

**UOBWA FULL BOARD UPPER OCONEE BASIN WATER AUTHORITY
NEGRC HEADQUARTERS
E.H. CULPEPPER CONFERENCE ROOM
NOVEMBER 20, 2013
9:30 A.M.**

MINUTES

Members Present:

Melvin Davis
Elton Collins
Eric Klerk
Tom Crow
Nancy Denson
Gary Duck
Chris Thomas
Amrey Harden

Alternates Present:

Jimmy Hix
Dwain Smith
Blane Williams

Others Present:

Jim Dove, NEGRC Executive Director
Mott Beck, NEGRC Executive Assistant
Evans Brinson, NEGRC Comptroller
Kirby Atkinson, Atkinson Ferguson
Chip Ferguson, Atkinson Ferguson
Bob Snipes, Owner's Representative
Hill Baughman, Jacobs
Joey Leslie, Jackson County Water & Sewer Authority
Mark Beardsley, Mainstreet Newspapers
Leanne Akin, The Paper

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 minutes of the September meeting. Such a motion was made by Mr. Elton Collins and seconded by Mr. Chris Thomas. The motion passed unanimously.

FINANCIAL REPORT

At this time, NEGRC Comptroller Evans Brinson gave the financial report. The total liabilities and fund balance for the month ending September 30, 2013 were \$59,488,582. A motion to approve the financial report as presented was made by Mr. Collins and seconded by Mr. Amrey Harden. The motion passed unanimously.

REPORT FROM OWNER'S REPRESENTATIVE

At this time, Owner's Representative Bob Snipes presented his proposed work plan for the coming year. Elements of the work plan include engineering projects, EPD related issues, plant operations, and Authority matters. He advised that a Request for Proposals has been issued for the chlorine solution line replacement project. Nine firms picked up bid packages, and the bid opening is scheduled for 2:00 p.m. on November 21st. Mr. Snipes also indicated that he and Mr. Hill Baughman will begin bi-weekly meetings with reservoir staff to work on work plan items. After discussion, Mr. Snipes recommended the following be noted as priority action items and asked for approval by the Authority:

1. Chlorine solution line replacement project (including additional lines),
2. Update to Drought Management Plan, and
3. Potential need for backup pump for treated water.

Mr. Snipes will coordinate with Jacobs and Chairs of the Operations and Engineering Committees to develop a Scope of Services, including cost estimates, for these efforts. A motion to approve this recommendation was made by Mayor Nancy Denson and seconded by Mr. Thomas. The motion passed without opposition.

FINANCE COMMITTEE REPORT AND ACTION ON REVISED FY13 AND PROPOSED FY14 BUDGETS

The Revised FY2013 and proposed FY14 Budgets were forwarded to participating counties and the RMC for review and comment prior to consideration by the Authority. All comments received were very favorable; therefore, a motion to approve both Budgets was made by Mr. Collins and seconded by Mr. Harden. The motion passed unanimously.

OPERATIONS AND MANAGEMENT

Mr. Baughman reported that operations of the facility are normal and in compliance with EPD rules and regulations. The reservoir remains at full pool, and there have been no requests for permits during the past month. The treatment plant pumped 6.19 MGD of potable water into the distribution system, and all items required as a result of the Safe Dams Division inspection have been addressed.

PUBLIC COMMENT

There were no public comments.

OTHER BUSINESS

The next meeting will be held on January 22nd.

In other business, members were advised that Chairman Davis, Director Dove, Mr. Snipes, Mr. Duck and Ms. Beck met with Mr. Kevin Farrell of EPD, who will be retiring very soon, to thank him for all he has done for the Upper Oconee Basin Water Authority and participating counties. Hopefully, another meeting can be arranged with Mr. Farrell to gain insight into future issues relative to EPD and determine who will be the Authority's contact person.

EXECUTIVE SESSION

A motion to enter into Executive Session to discuss ongoing litigation was made by Mayor Denson and seconded by Mr. Elton. The motion passed unanimously.

OPEN SESSION

A motion to resume Open Session was made by Mr. Harden and seconded by Mr. Collins. The motion passed unanimously.

No action was taken in Executive Session.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:50 a.m.

