

Agenda

**Spalding County
Water and Sewage Facilities Special Meeting
September 30, 2020
8:30 AM
119 E. Solomon St, Room 108**

I. OPENING (CALL TO ORDER)

PLEASE SILENCE YOUR CELL PHONES AND ALL OTHER ELECTRONIC DEVICES

II. INVOCATION

III. PLEDGE TO FLAG

IV. CITIZEN COMMENTS

V. FINANCIAL REPORT

VI. WATER SUPERINTENDENT REPORT

VII. OLD BUSINESS

1. Consider approval of the City of Griffin's proposed water contract.that was tabled at the September 9, 2020 meeting.

VIII. NEW BUSINESS

1. Authority Attorney to address Service Delivery Strategy (SDS) and contract issues.
2. Consider approval of the counter proposal to the City of Griffin's water sales agreement.
3. Paragon Consulting Group to present updated costs for system reconfiguration to allow for multiple water suppliers.
4. Chairman Lamb to discuss multi supplier options and economics of this approach.

IX. OTHER BUSINESS

X. COUNTY MANAGERS COMMENTS

XI. AUTHORITY MEMBERS COMMENTS

XII. CLOSED SESSION

XIII. ADJOURNMENT



SPALDING COUNTY WATER AND SEWERAGE FACILITIES AUTHORITY

Consider approval COG Proposed Water Contract and Exhibits

Requesting Agency

Spalding County Water Authority

Requested Action

Consider approval of the City of Griffin's proposed water contract.that was tabled at the September 9, 2020 meeting.

Requirement for Board Action

Is this Item Goal Related?

Summary and Background

Fiscal Impact / Funding Source

STAFF RECOMMENDATION**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> COG Proposed Water Sales Agreement	9/29/2020	Backup Material
<input type="checkbox"/> Exhibits A and B	9/29/2020	Backup Material
<input type="checkbox"/> Exhibit C	9/29/2020	Backup Material
<input type="checkbox"/> Exhibit D	9/29/2020	Backup Material

STATE OF GEORGIA,
COUNTY OF SPALDING.

**WATER SALES AGREEMENT
AND INTERGOVERNMENTAL AGREEMENT DEFINING THE
RELATIONSHIP BETWEEN THE CITY OF GRIFFIN, GEORGIA,
AND THE
SPALDING COUNTY WATER AND SEWERAGE FACILITIES AUTHORITY**

THIS AGREEMENT, made and entered this ____ day of _____, 2020,
by and between the CITY OF GRIFFIN, a Georgia municipal corporation (hereafter
referred to as the “City”), and the SPALDING COUNTY WATER AND SEWERAGE
FACILITIES AUTHORITY, a public corporation created by Georgia Laws 1982, p.
4987, and amended by Ga. Laws 1988, p. 4822 and Ga. Laws 1993, p. 4863 (hereafter
referred to as the “Authority”; collectively, the City and Authority are referred to as the
“Parties”), provides as follows:

WHEREAS, the City, pursuant to its Charter and general laws, is empowered to
own, operate, extend, and maintain a system of water supply, treatment, and distribution
lines within and without its municipal boundaries, and by virtue of such authority owns
and operates both a retail system of water supply, treatment and distribution throughout
said City, and in portions of unincorporated Spalding County, and owns and operates a
wholesale system of water supply and production which currently serves various water
distribution systems, including but not limited to the Authority Water System, the Coweta
County Water System, municipal water systems in Pike County operated by the cities of
Zebulon, Williamson and Concord, with occasional sales of treated drinking water to the
counties of Butts and Lamar;

WHEREAS, the Parties and County of Spalding, on December 13, 1995, entered into a Water Sales Agreement and Intergovernmental Contract, commencing January 1, 1996 and terminating on December 31, 2020 (hereafter referred to as the “1995 Agreement”). Under the terms of said 1995 Agreement, there was to be no early termination unless the governing bodies of all parties first mutually agreed and resolved that termination was in the mutual best interest of all parties;

WHEREAS, by authorizing the approval and execution of this Agreement (hereafter referred to as “this Agreement”, or the “2021 Agreement”), the Parties, through their governing bodies, find and conclude it is in the mutual best interest of both parties hereto, to allow the 1995 Agreement to expire, effective at 12:00 p.m. on December 31, 2020, and to enter into a new Water Sales Contract, effective at 12:01 a.m. on January 1, 2021, for a twenty-five (25) year term to run through and to include December 31, 2045; and

