



Brunswick-Glynn County Joint Water and Sewer Commission
1703 Gloucester Street, Brunswick GA 31520
Thursday, September 22, 2016 at 2:00 pm
Commission Chambers

COMMISSION MEETING AGENDA

Call to Order

Invocation

Pledge

PUBLIC COMMENT PERIOD

Public Comments will be limited to 3 minutes per speaker. Comments are to be limited to relevant information regarding your position and should avoid being repetitious. Individuals should sign in stating your name, address and the subject matter on which you wish to speak. Your cooperation in this process will be greatly appreciated.

COMMITTEE UPDATES

Communications & Customer Service – Commissioner Adams
Economic Development – Commissioner Boland
Facilities – Commissioner Perry
Finance – Commissioner Elliott
Human Resources – Commissioner Cason
Legislative – Commissioner Boland

APPROVAL

1. **Minutes from September 1, 2016 Regular** (*subject to any necessary changes*)
2. **Minutes from September 1, 2016 Executive Session** (*subject to any necessary changes*)
3. **Minutes from August 30, 2016 Special Called Meeting: Tap Fee Allocation Public Hearing**
4. **Minutes from September 20, 2016 Special Called Meeting: Tap Fee Allocation Public Hearing**
5. **Financial Advisor Award Recommendation** – P. Crosby/J. Donaghy
6. **Tap Fee Allocation Policy** – J. Junkin
7. **SR 99 Easement** – T. Kline
8. **Property Purchase Contract** – Comm. Boland/C. Dorminy
9. **Vac-Con Capital Lease** – P. Crosby/K. Young
10. **Unsolicited Proposal Policy** – C. Dorminy
11. **Rate Resolution Revision** – C. Dorminy
12. **Public Information Officer** – J. Junkin

DISCUSSION

1. **End of Month Financials:** Balance Sheet, Income Statement, and Project Funding Status – J. Donaghy
2. **Project Update: Urbana and Mansfield St.** – T. Kline
3. **Lift Station Bypass Pump Update** – K. Young
4. **Lift Station Back-up Pumps/Capital Lease Payment Options** – P. Crosby/J. Donaghy
5. **Sea Island Road Line Break Update** – K. Young

EXECUTIVE SESSION

Potential Litigation

EXECUTIVE DIRECTOR'S UPDATE

Legislative Delegation Meeting; Hurricane Hermine Issues; IT Tech Needs; Capital Project; Engineering Staff

CHAIRMAN'S UPDATE

Meeting Adjourned



Brunswick-Glynn County Joint Water and Sewer Commission
1703 Gloucester Street, Brunswick, GA 31520
Thursday, September 22, 2016 at 2:00 PM

COMMISSION MINUTES

PRESENT:

Thomas A. Boland, Sr., Chairman
Donald M. Elliott, Commissioner
Allen Booker, County Commissioner
John A. Cason, III, City Commissioner
Ronald Perry, Commissioner
Robert Bowen, Commissioner

ABSENT:

Clifford Adams, Vice-Chairman

ALSO PRESENT:

Jimmy Junkin, Executive Director
Charlie Dorminy, Legal Counsel
John D. Donaghy, Director of Administration & Finance
Todd Kline, Senior Engineer
Pam Crosby, Director of Purchasing
Kirk Young, Superintendent Systems Pumping and Maintenance

Commissioner Boland called the meeting to order at 2:00 PM. Commissioner Booker provided the invocation and Commissioner Boland led the pledge.

PUBLIC COMMENT PERIOD

Jay Roberts, Roberts Tate Law – Jay Roberts, Frederica Development. Wanted to make a few comments on capacity in sewer in Basin 2032 and North. Frederica Development has obtained records from JWSC on the actual measured flow and has been analyzed. The engineers for Frederica Development shared the initial measurement indicates capacity in 2032. The next subject Mr. Roberts discussed was on the Sewer Tap Policy. Mr. Junkin stated that a draw down test has been performed and does not exceed the some 400 outstanding taps previously purchased that have not been connected to laterals. A number of changes are being made to the Policy and will provide a more aggressive path to distributing available taps. Mr. Roberts stated that Frederica Development is against the Tap Fee Policy as it does not provide assurance of tap and does not provide transferability of taps.

There being no additional citizens who wished to address the Commission, the Chairman closed the public comment period.

EMPLOYEE RECOGNITION – Commissioner Boland

Commissioner Boland read a letter from Sapelo Farms, BA Lewis and Gabe Marr. The letter thanked Mike Fields, Senior Inspector, the crew of the BGJWSC, and the Woodard Construction crew for their timely and efficient work on Canal Road this summer. It continued saying that the installation of water and sewer lines can be inconvenient and cause much contention, they found the workers to be courteous, considerate, and accommodating. One particular instance a worker came back after hours to install a culvert that had been removed in order to prevent erosion or flooding from heavy rains that were

expected. Mr. Fields worked with Sapelo Farms to insure that customers had access to the farm for their weekly produce although construction had closed the road and driveway at times.

Commissioner Elliott made a motion seconded by Commissioner Cason to excuse Commissioner Adams from the meeting today. Motion approved 6-0-1 (Commissioner Adams was absent for the vote).

COMMITTEE UPDATES

Communications & Customer Service Committee – Commissioner Adams

There was nothing new to report.

Economic Development Committee – Commissioner Elliott

There was nothing new to report.

Facilities Committee – Commissioner Perry

There was nothing new to report.

Finance Committee – Commissioner Elliott

Will discuss as part of the meeting today.

Human Resources Committee – Commissioner Cason

There was nothing new to report.

Legislative Committee – Commissioner Boland

There was nothing new to report.

APPROVAL

1. Minutes from the September 1, 2016 Regular Meeting

Commissioner Cason made a motion seconded by Commissioner Bowen to approve the minutes from September 1, 2016 Regular Meeting. Motion carried 6-0-1 (Commissioner Adams was absent for the vote).

2. Minutes from the September 1, 2016 Executive Session Meeting

Commissioner Elliott made a motion seconded by Commissioner Cason to approve the minutes from the September 1, 2016 Executive Session Meeting. Motion carried 6-0-1 (Commissioner Adams was absent for the vote).

3. Minutes from the August 30, 2016 Special Called Tap Fee Policy Meeting

Commissioner Cason made a motion seconded by Commissioner Booker approve the minutes from the August 30, 2016 Special Called Meeting Tap Fee Allocation Hearing. Motion approved 6-0-1 (Commissioner Adams was absent for the vote).

4. Minutes from the September 20, 2016 Special Called Tap Fee Policy Meeting

Commissioner Cason made a motion seconded by Commissioner Booker to approve the minutes from the September 20, 2016 Special Called Meeting Tap Fee Allocation Hearing. Motion approved 6-0-1 (Commissioner Adams was absent for the vote)

5. Financial Advisor Award Recommendation – P. Crosby/J. Donaghy

Pam Crosby presented the Financial Advisory Services contract recommendation to the Commission. Pam stated the JWSC is looking for a financial advisor with expertise in governmental financing. This party will help with reviewing, evaluating, planning, developing, and administering our financial operations and capital projects and financing plans to support those areas. With the recent regulatory changes about 2 years ago this party will act as a separate advisor and will not be able to be our underwriter for bond financing. The RFP process was issued on August 4th and we received 7 proposals on September 8th. Four (4) of the top firms that were interviewed were Davenport & Co.; PFM Public Financial Management, Inc.; PRAG Public Resources Advisory Group; and Stephens, Inc. After the post interview the selection team reviewed notes and reference checks it was decided upon the Davenport & Co. firm was selected and the recommendation to bring before the Commission. This choice was due to

the firm working with and advising similar sized utilities, multiple inter-governmental agencies and using combined financing initiatives. Davenport & Co. also provides the option of an education program for our Commissioners which would walk them through the bond process and rating agencies to help maintain a good ratings. They also provided competitive service rates when compared with other proposals. John Donaghy stated that all of the firms would well serve the JWSC and were excellent firms. Each of them had several points in common in terms of their recommendations for the JWSC which addressed our current bond issue, debt service reserve concerns, and credit ratings Moody's and Standard & Poor's. They all stressed the importance of our available cash balances to the strength of our credit ratings. Davenport & Co. did offer a standard alternative to the flat rate pricing. Commissioner Boland stated the debt when JWSC began was approximately 50M and has been reduced to 39M and it is necessary to keep money in reserve to keep the bond rating. It was stated that JWSC needs to look at ways to finance all of the repairs and improvements that are necessary and it is imperative to have a Financial Advisor when looking to obtain bonds.

