

UPPER OCONEE BASIN WATER AUTHORITY
FINANCE COMMITTEE
NEGRC HEADQUARTERS
APRIL 11, 2012
9:30 A.M.

MINUTES

Members Present:

Elton Collins, Committee Chairman
Amrey Harden
Danny Yearwood

Others Present:

Jim Dove, NEGRC Executive Director
Mott Beck, NEGRC Executive Assistant
Evans Brinson, Comptroller
Kirby Atkinson, Atkinson & Cullen
Hill Baughman, Jacobs
Chris Thomas, Operations Committee Chairman

CALL TO ORDER AND APPROVAL OF MARCH 22ND MINUTES OF THE JOINT MEETING OF THE FINANCE/OPERATIONS COMMITTEES

Chairman Elton Collins called the meeting to order at 9:30 a.m. and welcomed everyone to the meeting. He asked for a motion to approve the minutes of the March 22nd joint meeting of the Finance/Operations Committees. Such a motion was made by Mr. Amrey Harden and seconded by Commissioner Danny Yearwood. The motion passed unanimously.

ISSUES RAISED AT UOBWA MEETING

- **Multi-Year Comparison of Financials** – When the Audit was presented at the UOBWA meeting, members indicated that it would be a good idea to include a multi-year comparison of the financials. When Comptroller Brinson presented Committee members with a corrected copy of the Audit (one error was denoted at the UOBWA meeting), this comparison had been included. Earlier, Mr. Chris Edwards advised that this addition would not result in additional costs. After discussion, **a motion to recommend to the Authority that a multi-year comparison of the financials be included in the audit each year was made by Commissioner Yearwood and seconded by Mr. Harden. The motion passed unanimously.**

- **Cost Allocation Methodology**: This matter is to be reviewed approximately every five years. The last update was completed in 2007. After discussion, **a motion to recommend to the Authority that a review of the Methodology be undertaken was made by Mr. Harden and seconded by Commissioner Yearwood. The motion passed unanimously.**
- **Capital Reserve and Replacement**: There has been discussion as to whether a suitable amount of funds are available in the Authority's Capital Reserve and Replacement Account. The amount of \$1.2 million is available for maintenance related items; however, members are of the opinion that it would be beneficial to set aside funds to offset costs associated with replacement of capital items that may be nearing the end of their life expectancy. After discussion, **a motion to recommend to the Authority that this issue be reviewed again during budget preparation, after completion of the update to the Cost Allocation Methodology, was made by Mr. Harden and seconded by Commissioner Yearwood. The motion passed unanimously.**

JACOBS' CONTRACT REVIEW AND DISCUSSION

The next item on the agenda was discussion of the Utility Service Contract with Jacobs, which is set to expire on May 1st. However, the contract can be extended six months or longer, if agreed to by all parties. After a lengthy discussion, **a motion to recommend to the Authority that the Utility Service Contract with Jacobs be extended for an additional period of five (5) years from May 1, 2012, as provided in Section 2.1 of said Contract, and that said extension specifically provide that the Authority, four years from the extension date, consider the issuance of a Request For Proposal for the operations of the facilities of the Authority was made by Mr. Harden and seconded by Commissioner Yearwood. The motion passed unanimously.**

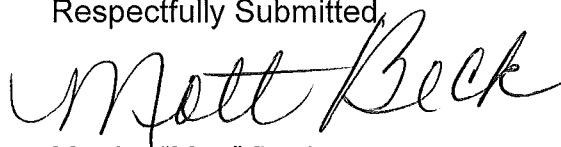
OTHER BUSINESS

There was no further business to come before the Committee.

ADJOURNMENT

The meeting was adjourned at 11:00 a.m.

Respectfully Submitted,



Martha "Mott" Beck
UOBWA Secretary