WHEREAS, the Spalding County Water and Sewerage Facilities Authority is a public corporation created for the purpose of acquiring, constructing, equipping, maintaining and operating water supply, treatment, and distribution facilities within its statutorily defined special district, being comprised of unincorporated Spalding County, pursuant to which said Authority in 1987 undertook to operate the Spalding County Water System, now known and referred to herein as the “Authority Water System”. Under the original 1995 Agreement, the City served as the exclusive and sole provider of treated drinking water to the Authority Water System.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, WARRANTIES, AND PROMISES HEREIN MADE, THE

**RECEIPT, ADEQUACY AND SUFFICIENCY OF WHICH ARE MUTUALLY
ACKNOWLEDGED, THE PARTIES AGREE TO BE BOUND, EACH UNTO THE
OTHER, AS FOLLOWS:**

**ARTICLE I
LEGAL AUTHORITY**

This writing shall constitute a binding, legal contract, valid and enforceable against both parties whose signatures shall appear in execution thereof, in accordance with the terms and conditions hereinafter set forth, under the authority granted by Article IX, Section III, Paragraph I of the 1983 Constitution of the State of Georgia, known as the “Intergovernmental Agreements” clause. Payment obligations set forth and established herein shall constitute a general obligation of the party affected to which its full faith and credit is hereby pledged. Each of the Parties covenant that it legally exists, has the requisite legal authority to provide the services contracted, has adequate and ample legal authority to perform the services contracted or to contract for such services, has adequate fiscal capability and staffing to utilize and provide such services, and otherwise to do all things necessary, convenient, desirable and expedient to carry out and perform the obligations and responsibilities herein set forth, either expressly or by reasonable implication. Furthermore, for the term of this agreement, all Parties agree to exercise good faith and best efforts to adequately fund and carry out such undertakings, including expressly, but without limitation, the power to establish, levy and enforce collection of reasonable rates, fees and charges for the operation of its respective water supply, treatment and distribution system and the services contemplated by this agreement. The Parties further covenant and agree to cooperate fully with one another in the joint undertakings required to further the spirit and intent of the agreement herein

made, including defending this agreement as valid, binding and enforceable in any proceeding in which it may be in issue, including future bond validation proceedings filed by any party.

The Parties covenant and agree they have fully performed all conditions precedent to execution of this 2021 Agreement, including obtaining the requisite authority to approve and execute the agreement by resolution of their governing bodies, obtaining any required review and approval in advance of execution by any officer, attorney, or agent of the governing body, and by causing a fully executed original thereof, with the party's corporate seal affixed, to be spread upon the Minutes of the meeting at which approved. Any and all objections or defenses of a procedural or technical nature to the validity and authenticity of this Agreement, or its admissibility in any legal or administrative proceeding is hereby waived.

By entering into this agreement, the Parties agree that the City acquires no property rights or ownership interest in the facilities or water system of the Authority, and the Authority acquire no property rights or ownership interest in the facilities or water system of the City.

ARTICLE II

TERM OF AGREEMENT

This Agreement shall become effective at 12:01 a.m. on January 1, 2021 and shall terminate at Midnight on December 31, 2045; provided, however, notwithstanding the foregoing, for the purposes of Article VI, EXTRATERRITORIAL WATER SALES BY CITY, the term of the covenants made by the Authority therein shall run for a term coinciding with the longest water sales agreement between the City and a water system

operator outside of Authority, or for a term not to exceed fifty (50) years from the effective date of this Agreement, whichever is less. It is expressly agreed that there shall be no early termination of this Agreement during the term stated unless both Parties first mutually find and agree that termination of this 2021 Agreement would be in the mutual best interest of both parties. Unilateral notification of termination or intent to terminate from future performance of the obligations hereby imposed for the full term stated shall not be effective or binding.

ARTICLE III

SALE OF WATER TO AUTHORITY

Throughout the term of this Agreement, the City will be the exclusive and sole provider of treated drinking water for the Authority Water System, and shall be obligated to furnish all treated water requirements of the Authority Water System, subject to written notice of substantiated additional demand as set forth herein, except for treated drinking water sold by the Henry County Water & Sewer Authority exclusively to serve that portion of the Heron Bay Subdivision located in the Authority's service area, as authorized by the Water Master Plan 2010-2050, heretofore adopted by the Parties and Spalding County.

