

UPPER OCONEE BASIN WATER AUTHORITY
NEGRC HEADQUARTERS
E.H. CULPEPPER CONFERENCE ROOM
MARCH 22, 2017
9:30 A.M.

MINUTES

Members Present:

Pat Graham
Elton Collins
John Daniell
Nancy Denson
Tom Crow
Amrey Harden
Wayne Haynie
Frank Stephens
Joe Goodman

Alternates Present:

Joey Leslie*
Mark Saxon

*Representing Eric Klerk

Others Present:

Jim Dove, NEGRC Executive Director
Mott Beck, NEGRC Executive Assistant
Alicia Page, NEGRC Comptroller
Chip Ferguson, Atkinson Ferguson
Bob Snipes, Owner's Representative
Brad Lanning, Jacobs
Hope Pendergrass, Mauldin & Jenkins
Meredith Lipson, Mauldin & Jenkins

CALL TO ORDER AND APPROVAL OF JANUARY 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 January meeting. **Such a motion was made by Mr. Elton Collins and seconded by Commissioner John Daniell. The motion passed unanimously.**

FINANCIAL REPORT

At this time, NEGRC comptroller Alicia Page presented the financial report for the period ending February 28, 2017. The total liabilities and net position totaled \$52,636,721. **A motion to accept the financial report as presented was made by Mr. Collins and seconded by Mayor Nancy Denson. The motion passed unanimously.**

FINANCE COMMITTEE REPORT/PRESENTATION OF AUDIT

The Finance Committee met on March 15th to review and discuss a draft of the FY16 Audit. Members had neither major concerns nor any suggestions for revisions. At this time, Hope Pendergrass of Mauldin & Jenkins presented the final FY16 Audit. She advised that the Audit received an Unqualified Opinion, which is the highest rating given. It was a very clean Audit, with no discrepancies or deficiencies. Staff was very well prepared and cooperative. There were three findings; however, those were for accounting practices only in order to be in compliance with Generally Accepted Accounting Principles (GAAP) standards. **A motion to accept the Audit was made by Mr. Collins and seconded by Mr. Amrey Harden. The motion passed unanimously.**

UPDATE TO LOCAL LEGISLATION REGARDING RESOURCE MANAGEMENT COMMISSION

At this time, Attorney Chip Ferguson gave a report on HB168, an amendment to the legislation creating the Upper Oconee Basin Water Authority so as to abolish the Upper Oconee Resource Management Commission. The Bill passed the House and Senate and has been forwarded to the Governor for action. It is not known at this time when the signing will take place.

OWNER'S REPRESENTATIVE REPORT

A. Drought Management Plan/Water Supply Model Update (Mar/Apr/May)

On March 2nd, EPD reassigned the four UOBWA counties to a Level 1, from the previous level 2 drought response. The indicators within the Authority's Drought Management Plan continues to suggest that the area is in a Stage D drought. The Reservoir is projected to remain full during the next 90 days. However, rainfall for Jan/Feb is less than the 45 year average. The PHDI is -4.44 compared to -1.98 in design year. Withdrawal from river to reservoir for week ending 3/10/17 was an average of 6.459 MGD compared to 0.000 for the same week in 2016. Use of adjusted max (25%) and min (15%), with January high flows, suggest that the reservoir would fall to 62%/36% level in early October/early November. At 5% reduction in use level, it will take about 20 days to save enough water to provide one additional day of need. If the PHDI does not rebound in the next couple of months, base streamflow may be an area of concern as we approach the next typical drought protection period. All of this information seems to suggest the need for the Authority to continue to closely monitor drought conditions. The Authority needs to be proactive if a reduction becomes necessary so that it can be done in a timely manner. The Joint Committee will begin monitoring conditions and developing guidelines for reductions.

B. High Service Pump #8

First phase of this project was completed on March 14th, and the final phase is currently scheduled for the May-June time period. It is anticipated that at least one pump for each member will remain in operation during this work.

C. Utilities Service Contract with Jacobs Field Services

It is anticipated that a proposed contract amendment will be presented to the Authority at the May 24th meeting.

D. Reconciliation of the Capital Asset Renewal and Replacement Fund (CARRF) and Cost Allocation Methodology (CAM) for 2016

The Authority's Asset Management Policy calls for an annual review of the AMP and the associated CARRF. Also, the Capital Replacement Fund Cost Allocation Methodology, approved by the Authority in March 2016, establishes a methodology for calculating the annual contribution to the Authority's CARRF. The annual review and update of the AMP was recently completed, and the methodology outlined within the March 2016 document has been applied. This process has resulted in a new target for allocated member contributions to the CARRF in 2017. The updated contributions to the CARRF have the potential to impact the 2016 deficits and/or credits from 2016 to be distributed during the April-December 2017 time period.

E. Emergency Action Plan for Bear Creek Reservoir Dam

Recent revisions to the DNR Rules for Dam Safety now require an Emergency Action Plan for all Category 1 dams. Therefore, such a plan will be required for the Bear Creek Reservoir. The professional services for development of this plan are within the overall scope of the Utility Services Contract with Jacobs, and Brad Lanning is currently developing a task specific scope of services, cost, and schedule for its development. If the proposed cost-not-to-exceed amount for this work is less than \$30,000, the scope of service is acceptable to the Engineering Committee and is within the amount already budgeted for professional service in the 2017 budget. Based on the above explanation, and in the interest of time, **a motion to authorize the engagement of Jacobs for this work was made by Mayor Denson and seconded by Commissioner Daniell. The motion passed unanimously.**

F. Metering of Oconee County Flows for Water Use Billing

The Policy/Procedure Statement for Metering of Flows for Water Use Billing was approved in March 2016, and it outlines standard requirements and procedures associated with secondary meters used in the billing process. Standard Procedure #6 speaks specifically to secondary meters to be used by Barrow and

Oconee Counties. Oconee County recently completed installation of new secondary meters and associated telemetry for measuring water flows pumped into the Oconee County distribution system, and Oconee County Utilities Director Wayne Haynie is of the opinion that the installation meets the requirements of the Policy/Procedure Statement. Mr. Snipes' initial reading of the information supplied by Oconee County indicates that Mr. Haynie's assessment is correct. However, before a final decision regarding compliance is made, treatment plant staff will conduct a field test in the near future. If the Oconee County system is found to be in compliance with the Policy/Procedure Statement, the meter reading will be used for the March and/or April reading.

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 6.8 MGD of treated water, compared to 6.9 MGD at the same time last year. EPD Safe Dams Division will be conducting the annual dam inspection on Friday, March 24th. Mr. Lanning thanked Jackson EMC for their assistance with the upgrade to High Service Pump #8.

EXECUTIVE SESSION/PUBLIC COMMENT

There wasn't a need for Executive Session, and no one signed up for Public Comment.

OTHER BUSINESS

The next meeting will be held on May 24th.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:35 a.m.

Respectfully Submitted,

Martha "Mott" Beck
UOBWA Secretary