Commissioner Elliott made a motion seconded by Commissioner Cason that the BGJWSC move forward and enter into a contract with Davenport & Company to provide Financial Advisory Services to the BGJWSC. Motion approved 6-0-1 (Commissioner Adams was absent for the vote)

6. Tap Fee Allocation Policy – J. Junkin

Mr. Junkin presented the Tap Fee Allocation Policy. He stated that some changes have been made to the policy after the meeting Tuesday Public. Sections were added to address the calculated risk of issuing sewer capacity taps ahead of project completion with a hold harmless agreement. Another major change was the issue as to who fits into the larger developer category. As projects come into effect that upgrade our assets and allow greater capacity a lottery will be conducted. It was noted that we will exceed capacity available by the demand that is already requested. So based on the comments from the previous meeting is a need to break the developer and home builders into 2 categories. The larger group that develop 10 or more homes or lots in the last 2 years or have plans approved with the county commission for 10 or more will be considered 'Category A' and allocated 85% available of what is available. The other, 'Category B', is 15% would go to the single home builders. The policy then breaks the process down to two phases of allocation in which a hold harmless may be necessary for anticipated capacity. Once the engineers have reviewed capacity that is available and for Category A' larger builders, a date will be set and those interested come in and receive a lottery number and at the next day the drawing takes place and 10% will be issued. Everyone who shows up or requests a lottery number will receive one. Those who had their numbers drawn during the lottery will be contacted and will have 7 days to come in and receive their tap fees. If someone decides they no longer want tap fees then the next drawn number will be contacted. For the single home builders, 15%, everyone will receive a lottery number if requested. The drawing will be completed when that 15% of total available taps are gone. If there are leftovers of the un-allocated tap fees they will be placed in the larger developer, Category A. The second phase (Phase II) occurs when physical changes, upgrades have been completed and tested with drawdowns to verify the capacity that has been freed up. This will be repeated until all available taps are gone but the second time there is no need for a hold harmless agreement. The last piece is Unsolicited Proposals in which people or groups and are willing to become financially involved in fronting projects to make them happen or make them happen quicker. Anyone who wishes to submit a UP will have the allocations that they have paid for ahead of anyone else who wants to tie into the system. The tap fees are transferable only within a basin. The rented and purchased pumps were discussed briefly. It was noted that the discretion is left in the hands of the Executive Director. There was additional discussion on builders and developers that may stockpile the taps and those

that actually need more than 10% of that which is allocated. Mr. Junkin asked if the Commission could approve this and further discussion and adjustments will be going on further down the road.

Commissioner Perry made a motion seconded by Commissioner Bowen that the BGJWSC accept the Tap Fee Allocation Policy as it is presented today.

Commissioner Elliott request that Mr. Junkin also look at the number of homes that an individual builder or developer has constructed be it lots developed and homes built within a 5 year period to determine their size. By reviewing the historical perspective of their marketing efforts and what has been actually sold. It was stated that JWSC should not get into the ethics of what builders and developers are doing with the tap fees. The market will settle things where they need to be. There are some areas in Glynn County where there is no problem getting capacity.

Motion approved 6-0-1 (Commissioner Adams was absent for the vote).

It was noted that more time is needed to prepare for a lottery as it is not ready. It will most likely be ready until after the next commission meeting.

7. SR 99 Easement – T. Kline

Mr. Kline presented the SR99 Easement subject before the commission. This project includes construction of potable water system and fire protection improvement in the Sterling and Hwy 99 area. There are (4) easements as part of this project. The Acquisition Group, Inc. (Ronnie Lewis) was hired to go out and negotiate those easements and the land appraiser was performed by Driggers Commercial Group. The purchase of the easements was approved by the Executive Director and the transactions were completed with the property owners. This project will help the Sterling Industrial Park and the surrounding area. It was noted this was to be done 8 years ago and has finally come to completion. The map was presented and explained that this gives fire protection down Green Swamp Road, the Spur Ext. north of 99, all the way back down to the front of Sterling Industrial Park. The river bores are in place to come down the easement down 341. This new line will also go down Grants Ferry Road and extend to the residents there and in front of the fire department and finally provide water for them. This also relieves the school board on water pressure.

Commissioner Elliott made a motion seconded by Commissioner Bowen that the BGJWSC authorizes the Executive Director to proceed with recording the above referenced water utilities easements. Motion approved 6-0-1 (Commissioner Adams was absent for the vote).

Commissioner Boland stated this will be the first time a fire station in the area that will have a fire hydrant to utilize.

8. Property Purchase Contract – C. Dorminy

Commissioner Boland updated the Commission regarding the property on S. Harrington next to the Harrington Water Production Facility on St Simons Island. This property provides additional space for projects and allows laydown of equipment if needed, additional parking for staff, and to protect the interest in the facility. The appraisal was performed and the price is lower than the appraisal value and is in compliance.

Commissioner Perry made a motion seconded by Commissioner Elliott to move forward with the purchase of the property and authorize the Chairman to sign the contract. Motion approved 6-0-1 (Commissioner Adams was absent for the vote)

9. Vac-Con Capital Lease – P. Crosby/K. Young

Pam Crosby presented before the Commission requesting the additional Vac-Con truck to be added into the total making it (4) vehicles. As part of the fiscal year 2017 budget process this Commission previously approved the purchase of (2) Vac-Con trucks from capital reserve funds. Based on recent repair issues, and critical operational needs identified during staff's response to conditions from the recent storm, Hermine, the need for additional Vac-Con capacity has been identified. After assessing these incidents, staff looked at different options to re-align current spending to optimize operational capacity and minimize initial cash outlay and overall impact to the organization's finances. Another crew has been added to the Vac-Con staff which brings it to four (4). Staff would like to increase the number of Vac-Con trucks to be purchased to from (2) to (4). Instead of making a direct purchase staff would like to enter into a capital lease finance program. The initial cash outlay would be a lesser amount than what was originally approved for (2) trucks. The payments could be spread out for 5 years. This will allow less repair costs. John Donaghy stated the annual cash flows should come out of the reserves this year but will be built into the operating budgets in years going forward. This allows the repairs costs that was planned will go towards lease payments. Kirk stated for fiscal year 2015 a total of approx. \$50K was spent on maintenance. This last fiscal year approx. \$60K+ was spent on repairs to the Vac-Con. Commissioner Boland explained the use of these large vehicles and their importance and constant use in the community. This item will be brought before the Commission at a later date to discuss alternate capital lease programs and determine the best option. It was stated by Commissioner Elliott for the Executive Director to review and notify at the next Commission meeting and provide the information all together.

Commissioner Elliott made a motion seconded by Commissioner Bowen that the BGJWSC move forward and to purchase (4) Vac-Con trucks via a Capital Lease Finance program with the condition that staff will seek alternative provider options and that the Executive Director to make the final decision as to which Capital Lease program to use. Motion approved 6-0-1 (Commissioner Adams was absent for the vote).

10. Unsolicited Proposal Policy – C. Dorminy

Charles Dorminy updated the Commission on the Unsolicited Proposal changes in section III (4). The proposed modification is to change the word 'shall' to 'may'. He stated it has come to our attention after having project discussions with developers that they may not want the vote to occur within 30 days. This provides more latitude to take it beyond 30 days.

Commissioner Elliott made a motion seconded by Commissioner Perry to accept the wording change made to the Unsolicited Proposal. Motion approved 6-0-1 (Commissioner Adams was absent for the vote).

11. Rate Resolution Revision – C. Dorminy

Charles Dorminy updated the Commission on the Rate Resolution. He stated in discussion regarding the Allocation Policy it has come to our attention that some language in the Rate Resolution needs to be changed. It appears the current resolution directs developers with paying the tap fees up front. Currently we do not have the correct language and ask that this be deferred until the next Commission meeting on October 6th.

Commissioner Elliott made a motion seconded by Commissioner Booker to defer the Rate Resolution Revision to the meeting on October 6, 2016. Motion approved 6-0-1 (Commissioner Adams was absent for the vote).

12. Public Information Officer – J. Junkin

Mr. Jimmy Junkin presented to the Commission the position of Public Information Officer. Mr. Junkin stated the new position was allocated in the budget for this year and have researched similar positions with other utilities. The basic needs have been covered in the job description and duties presented and the salary compensation range of \$54 – 85k. The budget will be reviewed to see where we are in the range.