In order to establish objectively the Authority's water supply needs, the parties agree to jointly plan future needs of the Authority Water System, including (a) adoption of a timetable reflecting anticipated increased demands, and (b) periodic updates no less than twice annually for the purpose of establishing the projected needs for water supply, system maintenance, and capital improvements. If the City is unable to perform its water supply obligations under this agreement for more than 90 days following written notice

of increased demand by the Authority, the Authority is free to negotiate with an outside water supplier for its purchase for the amount required by the Authority that the City is unable to provide.

ARTICLE IV **SALES PRICE**

(a) The Authority agrees to pay the City for all water purchased for use by the Authority Water System, based upon the reading of meters as hereinafter set forth, pursuant to the pricing formula attached hereto as Exhibit “A”, which by reference is incorporated herein and made a part hereof. For illustrative purposes, attached hereto as Exhibit “B” is a *pro forma* example calculating the rate for water sold during 2019.

(b) Future rate adjustments shall be made annually, effective as of January 1 of the ensuing calendar year, based upon the most recent fiscal year-end audit of the City; in the event audited financial data is unavailable to impose new rates by January 1, not less than 30 days notice of the new rate shall be given, in writing, to the Authority, stating the date on which the new rate shall become effective.

(c) During and throughout the term of this Agreement, all water customers connected onto the Authority Water System shall be individually metered. Temporary customers shall be issued meters by the City on the same terms and conditions as its temporary customer policy provides. The parties acknowledge that some “unmetered water use” may occur, for main breaks, fire-fighting, construction of system improvements, and flushing hydrants for system maintenance. The Authority shall estimate its amount of unmetered water loss monthly and report to the City, in writing, for compliance with the State Water Plan. The parties agree to take all reasonable and

necessary measures to prevent unauthorized water use, including as necessary prosecution of violators for theft of utilities. The parties further agree that no customer of the Authority shall be entitled to receive non-billed water from the Authority Water System.

ARTICLE V
AGREEMENT NOT TO COMPETE

The Authority agrees that during the term of this agreement the Authority shall purchase all treated drinking water requirements for the Authority Water System exclusively from the City. As further consideration for this Agreement, the City covenants not to serve any customers within unincorporated Spalding County outside its municipal limits, in competition with the Authority Water System; provided, the City shall retain those customers, and the right to exclusively serve customers on water distribution lines of the City in unincorporated Spalding County, now existing or as hereafter replaced, as shown in “pink” and described on the map attached hereto as Exhibit “C”, which is incorporated herein by reference and made a part hereof. In exchange therefor, the Authority covenants not to compete against the City for the right to serve any customers within the service areas delineated as City service areas on Exhibit “C”, unless consented to, in writing, by the City. City-owned facilities located in unincorporated Spalding County, outside of delineated City service areas shown on Exhibit “C”, shall be served and billed as customers of the City. The Parties agree the City’s Industrial Water rates to be most competitive in attracting industry to locate within Spalding County. Industries located in unincorporated Spalding County will be deemed City water customers, regardless of actual location, and billed at City rates. For purposes of this Agreement, an “industry” shall be defined as any water customer using a minimum daily average of 100,000 gallons.

ARTICLE VI
EXTRATERRITORIAL WATER SALES BY CITY

The City has entered into written water supply agreements with jurisdictions outside of the Authority's service area under which treated drinking water is sold, at wholesale rates, to supply such jurisdiction(s) public water system on a requirements basis; the City contemplates it may enter into similar contracts in the future with other water systems outside of Authority. To facilitate such sales, the Authority agrees and consents that the City shall have the right to sell treated drinking water to wholesale customers, pursuant to water supply agreements, outside of Authority, by distribution through lines of the Authority Water System to an agreed metering point or points on or near the Authority boundary, at no charge to the City. The City agrees to pay a 1.0% transmission fee for water supplied to additional wholesale customers, supplied through Authority water mains. To the extent necessary for the City to satisfy the requirements and meet the terms of such contracts, the Authority recognizes that the term of such contracts may extend beyond the stated twenty-five (25) year term of this Agreement. It is therefore agreed that for the purposes of this Article alone, the provisions hereof shall survive the general term stated in Article II and shall continue for an indefinite period coinciding with the term of the longest outstanding water supply agreement, and any renewal or extension thereof, or fifty (50) years from the effective date of this 2021 Agreement, whichever is less.

