



**Brunswick-Glynn County Joint Water and Sewer Commission**  
**1703 Gloucester Street, Brunswick GA 31520**  
**Thursday, February 2, 2017 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**

*None at this time. Committees to be approved.*

### **APPROVAL**

- 1. Minutes from January 19, 2017 Regular (subject to any necessary changes)**
- 2. Minutes from January 19, 2017 Executive Session (subject to any necessary changes)**
- 3. Committee Assignments – Chairman Elliott**
- 4. Health Benefits Renewal Package – Teamwork Services, Inc**
- 5. Pump Station 2002 Improvements – Unsolicited Proposal – T. Kline**
- 6. Key Finance Resolution – J. Donaghy, P. Crosby**
- 7. Intergovernmental Agreement For SPLOST Execution – C. Dorminy**

### **DISCUSSION**

- 1. Project Updates – T. Kline**

### **EXECUTIVE DIRECTOR'S UPDATE**

### **CHAIRMAN'S UPDATE**

### **EXECUTIVE SESSION**

**Meeting Adjourned**



**Brunswick-Glynn County Joint Water and Sewer Commission**  
**1703 Gloucester Street, Brunswick, GA 31520**  
**Thursday, February 2, 2017 at 2:00 PM**

**COMMISSION MINUTES**

**PRESENT:**

**Donald M. Elliott, Chairman**  
**Clifford Adams, Commissioner**  
**Michael Browning, County Commissioner**  
**Cornell L. Harvey, City Commissioner**  
**Robert Bowen, Commissioner**  
**Steve Copeland, Commissioner**  
**Dave H. Ford, Commissioner**

**ALSO PRESENT:**

**Jimmy Junkin, Executive Director**  
**Charlie Dorminy, Legal Counsel HBS**  
**Thomas A. Boland, Sr., Deputy Director**  
**John D. Donaghy, Director of Administration & Finance**  
**Todd Kline, Senior Engineer**  
**Pam Crosby, Director of Purchasing**

Chairman Elliott called the meeting to order at 2:00 PM. Commissioner Copeland provided the invocation and Chairman Elliott led the pledge.

**PUBLIC COMMENT PERIOD**

Chairman Elliott opened the public comment period. There being no citizens for public comment, Chairman Elliott closed the public comment period.

**COMMITTEE UPDATES**

*None at this time. Committees to be approved.*

**APPROVAL**

**1. Minutes from the January 19, 2017 Regular Meeting**

Commissioner Adams made a motion seconded by Commissioner Copeland to approve the minutes from January 19, 2017 Regular Meeting. Motion carried 7-0-0.

**2. Minutes from the January 19, 2017 Executive Meeting**

Commissioner Adams made a motion seconded by Commissioner Copeland to approve the minutes from January 19, 2017 Executive Meeting. Motion carried 7-0-0.

**3. Committee Assignments – D. Elliott**

Chairman Elliott discussed the proposed committee assignments. David Ford indicated he would like to be added to the Human Resources & Safety Committee. Chairman Elliott asked for any additional adjustments to the proposed lists of committee members. No additional adjustments to the lists requested.

Commissioner Harvey made a motion seconded by Commissioner Ford to accept the proposed list of members for the committees with the addition of Commissioner David Ford to the Human Resources & Safety Committee. Motion approved 7-0-0.

Chairman Elliott continued the discussion to address the scheduled times of the committee meetings. He mentioned that the Human Resources & Safety Committee should have a meeting in February, with the March meeting following the regular schedule of the first Thursday in the month. Chairman Elliott also noted that the Public Information & Customer Relations Committee should also schedule a February meeting, since this committee should meet the first Tuesday before the first Commission meetings each month. Commissioner Browning discussed the Compliance & Legislative Committee and the Finance Committee and meet at 1:00 and 2:00 p.m. respectively on the 3<sup>rd</sup> Tuesday of each month. He has County obligations on the 3<sup>rd</sup> Tuesday of each month at 3:00 pm. which could be a time conflict. Since the Finance Committee on occasion takes longer than one hour, it was proposed that both of these meetings be changed from 3<sup>rd</sup> Tuesday of each month to the 3<sup>rd</sup> Wednesday of each month.

Commissioner Browning made a motion seconded by Commissioner Copeland that the Public Information & Customer Relations Committee and the Finance Committee meetings be changed from the proposed 3<sup>rd</sup> Tuesday of each month to the 3<sup>rd</sup> Wednesday of each month at the same times. Motion approved 7-0-0.

**4. Health Benefits Renewal Package – C. Thomas, Teamwork Services, Inc.**

Catina Thomas with Teamwork Services, Inc. discussed the summary of the proposed healthcare plan with Blue Cross/Blue Shield of Georgia for 2017-2018 coverage period. She briefed that the JWSC carries a separate plan from either the City or the County, and that the plan for JWSC is as much the same as possible considering JWSC is smaller. The JWSC is not able to join in with the City or County on their plans since JWSC is a separate entity. Since the CIGNA plans that JWSC has been carrying during the last several years were all fully funded, it has incurred savings on good years with CIGNA and on years such as this past one where we have had many claims no savings are incurred nor additional costs or obligations to be paid. Since the coverage period of 2016-2017 was a poor claims year CIGNA has proposed a 19.1% increase in the premiums for the upcoming period of 2017-2018. After attempts to negotiate with CIGNA, the best offering was a 13.1% increase by CIGNA. Due to this, Teamwork Services compared proposals from other reputable insurance providers serving our area who can provide a complete offering of insurance needs relating to the benefits the BGJWSC currently offers to its employees. TSI provided a detailed comparative analysis of these offerings to the key BGJWSC staff for review. The BGJWSC staff sought to provide the Commission with recommendations that would at least hold the current BGJWSC cost per employee constant while maintaining the current level of benefits to each employee. Ms. Thomas advised the Commission that the plan proposed by Blue Cross/Blue Shield of Georgia would incur no increase, but in fact a savings of \$36,000.00 in total program savings. The providers (doctors and facilities) are somewhat, not exactly, the same from plan to plan, with the exception that the Blue Cross/Blue Shield network is bigger nationwide and the Mayo Clinic is included. In the case that an employee finds that they have to change doctors, Ms. Thomas indicated that TSI would be willing to assist that employee in locating a similar doctor to suit their needs. She again explained the gains from staying with a fully funded program. All coverages that the Commission currently pays for will not incur an increase by moving to Blue Cross/Blue Shield. There will be some small changes in the co-pays and payments to doctors and medical facilities, but are remaining as close to the previous plans as possible.

