

Middle Chattahoochee Regional Water And Sewer Authority Meeting Minutes

Tuesday, October 11th, 2022
Fairburn- City Hall
56 SW Malone Street, Fairburn, GA 30213

- I. Chairman Mayor 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 Mayor J. Clark Boddie
The Honorable Vice-Chair Sonja Fillingame The Honorable Councilwoman Tara Miller
The Honorable City Manager Tony Phillips

The following board members were absent during roll call:
The Honorable Mayor Vince Williams, The Honorable Mayor Mario Avery, and
The Honorable Councilman Brian Jones (Arrived at 7:08 pm)

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

III. **Approval of Water Authority Minutes:**

The motion to approve the September 13th, 2022 MCRW&SA Meeting Minutes was made by City Manager Phillips and seconded by Councilwoman Miller. **Vote: 4-0; Motion Carried**

IV. **New Business:**

V. **Discussion and Approval:**

VI. **Reports:**

A. **Water Authority Attorney-**

Attorney Dennis Davenport did not have a report from the attorney's office.

B. **Financial Report-**

Attorney Davenport presented requisition #238 for \$27,790.27.

The motion to approve requisition #238 was made by Vice-Chair Fillingame and seconded by City Manager Phillips. **Vote: 5-0; Motion Carried**

Chairman Boddie asked the board to review the financial reports which consist of the Statement of Assets, Liabilities & Equity Income Tax Basis.

C. **Project Managers-**

- **Water Withdrawal Permit:** Project Manager Andrea Gray informed the board that the authority sites comply with the water withdrawal permits. There are no deliverables, and the authority has satisfied all requirements thus far.
- **Mitigation:** There are no changes in the mitigation. The authority is still in a holding pattern awaiting credits.

- **Blue Creek:** The authority is waiting for the bank to reorganize and begin the sale of credits.
- **GEFA:** The project managers submitted the loan application in August 2021 and working to assemble the financial information for the underwriting process. While working through the process, GEFA decided to underwrite all three cities. They're asking for detailed financial information and audits from all three cities. Project Manager Gray distributed a memo to the board members. There is a checklist indicating the status of the process. GEFA asked to provide this final documentation by October 31st to be considered at their January 2023 board meeting. As of today, the project managers need the following from Fairburn: completed and signed pages 6-10 in the GEFA Application, Palmetto's 2021 audit, and Water and Sewer Fund Income and Loss Statement. Emails were sent to obtain the documents. GEFA asked for the point of contact for each city. Union City's point of contact is Tarsha Calloway, Fairburn's point of contact is Tony Phillips, and Palmetto's point of contact is Cindy Hanson.

D. Gresham Smith:

- Mr. Scott Thompson began the presentation by providing updates on the following:
 1. ARPA Update: The application was submitted successfully in September, and as of now, there is no response to a decision made. G&S hopes to hear something by the October board meeting.
 2. AACE 18-R-87 Cost Estimate:
 - Class 3- As the authority, move from left to right, and as a design progresses, a project becomes more well defined. The variation within the estimate is reduced, and the accuracy increases. The authority is in Class 3 because it's going off a preliminary design. The estimate has a range of +30% and -20% in terms of accuracy. G&S consulted three contractors to help with the cost estimate. Some of the major equipment quotes were supplied from manufacturers. There are some good numbers and previous projects of scope and size. The last page is a summary breakdown of the main components. The major components grow from the intake to the treatment.
- Project Manager Gray added a few observations. The biggest jump in price is the transmission main cost. Krebs's scope eliminated the water tank storage that was in the water treatment plant site, and the elevated water storage tank. There would have been two storage spaces. Gresham Smith eliminated the items based on their engineer's judgment. EPD approved the PER with those components in it. EPD will have to approve removing those two storage items which are not in the cost estimate. Also, the water treatment plant in the Krebs report was 6 mg, in this report, it's 6.625 mg. Krebs's estimate was around 79 million and this estimate is about 38 million more.
- Chairman Boddie inquired about the drought component. Project Manager Gray stated to accommodate for any drought, the authority got an alternate minimum instream flow approved through EPD. The authority is allowed to withdraw so that there's always water in the river. The authority can withdraw water even during a drought. The reason there was storage was to deal with unanticipated spills, and humidity in the river, in case of a big storm and the water quality is not great, the authority will have the storage tank as backup.
- David Gray provided a summary of the Preliminary Estimates

1. Page 1:
 - \$10,500,000 of the 1st GEFA Loan, generated at 8 million dollars
 - 2nd GEFA Loan: \$25,000,000.00
 - Grant: \$35,000,000
 - Bond Issued: \$37,500,000.00
 - Estimated Revenue: \$6,495,312

2. Page 2:
 - Assumptions below including \$35 million grant
 - Estimated Project Cost Remainder: \$37,500,000

3. Page 4:
 - Estimated Project Cost Remainder: \$72 million

- Councilman Jones asked if the debt services for 3.5 assumes all the authority's expenses. Mr. Gray informed the board that the percentage was pumped up by 3.5 percent for inflation. The \$3 million in operations expenses include parties operating the facility. Chairman Boddie inquired about the wholesale cost of the city. Mr. Gray stated that with the shortfall, they will not be able to keep it at 5.21. The shortfall will have to be fixed in the wholesale cost. Once the authority has the charge, the wholesale will be 6.73. Chairman Boddie stated that Palmetto receives water from Coweta County, and Union City and Fairburn purchase water from the City of Atlanta and believes that the backup will not be reliable.

VII. The motion to adjourn the meeting at 7:30 pm was made by Vice-Chair Fillingame and seconded by Councilwoman Miller. **Vote: 5-0; Motion Carried**



Mayor J. Clark Boddie, Chair



Jessica Davis, Secretary