

**Minutes of the South Fulton Municipal Regional Water And  
Sewer Authority Meeting Held on February 12<sup>th</sup>, 2018,  
At 509 Toombs Street, Palmetto, GA**

**BOARD MEMBERS PRESENT:** J. Clark Boddie, Vince R. Williams, Elizabeth Carr Hurst, Sonja Fillingame and Shayla J. Nealy

**BOARD MEMBERS ABSENT:** Laura Mullis and James Whitmore

**Consultants Present:** Dennis Davenport, Dan Post, Laura Benz and Andrea Gray

**Others Present:** Tom Ridgway with The City of Fairburn

**Call To Order:** Chairman Vince R. Williams called the meeting to order at 7:00 PM.

**Election of Board Officers for year 2019:**

**Chairman:**

Vince R. Williams nominated Shayla J. Nealy to be elected the position of Chairlady, seconded by Elizabeth Carr Hurst. A vote was taken, the motion passed unanimously.

**Vice Chairman:**

Elizabeth Carr Hurst nominated Vince R. Williams to be elected the position of Vice Chairman, seconded by Sonja Fillingame. A vote was taken, the motion passed unanimously.

**Secretary / Treasurer:**

Vince R. Williams nominated Elizabeth Carr Hurst to be elected the position of Secretary Treasurer, seconded by Shayla J. Nealy. A vote was taken, the motion passed unanimously.

At this point Chairman Shayla J. Nealy continues with the meeting.

**Approval Of The Minutes:** A motion was made by Vince R. Williams to approve the minutes of the December 11th, 2018 meeting, seconded by Elizabeth Carr Hurst. A vote was taken, the motion passed unanimously.

**New Business:** None

**Old Business:** None

**Reports:**

**Legal** – Dennis Davenport stated that he had received the payment in the amount of \$8078.00 from 92 Sportsman Club and it has been forwarded to Mr. Post for deposit.

**Finance** – Dan Post reviewed with the Board:

1. The December 2018 and January 2019 financial statement.
2. Requested approval for draw number 187 in the amount of \$8,866.52 from the construction account.

Sonja Fillingame made a motion to approve draw number 187 in the amount of \$8,866.52 from the construction account seconded by Elizabeth Carr Hurst. A vote was taken, the motion passed unanimously.

3. Requested approval for draw number 188 for the semi-annual Debt Service payment in the amount of \$11,605.79 from the construction account.

Sonja Fillingame made a motion to approve draw number 188 for the semi-annual Debt Service payment in the amount of \$11,605.79 from the construction account seconded by Vince R. Williams. A vote was taken, the motion passed unanimously.

4. The Public Liability Insurance application is ready for the Boards signature.
5. The Board members will need to go to the bank to update check signing cards

Elizabeth Carr Hurst requested for Mr. Post to talk to the P&C Bank for them to stop charging fees for cashing checks drawn on the Authorities account.

**Project Managers** – Laura Benz and Andrea Gray reviewed with the Board:

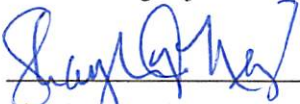
See attached memorandum for details

1. EPD:
  - a. On December 5<sup>th</sup>, 2018 the revised three-party (Union City, Fairburn and Palmetto) applicant on the water withdrawal permit was submitted
  - b. Updated the Board on the Draft Water Withdrawal Permit
  - c. Permitted amount
  - d. EPD's Downstream Flow Modeling
  - e. River/Lake Existing Permit
2. Treatability Analysis
3. SWAP
4. Compensatory Mitigation
  - a. Site Specific Sites
  - b. Resale of Mitigation Credits

**Executive Session:** None

Elizabeth Carr Hurst made a motion to adjourn the meeting, seconded by Vince R. Williams. A vote was taken, the motion passed unanimously.

The meeting adjourned at 7:25 PM

  
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Shayla J. Nealy, Chairman

March 18<sup>th</sup>, 2019

Date Minutes Approved by Board

## MEMORANDUM

**To:** S. Fulton Municipal Regional Water & Sewer Authority Member Cities Councils  
(Fairburn, Palmetto and Union City)

**From:** Laura Benz & Andrea Gray

**Date:** February 12, 2019

**Re:** S. Fulton Authority Project Update

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**Water Withdrawal Application/Process:** The revised three-party water withdrawal application was submitted on December 5, 2018 containing the permit application form, Water Conservation & Drought Contingency Plan, and Interbasin Transfer Analysis, and resolutions. As discussed in the December 2018 meeting, EPD confirmed receipt of the submission by email. Preliminary draft conditions for the water withdrawal permit were received on January 25, 2019, and then revised on February 4<sup>th</sup> and 7<sup>th</sup> based on subsequent discussions regarding the withdrawal permit amount and downstream flows.

**Permitted Amount:** EPD's draft permit implemented a phased withdrawal approach as a result of the Supreme Court ruling in the tri-state water wars litigation. Instead of issuing a permit for the full 50-year certified need, EPD now issues the requests based upon the next 10-year need. The Authority therefore is granted a permit representing its ten year need of 7.12 mgd rather than the entire 50 year need of 13.25 mgd. This policy is being implemented statewide to reflect the State's efforts to be a more conservative steward of water resources and to match the permitted amount with the 10-year duration of the permit.

A meeting was held to finish revising the permit conditions on February 12, 2019. To assure the Authority is allocated its complete 2065 need of 13.25 mgd, an additional paragraph will be added to the permit document acknowledging that the Authority's 13.25 mgd allocation was approved by the State and the U.S. Army Corps of Engineers ("Corps") and documented as part of Fulton County's needs in the 2017 ACF Water Control Manual.