This person will be under the general direction of the Executive Director and serves as a spokesperson for the JWSC to direct and manage a comprehensive program of public information and education. This position will help to promote and educate so that folks can understand the value that this utility is to the overall well-being of the community. The duties will include customer service and develop a program which can educate the schools and proactive in social media and keep the website updated.

Commissioner Booker made a motion seconded by Commissioner Perry to authorize the position of Public Information Officer and authorize the Executive Director to go forward with the advertising and hiring for the position. Motion approved 6-0-1 (Commissioner Adams was absent for the vote).

DISCUSSION

1. End of Month Financials – J. Donaghy

John Donaghy updated the Commission on the end of August Financials. John stated the packet information includes Balance Sheet, Supplemental Schedule of Cash Balances, Project Report, and the Revenue and Expenses statements for the end of June and August 31 2016. It was noted that in the Balance Sheet end June 30 that there will be further audit adjustments to be posted before the audit is completed. In the August column the cash and cash equivalents have increased by approx. 1M. There is also 1.74M in accounts payable. In liabilities the current long term debt is 37M and will be paid 2M payment within the next 12 months. The current fund balances are close to 121M. John discussed the supplemental cash balances and explained the details showing on the balance sheet. The project report ending June 30, 2016 which has not been capitalized yet shows costs for are projects that are in progress of 10.5M. Much of the 3M is shown as encumbrances and purchase orders for further work. The revenue and expense report was discussed and that the first two months of the fiscal year showing we are running ahead of schedule for total revenues. It was noted that we are running somewhat behind in the budget for dispersing monies for expenditures and there is \$704 thousand of purchase orders outstanding that we have not received good or services for yet. The money is committed but not yet expended. The final page reflected that we are running \$337 thousand of revenue over expenditures for the year. These reports were discussed in the Finance Committee earlier this month. Commissioner Boland explained that JWSC has many more projects than previous years and asks everyone to get behind the SPLOST 2016.

2. Project Update: Urbana and Mansfield St – T. Kline

Todd Kline updated the Commission on the Urbana and Mansfield projects. These projects were updated at the City Commission meeting last evening. The map and pictures of the Urbana area were reviewed as well as the conditions of the streets that the residents are having to cope with. Todd explained that this is a very invasive project with 1 ½ miles of new gravity sewer installation. This is replacing old infrastructure that was found to be in poor shape, undersized, and some points blocked and/or collapsed. It has been a difficult project and Washington Machine out of Macon, GA has been the contractor on site. When you have existing infrastructure it is necessary to maintain service throughout and a lot of unknowns have been uncovered and undocumented lines, etc. The road condition and the storm drain was in fairly poor shape and the City approached JWSC to tag onto the project for storm drain improvements. The City is waiting on materials and may be about 2 weeks. The paving will be finished once the storm drains are completed. There was additional discussion on learning from previous projects and paving the roads in stages. The residents in the area have been appreciative of what is being done. The project will improve the storm drainage, provide replacement of aged water lines down Talmage, Macon, G Street and will include much needed fire hydrants. The Mansfield project maps were presented and discussed. The sewer work is getting completed and tied in. The project is only a ½ mile of gravity sewer installation and the contractor is Stone Construction. There have been Change orders and other issues have caused delays. Most significantly has been debris that has washed through the Lift Station from the storms. The pictures showed lines that were pulled out of the ground. There was additional discussion on the laundry business that has been affected by this project. It was requested to have timelines presented for projects. The JWSC has recently obtained Microsoft Project and will be tracking

with scheduling and measuring and will be part of the production report. Commissioner Cason asked if the staff could get with the businesses affected by this project and communicate this information.

3. Lift Station Bypass Pump Update – K. Young

Kirk Young updated the Commission on the Bypass Pump. It was stated that the order has been placed for the HL200 for 2032. In place are the 2 rented pumps currently. The purchase has been received and should be placed in order of importance to be Lift Station 2032, 4005, 4048, 4110, 2003, 4105, 2001, 2002, 4039, and 4107. It was requested of the Executive Director to place pressure on Data Flow asking based on their lack of responsiveness that we are looking for alternatives. It was also questioned if project 2030 was completed, which it is but SCADA is still not completed.

4. Lift Station Back-up Pumps/Capital Lease Payment Options – P. Crosby/J. Donaghy

Pam Crosby presented to the Commission on the Capital Lease Options and different options. With the recent purchase of the pumps at 1.5M the financial team has provided an analysis with a schedule of 1, 10, and 12 month for financing. An option could be taken to spread out the cost of this purchase and is brought before as a discussion. The pumps have already been on order and would want to know if the Commission would consider this type of program. The actual pumps will be net 30 after the receipt of them. It is recommended to run through the Finance Committee first and see what the lease option is as well as run through another lease option like GMA or GFA. It was recommended to compare to other options.

5. Sea Island Road Line Break Update – K. Young

Kirk Young presented the Sea Island Road Line Break to the Commission. The staff was on site to determine the size of the force main on 2030 and discovered the ditch water was very dark with no fish swimming. On the other side the water was green with fish around. The discovery prompted a call to EPD. It was noted that a culvert header was placed directly atop the force main. There were many fiber optic lines in the same area and took a while to make the connection. The existing was completely bypassed and the connection was made at both ends. The leak was addressed in the paper as required for public notification and was classified as a major spill. It was noted that JWSC could not provide an exact quantity or volume that hit the waterway it is listed as a major spill. A good thing was there were no fish spill noted. Mr. Hawthorne was present at the site and all was documented to EPD. Work was previously done on this area months ago. The flow data was compared to see if it was measurable and it was considered a relatively small leak and the right of way permits have been requested. A time line is being researched as to when this occurred. The cost in time and equipment of personnel is approx. \$20,000. The concerns remain as it appears to be county work and we are looking to back bill for expenses. When an SSO hits a major category it falls into a year of monitoring and is mandated and sampling by JWSC staff is required. There is no ecological damage.

EXECUTIVE DIRECTOR'S UPDATE

Mr. Junkin updated the Commission on the meeting with the Legislative Delegation to seek their advice and support. JWSC faces an expansive Master Plan and Capital program.

Hurricane Hermine update was provided and was stated that JWSC staff did a very good job responding. There were no sewer overflows. The Vac-Con trucks were available and kept things running. The water supply was not interrupted. There are always follow-up in cases like this. The emergency operations plan has been drafted and needs to be finalized.

IT Tech needs has been identified and will be brought before the commission again at a later date.

A meeting will be held next week to discuss Capital Projects Prioritization, finalizing the Master Plan projects, and financial options with the assistance of the Financial Advisor.

Mr. Junkin stated he will be coming back to the Commission for a discussion on Construction Management Field Engineer for internal and external construction needs and internal staff Engineer to manage design and contract over sight.

There was additional discussion on the capacity readings and providing accurate data to verify capacity.

CHAIRMAN'S UPDATE

EXECUTIVE SESSION

Commissioner Perry made a motion seconded by Commissioner Booker to adjourn into Executive Session to discuss Potential Litigation. Motion approved 6-0-1 (Commissioner Adams was absent for the vote).

The Chairman stated there will not be vote afterwards when the Commission reconvenes.

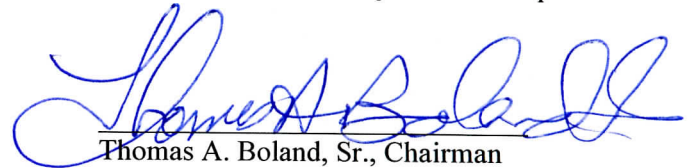
Executive Session ended

Commissioner Cason made a motion seconded by Commissioner Elliott to adjourn the Executive Session and adjourned the Regular meeting. Motion approved 5-0-2 (Commissioner Adams and Commissioner Bowen were absent for the vote).

There being no additional business to bring before the Commission, Chairman Boland adjourned the open meeting at 4:44 pm.

Attest:

Sandra Egan
Sandra Egan, Clerk


Thomas A. Boland, Sr., Chairman



Brunswick-Glynn County Joint Water and Sewer Commission

MEMORANDUM

To: JWSC Commission
From: John Donaghy / Pam Crosby
Date: September 20, 2016
Re: Approval – Award of Contract for Financial Advisory Services

Background

BGJWSC desires to engage the services of a recognized financial consultant with expertise in governmental financing to assist in the review, evaluation, planning, development, and administration of its financial operations, capital projects, and financing plans. While providing financial advisory services to the JWSC, the Financial Advisor(s) will be prohibited from participating in the underwriting, whether by negotiated sale or competitive bid, of any bond issue in which the Financial Advisor(s) has been retained to give advice regarding the bond issue or any other borrowing BGJWSC is considering.

