



**Brunswick-Glynn County  
Joint Water and Sewer Commission  
700 Gloucester Street  
Third Floor Conference Room  
Thursday, June 17, 2010 at 2:30 P.M.**

## **AGENDA**

### **DISCUSSION**

- 1. Administrative Office Properties**
- 2. Academy Creek WWTP Murals**
- 3. New Risley Middle School Sewer Main**
- 4. Resolution to Defease Water and Sewer Debt and Transfer Assets to JWSC**
  - Second Addendum to the Operational Agreement**
  - Conveyance, Deed, Transfer and Grant of Easement Rights**

### **PUBLIC HEARING ON PROPOSED RATE PLAN            3:00 P.M.**

*Public Hearings will be limited to 30 minutes for each opposing side, with 5 minutes allocated to each individual speaker. Comments are to be limited to relevant information regarding your position and should avoid being repetitious. Your cooperation in this process will be greatly appreciated.*

### **APPROVAL**

- 1. Rate Plan**
- 2. FY 2010-2011 Budget**
- 3. Debt Acquisition**
- 4. Bond Resolution**
- 5. United Water Contract**

- 6. Mauldin and Jenkins Contract**
- 7. USGS Agreement**
- 8. Consent Order Agreement with EPD**
- 9. Addendum to Wireless Communications Management Agreement  
with Utility Services Communications License Agreements**
- 10. Woodland Cove Phase I**
- 11. Minutes of the May 20, 2010 Meeting**
- 12. Minutes of the May 20, 2010 Executive Session**
- 13. Minutes of the May 26, 1020 Special Called Meeting**

#### **EXECUTIVE SESSION**

#### **AGENDA ITEMS FOR NEXT MEETING**

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



**Brunswick-Glynn County  
Joint Water and Sewer Commission  
700 Gloucester Street  
Third Floor Conference Room  
Thursday, June 17, 2010 at 2:30 P.M.**

## **MINUTES**

**PRESENT:** Tony Sammons, Chairman  
Amy Callaway, County Commissioner  
Bob Coleman, County Commissioner  
Bryan Thompson, City Commissioner  
James Brooks, City Commissioner

**STAFF PRESENT:** Keith P. Morgan, JWSC Executive Director  
John Donaghy, Chief Financial Officer  
Desiree E. Watson, JWSC Attorney  
Barbara Rogers, JWSC  
John Hunkele, P.E., JWSC  
Morris Baisden, United Water Services  
Todd Mackey, P.E., United Water Services

**ALSO PRESENT:** Tom Sublett, County Commissioner

Chairman Sammons called the meeting to order and provided the invocation.

Chairman Sammons welcomed the additional of County Commissioner, Amy Callaway to the Joint Water and Sewer.

## **DISCUSSION**

### **1. Administrative Office Properties**

Executive Director Keith Morgan introduced Robert Driggers of Driggers Commercial Group. Mr. Driggers presented an overview of potential properties that would be available for the JWSC Administrative Offices. Mr. Driggers discussed the considerations and benefits of the former Day's Inn property located on Gloucester Street. Mr. Driggers welcomed questions from the Commissioners.

## **2. Academy Creek WWTP Murals**

Mr. Morgan stated that since the railroad destroyed the wax myrtle buffer at Academy Creek staff has held preliminary discussions with representatives of the local Board of Education to paint murals reflective of the community on the structures at Academy Creek facing Newcastle. Mr. Morgan distributed some examples of murals from other utilities. Commissioner Thompson stated that he had some prior experience with this type of murals and that he believed this is a major undertaking. Chairman Sammons requested staff to bring back some pricing information on murals, painting, and fence enclosures.

## **3. New Risley Middle School Sewer Main**

Mr. Morgan stated that the recently completed JWSC Master Plan recommends an 18" gravity sewer line along Southport Parkway to US Highway 17 thereby extending gravity sewer capability to a large area where sewer is not currently available. At this time, the Board of Education is ready to issue bids for the new Risley Middle School construction. By upsizing the line from the 8" required by the school to an 18" recommended in the Master Plan, future service/installation disruptions will be minimized, along with saving on future construction costs. It is estimated that the 18" connection will cost approximately \$27,000 more than the 8" connection that the school requires. Staff is requesting that the JWSC fund this difference from reserve funding within the FY 2010-2011 budget. Mr. Morgan requested that the Commission authorize sending a letter of intent to the Board of Education to partner on this project.

Commissioner Thompson made a motion and seconded by Commissioner Coleman to authorize a letter of intent to partner on the Risley Middle School Sewer Main be sent to the Board of Education. Motion approved 5-0.

## **4. Resolution to Defease Water and Sewer Debt and Transfer Assets to JWSC**

- **Second Addendum to the Operational Agreement**
- **Conveyance, Deed, Transfer and Grant of Easement Rights**

Mr. Morgan stated that JWSC's Bond Counsel requested that the City and County adopt a Resolution that provides for the execution of all necessary documents relative to attaining the assets. The Resolution serves to authorize the JWSC to defease and pay in full all water and sewer debt. The City passed at their June 16, 2010 meeting and is on the County agenda for their meeting tonight.