"In late 2015, the State submitted an updated Water Supply Request to the U.S. Army Corps of Engineers (Corps) requesting that the Corps operates Buford Dam to accommodate up to 379 MGD of water supply along the Chattahoochee River downstream of Lake Lanier. This level of water supply has been projected for 2050. In early 2016, the State submitted a full technical analysis demonstrating the limited level of impacts of such operation. The Corps, through its Final Environmental Impact Statement (and embedded technical analyses) in December 2016 and Record of Decision in March 2017, independently assessed the impact of Georgia's request, and granted the full amount of water supply as requested by the State of Georgia. This water supply operation is now encoded into the Corps' current Water Control Manual of the Apalachicola-Chattahoochee-Flint River Basin. The State's requested amount up to 379 MGD includes 13.25 MGD projected to serve the Member Cities. "

In the meeting, EPD also provided that the certified need letter will remain valid and as needs increase, EPD will increase the quantity of the withdrawal permit until the full 13.25 mgd is utilized. Language acknowledging the need certification will be added to permit condition #11.

**EPD's Downstream Flow Modeling:** In addition, upon EPD's review of the model created by the Corps to reflect the new operational conditions in the ACF Water Control Manual released in 2017 (the "Corps

Model”), it concluded that the Authority would need to request additional water releases from Lake Lanier to meet its water demands for 20+ days during the year. The Authority’s consultants had a telephone conference with EPD to discuss the modeling methodology and results on February 11, 2019. The Corps Model accounted for the Authority’s 13.25 mgd need and created a new node (aka point of measurement of stream flows) at the confluence of the Chattahoochee River and Bear Creek to better predict flows. EPD relayed that it had further updated the model the week of February 4<sup>th</sup> after finding that the original Corps Model artificially reduced the projected flows at the Bear Creek node by attributing all incremental flows to the Whitesburg node downstream. Under the new model, there are less than 14-days that the Authority would need to request additional releases from Lake Lanier to meet its full demands.

**River/Lake Agreement Participation:** In order to secure the additional releases from Lake Lanier required to support its needed withdrawals, the Authority must participate in the “Agreement for River/Lake Information Management Services” (the “River/Lake Agreement”). The River/Lake Agreement is a contract between the Atlanta Regional Commission (“ARC”) and the four main entities that withdraw water from the Chattahoochee River downstream of Lake Lanier: Atlanta, Atlanta/Fulton County’s joint venture, Cobb County-Marietta Water Authority and DeKalb County. Under this Agreement, ARC serves as the point of contact between these entities, the Corps and Georgia Power to regulate releases from Lake Lanier which promotes better management of water resources. The participating entities must report on a weekly basis an estimate of anticipated daily water withdrawals each day for the upcoming week. ARC then inputs this information into its model and determines the amount of releases needed. The participating entities must pay two separate annual fees to ARC, one for ARC’s services which in 2019 is \$23,300 per entity or \$93,200 total, and a second fee for the USGS’s services in maintaining the gages at Suwannee Creek and Sope Creek which in 2019 is \$7,450 per entity or \$29,800 total. Additionally, the Authority must pay ARC’s engineers to add its withdrawal into the River/Lake model which is estimated to cost \$20,000 - \$30,000. The Authority’s consultants engaged in several conferences with ARC and EPD regarding its participation and EPD ultimately agreed to allow the Authority to delay its participation in the River/Lake Agreement until the next iteration would become effective on January 1, 2020 with a delayed payment participation until the Authority’s intake becomes operation. Similarly, ARC and EPD have agreed to postpone updating ARC’s modeling until just prior to its system becoming operational. Both concessions will help the Authority defer the cost of participation until its system is operational. Revisions to the draft permit conditions relating to this agreement are proposed as follows:

- 13). Stipulation that the Authority will revise the River-Lake model to reflect its withdrawal is occurring downstream of Peachtree Creek prior to commencing operations of the permitted withdrawal.
- 16). Requires that the Authority be a party to the Agreement for the River/Lake Information Management Services effective January 1, 2020.

**Palmetto’s Existing Permit:** The permit language will be revised to acknowledge that Palmetto’s permit will not be revoked until the Authority has a fully operational system. (See permit condition 10).

**Treatability Analysis:** An engineering report will be required as a part of the Water System Permit (a separate permit required to operate the system which is issued upon construction of the facilities).

**SWAP:** ARC is continuing to assemble data and anticipates another update meeting for the parties in the next several months. Its analysis will continue over the next 11 months with the anticipation of meeting the January 1, 2020 deadline.

### **Compensatory Mitigation**

**Site Specific Sites:** The Mitigation Bankers continue to work through the mitigation bank authorization process and the coordination with new regulatory guidance. The Prospectus for the Mulberry Creek site was submitted in January.

**Resale of Mitigation Credits:** The Authority purchased the required stream and wetland credits associated with the proposed Bear Creek Reservoir from three mitigation banks: Chattahoochee (4,495 stream and 3.74 wetland credits), Blue Creek (108,532.55 stream credits) and the Monastery (42.54 wetland credits). The Authority entered into contracts with the respective bank sponsors for the Blue Creek and Monastery mitigation banks for the remarketing and sale of the previously purchased credits. The Blue Creek ledger will be modified to reflect the availability of the credits for purchase by the end of the week of February 11<sup>th</sup>, however the Monastery's request is pending to allow additional documentation to be submitted for the administrative record providing assurances that Mr. Bob Holbrook is no longer involved in any capacity with the bank. The Corps is also requiring that the Monastery update the ledger for its stream mitigation bank, Honey Creek, which will be submitted in the next week with approval and ledger revision expected within 30 days.