

**Minutes of the South Fulton Municipal Regional Water And
Sewer Authority Meeting Held on May 12th, 2020,
VIA Teleconference
Dial in: (712) 432-6148
Passcode: **788568#****

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

BOARD MEMBERS ABSENT: None

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

Others Present: Other unknown persons

Call To Order: Chairwoman Shayla J. Nealy called the meeting to order at 7:04 PM.

Approval Of The Minutes: A motion was made by Sonja Fillingame to approve the minutes of the April 14th, 2020 meeting, seconded by J. Clark Boddie. A vote was taken, the motion passed unanimously.

New Business: Any addresses that need to be updated should be sent to Robin Post

Old Business: None

Reports:

Legal – Dennis Davenport had nothing to report this month

Finance – Dan Post reviewed with the Board:

1. The April 2020 financial statement.
2. Requested approval for draw number 204 in the amount of \$5,937.38 from the construction account.

J. Clark Boddie made a motion to approve draw number 204 in the amount of \$5,937.38 from the construction account seconded by James Whitmore. A vote was taken, the motion passed unanimously.

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

See attached memorandum for details

1. EPD
 - a. Water Withdrawal Application Draft
 - b. Minimum instream flow
 - c. Comment responses
2. District Audit
3. Water Withdrawal Application Process:
 - a. Treatability Analysis
 - b. Swap
4. Mitigation Credits
 - a. Compensatory Mitigation
5. Other/MISC
 - a. North Metropolitan Water Planning District
 - b. Waters Of The US
6. Water Wars Litigation Update

Legal – Dennis Davenport stated that there is no new news from the legislators concerning the Authorities name change and advertising process.

Chairwoman Shayla J. Nealy requested that all information for the meetings be sent in one email.

Executive Session: None

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

The meeting adjourned at 7:44 PM

Shayla J. Nealy, Chairwoman

June 09th, 2020

Date Minutes Approved by Board

MEMORANDUM
TELEPHONE CONFERENCE – DISTRIBUTED BY EMAIL

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

From: Laura Benz & Andrea Gray

Date: May 12, 2020

Re: S. Fulton Authority Project Update

Water Withdrawal Application/Process:

Minimum Instream Flow: By email correspondence EPD agreed that the alternative NDF was not materially different from the prior contemplated flow requirements and would be incorporating it within the draft permit. This will allow the Authority to meet its full 13.25 mgd need 365 days per year. The Authority’s consultants continue to follow-up with EPD regarding issuance of approval.

Comment Responses: The comment responses were submitted to EPD on January 30, 2020. EPD confirmed receipt of the documents and are in the process of reviewing the submittal and preparing its responses for the administrative record. EPD has determined it will issue another 30-day public comment period and will simultaneously publish the response to comments received in the last public comment period. EPD will provide the Authority an opportunity to see the draft permit prior to publication for comments.

District Audits: The Atlanta Regional Commission (“ARC”) and the Metropolitan North Georgia Water Planning District (“MNGWPD”) aid communities in completing audit documentation. Fairburn, Palmetto, and Union City representatives met with ARC and MNGWPD representatives and revised audits were submitted on January 14, 2020. EPD provided comments to Union City on January 30, 2020, Palmetto on January 31, 2020 and Fairburn on February 18, 2020. All cities submitted their respective updated audits in April. The City of Fairburn’s letter certifying substantial compliance is currently awaiting the Director’s signature. EPD is waiting on two documents from Union City to complete its review. EPD issued a letter to the City of Palmetto with additional comments on April 20 and Palmetto submitted additional documentation on May 8, 2020 to which EPD reviewed same day and requested additional information. Palmetto provided the remaining information on May 12, 2020. Once EPD is satisfied with the latest responses, it will issue letters of substantial compliance, allowing EPD to move forward with the draft permit.

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: Comments were forwarded for incorporation into the final document on March 27, 2020. We have requested a copy of the final document and will forward it to the Authority upon receipt.

Next Steps: Coordinate with EPD regarding the draft permit, update the engineering RFP for the preliminary engineering work and refine the budget and cost estimates accordingly and evaluate sources of funds including additional GEFA loans.

Compensatory Mitigation

Site Specific Sites: The closing has been modified to be on or before December 31, 2020 and the Authority has received its payment of \$5,000.00 for the extension.

Resale of Mitigation Credits:

Monastery: The Authority will receive payment of \$110,880.00 for the closing on 5.28 credits in the next week or two. An additional 0.88 credits were reserved leaving 0.19 credits available for sale.

Blue Creek: No additional Statement of Credit Availability forms have been executed.

Other/Miscellaneous

North Metropolitan Water Planning District Request. Coweta County Water and Sewerage Authority requested a major modification to the District Plan and therefore subject to a 30-day comment period expiring on May 16th. CCWSA proposes to have a new water withdrawal from the Chattahoochee River to supplement yield in its BT Brown Reservoir. The amendment would revise the Plan as currently written to remove the purchase of water from the City of Atlanta and reflect the withdrawal from the River and reservoir to offset the future need. The District has concluded that since both sources come from the Chattahoochee River there is no change in the long-term planned needs of the river basin. CCWSA proposes to maintain its connection with the City of Atlanta for emergency service. The Fulton County Water table has been revised to reflect that this withdrawal will replace the existing source from a small tributary of the Chattahoochee River which has been unable during recent drought conditions to meet the need. The Chattahoochee River withdrawal will allow the CCWSA to supply demands previously served by outside water providers and increase the resilience of its water supply. The Board will vote on the amendment at its May 27, 2020 meeting.