Commissioner Ford made a motion seconded by Commissioner Bowen that the Brunswick Glynn County Joint Water & Sewer Commission accept the proposal from Blue Cross/Blue Shield of Georgia for BGJWSC's healthcare insurance policy for the 2017-2018 coverage period. Chairman Elliott indicated that the wording be changed slightly to "Fully Funded Healthcare Insurance Policy". Commissioner Bowen made a motion seconded by Commissioner Browning. Motions approved 7-0-0.

**5. Pump Station 2002 Improvements – Unsolicited Proposal – T. Kline**

Todd Kline introduced the first unsolicited proposal that has come before the Board for consideration. It is regarding a commercial development (Pilar Hotel) on St. Simons Island that wishes to proceed, however the development is in the area of PS2002 Sewer Basin which is currently having capacity issues. This upgrade is in the Master Plan, but PS2002 is not yet scheduled for improvements and funding has not been committed for in time to meet this development's schedule. They have offered an Unsolicited Proposal to allow privately funded system improvements to PS2002. Oak Cottages Partners, LLC is proposing to purchase the extra pumps, panels, equipment and materials with JWSC personnel installing the upgrade. Commissioners questioned how this will affect the line capacity, and Mr. Kline indicated that there is still room in the force main and that PS2003 is currently being upgraded and is near completion. This upgrade will not impact PS2003. This upgrade to PS2002 will not adversely affect the line capacity and system. PS2002 "goes to" PS2003, and PS 2003 "goes to" the plant. The returns for JWSC on this proposal are a 70/30, meaning that once this entity funds this upgrade, of any new capital through tap fees brought in by that basin 70% is paid back to this entity to repay their funding and JWSC retains 30%. That remains until the "sunset time" or the proposal is fulfilled. Per the Unsolicited Proposal Policy there are a number of steps required in order for complete approval and contract process. This approval request is for the commission to grant that the staff who has already reviewed the proposal and project scope and recommends that it is a viable improvement to move forward to negotiate a Comprehensive Agreement, then bring it back before the Commission for final approval of the Agreement. Discussion was added for consideration in the agreement to be made that the repayment of the funding to the entity is made either at sunset of the agreement, fulfillment of the proposal, or when the capacity has been reached within the treatment plant and system. Tap fees for Pilar Hotel would still be processed as normal after completion of the upgrade project, but would then be included or calculated as part of their repayment (70/30) for their expenses incurred in the upgrade to PS2002. The upgrade is estimated at 30 days for installation after receipt of materials. Chairman Elliott asked that a qualification of the opportunity costs to JWSC be provided to the Commission, and that JWSC salvage the pumps that are replaced. This proposal will not require JWSC to obtain bids on the pumps for this project.

Commissioner Ford made a motion seconded by Commissioner Harvey to accept and approve the draft proposal (Exhibit A) as a Qualifying Project and authorize the Executive Director to move forward to negotiate a Comprehensive Agreement to be presented for Board approval. Motion approved 7-0-0.

**6. Key Finance Resolution – P. Crosby**

Pam Crosby presented to the Commission that on January 19, 2017 approval was granted to JWSC to enter into a capital lease for the purchase of (9) Sewer Bypass Pumps with Key Equipment Finance. As part of the loan documentation required for closing, a formal resolution with specific language required by Key Finance is requested. It has been reviewed by legal counsel for both parties. This will be a part of the record and loan document.

Commissioner Bowen made a motion seconded by Commissioner Harvey to approve the Loan Resolution in order to facilitate the capital lease financing of (9) Sewer Bypass Pumps with Key Equipment Finance. Motion approved 7-0-0.

**7. Intergovernmental Agreement For SPLOST Execution – C. Dorminy**

Charlie Dorminy requested that Item 7 regarding the Intergovernmental Agreement For SPLOST Execution be deferred until the next Commission meeting. At the last Commission meeting, the approval and adoption was granted for an Addendum to the Operating Agreement as a first step to remedy the north Mainland issues and utilize the SPLOST funds to remedy those issues. The next step is to enter into an Intergovernmental Agreement with the County for handling of the SPLOST funds, but that Agreement Draft has not been received from the County. Once the Agreement is received, it can be approved.

Commissioner Browning made a motion seconded by Commissioner Adams to defer Item 7 until it goes before the Finance Committee on February 15<sup>th</sup>, and is then brought before the Commission for approval on February 16<sup>th</sup>. Motion approved 7-0-0.