The BGJWSC issued a RFP for Financial Advisory Services on August 4, 2016. Seven (7) proposals were received on Thursday, September 8, 2016, and (4) firms were invited provide presentations to the selection committee on September 15th and 16th. These firms included:

- Davenport & Co
- PFM – Public Financial Management, Inc.
- PRAG – Public Resources Advisory Group
- Stephens, Inc.

After post-interview selection team review and reference checks were completed, Davenport & Company was the selected firm. Davenport's recent experience advising similar size utilities within the State of Georgia, working combined intergovernmental agency fundings and education programs available to the JWSC staff and Commission members all contributed heavily to the group's selection decision. Also, Davenport's service rates were very competitive against the other proposers.

Staff Recommendation

Enter into a contract with Davenport & Company to provide Financial Advisory Services to the BGJWSC. It is intended that the Financial Advisor(s) will be selected for a period of three years with the possibility of up to two one-year extensions.

Enclosures:
Rate Sheets – Final (4) Proposers

Motion: *"I make a motion that the Brunswick Glynn County Joint Water & Sewer Commission move forward and enter into a contract with Davenport & Company to provide Financial Advisory Services to the BGJWSC.*

BGJWSC SEWER TAP ALLOCATION POLICY

Background

A number of lift stations within the Brunswick-Glynn County Joint water & Sewer Commission (BGJWSC) sanitary sewer service area are currently serving users at a level that exceeds their capacity for safe design standards. This situation creates the potential for a significant public health hazard. For this reason, the JWSC has ceased issuing taps within those sewer basins temporarily until capacity issues can be resolved to the satisfaction of the JWSC and the Georgia EPD. A complete list and explanation of those basins affected is available at the JWSC. Staff has sought and received from the commission authority to procure ten (10) portable pumps at the anticipated cost of \$1.25 million and the authority to make other minor piping or pump modifications that will provide additional capacity temporarily at ten (10) of the most critical lift stations in the system until a permanent solutions can be reached. Once each station is retrofitted and/or modified to accommodate the new pump(s), drawdown tests will be performed to evaluate the resulting flow rating or capacity of the lift station and downstream infrastructure, and, therefore, how much additional capacity is being provided. Thereafter, tap fees may commence to be sold. However, the resulting temporary capacity will be finite and based on continued monitoring. The JWSC is evaluating how to allocate the resulting capacity. Below is the current draft of the proposed tap fee allocation policy based on the input and additional information received from the last public meeting regarding this policy.

Three major concepts came out of the discussions during and since the last public meeting on this topic: 1. There needs to be allocations to the differing categories of builders and developers; 2. There is a strong need amongst many builders and developers to confirm sewer allocations to facilitate the business of building; and 3. There is a willingness by some to provide financial support to facilitate or expedite sewer capacity release. Those concepts are reflected in the revised sewer allocation policy.

Policy

1. 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.
2. Barring the exceptions referenced above, as a sewer basin has capacity freed up and verified by drawdown testing, the added capacity will be allocated with eighty-five (85) percent going to individuals or entities (Category A) who have requesting ten or more tap fees over the past two years or requesting ten or more taps for a current development which has completed Glynn County review and approvals for their construction plans. The remaining fifteen (15) percent will be allocated to all other small builders and individual lot owners wishing to construct homes (Category B).

Lottery Protocol For New Sewer Allocations

As stated above, the new sewer allocations will be allocated with 85 percent going to those individuals or entities who have requesting ten or more tap fees over the past two years or requesting ten or more taps for a current development which has completed Glynn County review and approvals for their construction plans. As

allocations for a given sewer basin or basins are freed up or added, a date and time certain will be set to sell those tap fees.

Category A individuals and entities who require five (5) or more taps will be placed in the lottery when they show up on the appointed date and time (to be published one month in advance of the lottery date). Lottery numbers will be issued until the close of business that day. The lottery will allow for draws of ten percent of the Category A allocation to be requested by each person who is issued a lottery number in this category. There will only be ten winners. If tap fees available exceed requests at that time, no lottery will be required to sell tap fees. Otherwise, taps will be allocated using the established lottery numbers issued when on the date of the lottery.

Category B individuals and entities who require less than five taps likewise will be placed in the lottery when they show up on the appointed date and time (to be published one month in advance of the lottery date). Lottery numbers will be issued until the close of business that day. The lottery will allow for draws for one lot per person or entity from the Category B allocation. If tap fees available exceed requests at that time, no lottery will be required to sell tap fees. Otherwise, taps will be allocated using the established lottery numbers issued when on the date of the lottery.

Note: Category B individuals should be ready to construct. Taps will be sold to the lottery winners with the condition that the individuals purchasing the tap fee provide proof of a building permit for that location with 30 days. Failure to meet this requirement will result in tap fee being revoked and tap fee payment being returned to the purchaser less the administrative charges for handling the revocation. Once tap fees are revoked, they will be issued to the next individual who requested them based on their rank in the lottery draw.

Note: All tap fees should be purchased within five (5) working days of the offer after selection in the lottery.

Unsolicited Proposals

As indicated above, UP's serve to allocate tap fees in advance of their availability for a given sewer basin or basins. The JWSC has a formal UP policy that outlines the conditions for a UP to be submitted to the JWSC. It also contains a template for the submission document. Note, tap allocations will only be held for ten years after purchase. See Appendix I.

In addition, a JWSC HH must be executed at the time a UP is submitted. A sample HH is included in Appendix II, however, each will be tailored according to the project.

APPENDIX I

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

APPENDIX II

INDEMNITY AND HOLD HARMLESS AGREEMENT

This INDEMNITY AND HOLD HARMLESS AGREEMENT (this "Agreement"), entered this ___ day of _____, 2016, made by _____ (hereinafter included as a "Releasor"), in favor of BRUNSWICK-GLYNN COUNTY WATER & SEWER COMMISSION, a public corporation created by Local Act of the General Assembly of the State of Georgia (hereinafter referred to as the "Utility").

WITNESSETH THAT:

WHEREAS, the Utility owns and operates water and wastewater systems serving customers inside the limits of the City of Brunswick and in the unincorporated portion of Glynn County, Georgia (hereinafter referred to as the "System");

WHEREAS, the Utility has established a policy for accepting Unsolicited Proposals to upgrade its infrastructure (hereinafter "Policy");

WHEREAS, the Releasor has submitted, or will submit, an Unsolicited Proposal according to this Policy to improve the chances for approval of its project known as "Pilar Hotel" currently being considered by the Island Planning Commission (hereinafter "Project");

WHEREAS, as part of this Proposal, the Policy requires the submitting party to execute a hold harmless agreement providing that JWSC will not be held responsible for any claims stemming from any actions taken related to this Proposal; and

WHEREAS, the Releasor desires to enter into this Agreement to further the evaluation and acceptance of the Unsolicited Proposal and to further the chances of the approval of its Project by the Island Planning Commission;

NOW THEREFORE, for and in consideration of the Utility allowing Releasor to submit an Unsolicited proposal, and in exchange for Utility agreeing to change the status of its Project from "Noncompliant" to "Compliant with Conditions" (hereinafter "Change in Status") Releasor agrees to indemnify, defend, and hold harmless the Utility, and its officers, agents, and employees, from and against any and all claims, suits, causes of action, penalties, losses, or judgments for damages or injury to persons or property arising out of or in connection with the acts and/or any performances or activities of Releasor during the construction of the project referenced in the Unsolicited Proposal, or the Utility in considering or approving the Unsolicited Proposal or any of the processes undertaken during the evaluation period, including but not limited to the "Change in Status".

Releasor acknowledges that the Change in Status is being made solely out of reliance that the Unsolicited Proposal is being made and that JWSC reserves the right to reverse the Change in Status should the proposal not be submitted or be rejected by the JWSC. It is further acknowledged that there is no guarantee that the Unsolicited Proposal will be accepted by the JWSC. Additionally, Releasor acknowledges that it is proceeding henceforth with its Project at it on risk

and should not rely on any representations made by the JWSC or its staff with regard to whether the Unsolicited Proposal will be accepted, whether the Project is "Compliant", or whether sewer capacity will be available unless and until so agreed upon in the Comprehensive Agreement as provided in the Policy.

