



Public Meeting Notice

This Notice is Posted in Accordance with O.C.G.A. 50-14-1 (e) (1)

**Brunswick-Glynn County
Joint Water and Sewer Commission
1703 Gloucester Street
Brunswick, Georgia**

Tuesday, September 20, 2016

TIME 10:00 AM

Commission Meeting Room

Special Called Meeting

2nd Public Hearing and Comment Period For Proposed Sewer Tap Fee Allocation Policy

The 2nd public hearing will be set for Tuesday, September 20th at 10:00 AM to review the amended version of the proposed Sewer Tap Fee Allocation Policy. At this time the public can provide comments or concerns. Staff will, as best possible, make acceptable changes and submit a final version to the BGJWSC Commission at the next Commission Meeting for approval.

All citizens are invited to attend. There is a possibility of a quorum of City or County Commissioners being present.



Brunswick-Glynn County Joint Water and Sewer Commission
1703 Gloucester Street, Brunswick, GA 31520
Tuesday, September 20, 2016 at 10:00 AM

PUBLIC HEARING AND COMMENT PERIOD

PRESENT: **Thomas Boland, Chairman**
 Donald M. Elliott, Commissioner
 John A. Cason, III, City Commissioner
 Ronald Perry, Commissioner

ALSO PRESENT: **Jimmy Junkin, Executive Director**
 Charlie Dorminy, Legal Counsel

Commissioner Boland called the meeting to order at 2:00 PM. He welcomed everyone and expressed appreciation for those that are in attendance and any input the public has. He stated that this policy has been worked on to be as trying to be as fair as possible to those involved. Chairman Boland stated that if there are any questions, suggestions or ideas please bring them forward.

Mr. Junkin explained that the feedback that was provided at the last meeting have been considered. He stated that JWSC has a better understanding of the needs for developers, builders, and individual homeowners and what we are trying to accomplish. He stated JWSC has received a lot of support by community stake holders who have an invested interest and who have offered to give a hand in certain situations that makes good sense to make a financial commitment. Doing this would help to support and allocate what their needs are in regards to sewer taps. It was suggested that those who are interested to provide their email in order for then to be notified. Mr. Junkin discussed and read the policy portion:

'With the exception of cases where interested parties execute Unsolicited Proposals (UP) with the JWSC for capacity upgrades/schedule enhancements, capacity will be allocated as it is created from asset upgrades and verified through drawdown testing. The exceptions will be described below... discussing Unsolicited Proposals, etc.'

Mr. Junkin continued with stating what JWSC is facing preponderance of our assets that don't have adequate capacity for the service they are required to perform right now. Our efforts are to incrementally make changes to each and every one of those shortfalls and to bring capacity into the good and to exceed that where we can with those modifications. As JWSC exceeds the required capacity it's not going to be eminent capacity. We are making small changes while we ultimately work towards more permanent long term upgrade. With the demands that we see and number of undeveloped platted lots and the desire to develop and create more opportunities out there we saw the need to basically set up an allocation through a lottery. One of the strong feedbacks from several people expressed that we don't need to throw everyone into a box and draw out one tap fee at a time. Mr. Junkin expressed the two basic categories for builders and developers. There are those who deal with very small capacity needs with one or two houses a year. There are those that develop on a larger scale and these will be separated. There will be approx. 85% going to the larger builders and 15% of whatever is freed up to the smaller builders. The desire is, as we confirm the freed up tap fees, to set up a date and time to allow these categories to come in and

request allocations. For the larger builder or developer (5 or more tap fees). A lottery number will be provided and a drawing will be held. If the capacity is above what these contractors or builders or smaller builders need than the lottery does not matter. The other issue is the need to tie down the property with the sewer allocations. It is known that with the lottery allocation there is uncertainty. There was also an interest in being a financial supporter and will be worked through the Unsolicited Proposal process. Funding was also discussed and stated the JWSC is doing all it can with the funds available. If individuals are presenting UP it will lock down the allocation of tap fees within that project that come through as a result of work done. This will be up to the maximum of what the work will provide and will be dependent on drawdown testing.