## **DISCUSSION**

### **1. JWSC R & R/Capital Project Status Update – T. Kline**

Todd Kline presented the Project Update. Project 232 – State Route 99 Waterline Extensions. Phase IIA and Phase III are now complete. Phase II is in 10% completion on construction and is starting on wetlands bores along SR99. Projected Completion Date is March 31, 2017. Project 319 – Urbana. Sanitary sewer & sewer services are complete; JWSC installation of Water is complete; the City of Brunswick Storm portion is complete. PS4019 is offline now with demolition scheduled for week of February 3 to February 8. Roadways are still rough with replacement of concrete/asphalt sidewalk and driveways scheduled for February 3 through February 20, and final grading of “G” street scheduled for Monday, February 6. Project 421 – Mansfield Street Sewer Replacement. Projected completion date is still to be determined (City of Bwk.). The sanitary sewer is complete with exclusion of minor grouting & finish work and home connections. The City of Brunswick storm drain installation is currently between Bay and Grant Street. Water system contractor to replace existing 12” main at Bay Street. GAB has been installed on Reynolds Street on the roads portion. Project 503 – Canal Crossing Water & Force Main Improvements. Projected completion date is still to be determined by the County. Contractor is to provide Glynn County and JWSC plans for review. Awaiting completion on final punch list items and record drawings. Project 504 – Canal Crossing Pumpstation. Projected completion date is March 31, 2017. Project is 95% complete with LS4101 online. Have been some issues with flow meters and flow station. Awaiting completion of final punch list items and record drawings. Project 505 – Pumpstation 2032 Regional Station & Forcemain. 200 day contract. Projected completion date is July 22, 2017. 18% of force main has been installed from PS2032 to North Windward Drive. This project has been highly communicated with the public; no complaints with traffic issues; and possible to have another 1000’ of forcemain installed by next week. Project 501 – Alder Circle. Intergovernmental Project with Glynn County – SPLOST V funded. All bids received were over the Engineers Probable Cost. Project is on hold awaiting re-evaluation of project scope. Project 602 – Holly Street Sewer Rehabilitation/Replacement. SPLOST V funded. Final engineering design is complete. Engineering had to be re-designed due to utility lines and items that caused much review. Will be sending to the County for bid process. Project 701 – PS4048 Force Main Improvements. Is in Engineering design phase and will be designed to reroute around LS4005. Permitting and surveying is in process. Expected bid for construction is March 2017. Project 702 – North Mainland Sewer Basin Re-route. This is a SPLOST 2016 project. An intergovernmental Agreement is in process at this time between BGJWSC and Glynn County regarding the bidding process. Is a phased project in order to expedite as a long term component of the solution for north Mainland capacity. Project 703 – PS4003 Decommission & Gravity Sewer. This is also a SPLOST 2016 project. Purpose is to eliminate the Pump Station and extend the gravity flow straight to Academy Creek WWTP. Engineering design RFP is in process. Project 704 – Canal Road to Glynco Parkway 12” Water Main Loop. Pre-engineering in progress. This will utilize 3,000 LF of surplus C900 PVC pipe from PS2030 Project. Evaluating as JWSC in-house project; Design and Construction. Project 705 – Hautala to Old Jesup 12” Water Main Loop. Located at Cate Road and Old Jesup Road Intersection. Purpose is to provide a second connection between the former separate City and County water systems. Engineering design is in progress by Planning & Construction.

### **EXECUTIVE DIRECTOR’S UPDATE**

Mr. Junkin stated that JWSC is working on the 2018 budget. The North Mainland Sewer Project has become magnified and a refined schedule and analysis of the timeline is needed. There is an urgency for progress on this project due to future economic development of the area. Odor control at the Academy Creek WWTP is continuing to be worked on. Capacity analysis of Dunbar Creek is in process. Academy Creek’s odor emissions are a focus in the assessment of the plant for the upcoming upgrades and rehabilitation of the treatment plant.

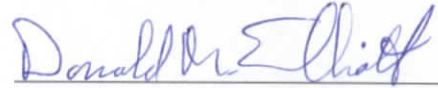
**CHAIRMAN'S UPDATE**

Chairman Elliott expressed his hopes that the Commissioner Orientation Session and the discussions in the Commission meeting have been beneficial. He noted his privilege in working with the organization from the discussions and items presented. Elliott feels that this current Commission can investigate, ascertain, look at the projects, and ask the right questions so that the Commission can go forth and make decisions in the best interest of the JWSC and Glynn County and the City of Brunswick. He thanked the members for being a part of the Commission and for their willingness to serve.

**EXECUTIVE SESSION**

There was no Executive Session.

Chairman Elliott adjourned the open meeting at 3:44 pm.



Donald M. Elliott, Chairman

Attest:



Janice Meredith,  
Executive Commission Administrator

**Proposed**  
**2017 JOINT WATER & SEWER COMMISSION**  
**COMMITTEES**

**Facilities Committee**

*(Meets on the 2nd Thursday @ 3 PM)*

Commissioner Adams, Chairman  
Commissioner Bowen  
Commissioner Ford  
Executive Director  
Senior Engineer, Todd Kline  
Alternate, Commissioner Browning  
Alternate, Commissioner Copeland

**Finance Committee**

*(Meets on the 3rd Tuesday/or week of Commission @ 2 PM)*

Commissioner Elliott, Chairman  
Commissioner Copeland  
Commissioner Browning  
Executive Director  
Chief Financial Officer, John Donaghy

**Human Resources & Safety Committee**

*(Meets on the 1st Thursday @ 10 AM)*

Commissioner Harvey, Chairman  
Commissioner Adams  
Commissioner Elliott  
Executive Director  
TSI HR Coordinator, Cindy Barnhart

**Compliance & Legislative Committee**

*(Meets on the 3rd Tuesday @ 1 PM)*

Commissioner Browning, Chairman  
Commissioner Elliott  
Commissioner Harvey  
Executive Director  
JWSC Legal Counsel, Charles Dorminy

**Public Information & Customer Relations**

*(Meets monthly on the 1st Tuesday @ 2 PM - or more if needed)*

Commissioner Copeland, Chairman  
Commissioner Bowen  
Commissioner Harvey  
Executive Director  
Public Information Officer, Jay Sellers

Commission meetings are held on the 1st and 3rd Thursday of each month  
All Commissioners are invited and welcomed to attend the committee meetings



# Brunswick-Glynn County Joint Water and Sewer Commission

## Memo

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**To:** Brunswick Glynn Co. Joint Water & Sewer Commission  
**From:** Jimmy Junkin, Executive Director  
**Date:** February 2, 2017  
**Re:** Health Insurance Plan Renewal

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### **Background**

The staff at Teamwork Services Inc. (TSI) have taken proposals from the reputable insurance providers serving our area who can provide a complete offering of insurance needs relating to the benefits the BGJWSC currently offers to its employees. After a thorough analysis of the offerings submitted, TSI provided a detailed comparative analysis of these offerings to key BGJWSC staff. BGJWSC staff sought to provide the Commission with recommendations that would at least hold the current BGJWSC cost per employee constant while maintaining the current level of benefits to each employee.

The recommendations included in the Executive Summary appear to have done slightly better than that through the competitive selection process used. If the same or similar adoptions in insurance coverage occurs in 2017 -2018, the BGJWSC should see approximately \$36,000 in total program savings. Those savings will be derived primarily from health insurance premium reductions.