The term of this Agreement shall be for an indefinite period of time commencing on the date that the last party executes this Agreement.

Releasor hereby acknowledges and agrees that Releasor has read this instrument and understands its terms and is executing this instrument voluntarily. Releasor and the undersigned agent of Releasor further certifies that the undersigned is an authorized representative of Releasor and has actual authority to bind Releasor, and all agents, employees, officers, contractors and subcontractors, and the agents, employees, officers, subsidiaries, parent entities, related entities, contractors and subcontractors of Releasor, to this Agreement. Releasor expressly agrees that this instrument is intended to be as broad and as inclusive as permitted by law, and that if any provision of this instrument is held invalid or otherwise unenforceable, the enforceability of the remaining provisions shall not be impaired thereby.

IN WITNESS WHEREOF, _____, by and through its duly authorized representative, has caused this Agreement to be executed as of the date first above written.

Releasor: _____

By: _____

Print Name: _____

Title: _____

Witnessed By: _____

Print Name: _____



Brunswick-Glynn County Joint Water and Sewer Commission

Approval Memo

To: BGJWSC Board Members, James W. Junkin (Exec. Director)
From: Todd Kline, P.E. (Planning & Construction, Senior Engineer)
Date: 22 September 2016
Re: Project No. 232- S.R.99/US341 Water main extension; easement acquisition

Background

- construction of potable water system and fire protection improvements in the Sterling region
 - 3 miles of 8" water main; Greenswamp Rd.
 - 1 mile of 12" water main; S.R. 99
 - 1 mile of 12" water main; US341
 - 1,085 l.f. of 8" water main; Grants Ferry Rd. to serve residents and Glynn Co. fire station
 - Seaboard Construction Co.; \$1,177,792.15
 - Notice to Proceed February 29, 2016
 - Utility easements required to loop Greenswamp Rd./ S.R.99/ US341 (see Exhibits A&B)
 - The Acquisition Group, Inc. (Ronnie Lewis) contracted to negotiate easements
 - Land appraisal by Driggers Commercial Group, Inc.

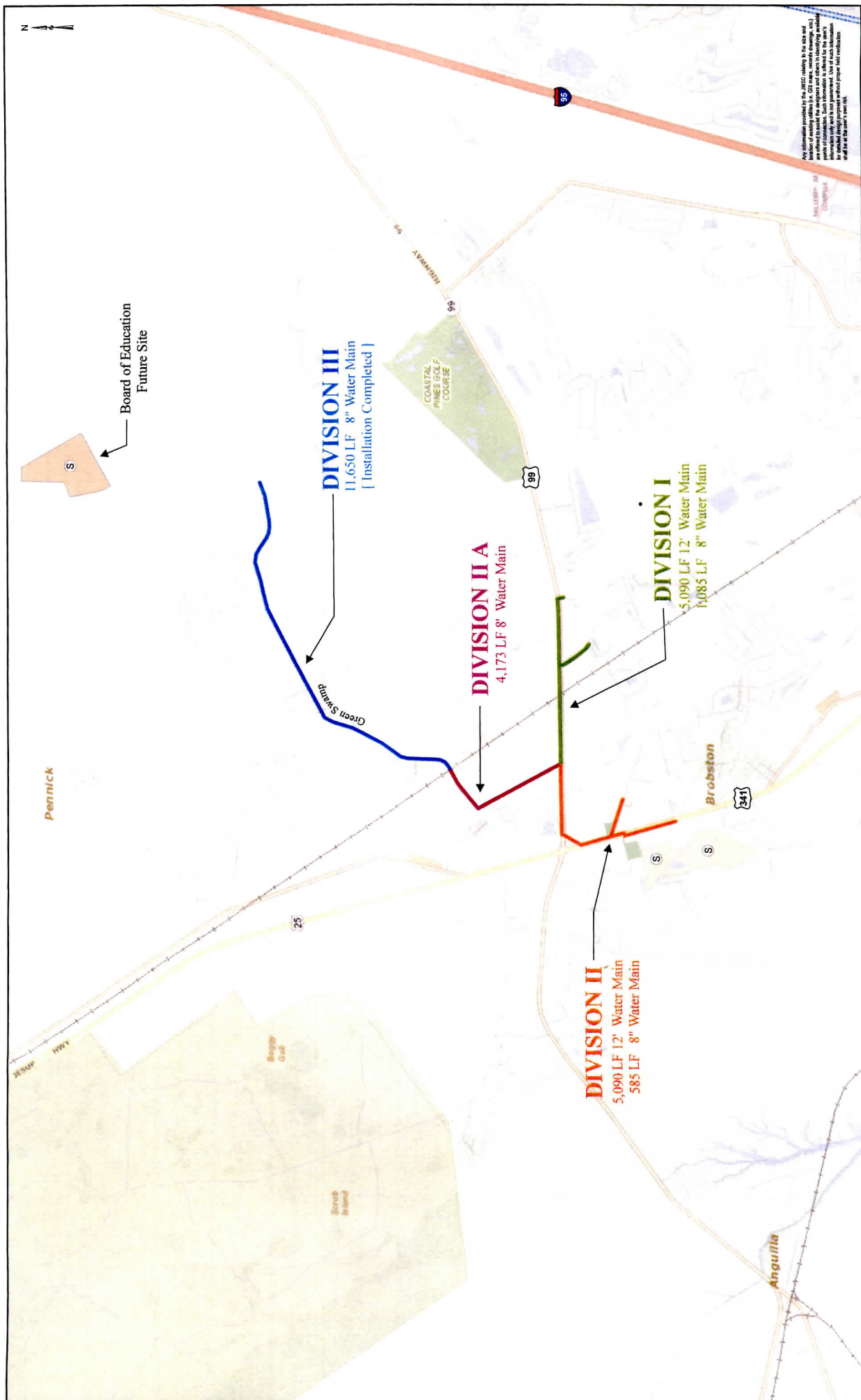
Staff Review

- David Simpkins
 - One parcel (Exhibit A); negotiated to \$1,900.00.
- V&K Holdings
 - Three parcels (Exhibit B); negotiated to \$12,000.00 (total).
- Easement purchase approved by Executive Director.
- Transactions completed with property owners.
- Ready to record easements.

Staff recommends JWSC Board approval to record these easements.

Recommended Motion

I move that the JWSC Board authorizes the Executive Director to proceed with recording the above referenced water utilities easements.



All information provided by the applicant is subject to the accuracy of the information provided. The designer and engineer are not responsible for the accuracy of the information provided. The information is provided for informational purposes only and is not intended to be used for any other purpose. Use of any information for detailed design purposes without proper field verification shall be at the user's peril.

Board of Education
Future Site

DIVISION III
11,650 LF 8" Water Main
[Installation Completed]

DIVISION II A
4,173 LF 8" Water Main

DIVISION I
5,090 LF 12" Water Main
1,085 LF 8" Water Main

DIVISION II
5,090 LF 12" Water Main
585 LF 8" Water Main

Brunswick-Glynn Joint Water & Sewer Commission
SR 99/US 341/ Green Swamp Road Water Main Extension



Information provided for informational purposes only. The location of easement lines is based on aerial photography and is not guaranteed. The design and construction of the easement shall be the responsibility of the user. The user shall be responsible for obtaining all necessary permits and approvals from the appropriate authorities. The information is provided as a service and is not intended to constitute an offer of any financial product or service. The information is provided as a service and is not intended to constitute an offer of any financial product or service.