ARTICLE VII
OPERATION OF THE AUTHORITY WATER SYSTEM

(a) Throughout the term of this Agreement, the City shall operate and maintain the Authority Water System and said system shall remain interconnected with the City Water System in order that both may be operated as an "INTEGRAL SYSTEM". The Authority shall be responsible to obtain and maintain at all times a proper permit from the Georgia Department of Natural Resources, Environmental Protection Division (hereafter referred to as "Georgia EPD"), to operate a water distribution system and shall meet all applicable laws and regulations pertaining thereto; the City shall coordinate and cooperate with the Authority in this regard.

(b) If it should ever be determined by both of the Parties that it is in the mutual best interest of the Parties to disconnect the systems, the cost of disconnection shall be borne equally by the City and Authority; however, each party shall bear their own cost to reconfigure their respective systems. In the event of disconnection, a meter or series of meters shall be installed at one or more disconnection points at Authority expense, with the City having full access to read, maintain, calibrate, and repair such meters; any cost of calibration or meter replacement shall be billed by the City to the Authority in the event of disconnection, and the City shall cease its operation of the Authority Water System; provided, however, the Authority will continue to purchase treated drinking water from the City with the pricing formula adjusted to reflect elimination of the City's services related to system operations.

(c) As used in this Article, the term "operate and maintain" shall not require the City to extend, relocate, make major repairs to, replacement of, or upgrade any

facilities of the Authority Water System, including water lines that have become unserviceable due to age or physical obsolescence, or where existing lines are insufficient to meet present or future requirements and customer demand. The Authority shall maintain and repair or replace all of its elevated water tanks and booster pumps, at no cost to the City. The Authority shall install, at their own expense, chlorine injector stations, as recommended by the City, from time to time; the City shall operate and maintain these chlorine injector stations in accordance with permit requirements for residual chlorination of the system. The parties shall refrain from operating their tanks, pumps, valves and other components of their respective systems in a manner that interferes with or adversely affects the level of service on the other party's system. The City will furnish all electricity requirements of the Authority Water System at the Authority's expense.

(d) In accordance with the Minimum Standards for Public Water Systems, as approved by the Georgia Environment Protection Division (Georgia EPD), maintenance shall be routinely performed by the City to keep the Authority Water System in good operating condition and repair. The City shall make minor repairs including but not limited to broken service lines and water mains. Major repairs and/or replacement of the Authority Water System assets including but not limited to: water line replacements in the excess of 100 linear feet, fire hydrant replacements, water tanks, booster pumps, and chlorine booster stations shall be jointly planned based upon recommendations made by the Parties' consulting engineers in accordance with sound engineering principles. As required, the Parties shall coordinate the submission of plans for major repairs and/or replacements to Georgia EPD for its approval. In the event of an emergency causing a

major repair and/or replacement to the Authority Water System, the City may take action to stabilize the condition of the system, and shall contact the appropriate representative of the Authority to inform them of the emergency, with any costs incurred by the City to be reimbursed by the Authority. The cost of such major repairs or replacements shall be the sole responsibility of the Authority.

(e) Extensions to the Authority Water System shall be performed either by a licensed utility contractor, whose reliability and experience is known to the parties, engaged through a competitive bidding process, or by the Authority's own water department personnel; provided, however, all extensions shall conform to engineering design plans and specifications prepared by a licensed professional engineer and approved by Georgia EPD. All new extensions shall be pressure-tested and chlorinated prior to acceptance by the Authority, warranted by the contractor for not less than two (2) years from date of acceptance, and secured by a maintenance bond issued by a commercial surety licensed in Georgia, or cash bond. If the extension was performed by the Authority water department, the Authority shall be solely responsible for any cost of repair and/or replacement during the first two (2) years from date of completion. As-built scaled drawings, prepared by a professional engineer licensed in the State of Georgia, shall be furnished to the City, in digital format, within 30 days of final installation and acceptance of any extension. Except as provided above, the Authority shall refrain during the term of this Agreement from performing any extensions or doing any work on the Authority Water System, without the written approval of consent of the City. The parties agree that all future extensions to the Authority Water System shall be planned and constructed in a manner compatible with the operation of the City Water System while

said systems remain integrally connected. The City agrees to update its Water Model to intergrate any new development in unincorporated Spalding County and all future extensions of the Authority Water System at the cost of service to the Authority.