PUBLIC COMMENT PERIOD

Q. It was questioned about the lottery and the qualifications for people signing up – will anyone be allowed to sign up, do you have to own a property and is it required to pay and build immediately?

A. It was explained that a person has to own the property and taps will be held for 10 years after purchase.

Q. Is there a total number from which JWSC is going to work from? On the dead 400 are they coming back as an available tap fee?

A. The answer is no. The total number and will be on a case by case discussion. JWSC has discussed and the answer is no on the 400 being available again. The way they were issued and the wording on the receipts are such that they are open ended.

Q. Was it common to have the tap fees open-ended at that time.

A. Yes, but it wasn't spelt out that it was never to end. It was not clearly defined. And the taps are considered not available.

Q. Is a tap fee typically issued to a property and specific to that property?

A. Yes, that is correct. If you received a tap fee for that property and you decide not to build on the property there will an opportunity to transfer the tap fee to another address or another owner within that basin.

Q. If someone wins the lottery do they need to pay the tap fee?

A. If you win you pay the tap fee. You are obligated to buy if you want it.

Q. How does this apply to the ordinance that JWSC established on raw land when you required payment. It was previously required for the builder to pay. Is JWSC going to amend that?

A. Yes, that is correct. JWSC will be amending..

Q. For example you have a builder about to build a home – does the homeowner need to get the permit or can the builder get it for them?

A. There should be no problem for contractor to make the payment with showing proof of ownership and it is reflective. The tap fee will be in the name of the owner.

Q. If the developer is abolished from paying all the fees and only a few taps are available in the large division of homes, for example, there is nothing marketable for the developer.

A. There will not be a dribble of taps as stated. As the capacity is freed up JWSC will execute sale of all available taps. Unless, in the case of an UP, it must cover what the developer needs and be in the plans that JWSC has for upgrades for those assets.

Q. In an UP, for example, 50 taps are needed, those taps would be available as priority for the party involved with the UP.

A. *That invested party would have priority and a lottery would not be necessary once the tap fees are paid.*

Q. Is this a 6 month premise where tap fees will be available at each time?

A. *Each basin is a case by case situation.*

Q. Communication concerns that JWSC is not sharing information.

A. *The JWSC staff is creating a summary of each of the basins that will include: what the work is, incremental changes, what the schedule is at the present, and should provide what is allocated and how much more we expect to see generated above and beyond.*

Q. JWSC has quite a few hurdles to overcome but will there be a wall to work against showing a final line list to the end? To end the lottery period? SSI is easier to identify the number.

A. *As mentioned earlier the summary that staff is working on will include incremental changes to each basin, what it will cost, and how much time we expect the allocations to be freed up based on that information. Some of the things to fix are clearly in front of us. This information should be available in 30 days or less.*

Q. Can JWSC develop an agreement with a date and variables to bring the ratio back and let the market start back up again. Maybe not wait until a project is done but begin earlier so developer can prepare.

A. *We can agree to allocate and take a risk if we know we have a project and know what it will free up. JWSC will look into and believe it can be done but will require a hold harmless agreement. It's possible the theory may not meet the results.*

Q. Say there are 4 builders in the room that all will need 10 tap fees - How will JWSC allocate or handle it?

A. *Unless there is a growth project or capacity enhancement project to allow the capacity you need. There will be scenarios that we may not have the funds but it could be the group of builders that develop a UP to meet the needs of the group.*

Q. For developers and UP fix, JWSC will need to have a keeper of the players. It could be sewer specific or basin specific meetings.

A. *JWSC agrees to look into possibly having location specific meetings as each basin is unique with specific problems.*

Q. Does everyone know what basins relates to your specific address or locations? Could it include downstream and what other basins or lift stations it effects?

