

Coweta County Water & Sewerage Authority

May 26, 2021

The Coweta County Water and Sewerage Authority held its monthly meeting on Wednesday, May 26, 2021, in the Reservoir Room at the Coweta County Water & Sewerage Authority. The following individuals were present: Chairman Mr. Eric Smith, Vice Chairman Ms. Laurie Bartlett, Secretary Dr. Marc Guy, Co-Treasurer Mr. Larry Kay, Co-Treasurer Mr. Mark Woods, Ms. Melissa Griffis (Attorney with Horne & Griffis), Jay Boren, Heidi Mann, Roger Dawson, Mandy Sledd, Emmanuel McBurnett, Alan Sibley, Trey Monroe (Stifel Public Finance), Sarah Fay Campbell (Newnan Times Herald).

Chairman Smith called the meeting to order at 9:00 a.m.

Chairman Smith asked for a motion to approve the minutes from the April 28, 2021 Board meeting. Motion was made by Mr. Larry Kay, seconded by Vice Chairman Bartlett to approve the minutes. Motion carried.

Sarah Fay Campbell arrived at 9:02 a.m. The first agenda item was Adoption of Bond Resolution Issuance of 2021 Revenue Bonds and Revenue Refunding Bonds by Mr. Trey Monroe and Mr. Jay Boren. Mr. Boren stated that we are still moving forward with the Bonds and that Mr. Monroe will be presenting the information. Mr. Trey Monroe, Managing Director with Stifel Public Finance addressed the Board regarding the Authority's current efforts to issue Series 2021 Revenue Bonds. Mr. Monroe gave the Board an overview of the market conditions including the current interest rate environment. Mr. Monroe stated that as part of the Bond process, the issuing entity submits the plan of financing and supporting financial information to Standard & Poor's (S&P) for a public credit rating. Mr. Monroe reported that the Authority's prior rating of AA had been upgraded to AA+. This is the second highest rating, with AAA being the only rating higher than what the Authority has just achieved. This rating improvement is expected to give the Authority an estimated savings of \$1.5 million over the life of the Series 2021 Bonds. Mr. Monroe discussed the process the Authority has been through to thoroughly analyze the financing options available. All parties involved believe the best scenario has been chosen, weighing all the variables important to the plan of financing. The option chosen will allow the Authority to refinance

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all its existing outstanding Bonds with an average interest rate of 3.76%, with Bonds with an estimated interest rate between 2.2% – 2.3%, fund approximately \$17 million of new projects through revenue bonds with an estimated interest rate between 2.3% – 2.4%, and fund the Shenandoah Wastewater expansion through a GEFA loan of approximately \$28.8 million, while only increasing the Authority's annual debt service by approximately \$500,000. Mr. Monroe discussed minor improvements to the Authority's Bond Resolution and that a called meeting to approve the final Bond pricing and final issuance of the Bonds will be needed sometime between June 3 and June 10. Chairman Smith asked if there were any questions, with their being none. Mr. Boren stated that it has been a long process and that Mr. Monroe has been very instrumental in proving the guidance through this process. Ms. Griffis stated that the resolution documents will need to be filed with the court and an ad will need to run in the newspaper. Ms. Griffis also stated that the documents came in late and that she had made the edits this morning before the meeting. Ms. Griffis stated that Vice Chairman Bartlett has a formal written motion if the Board is so inclined. Motion was made by Vice Chairman Laurie Bartlett to Adopt the Bond Resolution Authorizing Issuance of 2021 Revenue Bonds and Revenue Refunding Bonds and execution of all necessary documents, seconded by Mr. Larry Kay. Motion carried.

Mr. Trey Monroe left the meeting at 9:18 a.m. The next agenda item was an update on Operations by Mr. Emmanuel McBurnett. In Construction, Mr. McBurnett reported for the month of April that there were 28 leaks. There were 19 digs and 40 drops for a total of 59, a decrease of 232 from March. Mr. McBurnett reported on the status of meter installs for April. Mr. McBurnett reported on current projects: Georgia Power vault has been installed; Pressure Regulating Valve (PRV) installed at George Wynn Road for Tommy Lee Cook II pump station; began moving equipment to Highway 16 and Old Highway 85 to begin water line relocation for new roundabout; Pete Road and Shaw Road roundabout has been completed. In Cross Connection Control, Mr. McBurnett reported on information showing Sensus Analytics; the meter department contacted 997 customers in April, 626 by email and 371 by phone to inform them about their leaks or potential leaks. The following engineering updates were reported: in residential, 25 lots on the corner of Bohannon and Beavers Road in Corinth Reserve. Mr. McBurnett reported on activity from B.T. Brown stating that the plant averaged 6.2 MGD for the month of April and the total demand for the month was 8.2 MGD. Mr. McBurnett reported that Niagara used 1.1 MGD. Mr. McBurnett reported on activity from the Shenandoah Wastewater Plant stating the plant averaged

