

**Minutes of the South Fulton Municipal Regional Water And
Sewer Authority Meeting Held on April 09th, 2019,
At 509 Toombs Street, Palmetto, GA**

BOARD MEMBERS PRESENT: J. Clark Boddie, Vince R. Williams, Elizabeth Carr Hurst, Sonja Fillingame, Shayla J. Nealy, 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 7:00 PM.

Approval Of The Minutes: A motion was made by Laura Mullis to approve the minutes of the March 18th, 2019 meeting, seconded by James Whitmore. A vote was taken, the motion passed unanimously.

New Business: None

Old Business: None

Reports:

Legal – Dennis Davenport stated that the Authority's name can be changed, it just had to be changed by a local act through the Legislature. Mr. Davenport stated that this is a good time to think of any other issues that need to be cleaned up.

Finance – Dan Post reviewed with the Board:

1. The March 2019 financial statement.
2. Requested approval for draw number 190 in the amount of \$12,473.42 from the construction account.

Vince R. Williams made a motion to approve draw number 190 in the amount of \$12,473.42 from the construction account seconded by Sonja Fillingame. 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. The City of Atlanta requested a 30 day extension to provide comments on the Authority's Water Withdrawal Permit. The comment period expired on May 8th, 2019
 - b. ARC comments
 - c. Updated the Board on the Water Withdrawal Permit
2. Treatability Analysis
3. SWAP
4. Next Step
 - a. Preliminary engineering work
 - b. Cost estimates and budget
 - c. Sources of funds
5. Compensatory Mitigation
 - a. Updated ledger of all credits
 - b. Resale of Mitigation Credits
6. Draft RFP for Preliminary Engineering Services

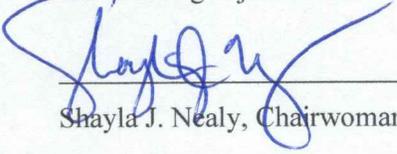
Chairwoman Shayla J. Nealy stated that she had received a letter from McNelly, Fox, Grant & Davenport stating that there will be a \$25.00 rate increase for legal fees starting 01/01/2020.

Vince R. Williams made a motion to approve the \$25.00 rate increase for McNelly, Fox, Grant & Davenport for legal fees, seconded by Laura Mullis. A vote was taken, the motion passed unanimously.

Executive Session: None

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

The meeting adjourned at 7:35 PM



Shayla J. Nealy, Chairwoman

May 14th, 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: April 9, 2019

Re: S. Fulton Authority Project Update

Water Withdrawal Application/Process: On March 8, 2019 EPD published the Notice of Intent to issue the permit to the three cities with a 30-day comment period. The City of Atlanta requested an additional 30-days, which EPD granted, resulting in the comment period expiring on May 8, 2019. It is customary that if a request for an extension to the comment period is made, that one extension is granted to allow commenters to voice concerns or factors that may not have been taken into consideration on the proposed action. This allows the agencies to address those concerns and strengthen any final agency action and the administrative record making it less susceptible to legal challenge. As of this morning, EPD has not received any comments, however, it expects comments to be received from the City of Atlanta as well as the Atlanta Regional Commission (ARC). Upon receipt, EPD will forward the comments received to the Authority for response. Based on the comments, EPD will determine if revisions to the permit language are needed and prepare a response incorporating the Authority's responses for the administrative record.

The project managers spoke to ARC today to get insight on the anticipated comments. Although EPD and ARC coordinated prior to the terms of the permit being established to require the participation in the River-Lake Model, upon further investigation it was determined that the scope of the River-Lake Model is limited to flow minimums at Peachtree Creek, and does not have the capacity to address needs further downstream at Bear Creek. Thus, the Authority cannot participate in the River-Lake Model without modifying the U.S. Army Corps of Engineers' ACF Water Control Manual. ARC's second review of the regulated Chattahoochee system maintained its prior belief that there are sufficient flows in the Chattahoochee River to meet its demands for all but a few days over a 70-year period. EPD, with ARC coordination and support, is taking a second look at its modeling including its non-depletable flow requirements and seasonal requirements. The Chattahoochee River flows are artificially regulated by the operation of Lake Lanier which makes the non-depletable flow rates somewhat arbitrary and, in our opinion, justifies adjusting them to meet the Authority's water demands 365 days a year. The Authority's project managers will continue to follow-up with EPD regarding the revised modeling to expedite resolution of ARC's comments. Atlanta has not provided any insight to the Authority or EPD regarding the nature of their comments.

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 8 months with the anticipation of meeting the January 1, 2020 deadline.

Next Steps: Work with EPD hydrology and ARC to determine the non-depletable flow in the Chattahoochee River. Finalize 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 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: Beginning next month, the Authority will receive an updated ledger of all credits that currently have a Statement of Credit Availability executed and pledged towards a permit action from the Blue Creek mitigation bank. This statement will include the status of the associated project within the permitting process and the accompanying credit transaction. Credits from the Monastery of the Holy Ghost are currently being held by the USACE until a site visit occurs on another bank held by the Monks. Upon completion of a site visit and clarification of the action plan for implementing the work plan, it is expected that the USACE will release the credits from the Monastery of the Holy Ghost. We have been informed that the agencies are currently in the process of scheduling the site visit, but a date has not been set.