A. *Staff has begun a detailed map and assets report and will be provided developers and builders.*

Q. The theoretical vs empirical data?

A. *One of the things we are finding in a system this old and discoveries found are that a lot of times the conditions underground aren't what JWSC has in the drawings and documentations. There are some replacements being done. Not in every case are the whole elements of the assets being completely changed out. There are still variables that we don't have a handle on. There are still some risks and unknowns/uncertainties.*

Q. Are all of the flow meters installed?

A. *JWSC is still work through the flow meters. They have been purchased and JWSC is having discussions on ways to expedite the process so that better data can be obtained.*

Q. In the large picture map it's not just a matter of LS 4110 that my property sits in but is also related to 4005 downtown that it leads into, is that correct?

A. *That is correct. There is an interdependency on other lift stations. This area discussed is part of a SPLOST project and would greatly change if it goes through.*

Q. Shared cost and how it is funded is a concern as the developer gets funds. It is still very constraining.

A. *The financial situation is not such that there are big dollars to allocate what everyone needs. We are struggling through it and this is our best effort to make things happen quickly enough.*

Q. It appears that anyone who owns a lot on SSI can get in on the lottery can get in on the 15% and that won't go very far. It was first stated that the building plans need to be approved by the building inspector

A. *Staff has worked diligently on this subject and tried to work through every scenario. Almost every rule set up there will be areas where people can gain the system. If someone does not actually need it but buys anyways it will require JWSC to monitor. There will always be someone who tries to finagle the system.*

Q. You can't buy a building permit without a tap fee. But you can buy a conditional tap with a letter from the building inspector.

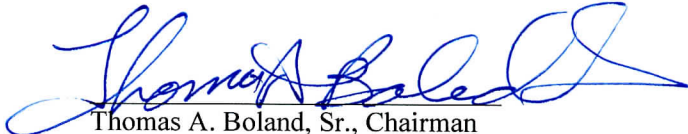
A. *This is something JWSC will look into and could have building permit ready criteria*

Mr. Junkin apologized for the serious issues that the builders, developers and single home buyers are having to deal with. The plan is to share the information by October 31, 2016.

COMMISSION UPDATE

A Finance Committee will be meeting today at 2:00 PM and Project Funding will be discussed. Project 2032 project is moving along and a meeting was held at Sea Palms to discuss how it will affect that area. It was voted by the Commission to purchase 10 pumps for various lift stations to add capacity and will be installed soon. Lift Station 4039 basin is currently under study by an engineer. The Commission understands development and the need for it but must be done with safety. There was recently a spill with a cracked pipe. JWSC is doing as much work as possible and as quickly as we can within our ability.

Chairman Boland thank you those who came to the meeting and provided comments. There being no additional citizens who wish to address the Commission, the Chairman closed the public comment period.


Thomas A. Boland, Sr., Chairman

Attest:


Sandra Egan, Clerk

Unsolicited Proposal Policy

I. Purpose

It is the purpose of this policy to create a uniform procedure through which private entities may submit proposals for projects the JWSC is not currently pursuing and to provide a mechanism through which the JWSC infrastructure may be improved with minimal concurrent cost to the JWSC.

II. Definitions:

(1) As used in this Policy, the term:

- (A) "Comprehensive agreement" means the written agreement between the private entity and the JWSC required by this Policy and approved by the JWSC in an open meeting following a bid award for a qualifying project.
- (B) "Develop" or "development" means to plan, design, develop, finance, lease, acquire, install, construct, operate, maintain, or expand.
- (C) "JWSC" means the Brunswick-Glynn County Joint Water & Sewer Commission.
- (D) "Local authority" means any local authority created pursuant to a local or general Act of the General Assembly, including a joint public instrumentality.
- (E) "Local government" means any county, municipality, consolidated government, or board of education.
- (F) "Private entity" means any natural person, corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, nonprofit entity, or other business entity, including a development authority, that agrees in writing to be bound by the provisions of this Policy.
- (G) "Qualifying project" means any project selected in response to a proposal submitted by a private entity as an unsolicited proposal in accordance with this Policy, and subsequently reviewed and approved by the JWSC, within its sole discretion, as meeting a public purpose or public need.
- (H) "Revenue" means all revenues, income, earnings, user fees, lease payments, or other service payments arising out of or in connection with supporting the development or operation of a qualifying project.