### **Recommended Action**

Staff recommends that BGJWSC move the current health insurance plan to Blue Cross/Blue Shield of Georgia based on information contained in the attached Executive Summary.

### **Recommended Motion**

***"I make a motion that the Brunswick Glynn County Joint Water & Sewer Commission accept the proposal from Blue Cross/Blue Shield of Georgia for BGJWSC's healthcare insurance policy for the 201-2018 coverage period."***

### **Enclosures:**

2017-2018 Employee Benefit Renewal





# **Brunswick-Glynn County Joint Water & Sewer Commission**

## **2017-2018 Employee Benefit Renewal**





## Executive Summary 2017-2018 Plan Year

### Overview:

Last year (2016-2017) JWSC received no renewal increase and an additional \$110,324.03 back in rebates from a positive 2015 claims year. Prior to that in 2015 JWSC moved from a fully funded medical plan with Blue Cross/Blue Shield of Ga. to a level self-funded plan with Cigna saving \$97,000 and an “opportunity” to share in savings by way of a potential rebate (with a good claims year). 2016-2017 was not a positive claims year with more than 7 big claimants resulting in a loss ratio of more than 124% for the carrier and a 19.3% increase from Cigna with no possibility of rebates applied for 2017 from the 2016 claims year.

### Current Year Proposal

- RFP Results: Of the 9 carriers (Blue Cross Blue Shield offered two “types” of plans) who agreed to consider a quote **and** offer an adequate network of doctors/hospitals, only 2 carriers and 3 plans offered competitive quotes. Two other carriers would require full medical detail and once given the current medical on file these two carriers did verify their number would exceed renewal.
- Of the 2 carriers/3 plans all three offered lower cost plans to the current plan. Two of the plan are Level Funded and one is a Fully Funded plan that would not offer the option of a rebate.
  - **Three types of plans:**
    - **Fully Funded Medical plan:** Insurance company takes all of the risk, may give a high renewal with high claims, will NOT share in saving if there is a low claims year. (What we had with Blue Cross & Blue Shield).
    - **Level Self-Funded Medical plan:** Insurance company takes all of the risk, may give a high renewal with high claims, WILL share in saving if there is a low claims year. (What we have now with Cigna).
    - **Self-Funded Medical plan:** Insurance company AND the group take risk, may receive a high renewal with high claims, WILL share in savings if there is a low claims year. (What the City/County currently have).

*The savings with a Self-Funded plan can be more than a Level Self-Funded but the risk is the group having to pay out additional claims dollars in addition to premiums. Glynn County & City of Brunswick have a Self-Funded plan.*

- JWSC is not on track to receive any rebate monies back for 2016 due to high ongoing claims.
- JWSC received a 19.29% increase from Cigna negotiated down to 13.5% final increase.
- Blue Cross and Blue Shield has offered the most competitive pricing with their Fully Funded, no rebate plan options.
- Moving to the Blue Cross and Blue Shield allows JWSC to offer the same “like” plans with a better network and receive a Net Cost Decrease of \$36,000+ a year, making this the third year in a row of decreased benefits cost for JWSC while maintaining the “like” benefit options for staff.
- Employee Cost will remain consistent with the current costs/deductions.
- 2017 Non-Medical renewal initially included increases for Dental, Vision and Long Term Disability. The broker has negotiated those down to 0% if medical is added by “bundling” the benefits package for additional savings. Medical savings is below the *CURRENT* Cigna rates.
- End result and Staff Leadership Recommendation:
  - Move the medical from Cigna to Blue Cross Blue Shield to incur no increase and save an additional \$36,000+. Keep Employee Cost level with same percentages of contribution.
  - Renew the non-medical at no increase with the exception of the Short Term Disability that will change from a 12 week contract to a 13 week contract that will better blend the Short Term and Long Term Disability at a cost of \$2.00 +/- a month for the employee to pay.


**Full proposal, additional detail, bid results and claims analysis detail is available upon request.**



## Brunswick-Glynn County Joint Water & Sewer Commission 2017-2018 Employee Benefit Renewal Process Detail

Process of open bid/RFP submitted to carriers in Georgia who have passed the “adequate network of providers” testing completed to insure the doctors/facilities met the standards of the current plan and/or any differences. *Note: Some carriers did not submit a quote due non-competitive rating, an inadequacy of market, and/or insufficient network providers in the Glynn County area.*

### A) Comparison Matrix and Comments

	Criteria	Premium savings	Surplus (rebate) Available	Notes
Health Insurance Carriers quoted for the 2017-2018 plan year.	1. Cigna alternate options (current carrier) were presented.	No. Due to a high claims year Cigna increase of 19.29% was reduced to 13.5% but alternative plans were a higher rate.	No, see notes  	Currently JWSC has 7 claims over the 40k ISL and one claim for \$353k in 2016 and \$250k more in approved services for 2017. No rebates will be offered due to claims.
	2. Blue Cross and Blue Shield of Georgia <b>LEVEL FUNDED</b>	Yes. The per person cost was less than the current plan.	Yes, this plan is a Level Funded plan and offers the surplus (rebate) option.	“If” this plan was chosen, the evaluation would be done over the next 12 months to review any surplus “rebates”.
	3. Blue Cross and Blue Shield of Georgia <b>FULLY FUNDED PLAN</b>	Yes. The per person cost was less than the current plan.	No, this is a Fully Funded plan.	This type of plan does not share in surplus or “rebates”.
	4. Aetna Health Insurance Company	No. Based on medical claims and renewal, rate is higher	No, this is a Fully Funded plan.	This type of plan does not share in surplus or “rebates”.
	5. United Healthcare	Declined to quote Due to lack of rate competitiveness.	N/A	
	6. Humana Insurance Company	Yes. The per person cost was less than the renewal plan.	Yes, this plan is a Level Funded plan and offers the surplus	“If” this plan was chosen, the evaluation would be done over the next 12 months to review any surplus “rebates”.
	7. Key Benefits	Declined to quote Due to lack of rate competitiveness.		
	8. Starmark – A Trustmark Company	Underwriting required to finalize rates. Initial rates are lower than current but do not include medical conditions.	Yes, this plan is a Level Funded plan and offers the surplus (rebate) option.	“If” this plan was chosen, the evaluation would be done over the next 12 months to review any surplus “rebates”.