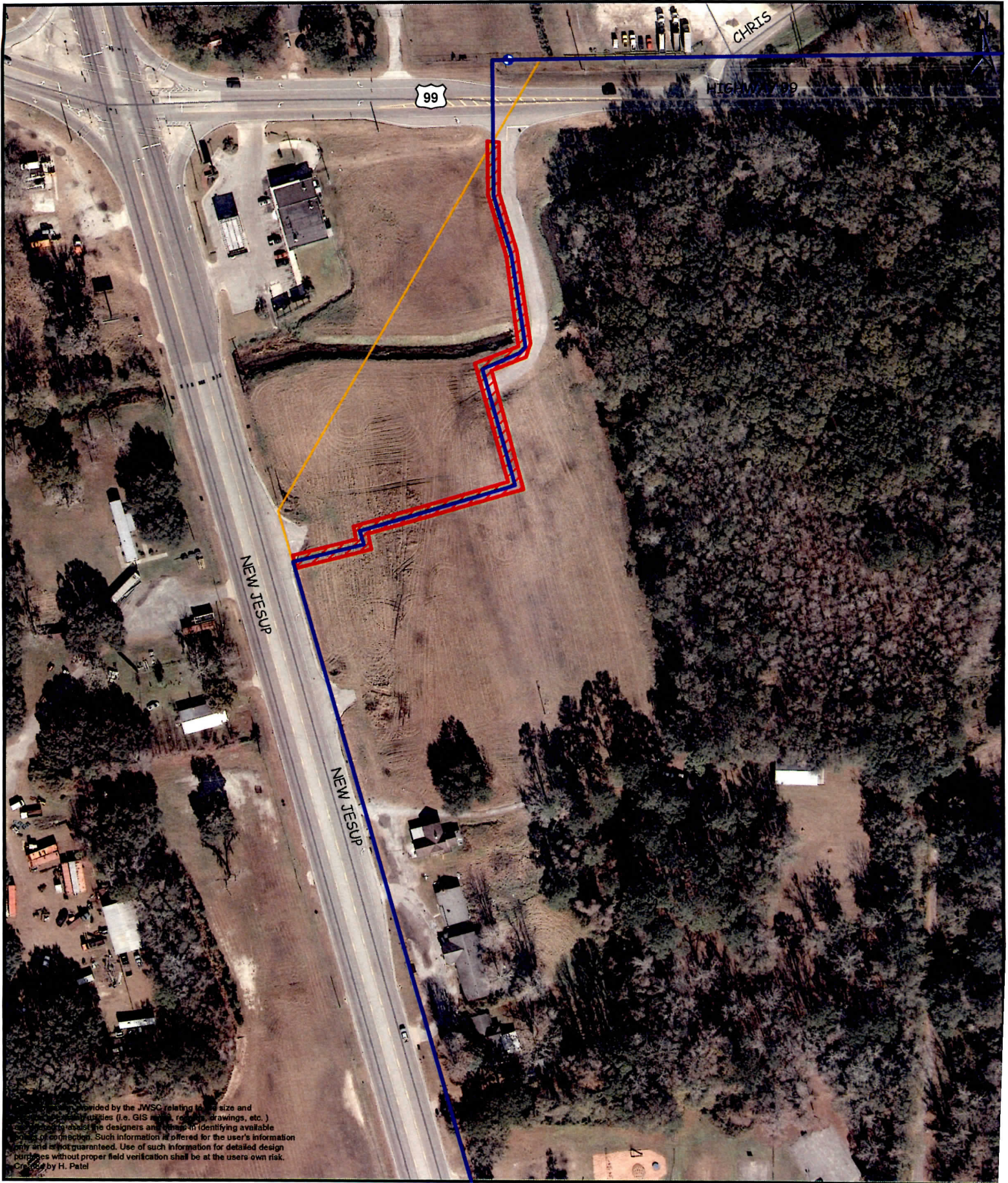


Know what's below.
Call before you dig.

BRUNSWICK-GLYNN JOINT WATER & SEWER COMMISSION
1703 GLOUCESTER STREET, BRUNSWICK, GA 31520

EXHIBIT A - SR 99 EASEMENT (DAVID SIMPKINS PROPERTY)





provided by the JWSC relating to the size and location of utility lines (i.e. GIS maps, records, drawings, etc.) and is not intended to be used as a basis for identifying available easements or other rights. Such information is offered for the user's information only and is not guaranteed. Use of such information for detailed design purposes without proper field verification shall be at the user's own risk.
Created by H. Patel



Know what's below.
Call before you dig.

BRUNSWICK-GLYNN JOINT WATER & SEWER COMMISSION

1703 GLOUCESTER STREET, BRUNSWICK, GA 31520

EXHIBIT B - SR 99 EASEMENT (V&K HOLDINGS PROPERTY)





Brunswick-Glynn County Joint Water and Sewer Commission

MEMORANDUM

To: JWSC Commission
From: John Donaghy / Pam Crosby / Kirk Young
Date: September 22, 2016
Re: Approval – Purchase of (4) Vac-Con trucks via Capital Lease Program

Background

As part of the FY2017 budget process, JWSC commission previously approved the purchase of (2) Vac-Con trucks from capital reserve funds. Based on recent repair issues, and critical operational needs identified during staff's response to conditions as a result of tropical storm Hermine, the need for additional Vac-Con capacity has been identified. After assessment of current repairs needed to maintain operations on the existing Vac-Con fleet, staff looked at different options to re-align current spending to optimize operational capability and minimize initial cash outlay and overall impact to the organization's financial outlook.

For analysis purposes, a capital lease finance option was requested from the Vac-Con distributor, Adams Equipment. Financial and Operations staff collaborated to identify crew counts, current and anticipated maintenance and repair costs over a 10-year period. Direct purchase approach and payment options from the Adams Equipment options were incorporated to create a comprehensive Total Cost of Ownership for the Vac-Con fleet over the next 10-year period. This analysis concluded that the most efficient utilization of financial and people resources would be to purchase (4) Vac-Con trucks via a capital lease finance option.

This information was presented to the Finance Committee on Tuesday, September 20, 2016. The recommendation was to forward for full Commission approval to increase the number of Vac-Con trucks to be purchased from (2) to (4). Once that approval is granted, staff will then move forward seeking additional competitive capital lease finance options that will be presented to Commission prior to purchase approval. The initial annual term payments will be funded from the capital reserve fund and moving forward this annual amount will move to funding out of the operational budget.

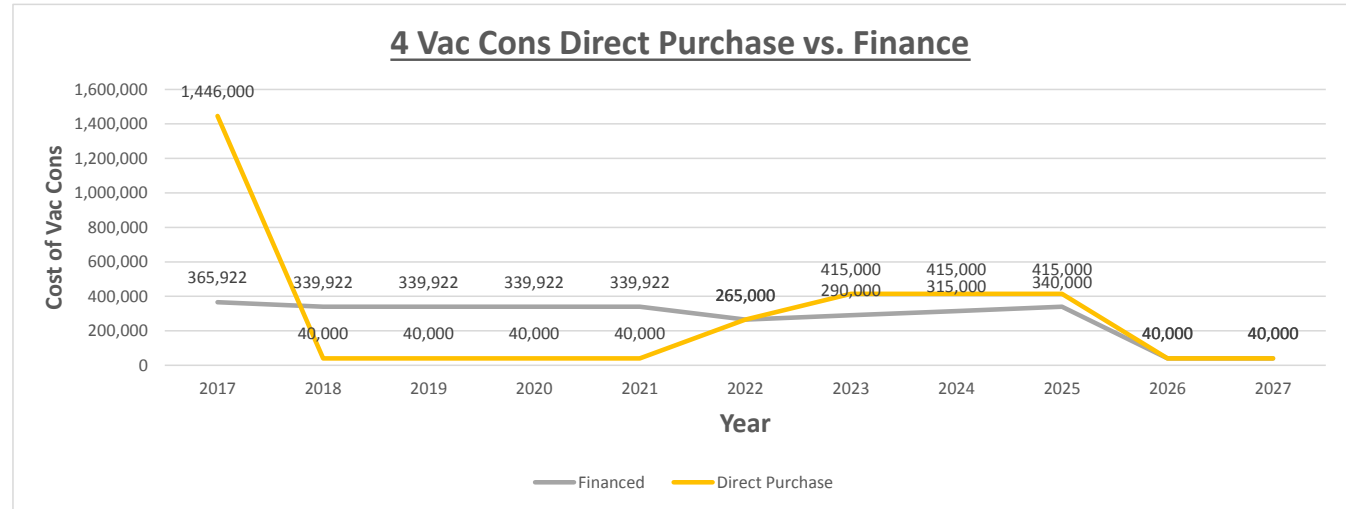
Staff Recommendation

Approval for staff to pursue a Capital Lease Finance Program for the purchase of (4) Vac-Con trucks vs. (2) Vac-Con trucks originally approved via direct purchase. Staff will seek alternative capital lease program provider options for Commission approval prior to purchase.