(f) During the term of this Agreement, the City shall read all customer meters on the Authority Water System on not less than a monthly basis (provided, however, the City may estimate billing for those customers whose meters cannot be accurately read due to circumstances beyond the City's control, but actual readings shall be made at least quarterly), and shall bill all such customers on a monthly basis, with the bills based on the customer's actual monthly water consumption at prevailing rates established by the Authority. Such statements may be separate or rendered by the City with charges for other utility services delivered to the customer by the City. Monthly, the City shall remit to the Authority all sums collected from customers of the Authority Water System, less deduction for sums payable to the City for water sold under this contract. The City shall furnish at least monthly to the Authority a complete and accurate accounting of all billings made, showing therein the current status of payments and collections, and other pertinent financial information. City collection policies and practices, including cut-off policies, shall be used exclusively in dealing with customers of the Authority Water System, up to the point at which the City deems an account to be uncollectible without resort to litigation, in which event information will be furnished to the Authority in order that appropriate collection proceedings may be filed. To the extent necessary and desirable, the Authority agree to adopt the same policies and procedures administered by the City and to designate therein the City as its agent for billing and collection purposes. Upon reasonable request, the City will cooperate fully with the Authority to assist in any

customer dispute arising out of the City's operation of the Authority Water System. In addition thereto, the City will perform all "utility locates" for and on behalf of the Authority.

(g) The Authority agrees to adopt such reasonable ordinances, rules, policies, and procedures as are required by law or regulation, or recommended from time to time by the City, governing connection requirements, water conservation practices, drought restrictions, cross-connection prohibitions, minimum standard plumbing (construction) codes and similar matters necessary or appropriate to facilitate the City's operation of the Authority Water System. In addition thereto, the Authority shall use its best efforts to diligently enforce minimum standards governing customer connections to the Authority Water System, including policies requiring connection by potential customers accessible to the system, prosecution of theft of utility services, and to report immediately to the City and/or to Georgia EPD any facts known or believed to constitute a violation thereof.

(h) In addition, the Authority shall take all necessary measures to require the County of Spalding to enact by ordinances, regulations and policies requiring new developments, subdivisions, and industries locating within unincorporated Spalding County to access the Authority Water System in lieu of alternatives, such as private water systems and groundwater drinking wells, as their drinking water source. Coordinated planning of water needs between Authority and City to promote growth on the parties' systems is encouraged; it shall be the responsibility of the Authority to notify the City, as far in advance as possible, of any prospective water customer having requirements of 100,000 gallons or more, per day average.

ARTICLE VIII
BREACH AND EXCLUSIVE REMEDY

In consideration of the unique relationship herein established, the Parties agree that in the event of any alleged breach by any party or a dispute giving rise to an anticipated breach of future performance, the exclusive judicial remedy available to the Parties shall be Injunction and Complaint for Declaratory Judgment, filed in the Superior Court of Spalding County, Georgia. In the event the Court finds this Agreement to be in breach, specific performance shall be ordered against the non-performing party as the exclusive remedy therefor, together with award of attorney's fees and litigation costs to the non-breaching party. To the extent allowed by law, the Parties further agree that should such an action be filed, the filing party shall be entitled to petition said court for expedited handling, which the other party will not unreasonably oppose; expedited handling may include shortening the time normally allowed for response, discovery and trial. Upon filing of such action, the Parties agree to consent to imposition of interlocutory injunction to maintain the status quo pending the outcome of the proceeding. Furthermore, the Parties hereby consent, in the discretion of the trial judge, to the appointment of a neutral person, acceptable to all parties, to serve as a Special Master on issues of fact in lieu of fact-finding to be conducted by a jury. In the event the Court declines to appoint a Special Master, the Parties consent to a bench trial, as opposed to a trial by jury, with the Court being the sole finder of fact and determinant of law. The Parties agree that should any judicial proceeding be filed, it is in their mutual

best interest, and the Court should accept that any dispute be resolved equitably giving primary consideration to the enforcement of this Agreement for its full term.