- (I) "Unsolicited proposal" means a written proposal for a potential qualifying project that is (1) related to water and sewer infrastructure (2) received by the JWSC within the appropriate timeframe for receipt of unsolicited proposals, and (3) submitted by a Private Entity that agrees in writing to be bound by the provisions of this Policy.

III. Unsolicited Proposals

- (1) A private entity may submit an unsolicited proposal for a project to the JWSC for review and determination as a qualifying project in accordance with this policy. Any such unsolicited proposal shall be accompanied by the following material and information:
 - (A) A project description, including the location of the project, the conceptual design of such facility or facilities, and a conceptual plan for the provision of services or technology infrastructure;
 - (B) A feasibility statement that includes:
 - 1. The method by which the private entity proposes to secure any necessary property interests required for the project;
 - 2. A list of all permits and approvals required for the project from local, state, or federal agencies; and
 - 3. A list of public utility facilities, if any, that will be crossed by the project and a statement of the plans of the private entity to accommodate such crossings;
 - (C) A schedule for the initiation and completion of the project to include the proposed major responsibilities and timeline for activities to be performed by both the JWSC and private entity as well as a proposed schedule for obtaining the permits and approvals required in this Policy;
 - (D) A financial plan setting forth the private entity's general plans for financing the project, including the sources of the private entity's funds and identification of any dedicated revenue source or proposed debt or equity investment on behalf of the private entity; a description of user fees, lease payments, and other service payments over the term of the comprehensive agreement; and the methodology and circumstances for changes to such user fees, lease payments, and other service payments over time; and requested payback provisions, if applicable;
 - (E) A business case statement that shall include a basic description of any direct and indirect benefits to the JWSC or its water and sewer system that the private entity can provide in delivering the project, including

relevant cost, quality, methodology, and process for identifying the project and time frame data;

- (F) The names and addresses of the persons who may be contacted for further information concerning the unsolicited proposal;
 - (G) As statement identifying portions of the proposal that contain trade secrets or privileged information that the private entity requests not be released in subsequent requests for proposals for competing bids; and
 - (H) Such additional material and information as the JWSC may request initially or in subsequent requests for supplementation.
- (2) For any unsolicited proposal of the development of a project received by the JWSC, the JWSC may charge and retain a fee to cover the costs of processing, reviewing, and evaluating the unsolicited proposal, including, without limitation, reasonable attorney's fees and fees for financial, technical, and other necessary advisers or consultants.
 - (3) The JWSC may perform a financial review and analysis of any unsolicited proposal it deems prudent to evaluate.
 - (4) The JWSC may vote, in a duly advertised open meeting, on whether to accept or reject the unsolicited proposal within 30 days of receipt, unless the JWSC notifies the private entity of a need for additional time or information.
 - (5) The JWSC may reject any unsolicited proposal at any time, including following initial acceptance of the unsolicited proposal, and shall not be required to provide a reason for its rejection. If the JWSC rejects an unsolicited proposal submitted by a private entity, it shall have no obligation to return the unsolicited proposal or any related materials.
 - (6) A private entity assumes all risk in submission of a proposal or unsolicited proposal in accordance with Sections III (1) and III (2) of this Policy, and the JWSC shall not incur any obligation to reimburse a private entity for any costs, damages, or loss of intellectual property incurred by a private entity in the creation, development, or submission of a proposal or unsolicited proposal for a qualifying project.
 - (7) The JWSC may, at the Executive Director's discretion, identify and appoint an independent adviser to the JWSC with expertise in architecture, engineering, or construction management to assist in the evaluation of an unsolicited proposal and to serve as owner adviser to the JWSC if the JWSC chooses to pursue any qualifying project. The JWSC shall not be obligated to engage such services.
 - (8) Before submitting an unsolicited proposal, the private entity shall agree in writing, in a form provided by the JWSC, to be bound by this Policy and to release the