9. UMR – A UHC TPA Company	No. Based on medical claims and renewal, rate is higher	Yes, this plan is a Level Funded plan and offers the surplus (rebate) option.	“If” this plan was chosen, the evaluation would be done over the next 12 months to review any surplus “rebates”.
10. Meritain Health <i>an Aetna Company</i>	Underwriting required to finalize rates. Initial rates are lower than current but do not include medical conditions.	Yes, this plan is a Level Funded plan and offers the surplus (rebate) option.	“If” this plan was chosen, the evaluation would be done over the next 12 months to review any surplus “rebates”.

## Dear Commissioners,

Enclosed you will find information from the initial insurance renewal meeting with leadership staff members as well as our Benefits Management Team and Teamwork Services, Inc. An overview as well as a full proposal with details, and last years' overview is included for your review.

### *A brief history of the health benefits program and this years' review...*

Since the inception of the Brunswick-Glynn County Joint Water & Sewer Commission (JWSC) the organization has been with a fully insured plan through Blue Cross and Blue Shield of Georgia. With a stable renewal history and "shopping the market" RFP (request for proposals) each and every year regardless of renewal increase or decrease, Blue Cross and Blue Shield was the best overall option in regards to cost/benefits/quality of network.

In 2015 an alternate option was offered to JWSC for consideration; a "fully level self-funded" plan. This type of plan is set up to allow JWSC to "share in" any savings if the claims year is lower than anticipated while there is no additional premium or exposure to JWSC in a high claims year but a poor claims year could result in a higher renewal increase. In 2015 the savings to JWSC was **\$97,000** in premiums by moving to this option.

2016 renewal was given an initial 5% increase. After broker negotiations, JWSC received a 0% increase plus a \$2000 Wellness Credit as well as a negotiated richer rebate contract resulting in JWSC receiving 2/3 or (66.6%) of all rebates where the original contract was a 50/50 (50%) rebate contract. Due to a positive claims year and a better negotiated contract JWSC received \$110,324.03 back in rebates.

2017 Medical renewal was initially a 19.29% blended increase but after the broker negotiated the renewal, JWSC received a 13.5% increase. An RFP, "Request for Proposal" was put out for bid and of the 9 carriers who responded, there are multiple bids that will reduce the current Cigna renewal. Due to claims from last year and anticipated for current year, no rebates are set to be released.

2017 Non-Medical renewal initially included increases for Dental, Vision and Long Term Disability. The broker has negotiated those down to 0% if medical is added. Medical savings is below the *CURRENT* Cigna rates.

### ***Why did our group receive an increase?***

The renewal increase consists of two components (Fixed) which applies an increase to the Administration Cost, Individual Stop Loss (Trend & Leveraging) and finally the Aggregate Stop Loss. The combined components of the Fixed increase totaled a combined increase of 19.29% initially with some rate relief given to the broker during the negotiation process of a blended 13.5% increase.

The second component is the Claims. Select Market groups are blended with the Cigna's Book of Business and based upon group size. The renewal analysis and claims increase consists of a blend between groups Experience Rating and Manual Rate. Currently there is one claim with an approved program of care exceeding \$250,000 for claims going forward in 2017. Based on this and the overall losses, it is not anticipated there will be any rebate for JWSC given in 2017 from the previous claims year.

### ***How would our group receive a lower increase in the future?***

There is never a guarantee that the group will not have a high claims year. Surplus/Rebates may be used to calculate the overall savings.

\*Surplus – The Surplus will be credited to the groups Premium Portion of their bill (not claims) starting in month 4 after renewal and continue each month until the clients % of Surplus has been credited to their Premium Cost.

March Renewal Month – Look for the Aggregate to provide a report showing “Year End Claims”. June – Surplus Credit begins and is applied to the Premium portion of the clients billing. The Aggregate Report will provide the Surplus Report and exact amount of Surplus Credit the group will receive.

\*The reason the Surplus is not credited until month 4 is so billing can allow for the contractual period to complete allowing Retro Add's and Terminations before calculating the groups Plan Year Claims Liability.

### ***What “fees and taxes” do we have to pay in addition to our monthly premium?***

*Taxes and Fees may change annually from state to state. All taxes and fees must be paid separately; and monitored monthly/annually, with additional reporting done under the new healthcare laws. Teamwork Services, Inc. provides this reporting and compliance with no further obligation to the staff of Brunswick-Glynn County Joint Water & Sewer Commission.*



# Brunswick-Glynn County Joint Water and Sewer Commission

## Memo

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**To:** BGJWSC Members, Jimmy Junkin (Exec. Director)  
**From:** Todd Kline, P.E. (Planning & Construction, Senior Engineer)  
**Date:** February 02, 2017  
**Re:** Pilar Hotel (SSI); Unsolicited Proposal to upgrade PS2002

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### **Background**

Oak Cottages Partners, LLC (OCP) wishes to proceed with a commercial development (Pilar Hotel) within the PS2002 sewer collection basin on St. Simons Island. PS2002 is currently designated as operating over designed capacity, therefore capacity sufficient for their project is not currently available. An upgrade to PS2002 is designated in the 2015-2035 JWSC Master Plan but has not been scheduled and funding has not been committed. OCP wishes to expedite the pumpstation improvements through the submittal of an Unsolicited Proposal (see Exhibit A).

The JWSC does have a policy that allows privately funded public system improvements through the process of an Unsolicited Proposal (see Exhibit B). This policy creates a uniform procedure by which private entities may submit proposals for projects the JWSC is not currently pursuing and provides a mechanism through which the JWSC infrastructure may be improved with minimal concurrent cost to the JWSW.

Each Unsolicited Proposal is unique and specific to the project. The proposing entity may request repayment of monies invested. This is typically executed through fractional reimbursements of future capital tapping fees collected within the basin that received the improvements (ex. 70/30%). Repayment is a component of this current Unsolicited Proposal.