- **Second Addendum to the Operational Agreement**

Provides for the execution of Phase Two, acquisition of legal title to the assets of the City and County upon defeasing and paying in full City and

County bonds and other debt and issuance of new bonds in the name of JWSC and provide for clarification that the JWSC is responsible for establishing rates, fees and charges to comply with JWSC covenants and obligations.

- Conveyance, Deed, Transfer and Grant of Easement Rights

Provides for the transference of legal title to all real and personal property from the City and County to the JWSC.

## **PUBLIC HEARING ON PROPOSED RATE PLAN**

This item was opened for public comment, no one requested to address the Board

## **APPROVAL**

### **1. Rate Plan**

Andrew Burnham, Burton & Associates, reviewed the Rate Consultant Report. The rate plan establishes annual adjustment through the fiscal year ending 2020 to provide for:

- Operating Reserves targeted a 6 months O&M,
- Capital Reserves targeted at one year average CIP,
- Repair and Replacement Reserves targeted at 5% of the prior year gross revenue and,
- Debt coverage ratios that will establish a strong creditworthiness for the JWSC.

The adoption of this rate plan is integral to the JWSC issuing revenue bonds to acquire the water and sewer systems from Glynn County and the City of Brunswick.

Town Hall meeting were held on June 8 and June 10, 2010 and a public hearing has been held at the June 17, 2010 JWSC meeting.

A Rate Resolution implementing the first year of the rate plan has been prepared.

Commissioner Thompson made a motion and seconded by Commissioner Coleman that the JWSC accept the Rate Consultant Report and adopt the Rate Plan included within the report for the fiscal years ending June 30, 2011 through and including the year ending June 30, 2015 and the JWSC adopt the Rate Resolution for the fiscal year ending June 30, 2011 pursuant to the five year Rate Plan to be effective July 1, 2010. Motion approved 5-0.

## **2. FY 2010-2011 Budget**

Mr. John Donaghy, Chief Financial Officer, stated that the FY 2010-2011 budget to provide the funding necessary to responsibly operate and maintain the water and sewer systems of Glynn County and the City of Brunswick had been presented for the Commission's review and comment earlier and that the Operational Agreement requires that the budget be adopted by June 30 of each year.

Commissioner Callaway made a motion and seconded by Commissioner Brooks to accept and approve the July 1, 2010 to June 30, 2011 budget in the amount of \$24,094,628. Motion approved 5-0.

## **3. Debt Acquisition**

Mr. Donaghy stated that the issuance of the Series 2010C Revenue Bonds meets the established JWSC Financial Policy adopted on September 19, 2007 and that the conditions for using debt and sound financing of that debt have been satisfied.

Commissioner Callaway made a motion and seconded by Commissioner Thompson that the JWSC affirmatively determine that the issuance of the Series 2010C Water and Sewer Revenue Bonds is in accordance with adopted JWSC Financial Policy and that the conditions for using debt and the sound financing of that debt have been satisfied. Motion approved 5-0.

## **4. Bond Resolution**

Mrs. Desiree Watson, JWSC Attorney, stated that to facilitate moving into Phase Two and ownership of the assets, the JWSC must first defease and pay back all existing water and sewer debt of the City of Brunswick and Glynn County. Staff and the consultants have acquired the necessary bond ratings in order to issue a bond in the name of the JWSC which satisfies all outstanding bonds and GEFA debt and other debt associated with the acquisition of title to the unified system in accordance with the Operational Agreement.

The Bond Resolution provides for the execution of all documents necessary for the Series 2010C Bonds, for acquisition of legal title to the assets of the unified system, and designates a paying agent therein. Further, the Resolution provides for the execution of the Second Addendum to the Operational Agreement which also terminates the leases with the City and County upon closing of the Bond.

Commissioner Callaway made a motion and seconded by Commissioner Coleman that the JWSC approve the Bond Resolution as presented and authorize the Chairman, Executive Officer and Chief Financial Officer to execute all necessary documents relative thereto and related to the transfer of legal title of assets from the City and County to the JWSC including the Second Addendum to the Operational Agreement. Motion approved 5-0.

## **5. United Water Contract**

Mrs. Desiree Watson, JWSC Attorney, distributed the Fifth Amendment to the Water and Wastewater Operations and Maintenance Services Agreement between the JWSC and United Water Environmental Services Inc. Mrs. Watson stated that the amendment eliminated from the terms and conditions the sharing of the electric use costs. JWSC will pay all the costs and receive full measure of the associated savings.