JWSC from any and all claims, demands, causes of action, damages, or suits of any kind or nature whatsoever related to the submission of the unsolicited proposal or the project that is the subject thereof, and shall agree to hold harmless and indemnify JWSC for any and all claims, demands, causes of action, damages, or suits of any kind or nature whatsoever related to the submission of the unsolicited proposal. This provision, and the representations made in the form identified herein, shall be in addition to any similar provisions contained in the Comprehensive Agreement or elsewhere and shall survive the rejection of any unsolicited proposal and survive the termination of the Comprehensive Agreement.

IV. Subsequent RFP and Competing Proposals

- (1) Upon a decision by the JWSC in a duly advertised open meeting to accept an unsolicited proposal as a qualifying project, the JWSC may issue a request for proposals (RFP) for the qualifying project in compliance with its normal bidding policies.
- (2) The procedures for posting and publishing notice of the opportunity to offer competing proposals shall be in compliance with its normal bidding policies.
- (3) The procedures for the processing, review, and consideration of competing proposals, and the period for the processing, review, and consideration of competing proposals shall be in compliance with its normal bidding policies.
- (4) The JWSC may determine whether information included in an unsolicited proposal is privileged or contains any trade secrets and thus should not be released as part of any RFP.

V. Comprehensive Agreement

- (1) As applicable, and in compliance with its normal bidding policies, the JWSC may award the qualifying project to a qualifying bidder subject to the negotiation of a comprehensive agreement. The JWSC may also decide to conduct the project without the assistance of outside contractors and subject to the negotiation of a comprehensive agreement.
- (2) If no bid proposals are acceptable to the JWSC, or if a comprehensive agreement cannot be successfully negotiated, the qualifying project may be abandoned.
- (3) The comprehensive agreement entered into between the JWSC and the private entity submitting the proposal in accordance with this Policy shall include:
 - (A) A thorough description of the duties of each party in the completion and operation of the qualifying project;
 - (B) Dates and schedules for the completion of the qualifying project;

- (C) Any user fees, lease payments, or service payments as may be established by agreement of the parties, as well as any process for changing such fees or payments throughout the term of the agreement, and a copy of any service contract;
- (D) Any reimbursements to be paid to the JWSC for services provided by the JWSC;
- (E) A process for the review of plans and specifications for the qualifying project by the JWSC and approval by the JWSC if the plans and specifications conform to standards acceptable to the JWSC;
- (F) A process for the periodic and final inspection of the qualifying project by the JWSC to ensure that the private entity's activities are in accordance with the provisions of the comprehensive agreement;
- (G) Delivery of performance and payment bonds in the amounts required by law and in a form acceptable to the JWSC for those components of the qualifying project that involve construction, and surety bonds, letters of credit, or other forms of security acceptable to the JWSC for other phases and components of the development of the qualifying project;
- (H) Submission of a policy or policies of public liability insurance, copies of which shall be filed with the JWSC accompanied by proofs of coverage, or self-insurance, each in form and amount satisfactory to the JWSC and reasonably sufficient to ensure coverage of tort liability to the public and JWSC employees or agents and to enable the continued operation of the qualifying project;
- (I) A process for monitoring the practices of the private entity by the JWSC to ensure that the qualifying project is properly maintained;
- (J) The filing of appropriate financial statements to the JWSC on a periodic basis; and
- (K) Provisions governing the rights and responsibilities of the JWSC and the private entity in the event that the comprehensive agreement is terminated or there is a material default by the private entity, including conditions governing assumption of the duties and responsibilities of the private entity by the JWSC and the transfer or purchase of property or other interests of the private entity by the JWSC, including provisions compliant with state constitutional limitations on public debt by the JWSC.