OCP has completed the prerequisite steps towards consideration of the JWSC Board (ex. application fee, completed the required hold harmless agreement, JWSC Staff review of draft proposal/project scope). Per the JWSC Unsolicited Proposal policy, the draft proposal must be presented to the Board for approval to move forward. The Board may also choose to issue an RFP for the project, bid per the JWSC procurement policy and award/dismiss appropriately.

If the Board chooses to accept as a Qualifying Proposal, Staff moves forward to create the Comprehensive Agreement (contract) for Board approval. JWSC Finance then sets up the appropriate tracking and reimbursement process and the project is initiated.

**Staff Report**

Staff has reviewed and presents the following options for action:

1. Do nothing. Decline to accept the draft proposal.
2. Request modification of the draft proposal, or pursue the project independently.
3. Approve the draft proposal as a Qualifying Project and authorize the Executive Director to negotiate the Comprehensive Agreement.

Staff recommends option No. 3.

**Recommended Motion**

I move that the JWSC Board approve the draft proposal (Exhibit A) as a Qualifying Project and authorize the Executive Director to move forward to negotiate a Comprehensive Agreement to be presented for Board approval.



**LIFT STATION  
2002  
UNSOLICITED  
PROPOSAL**

**Glynn County, GA**

**Original Issue 07/11/2016**

**Revision Issue 09/14/2016**

**Revision Issue 01/25/2017**

Prepared by:





**Lift Station 2002  
Unsolicited Proposal**

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**Lift Station 2002  
Unsolicited Proposal**

**1.0 Project Description**

LS 2002 is located on Arnold Road, and is currently running two 15 HP submersible pumps with a capacity of 654 gpm. According to JWSC Master Plan LS 2002 has a 2015 demand of 795 gpm and is currently operating above its capacity by 141 gpm.

The Oaks Cottages Partners, LLC is developing nearby property and is prepared to replace the pumps, controls and install a mag meter for LS 2002 as required by BGJWSC. Specifically, BGJWSC is proposing that the two existing pumps be replaced with two Flygt Model 30 HP pumps and a mag meter previously purchased by BGJWSC be installed. A more detailed list of the pump and required accessories and controls can be seen in Appendix A.





**Lift Station 2002  
Unsolicited Proposal**

**2.0 Feasibility Statement**

- A. Property Interest
  - a. The private entity does not anticipate acquiring any property interest at the pump station location, which is owned by BGJWSC.
- B. Permits
  - a. Glynn County Infrastructure Only Permit, which will require BGJWSC approval.
  - b. EPD Permit
  - c. Island Planning Commission Site Plan approval of the private entity's project.
- C. Public Utilities
  - a. The proposed project will only involve a pump station upgrade. It is not anticipated to conflict with any public utilities; however, all utilities in the area of the proposed LS upgrade will be located and marked prior to any construction.

**3.0 Schedule**

- A. Unsolicited Proposal Review – 30 Days
- B. Request for Proposals (RFP) (By Developer) Through Contract Award – 30 Days
- C. Negotiation of Comprehensive Agreement and Permitting – 60 Days
- D. Bid and Contract Award – 7 Days
- E. Construction – 30 Days
- F. Punch List and Final Acceptance – 30 Days

**4.0 Financial Plan**

The Developer proposes to pay costs to upgrade Lift Station 2002 subject to repayment per an agreement with BGJWSC. A more detailed financial plan will be provided following further information provided by BGJWSC. The private entity intends to self-fund the improvements.

**5.0 Business Case Statement**

A business case statement will be provided following further detail from BGJWSC. The BGJWSC will benefit by having necessary improvements constructed, at the private entity's initial cost and expense.

**6.0 Contacts**

Bert Etheredge  
Roberts Civil Engineering  
301 Sea Island Road, Ste. 301  
St. Simons Island, GA 31522  
(912) 638-9681  
Betheredge@robertscivilengineering.com



**Lift Station 2002  
Unsolicited Proposal**

Adam Swann  
The Oaks Cottages Partners  
8771 Macon Highway, Ste. B  
Athens, GA 30606  
(706) 296-2771  
adam@atlasrealestateadvisors.com

Joey Strength, esq.  
HunterMaclean  
777 Gloucester Street, Ste. 400  
Brunswick, GA 31520  
(912) 262-5996  
JStrength@huntermaclean.com

Jason Tate, esq.  
Roberts Tate, LLC  
2478 Demere Road, Ste 400  
St. Simons Island, GA 31522  
(912) 638-5200  
jtate@robertstate.com

**7.0 Trade Secrets**

Any trade secrets needing protection from any RFP are to be determined.

## APPENDIX A



**Xylem Water Solutions USA, Inc.**  
**Flygt Products**

April 7, 2016

128 A Airport Park Drive  
Garden City, GA 31408  
Tel (912) 966-1577  
Fax (912) 966-1579

ALL PROSPECTIVE BIDDERS

Re: BGJWSC GOWEN PROJECT

Quote # 2016-SAV-0127

**PUMPS**

Qty	Part Number	Description
2	3171.185-0660	Flygt Model NP-3171.185 6" volute Submersible pump equipped with a 230 Volt / 3 phase / 60 Hz 30 HP 1750 RPM motor, 436 impeller, 1 x 50 Ft. length of submersible cable, FLS leakage detector, volute is prepared for Flush Valve
1	14-69 00 09	START UP CHARGE FLYGT 1-TP MODELS: 3000,7000,8000

**ACCESSORIES**

Qty	Part Number	Description
120	14-49 01 01	TS3163 FEET 3"GUIDE RAIL 316SS
2	661 54 01	BRACKET,GUIDE BAR U. 3" 316SS
2	14-59 10 29	IGBB 3" SS MID RAIL BRKT
1	14-59 10 22	HACBHOPBCH CABLE HOLDER 316SS+ PBCH 1/2 & 3/16" HOOKS
8	14-49 88 60	PPTR 316SS 3/4"X8 1/2" THREADED ROD
2	14-49 88 67	# PPAC AC100PLUS ADHESIVE+ ANCHORING SYSTEM R/B 14-488305
2	444 70 06	CONNECTION,DISCH 5 1/2X6" CI
1	14-49 87 22	FW3S620D 20"X3/8" LIFT CHAIN+ 316SS
1	14-48 51 52	COVER,ACCESS 36X60 ALUM+ FLECD-13AOSH
1	14-48 51 12	COVER,ACCESS 36X60 FLECD-13+ ALUM
2	582 88 31	SENSOR,ENM-10 0.95-1.1 65'
1	83 77 24	SENSOR,LEVEL LTU401 0-5.0 20M