Waters of the US (WOTUS). The proposed final rule for the WOTUS was published in the federal register on Tuesday, April 21, 2020. The WOTUS rule will become effective on June 22, 2020. There have been multiple cases filed challenging the narrower definition of WOTUS claiming that it contradicts water law, Supreme Court precedent, and the EPA's own scientific findings.

Challenges: There are three legal challenges to the rule. On April 27, 2020 an environmental coalition filed in Maryland District Court and on April 29, 2020 a second environmental coalition lead by the Southern Environmental Law Center filed in South Carolina District Court. A coalition of 17 states and two cities filed action in federal district court in Northern California challenging the rule on May 1, 2020. The plaintiffs in this case are California, New York, Connecticut, Illinois, Maine, Maryland, Michigan, New Jersey, New Mexico, North Carolina, Oregon, Rhode Island, Vermont, Washington, Wisconsin, Massachusetts, Virginia, the North Carolina department of Environmental Quality, Washington DC and New York City.

Waters Wars Litigation Update

As we reported in January, on December 11, 2019, Special Master Paul J. Kelly, Jr. issued his "Report of the Special Master" which concluded with him recommending that the Supreme Court not "grant Florida's request for a decree equitably apportioning the waters of the ACF Basin because the evidence has not shown harm to Florida caused by Georgia; the evidence has shown that Georgia's water use is reasonable; and the evidence has not shown that the benefits of apportionment would substantially outweigh the potential harms."

On January 27, 2020, the Supreme Court scheduled responses to the Report of the Special Master allowing 45 days for exceptions to the report, 30 days thereafter for replies and 30 days after replies for filing of sur-replies. Florida requested an extension which was granted and ultimately filed its Exceptions to Report of Special Master on April 13, 2020. Georgia did not file an exception because the report was in its favor. Georgia must respond to Florida's Exceptions by June 12, 2020 and Florida's sur-reply is due July 13, 2020. Prior to the COVID-19 pandemic, oral arguments, if allowed, were expected to occur in the Fall of 2020. No scheduling orders have been issued.

South Fulton Municipal Regional Water & Sewer Authority Mitigation Credit Sales

updated 3-10-2020

Stream Credits from Blue Creek Mitigation Bank

Total Credits Purchased by Authority	108,532.55
Base Value Paid by Authority per credit	\$18.50
Royalty Amount	8%
Credits sold or reserved as of 5/12/2020	746.17

<i>Purchaser Name</i>	<i>Stage</i>	<i>Number of Credits</i>	<i>Price Per Credit</i>	<i>Total Purchase Price</i>	<i>Refund at \$18.50/credit</i>	<i>Royalty at 8%</i>	<i>Total Revenue</i>	<i>Payment Received</i>	<i>Credit Release Sent to Corps</i>
Genesse Subdivision	Closed	629.91	\$35.00	\$22,046.85	\$ 11,653.34	\$1,763.75	\$13,417.08	12/20/2019	Feb 2 2020
Fulton Industrial Park Phase 1	Closed	116.26	\$45.00	\$5,231.70	\$ 2,150.81	\$418.54	\$2,569.35	12/20/2019	Feb 2 2020
Totals		746.17			\$ 13,804.15	\$2,182.28	\$15,986.43		
Balance of Credits Remaining		107,786.38							

Wetland Credits from Monastery of the Holy Spirit

Total Credits Purchased by Authority	42.54
Base Value Paid by Authority per credit	\$12,000.00
Royalty Amount if \$50K/credit or less	15%
Royalty Amount if over \$50K/credit	20%
Credits sold or reserved as of 2=5/12/2020	42.35

<i>Purchaser Name</i>	<i>Stage</i>	<i>Number of Credits</i>	<i>Price Per Credit</i>	<i>Total Purchase Price</i>	<i>Refund at \$12,000/credit</i>	<i>Royalty at 15% or 20%</i>	<i>Total Revenue</i>	<i>Payment Received</i>	<i>Credit Release Sent to Corps</i>
SAIA Motor	Reserved	0.88	\$ 50,000.00	\$ 44,000.00	\$ 10,560.00	\$ 6,600.00	\$ 17,160.00	Credits Reserved	Pending closing and payment
Brandy Lane Realignment and Pipe Replacement	Closed	3.68	\$ 50,000.00	\$ 184,000.00	\$ 44,160.00	\$ 27,600.00	\$ 71,760.00	Paid	April 14 2020
Storage Unit		0.35	\$ 50,000.00	\$ 17,500.00	\$ 4,200.00	\$ 2,625.00	\$ 6,825.00	Credits Reserved	Pending closing and payment
Forsyth County	Closed	22.32	\$ 50,000.00	\$ 1,116,000.00	\$ 267,840.00	\$ 167,400.00	\$ 435,240.00	Paid	April 14 2020
City of Gainesville	Closed	8.96	\$ 50,000.00	\$ 448,000.00	\$ 107,520.00	\$ 67,200.00	\$ 174,720.00	Paid	April 14 2020
GDOT PI # 0008430	Closed	5.28	\$ 60,000.00	\$ 316,800.00	\$ 63,360.00	\$ 47,520.00	\$ 110,880.00	Pending	Pending closing and payment
DR Horton	Reserved	0.88	\$ 50,000.00	\$ 44,000.00	\$ 10,560.00	\$ 6,600.00	\$ 17,160.00	Credits Reserved	Pending closing and payment
Totals		42.35			\$ 508,200.00	\$ 325,545.00	\$ 833,745.00		
Balance of Credits Remaining		0.19							