- (4) The comprehensive agreement may include such other terms and conditions that the JWSC determines will serve the public purpose of this policy and to which the private entity and the JWSC mutually agree, including, without limitation, provisions regarding unavoidable delays and provisions where the authority and duties of the private entity under this Policy shall cease and the qualifying project is dedicated to the JWSC for public use.
- (5) Any changes in the terms of the comprehensive agreement, as may be agreed upon by the parties from time to time, shall be added to the comprehensive agreement by written amendment.
- (6) The comprehensive agreement may provide for the development of phases or segments of the qualifying project.

VI. Default and Remedies:

- (1) In the event of a material default by the private entity, the JWSC may terminate, with cause, the comprehensive agreement and exercise any other rights and remedies that may be available to it at law or in equity, including, but not limited to, claims under the maintenance, performance, or payment bonds; other forms of security; or letters of credit required by this Policy.
- (2) The JWSC may elect to assume the responsibilities and duties of the private entity of the qualifying project, and in such case, it shall succeed to all of the right, title, and interest in such qualifying project subject to statutory limitations on the availability of future appropriated or otherwise unobligated funds.
- (3) The power of eminent domain shall not be delegated to any private entity with respect to any project commenced or proposed pursuant to this Policy. Any local government having the power of condemnation under state law may exercise such power of condemnation to acquire the qualifying project in the event of a material default by the private entity. Any person who has perfected a security interest in the qualifying project may participate in the condemnation proceedings with the standing of a property owner.
- (4) In the event the JWSC elects to take over a qualifying project pursuant to subsection (2) of this Policy section, the JWSC may develop the qualifying project, impose user fees, and impose and collect lease payments for the use thereof.

VII. Sovereign or official immunity

- (1) Nothing in this Policy shall be construed as or deemed to be a waiver of the sovereign or official immunity of the JWSC or any officer or employee thereof with respect to the participation in, or approval of, all or any part of the qualifying project or its operation, including, but not limited to, interconnection of the qualifying project with any other infrastructure or project.

VIII. The JWSC will receive unsolicited proposals on January 15, April 15, July 15, and October 15 of each year unless otherwise approved in a duly advertised open meeting. Unsolicited proposals may be addressed to the JWSC Executive Director.

IX. Procedures for the financial review and analysis of an unsolicited proposal:

(1) In conjunction with the financial review and analysis of an unsolicited proposal, the JWSC may:

- (A) Perform a cost-benefit analysis;
- (B) Perform an evaluation of the public need for or benefit derived from the qualifying project;
- (C) Perform an evaluation of the estimated cost of the qualifying project for reasonableness in relation to similar facilities;
- (D) Perform an evaluation of the source of funding for the project;
- (E) Consider plans to ensure timely development or operation;
- (F) Perform an evaluation of risk sharing, including cost or completion guarantees, added value, or debt or equity investments by the private entity; and
- (G) Consider any increase in funding, dedicated revenue source, or other economic benefit that would not otherwise be available.

X. Fees

(1) The private entity shall submit a fee to the JWSC with any unsolicited proposal in accordance with the following schedule:

- (A) For any qualifying project expected to cost up to \$250,000.00 for all engineering, construction, and materials, the fee shall be \$5,000.00;
- (B) For any qualifying project expected to cost in excess of \$250,000.00 and up to \$500,000.00 for all engineering, construction, and materials, the fee shall be \$7,500.00;
- (C) For any qualifying project expected to cost in excess of \$500,000.00 for all engineering, construction, and materials, the fee shall be determined by the JWSC staff in accordance with this Policy;

(2) The following are the criteria the JWSC may consider when determining fees charged to the private entity for the processing, review, and evaluation of an unsolicited proposal expected to cost in excess of \$500,000.00:

- (A) Anticipated staff time and effort in review of the unsolicited proposal;
- (B) Anticipated attorneys' fees attributable to the unsolicited proposal;
- (C) Opportunity costs attributable to the unsolicited proposal;
- (D) Equipment requirements or depreciation;
- (E) Third party fees or costs associated with the review; and
- (F) Any other cost or fee associated with the review of the proposal.

Policy effective date _____.
Policy revision date _____.

Chairman, JWSC