



Brunswick-Glynn Joint Water & Sewer Commission
1703 Gloucester Street, Brunswick, GA 31520
Commission Meeting Room
Wednesday, April 19, 2023, at 3:00 PM

FINANCE COMMITTEE MINUTES

MEMBERS PRESENT: **Tripp Stephens, Committee Chairman**
 Charles Cook, Commissioner
 Clayton Watson, Commissioner
 Andrew Burroughs, Executive Director

ALSO PRESENT: **Ben Turnipseed, Commission Chairman**
 LaDonnah Roberts, Executive Deputy Director
 David Owens, Director of Finance
 Frances Wilson, Accounting Manager
 Charles Dorminy, HBS Legal Counsel
 Janice Meridith, Executive Commission Administrator

Committee Chairman Stephens called the meeting to order at 3:00 PM.

PUBLIC COMMENT PERIOD

Chairman Stephens opened the Public Comment Period. There being no citizens that wished to address the Committee, Chairman Stephens closed the Public Comment Period.

APPROVAL

1. Minutes from the March 15, 2023, Finance Committee Meeting
Commissioner Cook made a motion seconded by Commissioner Watson to approve the minutes from the March 15, 2023, Finance Committee Meeting. Motion carried 3-0-0.

2. Property/Liability Insurance Renewal – Fred McGinty, McGinty Gordon Associates
Mr. McGinty advised the committee that property insurance pricing in general has been increasing over the past several years due to increased storm and fire losses for property insurers and increasing claim costs for liability insurers. JWSC's annual renewal date for liability and property insurance is traditionally March 15th. This year, based on market conditions and the historical trend, a significant increase in premiums was anticipated in both the property and liability coverage. A preliminary discussion in February led to a request to the carriers for a 30-day extension of the existing policies. Mr. McGinty provided a detailed listing of all proposed premiums, carriers, limits, and deductibles for the committee's review as well as a summary table comparing premium increases by coverage type.

Commissioner Cook made a motion seconded by Commissioner Watson to move that the Finance Committee recommend the full Commission approve insurance renewal rates for each coverage category and insurer as listed in the attached memo provided by staff. Motion carried 3-0-0.

3. Fiscal Year 2024 Budget – A. Burroughs

Mr. Burroughs presented the Fiscal Year 2024 Budget to the committee for their consideration for approval to move forward to the full commission. The draft budget was presented at the March Finance Committee meeting for the Commissioners to provide feedback on the proposed budget. The BGJWSC Operational Agreement requires the JWSC to adopt a budget by June 30 of each year. Additionally, JWSC must present a proposed budget to the City of Brunswick and to Glynn County by May 1 of each year for their review and comment.

Commissioner Watson made a motion seconded by Commissioner Cook that the Finance Committee recommend the full Commission take the following actions: (1) approve submission of the Proposed Fiscal Year 2024 JWSC Budget to the City of Brunswick and to Glynn County for their review and comment, and (2) approve the Fiscal Year 2024 JWSC Budget in the amount of \$35,970,000 subject to revisions resulting from comments received from the City of Brunswick and/or Glynn County. Motion carried 3-0-0.

4. Fiscal Year 2024 Capital Projects Plan – A. Burroughs

Mr. Burroughs presented the Fiscal Year 2024 Capital Projects Plan to the committee. He noted that the proposed project count is reduced, but these projects as presented will be impactful for our systems. \$9,800,000 is proposed for sewer projects on the mainland. Proposed funding for St. Simons Island is anticipated to include \$1,850,000 for water projects and \$5,100,000 for sewer. The total amount proposed for the Fiscal Year 2024 Capital Project Plan is \$16,750,000. Aside from the JWSC project funding sources (R&R, CIF, Capital), additional projects will be completed with the Series 2021 Bond issuance and SPLOST 2021 receipts.

Commissioner Cook made a motion seconded by Commissioner Watson that the Finance Committee recommend the full Commission approve the Fiscal Year 2024 Capital Projects Plan as presented. Motion carried 3-0-0.

5. Dunbar Creek WPCF – Change Order No. 2 – A. Burroughs

On June 16, 2022, the JWSC moved forward with BRW Construction Group, LLC for Phase 2 of the Dunbar Creek Rehab Project. BRW has also replaced a section of 30” influent sewer pipe that collapsed last year between a manhole and the influent wet well. Mr. Burroughs provided that upstream sections of the influent line collapsed on February 12, 2023. Upon CCTV inspection by subcontractor Southeast Pipe Survey, it was determined that complete pipe replacement would be the best option. Working under the existing progressive design-build contract, BRW agreed to perform the work with open book pricing. Total cost for the replacement of the line was \$340,049.48 including overhead and project markups as outlined in the progressive design-build contract. BRW Construction Group provided a detailed time and material worksheet for the 30” influent sewer repair.