Enclosures:
Analysis of Direct Buy vs. Capital Lease
Equipment Quotations
Adams Capital Lease Details

Motion: *"I make a motion that the Brunswick Glynn County Joint Water & Sewer Commission move forward and to purchase (4) Vac-Con trucks via a Capital Lease Finance program with the condition that staff will seek alternative provider options and present those to Commission for approval prior to purchase."*

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Financed	365,922	339,922	339,922	339,922	339,922	265,000	290,000	315,000	340,000	40,000	40,000
Direct Purchase	1,446,000	40,000	40,000	40,000	40,000	265,000	415,000	415,000	415,000	40,000	40,000



		Historical and Current Costs				Direct Purchase										
Fiscal Year Ending		2015	2016	2017	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
2004 Sterling 12yd PD Blower	402															
		purchase price				375,000				375,000						
		finance														
		Trade In/Sale				(22,000)				(150,000)						
		O&M	5,000	3,000	10,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Backup		other maint	11,386	22,080	6,434											
PD Blower/Silencer and Pump		Maint Needed			60,000											
2008 Sterling 16yd PD Blower	403															
		purchase price				375,000					375,000					
		finance														
		Trade In/Sale				(20,000)										
		O&M	2,000	3,000	10,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
		other maint	6,713	7,604	10,000											
PD Blower and Boom		Maint Needed			55,000											
2004 Sterling 12yd Fan	404															
		purchase price				375,000						375,000				
		finance														
		Trade In/Sale				(17,000)										
Out of Service		O&M	3,000	1,000	10,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
		other maint	8,135	6,026												
PTO, Boom, High Pressure Pump		Maint Needed			75,000											
2004 Sterling 12yd PD Blower	405															
1996 Vac Con body		purchase price				375,000							375,000			
		finance														
		Trade In/Sale				(15,000)										
Out of Service		O&M	3,000	5,000	10,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
		other maint	4,742	3,958												
PD Blower/Silencer/HP Pump/Boom		Maint Needed			125,000											
Totals			43,977	51,667	371,434	1,446,000	40,000	40,000	40,000	40,000	265,000	415,000	415,000	415,000	40,000	40,000

Brunswick-Glynn County JWSC

Balance Sheet

As of June 30, 2016 and August 31, 2016

	June 30, 2016	August 31, 2016
CURRENT ASSETS		
Cash and Cash Equivalents	801,780.13	1,860,800.47
Bond Sinking Fund	321,871.87	954,891.67
Accounts Receivable	2,365,443.14	2,339,982.23
Unbilled Revenue	1,065,306.69	1,065,306.69
Prepaid Expenses	247,695.61	217,284.60
Inventory	<u>1,221,029.39</u>	<u>1,267,522.83</u>
Total Current Assets	6,023,126.83	7,705,788.49
RESTRICTED CASH ACCOUNTS		
JWSC Reserves	16,345,532.46	15,073,233.80
Capital Reserves	4,476,809.99	4,476,799.99
Trustee Held Funds	4,712,095.99	4,712,095.99
Customer Deposit Reserve	<u>2,862,055.02</u>	<u>2,862,055.02</u>
Total Restricted Cash	28,396,493.46	27,124,184.80
CAPITAL ASSETS		
Fixed Assets Net of Depreciation	129,231,528.38	129,746,510.41
Construction In Progress	<u>3,343,199.43</u>	<u>3,797,008.48</u>
Total Capital Assets	132,574,727.81	133,543,518.89
OTHER ASSETS		
Bond Issue Costs Net of Amortization	253,385.48	251,162.74
DEFERRED PENSION OUTFLOWS		
Deferred Pension Outflow - Contributions	274,345.00	274,345.00
Deferred Pension Outflow - Experience	<u>18,123.00</u>	<u>18,123.00</u>
Total Deferred Pension Outflows	292,468.00	292,468.00
TOTAL ASSETS	<u><u>167,540,201.58</u></u>	<u><u>168,917,122.92</u></u>
CURRENT LIABILITIES		
Accounts Payable	2,217,887.08	1,174,352.98
Accrued Salaries and Vacation	385,289.44	385,289.44
Accrued Liabilities	29,501.17	29,482.82
Retainage Payable	542,461.19	467,355.59
Interest Payable	148,289.06	444,867.18
Short-Term Portion of Debt	<u>2,020,000.00</u>	<u>2,020,000.00</u>
Total Current Liabilities	5,343,427.94	4,521,348.01
LONG-TERM DEBT		
Long-Term Portion of Bond Payable	37,515,000.00	37,515,000.00
OTHER LIABILITIES		
Customer Deposits Payable	2,844,930.47	2,949,648.04
Bond Premium Net of Amortization	<u>1,283,063.87</u>	<u>1,263,270.95</u>
TOTAL OTHER LIABILITIES	4,127,994.34	4,212,918.99
NET PENSION LIABILITY	<u>1,788,876.00</u>	<u>1,788,876.00</u>
TOTAL LIABILITIES	<u><u>48,775,298.28</u></u>	<u><u>48,038,143.00</u></u>
FUND BALANCES		
Contributed Capital	97,751,477.14	97,751,477.14
Capital Tap Fees	5,749,334.66	6,165,109.66
Unrestricted	<u>15,264,091.50</u>	<u>16,962,393.00</u>
TOTAL FUND BALANCES	<u><u>118,764,903.30</u></u>	<u><u>120,878,979.80</u></u>

Brunswick-Glynn County Joint Water and Sewer Commission
Supplemental Schedule of Cash Balances

	8/31/16 Cash Balances
Cash and Cash Equivalents	
Revenue Deposit Account	1,787,245
General Checking Account	50,538
Payroll Checking Account	20,218
Change and Petty Cash Accounts	2,800
	1,860,800
 Bond Sinking Fund	 954,892
 JWSC Reserves	
Operating Reserve	8,933,150
Capital Reserve	1,800,000
Repair and Replacement Reserve	3,819,521
Expansion Reserve	520,563
	15,073,234
 Capital Tap Fee Reserves	
Saint Simons Island	1,128,446
North Mainland	1,828,334
South Mainland	365,223
Brunswick	1,154,797
	4,476,800
 Bond Trustee Reserves	
Construction Fund	800,592
Issuance Fund	103,048
Debt Service Reserve	3,808,456
	4,712,096
 Customer Deposit Reserve	 2,862,055

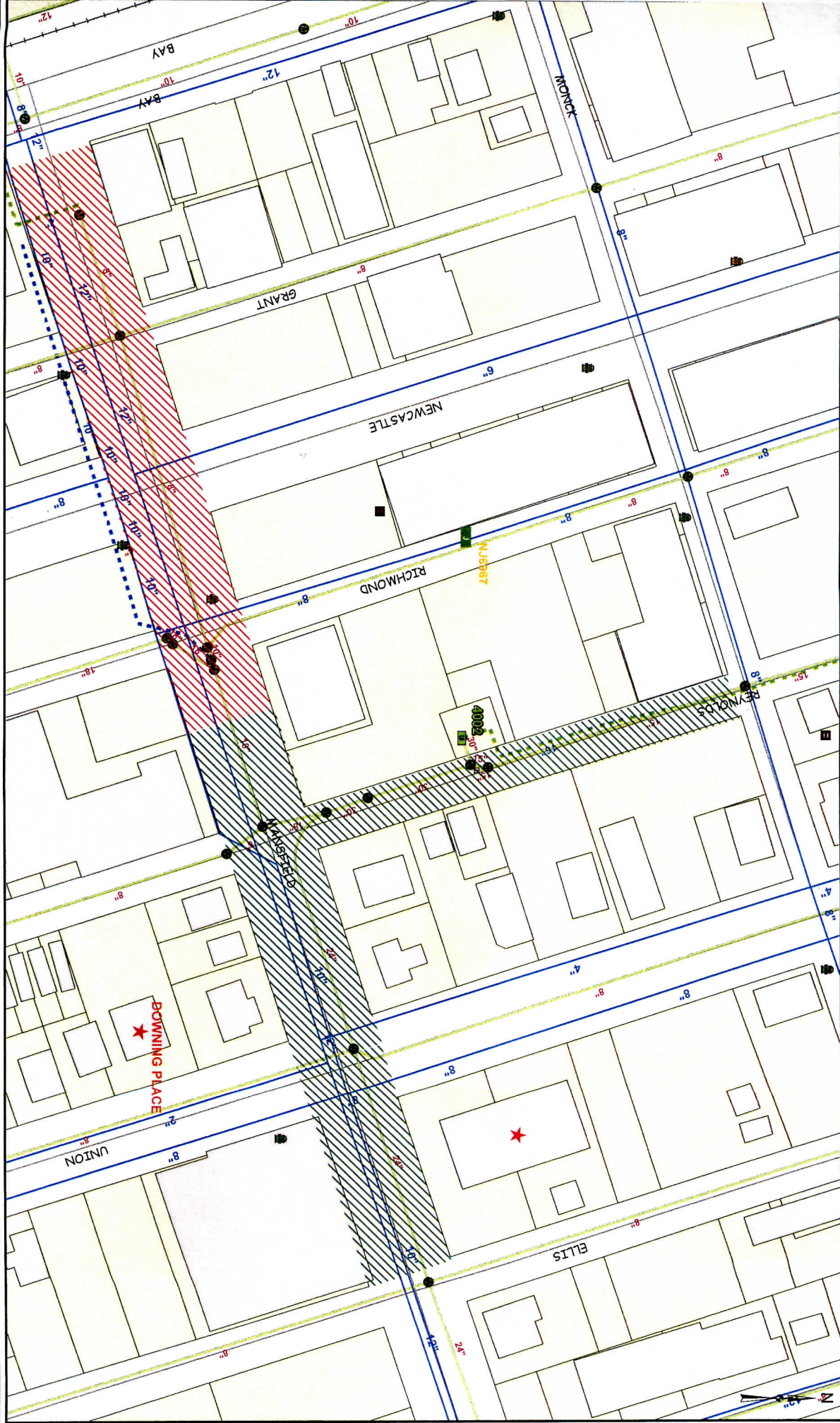
Brunswick-Glynn County JWSC Project Report 2016-17