**CONTROLS**

Qty	Part Number	Description
1	DUPLEX PANEL	DUPLEX CONTROL PANEL TO BRUNSWICK JOINT WATER SPECS <b>THIS PRICE IS FOR BUDGET PURPOSES ONLY AND MAY CHANGE ONCE PLANS AND SPECIFICATION ARE DONE</b>

**Total Project Price \$ 115,323.29**

**Incoterm:** 1 FCA - Free Carrier

**Named Placed:** 02 - US WH/ Factory

Incoterms 2010 clarify responsibility for costs, risks, & tasks associated with the shipment of goods to the named place.

Sincerely,

Chris Heyel  
Branch Manager  
Phone: 912-344-9925  
Cell: 912-313-3111  
chris.heyel@xylem.com



## 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



# Brunswick-Glynn County Joint Water and Sewer Commission

## Memorandum

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**To:** JWSC Commission  
**From:** Pam Crosby  
**Date:** February 2, 2017  
**Re:** Approval of Loan Resolution – Key Finance – Sewer Bypass Pumps

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### **Background**

At the commission meeting held on January 19, 2017, approval was granted to JWSC enter into a capital lease for the purchase of (9) Sewer Bypass Pumps with Key Equipment Finance.

As part of the loan documentation required for closing, a formal resolution with specific language required by Key Finance is requested. This a requirement of the loan closing set for the week of 2/6/2016.

### **Staff Recommendation**

Approve attached resolution to finalize documentation required for loan closing.

### **Suggested Motion**

***"I move that approval be granted to the attached resolution in order to facilitate the capital lease financing of (9) Sewer Bypass Pumps with Key Equipment Finance."***

**Enclosures:**  
Resolution from Key Equipment Finance Loan package dated 2/2/2017





**Brunswick-Glynn County Joint Water and Sewer Commission  
1703 Gloucester Street  
Brunswick, Georgia 31520**

OFFICIAL INTENT RESOLUTION

Resolution No. \_\_\_\_\_

Section 1. The Brunswick-Glynn County Joint Water and Sewer Commission (the "Issuer") reasonably expects to reimburse capital expenditures described herein, costs of issuance or an expenditure described in Treasury Regulation Section 1.150-2(d)(3) promulgated under the Internal Revenue Code of 1986, as amended, (the "Code") with the proceeds of a Reimbursement Lease entered into by the Issuer with Key Government Finance, Inc. (the "Reimbursement Lease").

Section 2. Except as provided in Section 7, the reimbursed expenditures have been paid not more than 60 days prior to the date of this Resolution.

Section 3. The maximum principal component of Reimbursement Lease expected to be issued is \$905,863.11.

Section 4. The expenditures with respect to which the Issuer reasonably expects to be reimbursed from the proceeds of Reimbursement Lease are for the acquisition of: (9) Sewer Bypass Pump Units.

Section 5. Except as provided in Section 7, the Issuer shall allocate on its books the Reimbursement Lease proceeds to the expenditures described herein within 18 months after the later of the date the original expenditure is paid or the date the Project is placed in service but not more than three years after the original expenditure is paid; provided, however, that if the Issuer qualifies as a small issuer under § 148 (f)(4)(D) of the Code, the Issuer shall allocate on its books the Reimbursement Lease proceeds to the expenditures described herein not later than three years after the date the original expenditure is paid, and further provided, that if the project is a long-term construction project and the Issuer and a licensed architect or engineer certify that five years is necessary to complete the project, the Issuer shall allocate on its books the Reimbursement Lease proceeds to the expenditures described herein within five years of the date of the payment of the original expenditure (and the Issuer hereby certifies that five years is necessary to complete the Project.)

Section 6. The Issuer agrees that it will not use any reimbursed funds to pay debt service or to pay previously financed expenditures and represents that the reimbursement does not constitute any type of artifice or device to avoid arbitrage yield restriction or rebate requirements.

Section 7. Sections 2 and 5 shall not apply (i) to funds allocated to reimburse costs of issuance, (ii) to an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the Reimbursement Lease, or (iii) to an amount not in excess of twenty percent of the aggregate issue price that is reasonably expected to finance preliminary expenditures. Preliminary expenditures include architectural, engineering, surveying, soil testing, reimbursement bond issuance and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of the Project, other than land acquisition, site preparation and similar costs incident to commencement of construction.

Adopted this 2<sup>nd</sup> day of February 2017.

Donald M. Elliott

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Title: Chairman



# Commission Discussion

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**To:** BGJWSC Board Members  
**From:** Todd Kline, P.E. (Planning & Construction, Senior Engineer)  
**Date:** February 02, 2017  
**Re:** JWSC R&R/Capital Project Status Update

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## Capital Projects- Construction in Progress

- Project 232- State Route 99 Waterline Extensions – Seaboard Construction Company (Brunswick)
  - Original Contract: \$1,177,792.15; 48% paid out
  - Approved Change Order(s) to date: \$0.00
  - Notice to Proceed Date: February 29, 2016 / 270 Days
  - Projected Completion Date: March 31, 2017 (Revised)
  - Days to Completion: 58
  - Phase I- Engineering Design; Re-route of waterline due to existing utilities.
  - Phase II- Construction 10% - Contractor starting on wetlands bores along SR 99.
  - Phase IIA- COMPLETE
  - Phase III (Green Swamp Rd.)- COMPLETE
  
- Project 319- Urbana Sewer Replacement – Washington County Machine Shop (Macon)
  - Original Contract: \$1,811,764.44; 45% paid out
  - Approved Change Order(s) to Date: \$80,746.50 (addition of manholes, and grouting of abandoned sewer mains)
  - Notice to Proceed Date: October 26, 2015 / 270 Days
  - Projected Completion Date: February 28, 2017 (revised)
  - Days to Completion: 28
  - Sanitary sewer & sewer services: COMPLETE
  - Water (JWSC): COMPLETE
  - Storm (City of Brunswick): COMPLETE
  - Road Base Installation: Road Base will be installed in order of Macon Ave. /Talmadge Ave. /Wilson Ave. /J Street – January 18, 2017 – February 3, 2017.
  - PS 4019 Demolition: February 3, 2017 – February 8, 2017.
  - Paving of all roadways: February 3, 2017 – February 17, 2017.
  - Replacement of Concrete/Asphalt Sidewalk and Driveways: February 3, 2017 – February 20, 2017.

