

**Minutes of the South Fulton Municipal Regional Water And
Sewer Authority Meeting Held On April 10, 2018,
At 509 Toombs Street, Palmetto, GA**

BOARD MEMBERS PRESENT: J. Clark Boddie, Vince R. Williams, Elizabeth Carr Hurst, Donna M. Gayden, Laura Mullis and Shayla J. Nealy

BOARD MEMBERS ABSENT: Brian K. Jones

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.

Approval Of The Minutes: A motion was made by Elizabeth Carr Hurst to approve the minutes of the February 13th 2018 meeting, seconded by Shayla J. Nealy. A vote was taken, the motion passed unanimously.

New Business: The Board discussed the Financial Manager and Auditor for the Authority. The Board decided that the Authority's auditor needs to be someone other than Post & Associates.

Donna M. Gayden made a motion to appoint a new auditor for the Authority. The motion was seconded by Elizabeth Carr Hurst. A vote was taken, the motion passed with a vote of 4 yes (Vince R. Williams, Elizabeth Carr Hurst, Donna M. Gayden and Shayla J. Nealy) and 2 no (J. Clark Boddie and Laura Mullis).

J. Clark Boddie made a motion to keep Post & Associates as the financial manager for the Authority. The motion was seconded by Laura Mullis. A vote was taken, the motion passed with a vote of and 4 yes (J. Clark Boddie, Vince R. Williams, Laura Mullis and Shayla J. Nealy) and 2 no (Elizabeth Carr Hurst and Donna M. Gayden)

The Legal portion of the discussion has been removed from the table.

Old Business: None.

Reports:

Legal – Dennis Davenport stated that he has nothing to report this month.

Finance – Dan Post reviewed with the Board:

1. Dan Post requested approval from the Board to pay GERMA when the bill comes in. The amount is approximately 45 to 55 thousand dollars.

Laura Mullis made a motion to approve the payment to GERMA when the bill comes in in the amount of approximately 45 to 55 thousand dollars. seconded by J. Clark Boddie. A vote was taken, the motion passed unanimously.

2. The February and March 2018 financial statement.

3. Requested approval for draw number 176 in the amount of \$29,196.75 from the construction account.

Laura Mullis made a motion to approve draw number 176 in the amount of \$29,196.75 from the construction account seconded by J. Clark Boddie. A vote was taken, the motion passed unanimously.

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

1. GEFA:
 - a. Loan

2. EPD:
 - a. Water Withdrawal application
 - b. SWAP
 - c. Treatability Analysis

a. Mitigation:

- a. Updates on the mitigation contracts
- b. Outside closing date June 30, 2020

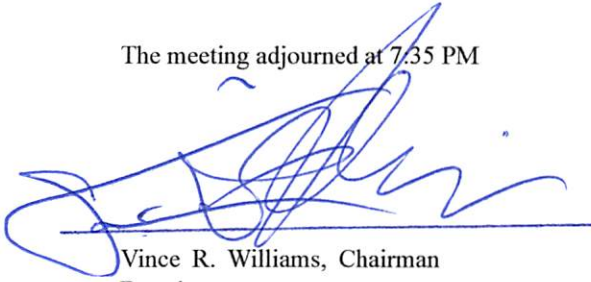
b. Litigation:

- a. Supreme Court on water wars

Executive Session: None

Elizabeth Carr Hurst made a motion to adjourn the meeting, seconded by Shayla J. Nealy. A vote was taken, the motion passed unanimously.

The meeting adjourned at 7:35 PM

A handwritten signature in blue ink, appearing to read 'Vince Williams', is written over a horizontal line. The signature is stylized and somewhat cursive.

Vince R. Williams, Chairman
Board

June 12th 2018

Date Minutes Approved by

South Fulton Municipal Regional Water and Sewer
Authority

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MEMORANDUM

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

From: Laura Benz & Andrea Gray

Date: April 10, 2018

Re: S. Fulton Authority Project Update

Water Withdrawal Application/Process: The Authority submitted a revised updated water withdrawal application for withdrawal from the Chattahoochee River on October 31, 2017. This application updated the 2013 submission and reflects the revised project need of 13.25 mgd as certified by the September 2017 EPD letter. By letter dated November 13, 2017 EPD acknowledged the submittal of the permit application. In addition to the application, the Authority will also need to prepare a Source Water Assessment Plan (“SWAP”) and a Treatability Analysis per EPD requirements. On August 29, 2017, the Authority’s project managers and Krebs Engineering met with EPD to discuss the scope of these studies. The SWAP looks at all possible sources of contaminants within a 7-mile radius in detail and within a 20-mile radius in less detail within the watershed of the withdrawal point. The treatability analysis requires water sample testing for a number of parameters during wet and dry periods over a 6-month timeframe. Krebs engineering prepared a draft scope for the treatability analysis and submitted it to EPD for review on August 31st. EPD approved the scope on October 6th.

Treatability Analysis: Water quality testing has been completed on January 22, February 5 and 22, March 5, 12 and 20, and April 3, 2018. The treatability testing has occurred on January 22 and February 27, 2018. The laboratory testing shows that all water quality samples are within the range appropriate for water supply and can be treated in accordance with accepted traditional protocols. The next round of treatability testing will occur in conjunction with warmer temperatures and is tentatively planned for the first week in May.

SWAP: ARC has received authorization and funding for completion of the required SWAPs for the metro-Atlanta area. The South Fulton Municipal Regional Water & Sewer Authority is listed as one of the entities for the work to be completed. Pending the water quality data remaining as acceptable limits, EPD has stated that the completion of the SWAP will not be required for issuance of the water withdrawal permit. The Authority members should be receiving notification as to what additional information is necessary to complete the SWAP by ARC.

GEFA Loan Update: The GEFA loan documents were approved and submitted to GEFA following the February 13, 2018 Authority meeting. By letter dated February 16, 2018, GEFA provided the 10 forms for draws to be submitted for payment under the loan. GEFA further provided that a billing statement will be provided, and the 1% origination fee will be withdrawal from the Authority’s account by April 15, 2018. Under the terms of the loan, the Authority is obligated to draw on the funds within six months from the date of loan execution or pay a continuation fee of \$3,000.

Please note that the Authority is still required to “expend unobligated funds, those other than obligated funds which are calculated as a good-faith estimate of debt service (principal and interest) based upon increasing annual payments for the 2014 refunding bonds prior to drawing upon the GEFA loan funding” as specified in the modification memorandum.

Mitigation Contract: The mitigation bankers are currently moving through the regulatory process to permit the mitigation site as an approved mitigation bank. We will provide updates to the Authority as they become available, however the outside closing date under the approved terms is June 30, 2020.

ACF Water Control Manual: The lawsuits discussed in the previous update are still pending. No injunction has been issued that would prohibit EPD or the USACE to stop issuing permits. We have spoken to USACE Office of Counsel and are awaiting formal written confirmation of the USACE official position that the direct withdrawal is deemed as a practical alternative and not deemed speculative in the absence of an injunction during the course of litigation. Delays in obtaining this statement have been cited by the USACE due to coordination of USACE districts and pending litigation considerations.

Supreme Court Update: Oral arguments were presented to the Supreme Court on January 8, 2018. No ruling has been made at this time.