ARTICLE IX
TRANSFER OF WATERLINE OWNERSHIP IN ANNEXED AREAS

Upon future annexations by the City, occurring on or after the effective date of this Agreement, prior to final action upon an annexation ordinance or petition by a property owner to be annexed into the City, the City shall furnish notice of the proposed action to the County of Spalding and Authority, who shall within ten (10) days of receipt of such notice, give the City written notice of any existing water distribution facilities within the area proposed to be annexed. This notice shall quantify, by units, the length, size and type of water pipe, and original construction cost, comprising the Authority Water System facilities within the proposed area to be annexed. The Authority shall also furnish the date(s) of construction of the existing facilities. The City shall determine the replacement cost, less straight-line depreciation, using a 50 year useful life for all existing components, except water meters whose useful life shall be 10 years. No other components or labor shall be considered in determining replacement cost for purposes of this Article.

In acting upon an annexation, the City may pay to the Authority, within sixty (60) days of the effective date of the Annexation, the depreciated replacement cost as determined above and take title to and possession of the facilities affected. Otherwise, the City shall notify the Authority, in writing, that the annexation is not conditioned upon the purchase of affected facilities; provided, however, once the right to purchase facilities from the Authority is rejected, the City shall have no future right to insist upon their sale

at a later date. Upon the effective date of the annexation and the receipt of payment for the annexed facilities by the Authority, the right to serve customers affected and all obligations attached thereto, shall transfer to the City, including any changes in the then-prevailing rates to customers, and those customers shall thereafter be customers of the City Water System.

If the Parties dispute the depreciated replacement cost as determined herein, the Parties shall submit the issue for resolution by an impartial professional engineer, licensed in the State of Georgia, whose decision shall be binding.

ARTICLE X **INSURANCE, INDEMNIFICATION AND HOLD HARMLESS**

Each party covenants that it shall procure and maintain throughout the term of this Agreement a policy of comprehensive liability insurance coverage (or its equivalence through either a program of self-insurance or by participation in an interlocal risk management agency) in an amount not less than \$1,000,000.00 per occurrence, minimum aggregate \$2,000,000.00, in as broad a form as possible to cover liability risks normally associated with ownership and operation of a water distribution system (including, if available, products liability protection, coverage for claims arising out of or in any way connected with any loss or losses resulting from a failure to supply or maintain without interruption water in sufficient supply to customers, and pollution hazard), providing the entity with a defense and payment of resulting legal judgments from claims reasonably anticipated or risks likely foreseeable to occur out of the duties and responsibility herein undertaken.

In the event a claim is made against the Authority arising out of or resulting from a failure by the City to perform its obligations under this Agreement, or the negligent performance thereof, the City, to the extent allowed by law, shall indemnify and hold the Authority harmless from such claim, demand or suit. If a claim, demand or suit is made against the City arising out of or resulting from a failure by the Authority to perform its obligations under this Agreement, or the negligent performance thereof, the Authority, to the extent allowed by law, agrees to indemnify and hold the City harmless from such claim, demand or suit. The provisions of this Article are intended to cover defense of administrative enforcement or regulatory actions brought by Federal or State agencies against either party, including alleged violations of permits held by the parties.

ARTICLE XI

EXECUTION, MODIFICATION, TERMINATION OF PRIOR AGREEMENTS

(a) This Agreement shall be executed in two (2) original counterparts by both Parties and a fully-executed original shall be spread upon the Minutes of the governing body of each party. An exemplified copy by the Secretary, Clerk, or other records custodian of a party, shall be fully admissible in lieu of the original in any legal proceeding in which the existence, authenticity, interpretation, or enforceability of this Agreement is in issue.

(b) No modification or amendment of this Agreement shall be effective unless in writing, approved by both Parties, executed by their duly-authorized officers, and spread upon the Minutes of the parties' governing body. It is the intention of the Parties that this writing represents the full, complete and final understanding and agreement of the Parties as to all substantive matters addressed herein, and no further negotiations,

amendments or modifications are contemplated at the time of execution hereof. Future amendments should be limited to matters of material significance affecting the relationship herein established, giving as broad interpretation as possible to the spirit and intent of this Agreement when resolving any conflicts that may arise hereunder.

