



**Brunswick-Glynn County
Joint Water and Sewer Commission
700 Gloucester Street
Third Floor Conference Room
Thursday, June 21, 2012 at 3:00 p.m.**

AGENDA

PUBLIC HEARING ON PROPOSED RATE RESOLUTION

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.

ADOPTION

- 1. Rate Resolution – K. Morgan**
- 2. FY 2013 Budget – J. Donaghy**

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.

DISCUSSION

- 1. Flood Insurance – J. Donaghy**
- 2. Gloucester Street Property – K. Morgan**

APPROVAL

- 1. USGS Agreement**
- 2. MS2 LLC Lease – K. Morgan**
- 3. Minutes of the June 7, 2012 Regular 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 21, 2012 at 3:00 p.m.**

MINUTES

PRESENT: Clyde Taylor, Chairman
Bob Coleman, County Commissioner
Cornell Harvey, City Commissioner
Tony Sammons, Commissioner

ABSENT: James Brooks, City Commissioner

ALSO PRESENT: Keith P. Morgan, Executive Director
John Donaghy, Chief Financial Officer
Desiree E. Watson, JWSC Attorney
Barbara Rogers, JWSC

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

PUBLIC HEARING ON PROPOSED RATE RESOLUTION

Chairman Taylor presented an overview of the financial management plan for the JWSC. Chairman Taylor stated that the increases for last fiscal year and the one proposed for 2013 were considerably lower than outlined in the bond prospective presented to the bond holders to satisfy the bond requirements, specifically noting a scheduled 12.3 percent increase, however, due to effective cost reductions and operating efficiency, the rate increase is only 4.2%.

Chairman Taylor opened the Public Hearing for comments. No one addressed the board, so the hearing was closed.

ADOPTION

1. Rate Resolution – K. Morgan

Mr. Morgan stated that Burton and Associates, Inc. prepared, as part of their Rate Consultant Report, a long term rate plan. The rate plan establishes annual adjustments through fiscal year ending 2021 and provides for:

- Operating Reserves targeted at 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 credit worthiness for the JWSC.

Town Hall Meetings were held on June 13 and June 20, 2012 and the public hearing held at the June 21, 2012 JWSC meeting. Notice of the meetings was published and inserted in customer billings as required by recent changes to the Local Act.

Commissioner Harvey made a motion seconded by Commissioner Sammons to adopt the Rate Resolution for the fiscal year ending June 30, 2013 pursuant to the five year Rate Plan to be effective July 1, 2012. Motion carried 3-1-0. Commissioner Coleman cast the opposing vote.

2. FY 2013 Budget – J. Donaghy

Mr. Donaghy presented a balanced budget to provide funding necessary to responsibly operate and maintain the water and sewer systems of the JWSC. The budget reflects revenues in accordance with the Rate Plan and Rate Resolution and debt service costs reflective of the JWSC Series 2010C Revenue Bond issue. The budget was submitted to the City and County for comment as required in the Local Act and the Operational Agreement.

Commissioner Sammons made a motion seconded by Commissioner Harvey to accept and approve the July 1, 2012 to June 30, 2013 budget in the amount of \$23,436,900. Motion carried 3-1-0. Commissioner Coleman cast the opposing vote.

PUBLIC COMMENT PERIOD

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

DISCUSSION

1. Flood Insurance – J. Donaghy

Mr. Donaghy stated that in response to the Commission's request, Fred McGinty secured quotes for additional flood insurance at the Saint Simons Island and Exit 29 Wastewater Treatment Facilities. The cost for the additional insurance would be \$9,907 with funding to be paid from the 2012 budget.

Commissioner Harvey made a motion seconded by Commissioner Coleman to table the discussion and place the item on the next meeting agenda. Motion carried 3-1-0. Commissioner Sammons cast the opposing vote.

2. Gloucester Street Property – K. Morgan

Mr. Morgan briefly reviewed the history for an Administrative Office Complex at the Gloucester Street location. During a brief discussion, Commissioners expressed how they would recommend the JWSC proceed.

Commissioner Sammons made a motion seconded by Commissioner Harvey to direct staff to prepare an RFP to design a building on the Gloucester Street property. Motion carried 3-1-0. Commissioner Coleman cast the opposing vote.

APPROVAL

1. USGS Agreement

Mr. Morgan stated that the USGS Joint Funding Agreement for the Cooperative Water Resource Program, which monitors the chloride plume intruding into the Upper Floridan aquifer, and also produces invaluable scientific data. The program has been in existence since 1959.

Mr. Morgan introduced Mr. John Clarke and Mr. Greg Cherry with the USGS who presented a very informative power point presentation on the data collected from the study on the chloride plume intrusion.

Commissioner Harvey made a motion seconded by Commissioner Sammons to approve the USGS Joint Funding Agreement for Fiscal Year 2013 in the amount of \$152,800 and authorize the Chairman and Executive Director to sign the agreement subject to legal review. Motion carried 4-0-0.

2. MS2 LLC Lease – K. Morgan

Mr. Morgan stated that the Commission approved a six month extension of the lease with MS2 in March of this year with an amendment which included some new terms and conditions. The new lease for administrative offices has a 1-year option renewal and it would be in effect July 1, 2012 and coincide with the JWSC's fiscal year.

Commissioner Harvey made a motion seconded by Commissioner Sammons to approve the renewal of the lease between MS2, LLC and the JWSC under the same terms and conditions as described in the amended lease for an annual base rent of \$120,000 and a prorata share of utilities for the space utilized at 700 Gloucester Street and authorize the Chairman and Executive Director to sign said lease. Motion carried 4-0-0.

3. Minutes of the June 7, 2012 Regular Meeting

Commissioner Sammons made a motion seconded by Commissioner Harvey to approve the minutes of the June 7, 2012 regular meeting. Motion carried 4-0-0.

Commissioner Harvey made a motion seconded by Commissioner Sammons to excuse Commissioner Brooks' absence from the meeting of June 21, 2012. Motion carried 4-0-0.

Commissioner Harvey made a motion seconded by Commissioner Coleman to cancel the regular meeting of July 5, 2012. Motion carried 4-0-0.

EXECUTIVE SESSION

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

Commissioner Harvey made a motion seconded by Commissioner Coleman to adjourn the meeting. Motion carried 4-0-0.

Clyde Taylor, Chairman

Attest:

Barbara Rogers, JWSC