

Middle Chattahoochee Regional Water And Sewer Authority Organizational Meeting Minutes

Tuesday, January 09th, 2024
Fairburn Annex Building
40 Washington Street, Fairburn, GA 30213

I. Chairman J. Clark Boddie called the meeting to order at 7:00 pm.

II. Roll Call was taken by Secretary Jessica Davis with the following board members present:

The Honorable Chairman J. Clark Boddie
The Honorable Mayor Vince Williams The Honorable Vice-Chair Sonja Fillingame
The Honorable Mayor Mario Avery The Honorable Councilman Brian Jones
The Honorable Mayor Teresa Thomas-Smith The Honorable City Manager Tony Phillips

The attendance of the board constituted a quorum and the meeting proceeded.

III. Approval of the 2024 Elected Offices:

- The motion to nominate the current Vice-Chair Sonja Fillingame as the 2024 Chairperson was made by Mayor Vince Williams and seconded by Councilman Brian Jones. **Vote: 7-0; Motion Carried**

- The motion to nominate Mayor Mario Avery as the 2024 Vice-Chairperson was made by Mayor Vince Williams and seconded by City Manager Tony Philips. **Vote: 7-0; Motion Carried**

- The motion to nominate Mayor Vince Williams as the 2024 Secretary/Treasurer was made by Chairwoman Sonja Fillingame and seconded by Councilman Brian Jones. **Vote: 7-0; Motion Carried**

IV. Approval of Water Authority Minutes:

The motion to approve the December 12th 2023 MCRW&SA Meeting Minutes with corrections was made by City Manager Tony Philips and seconded by Mayor Vince Williams.
(The Honorable Councilman Brian Jones was written twice on the minutes) **Vote: 7-0; Motion Carried**

V. New Business:

- Mayor Williams welcomed Mayor Teresa Thomas-Smith to the body.
- Board Member Boddie thanked Mayor Smith for re-nominating him to the board.

VI. Discussion and Approval:

▪ **2024 Water Authority Meeting Schedule:**

Secretary Davis presented the 2024 Middle Chattahoochee Regional Water & Sewer Authority Meeting Schedule.

The motion to approve the 2024 Water Authority Meeting Schedule was made by Mayor Vince Williams and seconded by Councilman Brian Jones. **Vote: 7-0; Motion Carried**

VII. Reports:

A. Water Authority Attorney-

The MOU for the agreement with Coweta and Middle Chattahoochee is still a work in progress. Attorney Davenport will contact their attorney before the February meeting.

B. Financial Report-

Attorney Davenport presented requisition #257 in the amount of \$30,896.62.

Motion to approve Req #257 in the amount of \$30,896.62 was made by Board Member Boddie and seconded by City Manager Philips. **Vote: 7-0; Motion Carried**

Attorney Davenport emailed the 2022 audit from Mauldin & Jenkins to the board.

C. Financial Manager-

Mr. Tom Owens informed the board that it's been 10 years since the authority's last bond issue. The market is getting such that the authority can prepay or refinance the bond for savings if interest rates allow. The bonds have now reached a point of being "currently callable" meaning they are prepayable without restriction. The Authority may choose not to refinance the bonds at this time because if they do, they may lose their ability to restructure the debt, should that become necessary as the board goes forward with new capital projects. The authority doesn't have any real flexibility to restructure the bonds once they are refinanced into a new fixed structure. Today, this is probably worth \$800,000.00 to \$900,000.00, in total, or approximately \$100,000.00 per year. The obstacle to getting the authority's bonds rating has been withdrawn by the rating agency and will need to be reinstated. But there's little opportunity in that as well as asking the agency to reinstate the bonds. This might be an opportunity to get a virtually free bond look at the current bond rating. The authority will owe money if asked to get a new issue rating on a stand-alone basis. If the board turns to a reinstatement, they can likely get it free. Interest rates are favorable.

Mayor Williams asked if there were any time constraints regarding the information presented to the board.

Mr. Owens stated the sooner, the better.

City Manager Philips asked Mr. Owens to elaborate on the project going forward.

Mr. Owens stated that as of right now, the authority has a series of payments from now until 2031. The option of refinancing means that the authority will borrow enough money to pay off the lower bond. Typically, the authority will borrow that money and put it back in the same place they borrowed it from. They can make payments between now and 2031. In refinance, there are a few restrictions. For example, instead of 10 years, the authority can pay over 20 years and make payments lower. The authority can do it in the overall capital plan. Once done, the authority has locked in that structure for another 10 years. The board must choose if that structure works best.

D. Project Managers-

- Coweta County: Attorney Davenport is working on the MOU. It will start setting up the structures with Coweta County. Their municipal rate is currently \$3.54. It could be subject to change. The project managers started having initial conversations in 2017.
- Governor's Handshake Political Agreement for what's occurring in the Basin: That still has to go through the core engineering modeling and public comments.

- CORE: The project managers do not anticipate that those studies will be available soon. They will continue to monitor it.
- The project managers were instructed to get a general services agreement for consideration by the board in preparation for the MOU that Attorney Davenport is working with Coweta counsel. They received a general service agreement and provided it to Attorney Davenport to review, and he provided a comment about it being an initial term of 12 months (subject to renewal automatic until a 30-day notice to terminate).
- There are two options within it, the task order, and on-call services, how the board dealt with them in the past.

E. General Manager-

GM Lindy Farmer- The Krebs GSA agreement article 3.2 is based on an hourly basis, not necessarily a task order. There are things that the board needs to look at. It's an advantage that Krebs is getting back on board with the authority. GM Farmer checked with their references and met with Coweta. It's slow but it's moving in a positive direction and the authority is beginning to function how the authority should function.

Project Manager Benz stated that this will cover services for the authority and apply to areas for cost sharing. It will be the pleasure of the board to execute the agreement tonight or wait until next month.

Board Member Boddie would like the board to review the agreement and revisit it at the February meeting. He would like Attorney Davenport to provide feedback.

Councilman Jones asked to include the hourly rate chart in the agreement.

Mayor Avery- Looking at consultant expenses, is the 1.5 the multiplier standard market practice?

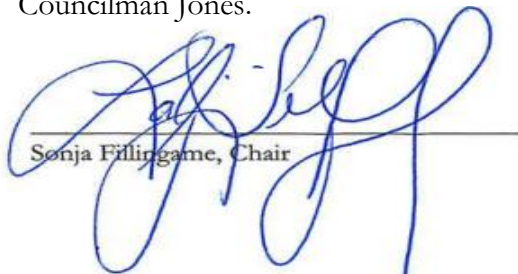
Project Manager Benz stated that she has seen at least 10-15 percent as standard. Project Manager Benz will ask about the rate.

GM Farmer stated that bringing in Krebs will be a win-win situation. He believes this is a positive move from the board. They have good meetings with Coweta, and they are very receptive. Krebs is a very important component of the board.

VIII. Other Business:

Board Member Boddie stated that regarding the signing of the authority checks, the chairman and vice chairman are already on the card, and the only person who needs to be added is Mayor Williams.

- IX.** The motion to adjourn the meeting at 7:30 pm was made by Board Member Boddie and seconded by Councilman Jones. **Vote: 7-0; Motion Carried**


 Sonja Fillingame, Chair


 Jessica Davis, Secretary