(c) For purposes of interpretation, all terms used in this Agreement shall have their common and usual meaning or significance, unless such term is a term of art within a professional field or industry, trade, or profession, such as professional engineering or the drinking water industry, in which event it shall have such technical meaning as may be assigned thereto. When statutes or regulations require specific acts to be performed, or dictate the manner of performance, such specifications shall be deemed the minimum standard governing such performance.

(d) By execution of this Agreement, prior to January 1, 2021, the Parties mutually agree that the 1995 Agreement shall expire on its stated terms and that services, payments and obligations incurred on or after January 1, 2021, shall be solely incurred pursuant to this Agreement.

(e) Notices given pursuant to this Agreement shall be deemed delivered if either personally served upon and delivered, or if sent by certified U.S. Mail, return receipt requested, addressed as shown below, with adequate postage thereon:

To the City:	City of Griffin
	One Griffin Center
	100 S. Hill Street, Third Floor
	P.O. Box T
	Griffin, GA 30224
	Attn: City Manager

To the Authority: Spalding County Water and Sewerage Facilities
 Authority
 119 East Solomon Street
 Griffin, Georgia 30223
 Attn: Chairman

(f) Time is of the essence of this Agreement.

(g) The provisions of this Agreement are hereby deemed and declared to be severable. If any provision of this Agreement, or the application of any provision to any circumstance, is held to be unconstitutional, unenforceable, against public policy, or otherwise invalid, for any reason, the remaining terms, conditions, and obligations contained herein shall not be affected thereby and this Agreement shall otherwise remain in full force and effect as valid, binding and enforceable.

IN WITNESS WHEREOF, the parties, acting through their duly authorized and empowered chairs of their respective governing bodies, as attested to by their respective clerks or secretaries, and to which their respective official seals have been affixed, have executed this Agreement, in triplicate originals, the day and year first above written.

CITY OF GRIFFIN, GEORGIA

By: _____
Douglas S. Hollberg, Mayor

Attest: _____
Kenny L. Smith, Secretary

Approved as to form:

Andrew J. Whalen, III
City Attorney

SPALDING COUNTY WATER AND SEWERAGE FACILITIES AUTHORITY

By: _____
David Lamb, Chairman

Attest: _____
Secretary

Approved as to form:

James R. Fortune, Jr., Attorney

EXHIBIT A

NARRATIVE OF FORMULA FOR CALCULATION OF WHOLESALE WATER RATE TO SPALDING COUNTY/AUTHORITY

<<FY 2019 data is used herein to calculate rates for calendar year 2020>>

The wholesale water rate charged by the City to the County/Authority is based upon costs which are audited annually by the City's independent auditor. It is intended that these costs, both direct and indirect, be apportioned to the calculation of the County/Authority wholesale water rate in the manner described herein which reflects the actual cost of producing and distributing water and providing those services as required by the Agreement. Audited costs will be compiled for the prior fiscal year and the resulting wholesale rate will become effective to the County/Authority at the beginning of the next calendar year, subject to timely notice as provided in the Agreement.

The following narrative describes each of the variables that enter into the rate calculation and describes how the costs are apportioned. The apportionment of costs as described herein is linked to the specific terms of the Agreement. Reorganization of city departments during past years has resulted in some name changes, but the intent of these calculations is to allocate costs in accordance with the terms of the Agreement. Except in special cases, the capital costs expended under each cost item are apportioned in the same manner as the cost item is apportioned. Exceptions would be capital costs that do not benefit the County Water System; these would not be included in the wholesale cost.

Water Sold - In deriving the unit cost per 1,000 gallons of water, each of the various cost elements is divided by the volume of metered water over which that particular cost must be recovered. Two different volumes of "water sold" are defined for use in the rate formula. These are: "Integral system sales volume" and "Total metered production volume."

"Integral system sales volume" is defined as the volume of water sold to all customers of the City of Griffin and the County/Authority so long as the two systems are integrally connected with the City providing the services of meter reading and distribution system maintenance. This volume is measured as the sum of all meter readings of individual customers of the two systems, and for the previous year this volume was 1,508,341 thousand gallons.

"Total metered production volume" is defined as the total volume of water produced and sold by the City from its treatment facilities in the preceding fiscal year. For as long as the City and the County/Authority systems remain integrally connected, this volume is equal to the "Integral system sales volume" plus the metered water volume sold to any wholesale customers of the City system other than Spalding County, and for the previous year this volume was 2,698,847 thousand gallons.