Commissioner Watson made a motion seconded by Commissioner Cook that the Finance Committee recommend that the full commission approve Change Order No. 2 in the amount of \$340,049.48 to BRW Construction Group, LLC for scope changes associated with the Dunbar Creek WPCF Rehab project. Motion carried 3-0-0.

6. Contract Award – SPLOST Exit 29 WPF and EST Engineering – A. Burroughs

Mr. Burroughs informed the committee that the drinking water system at Exit 29 is shaped like a T, with water production facilities at either end of the system. Unfortunately, this can lead to fluctuating pressures for areas along Highway 17 South and Buck Swamp Road. Mr. Burroughs also noted that there is a potential for future industrial development along Highway 82. Currently, the JWSC has a permitted well with no treatment capabilities that is adjacent to the South Port Water Pollution Control Facility.

Conversion of this well to a production facility will increase potable water availability to the Exit 29 area for residential, commercial, and industrial uses. The Exit 29 system currently has one elevated storage tank with a capacity of 500,000 gallons. Construction of an additional elevated storage tank will help to stabilize pressures across the system. Four proposals for this project were received from engineering firms on February 28, 2023, which were reviewed and scored by a three-member panel with representation from JWSC Engineering and the Senior Leadership Team. Thomas & Hutton was the highest scoring proposal at 78.3. Staff recommends awarding a contract for engineering services for SPLOST Exit 29 Water Production Facility and Elevated Storage Tank to Thomas & Hutton in the amount of \$230,480. Their proposal outlined recent project experience with water production facilities and elevated storage tanks. Furthermore, since this project is very similar to the current engineering project for the Canal Road Water Production Facility, Thomas & Hutton can standardize the design of these two sites. The engineering contract for production of a bid ready package will be 330 days.

Commissioner Watson made a motion seconded by Commissioner Cook that the Finance Committee recommend the full Commission award a contract in the amount of \$230,480 to Thomas & Hutton for engineering services for the SPLOST Exit 29 Water Production Facility and Elevated Storage Tank project. Motion carried 3-0-0.

7. Contract Award – Highway 341/Crispen Boulevard Repairs – A. Burroughs

Mr. Burroughs advised that a sinkhole appeared at the intersection of Highway 341 and Crispen Boulevard that was determined to be caused by a partially collapsed gravity line in the area. Staff investigated and found the gravity line is a 60-foot 18" DIP line with a depth of approximately 12 feet that has two large storm lines crossing above the gravity line. This is also a very high traffic area, and the upstream manhole received a 12" force main discharge, a grinder station discharge, and gravity discharge that receives flow from another pump station. Given the challenging location and conditions, five of the seven firms contacted for quote declined to give a proposal. Staff believes the best approach is to repair the section via CIPP rehab to avoid having to dig around the two large storm lines in the area and reduce the time required for project completion. The two firms that did provide proposals are Popco, Inc. and Bio-nomic Services, Inc. Popco will be handling bypassing, well pointing, driveway repair, and paving for the project. Bio-nomic will handle soil stabilization, CIPP rehab, and manhole rehab. The work will be completed within 45 days of mobilization. Mr. Burroughs stated that staff recommends awarding the contract to Popco, Inc. in the amount of \$679,000 to avoid the cost of an added management fee from Bio-nomic Services. The cost to rehab this section is considerably higher than a typical repair for a 60-foot section of pipe would be. This project can be funded by the Series 2021 Bond Issuance as CIPP rehab is an allowable use of those funds.

Commissioner Watson made a motion seconded by Commissioner Cook that the Finance Committee recommend the full Commission approve a contract award in the amount of \$679,000 to Popco, Inc. for necessary repairs at the Highway 341 and Crispen Boulevard Intersection. Motion carried 3-0-0.

8. Contract Award – Academy Creek Influent Check Valve Replacement – A. Burroughs

Mr. Burroughs stated that Academy Creek has four influent pumps that pump water into the treatment processes. Associated with each pump is a check valve to prevent water from flowing backwards and reversing the direction of the pump. Two check valves currently need replacement. Staff determined it would be best to replace all four check valves to avoid having to repeat the work in the future. Staff has purchased four new 16" check valves for the plant, however the large size of the check valves requires equipment that the JWSC does not have available. Quotes from mechanical contractors to replace the four valves were solicited with two quotes received and a third contractor declined. BRW Construction Group, LLC submitted a quote of \$31,423 to replace all four check valves. MacAljon submitted a quote of \$23,950 for two replacements, or \$47,900 to replace all four check valves. Staff recommended

awarding a contract to BRFW Construction Group, LLC in the amount of \$31,423 for the replacement of four check valves for the influent pumping station at the Academy Creek WPCF.

Commissioner Cook made a motion seconded by Commissioner Watson that the Finance Committee recommend the full Commission approve a contract award in the amount of \$31,423 to BRW Construction Group, LLC for influent check valve replacements at Academy Creek. Motion carried 3-0-0.