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1.40 MGD for the month of April. Mr. McBurnett reported that the highest weekly average flow was 1.49 MGD. No action needed.

The next agenda item was an update on Customer Care by Mr. Alan Sibley. Mr. Sibley presented graphs reporting the Customer Count at 29,078 for the month of April, an increase of 140 from the previous month. Mr. Sibley reported that the number of non-pay disconnects were 58. In Information Technology, Mr. Sibley reported about working on Phase II of EPA's Risk & Resilience and that it will be completed by June 2021. No action needed.

The next agenda item was an update on Human Resources by Ms. Mandy Sledd. Ms. Sledd gave a Safety Update stating that the following took place: on May 5, Mr. Eberon Smith with Unifirst held a class on Trainer Confined Space Training and three Employees attended; on April 22, Mr. Alan Parker with Marsh and McLennan Agency conducted a Safety Training on Defensive and Distracted Training with the employees. Ms. Sledd stated that on May 6 the Authority recognized Water Professionals Appreciation Day with a luncheon for the employees. No action needed.

The next agenda item was the monthly report by Mr. Roger Dawson. Mr. Dawson presented charts and graphs for April FY2021: revenues, expenses, and water sales, purchased and produced. Mr. Dawson reported on information about receiving a call from the Authority's liability insurance carrier about an annual review. Mr. Dawson stated that there was a team that supplied information about operations to Lisa Hammond, Risk Control and Business Development Manager with Tokio Marine HCC. Mr. Dawson reported that after the completion of the annual review they received a letter stating that they found no suggestions or recommendations that the Authority needed to change from an operation standpoint. No action needed.

The next agenda item was FY2022 Budget Presentation by Mr. Roger Dawson. Mr. Dawson presented the proposed FY22 Budget for Board consideration. Mr. Dawson stated that the Board had received a copy of the proposed FY22 Budget in its monthly Board package. Mr. Dawson stated that the proposed FY22 Budget is an increase of 5.8% over the FY21 Budget, with the FY 21 adopted Budget totaling \$28,101,720 and the FY22 proposed Budget totaling \$29,752,500. Mr. Dawson stated that he and the CEO would be available to meet with any Board

member to review details of the proposed budget and to answer any questions. Mr. Dawson stated that the Board members could submit any questions by e-mail as well. Mr. Dawson stated that the approval of the budget would be at the next board meeting after the Board had time to review and discuss. No action needed.

Mr. Boren wanted to add that there will be a need for a Special Called Meeting associated with the Bonds. Mr. Boren also stated that we had re-scheduled our July Board Meeting to June 30 but now we need to move it back to the original date of July 7 and that he is requesting this change if there are no conflicts with any of the Board Members. Ms. Griffis stated that we will need to amend the agenda to move the Board Meeting from June 30 to July 7, and a motion to approve that change if the Board is so inclined. Chairman Smith called for a motion to amend the agenda to include the meeting change from June 30 to July 7. Motion was made by Vice Chairman Bartlett, seconded by Mr. Mark Woods. Motion carried. Chairman Smith asked for a motion to change the Board Meeting from June 30 to July 7. Motion was made by Vice Chairman Bartlett, seconded by Mr. Mark Woods. Motion carried.

Chairman Smith called for a motion to adjourn into Executive Session for Real Estate, Personnel and Litigation. Motion was made by Mr. Mark Woods, seconded by Dr. Marc Guy. The motion was carried, and the meeting was adjourned into Executive Session.

Chairman Smith asked if there was any new or old business to discuss. There being none, Chairman Smith asked for a motion to adjourn the meeting. Motion was made by Dr. Marc Guy, seconded by Mr. Larry Kay, the motion was carried, and the meeting was adjourned.

Eric Smith – Chairman

Dr. Marc Guy - Secretary