Respectfully Submitted,

Martha "Mott" Beck
UOBWA Secretary

Upper Oconee Basin Water Authority



Date: 12/19/13

To: Chairman Melvin Davis (UOBWA) and Authority Members

From: Bob Snipes, P.E. *Bob*

Subject: Bid Award – Chlorine Solution Feed Pipes Replacement Project at Bear Creek WTP

During the December 4, 2013 Special Called Meeting, the Authority took actions that a) declared Haren Construction Company, Inc. as the lowest responsive/responsible bid for the subject project (with a lump sum bid amount for the Base Bid plus Add Alternate No.1 in the amount of \$612,000) and b) authorized staff to enter into negotiations with that company for the purpose of reducing the above noted bid amount to a level that is closer to the project budget.

Since the December 4, 2013 actions by the Authority, Jacobs Engineering staff and I have worked with Mr. Haren to develop and evaluate potential revisions to the project scope of work and to define revisions to the cost. Those efforts have resulted in the below noted changes in scope of work and adjustments to the project cost.

Changes to Scope:

1. In the grassy areas, changing the embedment and backfill of the piping system from pea gravel and sand to crushed stone.
2. In the asphalt pavement areas, changing the Precast Concrete Conduits to PVC casing pipe/sleeves encased within poured in-place concrete with the dual containment piping inserted through the pipe/sleeves.

Jacobs Engineering staff and I are of the opinion that these modifications to the scope of work will not adversely impact the subject project.

Revisions to Cost:

	Original Bid Amount	Proposed Amount
Base Bid	\$ 537,000.00	\$ 431,538.00
Alternate No. 1	\$ 75,000.00	\$ 60,491.00
Total	\$ 612,000.00	\$ 492,029.00

Base Bid: The engineer's estimate of the cost for the Base Bid was \$415,000 and the budgeted amount was \$425,250 (5% above engineer's estimate). The current proposed cost for this project element is \$431,538 or \$6,288 (1.5%) above the budgeted amount.

Alternate No. 1: The engineer's estimate for Alternate No. 1 was \$30,000 and the budgeted amount was \$31,500 (5% above engineer's estimate). The current proposed price for this project element is \$60,491 or \$28,991 (92%) above the budgeted amount.

Total Project: The total budgeted cost for construction, for both project elements, is \$467,250 (engineer's estimate of \$445,000 plus 5%). The current proposed total price of \$492,029 is \$24,779 (5.3%) above the budget amount and \$47,029 (10.56%) above the engineer's initial estimated cost of \$445,000.

Based upon the total construction cost comparison, Jacobs Engineering staff and I are of the opinion that the currently proposed total contract price is within a reasonable amount of the original engineer's estimate and budgeted amount and that a re-bidding of the project, given the bidding environment defined by companies that elected to not submit a project bid, is not likely to produce a more favorable project cost for the Authority. Therefore, it is recommended that the subject project construction contract be awarded to the Haren Construction Company based upon the revised scope of work and revised total lump sum cost of \$492,029.

Further, it is noted that the design/project management professional service contract with Jacobs (approved on August 24, 2013) has an estimated total cost of \$43,000. However, the redesign and bid negotiate process has expended \$8,791 which had not be anticipated within that estimated contract amount. Therefore, it is likely that the total expenditure under the subject professional services contract will be approximately \$52,000.

Both the project construction contract cost (now determined to be \$492,029) and the design/project management professional services contract cost (now estimated to be \$52,000), in the total amount of \$545,029, had been proposed for funding from the Bond Principle Retirement Fund. If the Authority Board still desires for this to be the funding source for these expenses, the Board will then need to authorize an expenditure of not more than \$545,029 from the Bond Principle Retirement Fund.

Based upon the above information, it is recommended that the Authority:

- 1) Award of a construction contract for the Chlorine Solution Feed Pipes Replacement Project at the Bear Creek WTP to Haren Construction Company,
- 2) Authorize the Chairman to execute a construction contract with the Haren Construction Company in the amount of \$612,000 concurrent with the execution of a related Change Order that will a) modify the scope of work to include the changes noted above, and b) reduce the total lump sum contract amount, for the Base Bid and Alternate No. 1, to \$492,029, and

- 3) Authorize up to \$545,029 to be expended from the Bond Principle Retirement Fund for the project construction cost and the project design/project management professional services contract cost

I am of course available to respond to any questions which you might have related to this matter and the above information.