9. Storm Contingency Standby Generator Rental – A. Burroughs

Mr. Burroughs informed the committee that this year, five new portable generators were ordered from Cummins Inc. through a FEMA grant with the original delivery date of late August. Recent updates put the estimated date as late October or early November. In previous years, JWSC has rented five portable generators and appurtenances to be onsite and available for use during the annual hurricane season. This year, the plan was to have a shortened rental period that would coincide with the August delivery of the new generators. However, it now appears that option will not be available for this storm season. Under the Sourcewell cooperative purchasing agreement 062320-CAT, staff obtained a quotation from the current generator CSA partner, Yancey Power Systems-CAT, for five portable generators to support the JWSC 2023 Storm Contingency plan.

Commissioner Watson made a motion seconded by Commissioner Cook that the Finance Committee recommend the full Commission approve the rental agreement with Yancey Power Systems-CAT in the amount of \$138,605.50. Motion carried 3-0-0.

10. USGS Joint Funding Agreement – A. Burroughs

Mr. Burroughs recalled for the committee that for the past several years, the JWSC has entered into a Joint Funding Agreement with the U.S. Geological Survey (USGS) for groundwater monitoring of the Upper Floridan aquifer to monitor the migration of chlorides throughout the aquifer. This is key in long-term planning for drinking water wells as growth continues in Glynn County and for the plume's location relative to the Brunswick Villa well actively used by the JWSC. The impacts of saltwater intrusion have caused JWSC to close the Perry Park well as a drinking water source.

Commissioner Cook made a motion seconded by Commissioner Watson that the Finance Committee recommend the full Commission enter into a Joint Funding Agreement with USGS in the amount of \$80,000 for the continuation of groundwater monitoring in the Upper Floridan aquifer. Motion carried 3-0-0.

11. Surplus Inventory/Equipment – A. Burroughs

Mr. Burroughs provided the Committee with a description of four (4) fleet vehicles which staff has identified to be no longer of use to the mission of JWSC. The year, make, model, mileage, and issues of each truck were provided for the Commissioners' consideration in declaring them as surplus. The vehicles have all four reached the end of their useful life and all have been replaced with necessary vehicles. The surplus trucks will be posted for sale on GovDeals or in a manner most beneficial to the JWSC.

Commissioner Watson made a motion seconded by Commissioner Cook that the Finance Committee recommend the full Commission approve the above listed items as surplus to be disposed of in a manner most beneficial to the JWSC. Motion carried 3-0-0.

12. Appointment of Auditor for FY2023 Audit – D. Owens

Mr. Owens recalled for the committee that Mauldin & Jenkins was selected to provide JWSC with Auditing Services for the fiscal year ending June 30, 2021, with two option years and pricing to be held at \$19,900 for each of the three years. Staff recommends engaging Mauldin & Jenkins to perform the financial audit of the BGJWSC for the fiscal year ending June 30, 2023.

Commissioner Watson made a motion seconded by Commissioner Cook that the Finance Committee recommend the full Commission approve to engage the accounting firm of Mauldin & Jenkins to perform the financial audit of the Brunswick-Glynn Joint Water and Sewer Commission for the fiscal year ending June 30, 2023, at a cost of nineteen thousand nine hundred (\$19,900) dollars. Motion carried 3-0-0.

13. Credit Card Limits Approval – D. Owens

Mr. Owens briefly explained that on February 15, 2023, the Finance Committee approved the new Banking, Merchant, and Investment Services agreement with Synovus. All BGJWSC’s banking services are being moved to Synovus, and the long held Truist (BB&T) credit cards will be replaced with credit cards from Synovus. As part of the credit card application process, Synovus has requested that the BGJWSC obtain formal approval from the full Commission for the requested credit cards with a total limit of \$50,000. This is to be the limit for all cards as one group, not individual limit for each card.

Commissioner Watson made a motion seconded by Commissioner Cook that the Finance Committee recommend the full Commission approve the application request to Synovus for organizational Purchase Cards (credit cards) with a combined limit across all cards of \$50,000. Motion carried 3-0-0.

DISCUSSION

1. Financial Statement Month End March 31, 2023 – F. Wilson

Mrs. Wilson presented the financial statement for the month ending March 31, 2023. She reviewed the Balance Sheet noting the Current Assets and Current Liabilities and briefed the Committee on the Combined Revenue Statement. The various Operating Revenues accounts were noted, and details on the Summary of Revenues and Summary of Expenses were highlighted. Mrs. Wilson briefly reviewed line items on the Cash Balances and the Project Report, as well as providing an update on Investments.

Chairman Stephens asked if there was any further business to discuss.

Commissioner Cook made a motion seconded by Commissioner Watson to adjourn the Finance Committee Meeting. Motion carried 3-0-0.

There being no further business, Committee Chairman Stephens adjourned the meeting at 4:31 p.m.

Tripp Stephens,
Finance Committee Chairman

Attest:

Janice Meridith,
Executive Commission Administrator