Commissioner Thompson made a motion and seconded by Commissioner Coleman that the JWSC approve the first option year of the second renewal period of the Water and Wastewater Operations and Maintenance Services Agreement with United Water Environmental Services Inc. in the amount of \$2,488,006 to be adjusted upon publication of the June 2010 CPI figures by the Department of Labor, and authorize the Chairman to sign the Fifth Amendment. Motion approved 4-0. Commissioner Brooks unavailable for the vote.

## **6. Mauldin and Jenkins Contract**

The Act and Operational Agreement require an annual audit to be performed on the financial statements of the JWSC. In January 2008 an RFP for Auditing Services was issued and the awarded to Mauldin & Jenkins.

Commissioner Callaway made a motion and seconded by Commissioner Thompson to approve the first one-year option to renew auditing services to be provided by Mauldin & Jenkins, Certified Public Accountant, LLC for the fiscal year ending June 30, 2010 at the quoted cost of \$28,500 and that the Chairman, Executive Director and Chief Financial Officer be authorized to execute the documents necessary to establish a service contract subject to review and approval by legal counsel. Motion approved 4-0. Commissioner Brooks unavailable for vote.

## **7. USGS Agreement**

The United States Geological Survey (USGS) and the City of Brunswick, now the JWSC, have partnered in a cooperative water program since 1959 to monitor and produce scientific data on the chloride intrusion into the Upper Floridan aquifer.

Mr. Morgan stated that the program is invaluable to the JWSC in understanding how to plan and manage its water resources.

Commissioner Callaway made a motion and seconded by Commissioner Coleman to approve the USGS Joint Funding Agreement for Fiscal Year ending June 30, 2011 in the amount of \$152,800 and authorize the Chairman and Executive Director to execute the documents necessary to renew the agreement, subject to review and approval by Legal Counsel. Motion approved 4-0. Commissioner Brooks unavailable for vote.

## **8. Consent Order Agreement with EPD**

During regularly scheduled EPD inspections of Underground Storage Tanks (UST) for fuel in the spring of this year it was discovered that each government in the 1990's failed to register all of its USTs with EPD. This failure resulted in the issuance of consent agreements with each government encompassing fines and corrective action plans. The JWSC is implementing the corrective action plans for compliance and is requesting authorization to pay EPD for the City's fine of \$3,825 and reimburse the County for their fine of \$2,950.

Commissioner Thompson made a motion and seconded by Commissioner Callaway to approve reimbursement to the County of \$2,950 and pay EPD for the City's fine of \$3,825. Motion approved 5-0.

## **9. Addendum to Wireless Communications Management Agreement with Utility Services Communications License Agreements**

The City of Brunswick assigned the Utility Service Communication Management Agreement to the JWSC in November 2008. This company has been managing all the wireless communications tower and ground leases with the telecommunications utilities on behalf of the City. They have also assumed the same responsibilities for the water tower located in the County. The Addendum to the Agreement allows for notice prior to termination of the Agreement, provides for licensing sites within the County districts, and as part of their ongoing efforts requires the termination of one such license due to a name change and reissuing of a new license,. This agreement is revenue producing for the JWSC. This Agreement creates no debt for the JWSC.

Commissioner Brooks made a motion and seconded by Commissioner Coleman to approve the (i) Addendum to Wireless Communications Management Agreement with Utility Service Communications., Cp., Inc., (ii) license sites within the County districts, and (iii) authorize the Chairman to execute license termination agreement with New Cingular Wireless, PCS LLC, all effective as of January 1, 2010. Motion approved 5-0.

## **10. Woodland Cove Phase I**

Mr. Morgan distributed a handout on Woodland Cove, Phase I. This is a 38 lot single family residential subdivision located on Golden Isles Parkway Extension. The water and sewer systems have been constructed in accordance with applicable standards and in accordance with the JWSC Development Procedures Phases I, 2 and 3. All inspections have been completed and the work deemed compliant by JWSC operational superintendents and the project inspector.

Commissioner Thompson made a motion and seconded by Commissioner Brooks that in as much as all requirements of the BGJWSC Development Procedures have been met, and documents approved as to form by the BGJWSC Attorney, the Commission accept the water and sewer facilities as public infrastructure for ownership, operation and maintenance. Motion approved 5-0.

## **11. Minutes of the May 20, 2010 Meeting**

## **12. Minutes of the May 20, 2010 Executive Session**

## **13. Minutes of the May 26, 1020 Special Called Meeting**

Commissioner Thompson made a motion and seconded by Commissioner Coleman to approve the minutes of the May 20, 2010 meeting, May 20, 2010 Executive Session, and the May 26, 2010 Special Called meeting. Motion approved 4-0-1.

## **EXECUTIVE SESSION**

The JWSC members did not have any items to discuss in an Executive Session.

**AGENDA ITEMS FOR NEXT MEETING**

Following a discussion concerning the next JWSC Agenda and there being no further business, Chairman Sammons adjourned the meeting.

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Chairman, Tony Sammons

Attest:

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Barbara Rogers