- Project 421- Mansfield Street Sewer Replacement – J.H. Stone Construction (Brunswick)
  - City of Brunswick Project – JWSC MOU executed February 4, 2015
  - Original Contract: \$737,857.13; 37% paid out (JWSC portion)
  - Approved Change Order(s) to Date: \$169,714.17 (sewer service connections and abandonment/ removal of unknown mains)
  - Notice to Proceed Date: June 8, 2015 / 270 Days
  - Projected Completion Date: T.B.D. (City of Brunswick)
  - Days to Completion: T.B.D. (City of Brunswick)
  - Sanitary sewer: Complete excluding minor grouting & finish work; home connections
  - Storm: City of Brunswick storm drain installation began in December; currently between Bay and Grant St.
  - Water: Contractor to replace existing 12" main in storm conflict box at Bay Street.
  - Roads: GAB has been installed on Reynolds St.
  
- Project 503- Canal Crossing Water & Force Main Improvements – East Coast Asphalt LLC (Douglas)
  - Glynn County Project – JWSC MOU executed December, 03 2015
  - Original Contract: \$26,392.90 (upgrade from 12" to 16" water main); 60% paid out
  - Approved Change Order(s) to Date: \$785,193.10 (addition of 20" FM and directional bores under Spur 25)
  - Notice to Proceed Date: March 23, 2015 / 365 Days
  - Projected Completion Date: T.B.D. (Glynn Co.)
  - Days to Completion: T.B.D. (Glynn Co.)
  - Site meeting with East Coast Asphalt and Glynn County to go over lowering of the new 16" WM – January 13, 2017
  - Contractor to provide Glynn County and JWSC plans for review.
  - Awaiting completion on final punchlist items & record drawings.
  
- Project 504- Canal Crossing Pumpstation – Ricketson Construction Company (Douglas)
  - Original Contract: \$271,000.00
  - Approved Change order(s) to Date: \$0.00
  - Notice to Proceed Date: September 30, 2015 / 180 Days
  - Projected Completion Date: March 31, 2017 (revised)
  - Days to Completion: 58
  - 95% Complete: Lift Station 4101 is online
  - Days left in Contract: 58 Days
  - Awaiting completion of final punchlist items and record drawings.
  
- Project 505- Pumpstation 2032 Regional Station & Forcemain – TB Landmark (Jacksonville, FL)
  - Original Contract: \$1,981,117.00; 12% paid out
  - Approved Change Order(s) to Date: \$0.00
  - Notice to Proceed Date: January 3, 2017 / 200 Days
  - Projected Completion Date: July 22, 2017
  - Days to Completion: 172
  - 18% (~2,000 l.f.) of force main has been installed; PS2032 to North Windward Dr.

## **Capital Projects – Engineering/Design in Progress**

- Project 501- Alder Circle (Sea Palms East) Water Line/Fire Protection – EMC Engineering Services (Brunswick)
  - Probable Cost Estimate: \$242,217.80
  - SPLOST funded.
  - Glynn County bid for construction; bids received \$400k+; all bids rejected.
  - On hold awaiting re-evaluation of project scope.
  
- Project 602- Holly St. Sewer Rehabilitation/Replacement – Hodges, Harbin, Newberry & Tribble Inc. (Macon)
  - Probable Cost Estimate: \$497,691.25
  - SPLOST funded.
  - Engineering Design: final design complete; construction RFP in progress
  - Will be submitted to Glynn County for construction bidding/award.
  
- Project 701- PS4048 Force Main improvements – Hussey Gay Bell (Savannah)
  - Engineering design in progress
  - Probable Cost Estimate: \$1,566,600.00
  - 3,200 LF of 24" force main upgrade using open cut, Jack & Bore and HDD methods.
  - Obtaining permits from CSX railroad to bore/drill under existing railroad tracks.
  - Intermediate term component to open N. Mainland capacity.
  - Bid for Construction – March 2017.
  
- Project 702- North Mainland Sewer Basin Re-route - \$11,700,000.00 (Budget)
  - SPLOST 2016
  - Long term component of solution for N. Mainland capacity; phased to expedite.
  - Preliminary engineering 90%; presenting design concept to Glynn County for review
  - Engineering design RFP in progress; preliminary components: utility locates, geo-technical, surveying, permitting
  - Projected construction for PS 4110 segment: 8 – 12 months; 2-3+ year project in total.
  
- Project 703- PS4003 Decommission & Gravity Sewer - \$3,300,000.00 (Budget)
  - SPLOST 2016
  - Elimination of PS4003; gravity flow straight to Academy Creek WWTP.
  - Engineering design RFP in progress.
  
- Project 704- Canal Road to Glynco Parkway 12" Water Main Loop - \$1,000,000.00 (Budget)
  - Pre-engineering in progress: route discussions with Glynn County.
  - Continuation of existing 16"/12" water main on Canal Road to Glynn Co. Parkway – approximately 2,500 LF.
  - Extension of 12" water main from Glynn Co. Parkway to Airport Road – approximately 6,000 LF.
  - Utilize 3,000 LF of surplus 12" C900 PVC pipe from PS2030 project.
  - Eliminate single feed to Glynco Pkwy., airport and FLETG; loop Canal Crossing.
  - Evaluating JWSC in-house project; Design & Construction.
  
- Project 705- Hautala to Old Jesup 12" Water Main Loop - \$110,000.00 (Budget)
  - Cate Rd. / Old Jesup Rd. Intersection.
  - 600 LF of 12" water main.
  - Provide second connection between the former City and County water systems.
  - Engineering design by Planning & Construction –In Process.