Project #	Project Name	Costs to 6/30/16	FY-2017 Costs	Encumbrances	Total
206	SUB-BASIN 4048	80,186			80,186
213	NM WWTP NPDES PERMIT	140,434			140,434
232	SR-99 WATER MAIN EXTENSIONS	760,297	290,071	705,654	1,756,022
304	SSI VILLAGE AREA WATER IMPROVEMENTS	182,752			182,752
319	URBANA PROJECT	674,622	106,008	1,162,370	1,943,000
409	LS 2030 AND FORCEMAIN	4,395,445	14,369	43,108	4,452,922
413	FREDERICA/ATLANTIC SEWER & FORCEMAIN	1,780,447	547	81,846	1,862,840
416	HAMPTON WATER PRODUCTION FACILITY	1,032,801	24,008	49,775	1,106,584
417	RIDGEWOOD WATER PRODUCTION FACILITY	65,943			65,943
418	SOUTHPORT WATER PRODUCTION FACILITY	57,621			57,621
419	CANAL ROAD TO OLD JESUP WATER & SEWER IMPROVEMENTS	829,520	156,311	135,367	1,121,198
421	MANSFIELD STREET PROJECT	354,720	7,547	623,688	985,955
424	LOW PRESSURE SEWER DESIGN - COMMUNITY RD	14,657			14,657
425	LOW PRESSURE SEWER DESIGN - EPWORTH ACRES	8,723			8,723
501	ALDER CIRCLE FIRE LINE	20,750			20,750
503	CANAL CROSSING WATER & SEWER IMPROVEMENTS	26,250			26,250
504	CANAL ROAD PUMP STATION	73,425			73,425
505	LIFT STATION 2032 AND FORCEMAIN	51,020	71,895	310,578	433,493
601	MACON WATER IMPROVEMENTS	0	35,507	348	35,855
602	HOLLY STREET	2,279	15,344	29,076	46,700
		10,551,892	721,608	3,141,810	14,415,309

Any information provided by the JWSG relating to the size and location of existing utilities (i.e. GIS maps, records, drawings, etc.) is provided for informational purposes only and is not a guarantee of accuracy. Such information is obtained from the user's information only and is not guaranteed. Use of such information for detailed design or construction shall be at the user's own risk. Created by: 11/1/2011

BRUNSWICK-GLYNN JOINT WATER & SEWER COMMISSION
 1703 GLOUCESTER STREET, BRUNSWICK, GA 31520
 MANSFIELD STREET SEWER IMPROVEMENTS

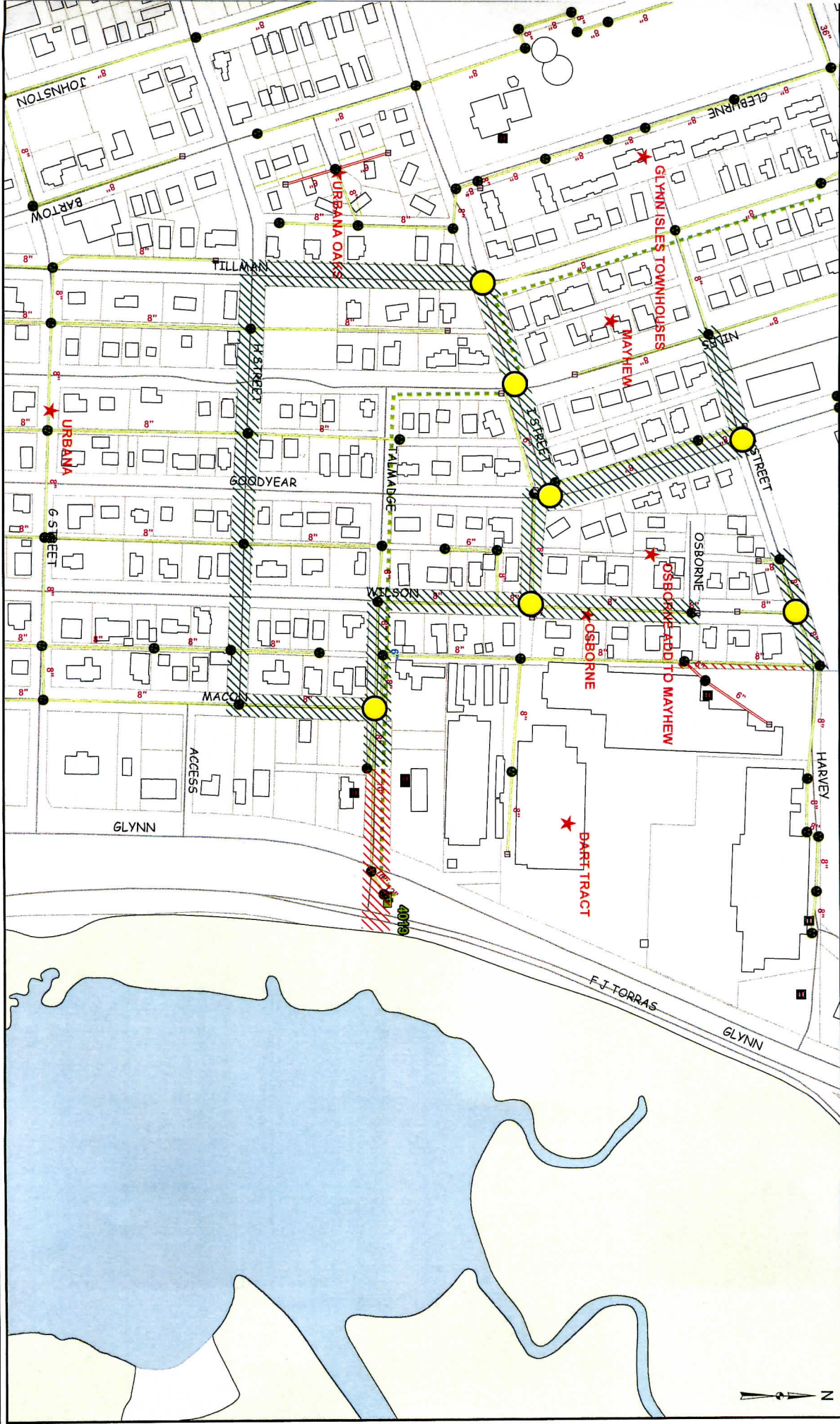
COMPLETE SANITARY SEWER INSTALLATION
 INCOMPLETE



Any information provided by the JMSGC relating to the size and location of existing utilities (i.e. GIS data, records, drawings, etc.) is provided as a reference only. It is not a warranty or assurance of accuracy. Such information is not intended to be used for design purposes. Use of such information for detailed design purposes without proper field verification shall be at the user's own risk. Prepared by: H. Patel

BRUNSWICK-GLYNN JOINT WATER & SEWER COMMISSION
 1703 GLOUCESTER STREET, BRUNSWICK, GA 31520
 URBANA SEWER IMPROVEMENTS

COMPLETE SANITARY SEWER INSTALLATION
 INCOMPLETE
 CITY STORM DRAIN IMPROVEMENTS



Mansfield Street Sanitary Sewer Improvements

Ghost Lines encountered during construction



(Unmarked utilities)





Urbana Sanitary Sewer Improvements

Conditions during construction



