Graham. The motion passed unanimously.*** If everything goes as planned, there will be a Called Meeting on April 29<sup>th</sup> to finalize the refinancing.

## FINANCE REPORT

At this time, NEGRC Comptroller Evans Brinson gave the financial report. The total liabilities and fund balance for the month ending February 28<sup>th</sup> were \$58,821,823. ***A motion to approve the financial report as presented was made by Mr. Collins and seconded by Mr. Harden. The motion passed unanimously.***

## COMMITTEE REPORTS

**Recreation:** The Committee met on February 18<sup>th</sup> to hear a report from Jackson County Recreation Director Ricky Sanders regarding the boat ramp and fishing venue at the Bear Creek Reservoir. He presented a detailed report which included the following totals for 2014: 3331 visitors, 2083 boats, 641 permits, 1842 \$8 daily fees, 762 \$3 daily fees, 3 property fees; total revenues \$19,299. He also presented a draft FY2015 Budget and advised that it was the same as last year. It was noted that, although 2015 expenses are estimated at \$32,730, expenses for FY14 totaled \$21,680.16. Copies of both documents provided by Mr. Sanders were forwarded to Council members prior to the meeting. **Based on a recommendation from the Committee, Mr. Chris Thomas made a motion to approve the Recreation report and the FY15 Recreation Budget as presented. Because this was a recommendation of Committee, a second to the motion was not needed. The motion passed unanimously.**

**Operations/Engineering:** The Committee met at 9:00 a.m. prior to the Authority meeting to review and discuss Jacobs' Scope of Service related to Jackson County's possible upgrade of High Service Pump #8 at the Bear Creek Water Treatment Plant. At this time, Owner's Representative Bob Snipes briefed the Authority on the process that has taken place thus far regarding this issue. At the September 2014 meeting, the Authority accepted a Final Technical Memorandum from Jacobs Engineering regarding the high service pumps and clearwells at the Bear Creek Water Treatment Plant. That memorandum noted that High Service Pump #8 provides service solely to the Jackson County water distribution system and also noted operational limitations associated with the pump. Further, it was noted that the County may wish to consider modifying Pump #8 by replacing the constant speed drive with a variable speed drive to overcome the aforementioned limitations. The Jackson County Water & Sewer Authority (JCWSA) recently indicated a desire to pursue revisions to the pump, and staff and representatives of JCWSA have worked with Jacobs' staff to develop a scope of services and cost proposal for this modification. The Authority's Cost Allocation Methodology will call for all costs associated with this engineering study, and possible related construction (Task I), to be the responsibility of Jackson County and/or the JCWSA. Authority members have received documentation regarding this matter prior to the meeting. **Based on a recommendation from the Joint Committees and Mr. Snipes, a motion was made Mr. Chris Thomas to accept the Jacobs' Scope of Services and Cost Proposal at a cost not to exceed, and to authorize a Notice to Proceed for Task I. The motion was seconded by Mr. Harry Sims and passed unanimously.**

## OWNER'S REPRESENTATIVE REPORT

Mr. Snipes gave an update on the Drought Management Plan. Workshop #1 was held with the Joint Engineering/Operations Committees on Thursday, February 26<sup>th</sup>. Workshop #2 and Workshop #3 have been scheduled for Thursday May 21<sup>st</sup> and Thursday, July 9<sup>th</sup> respectively. The current proposed schedule calls for a final recommendation to be available for consideration by the Authority at the July 22<sup>nd</sup> meeting. Staff has awarded an annual contract for chemicals, and it appears that the

new process for acquiring bids works very well. Also, contracts for annual preventative maintenance for the Chlorine System and maintenance service for the variable speed reservoir and high service pumps have been awarded.

### **OPERATIONS AND MAINTENANCE**

Operations of the facility are normal and in compliance with EPD rules and regulations. The reservoir remains at full pool, and the treatment plant pumped an average of 6.762 MGD, compared to 6.54 MGD at the same time last year. There have been no major maintenance issues, and there are no construction activities at present.

### **PUBLIC COMMENT**

There was no public comment.

### **EXECUTIVE SESSION**

There was no Executive Session.

### **OTHER BUSINESS**

The next meeting will be held on May 27<sup>th</sup>.

### **ADJOURNMENT**

There being no further business, the meeting was adjourned at 11:00 a.m.

Respectfully Submitted,

Martha "Mott" Beck  
UOBWA Secretary