Direct Costs of Water Utility

Office of the Water and Wastewater Director - This item is the audited cost of operating the office of the Water and Wastewater Director which provides administrative and management support to the County Water System and City Water and Wastewater System. Fifty percent (50%) of the cost of this item is apportioned to the wholesale water rate on the assumption that half of the Director's time is spent on functions related to wholesale water and half of his time is spent on other functions. The unit charge for this cost is calculated on the "Total metered production volume."

Water Production - This item includes all costs related to operation and maintenance of facilities for water supply, treatment, pumping and elevated storage. One hundred percent (100%) of the cost of this item is apportioned to the wholesale water rate. The unit charge for this cost is calculated on the "Total metered production volume."

Water Distribution - This item includes all costs related to operation and maintenance of facilities for distributing the water from the treatment plant to the meter of the individual customer. All costs under this item are apportioned at one hundred percent (100%) to the wholesale water rate except that capital costs that do not benefit the County Water System are not included in the apportionment of this item to wholesale water rate. The unit charge for this cost is calculated on the "Integral system sales volume."

Meter Reading - This item includes costs related to automated meter reading of water meters for customers of the City Water System and the Spalding County Water System. The cost for this operation is apportioned to the wholesale water rate based on the number of County Water customers (meters) divided by the number of total City and County water customers, this ratio is 0.585 which results in 58.5% of meter reading costs apportioned to the wholesale water rate. This ratio will be computed annually and may change from year to year. The unit charge for this cost is calculated on the "Integral system sales volume".

Depreciation - This item includes annual depreciation of the City Water System. Depreciation on the City Water System assets is taken from the most recent annual audit report. The unit charge for this cost is calculated on the "Total metered production volume."

Debt Service - This item is Griffin's annual payment of principal and interest on outstanding debt associated with Regional Water Facilities. The ratio of expenditures for eligible water improvements is multiplied times the total annual principal and interest to calculate the portion of annual debt service allocated to the wholesale water rate. Eligible water improvements will include only those improvements related to regional water supply, water production, water storage and certain transmission facilities that benefit the County Water System as well as the City Water System. For FY 19 the principal and interest debt on regional water facilities applicable to Spalding County was \$4,037,097. The unit charge for this cost is calculated on the "Total metered production volume."

General Fund Expenses (Administrative Support) - Several departments within the General Fund provide support for the water system operation and employees. These include the office of City Manager, City Attorney, and all divisions of the Department of Finance and Administrative Services except Licensing. The operating cost for each of these departments is apportioned to the wholesale water rate based on the ratio of number of water department employees divided by number of all city employees. This ratio currently equals 0.1236. Thus 12.4% of the cost for the above departments is included in the wholesale water rate. This ratio will be computed annually and may change from year to year. The unit charge for this cost is calculated on the "Total metered production volume."

Return on Audited Depreciated Fixed Assets - Each year the city auditor determines the depreciated value of the City "water purification facilities and distribution system" (including supply facilities). The resulting figure is sometimes referred to herein as "Adjusted Depreciated Fixed Assets." The City and County/Authority have agreed that the wholesale water rate will include a return amount calculated as 4.88% of the Adjusted Depreciated Fixed Assets divided by the volume of water sold. The unit charge for this cost is calculated on the "Total metered production volume."

Supplement to Narrative - Allocation of Percentages for Rate Calculation

(Showing data for calendar year 2020 rate calculation)

1. **Meter Reading** costs are apportioned on the basis of customers billed on the basis of meter readings, which currently is

City Water Customers	10,042
County Water Customers	14,139
Total Customers	<u>24,181</u>

$$14,139 \div 24,181 = 0.5847 \text{ or } 58.5\%$$

2. **Overhead and benefit** costs include insurance, social security, workers compensation, and other employee benefit expenses. These expenses are now expensed directly to the appropriate department under the line item entitled "personnel services". (Note this revised accounting policy eliminates the former method of estimating the allocation of this cost for each department).
3. **Administrative Support costs** for FY 2019 were \$6,573,705. It is apportioned to the water rate based on the number of Water System Employees (54.5) divided by Total City Employees (441). Thus, the water system portion is $54.5 \div 441 = 0.1236$ or 12.4%.

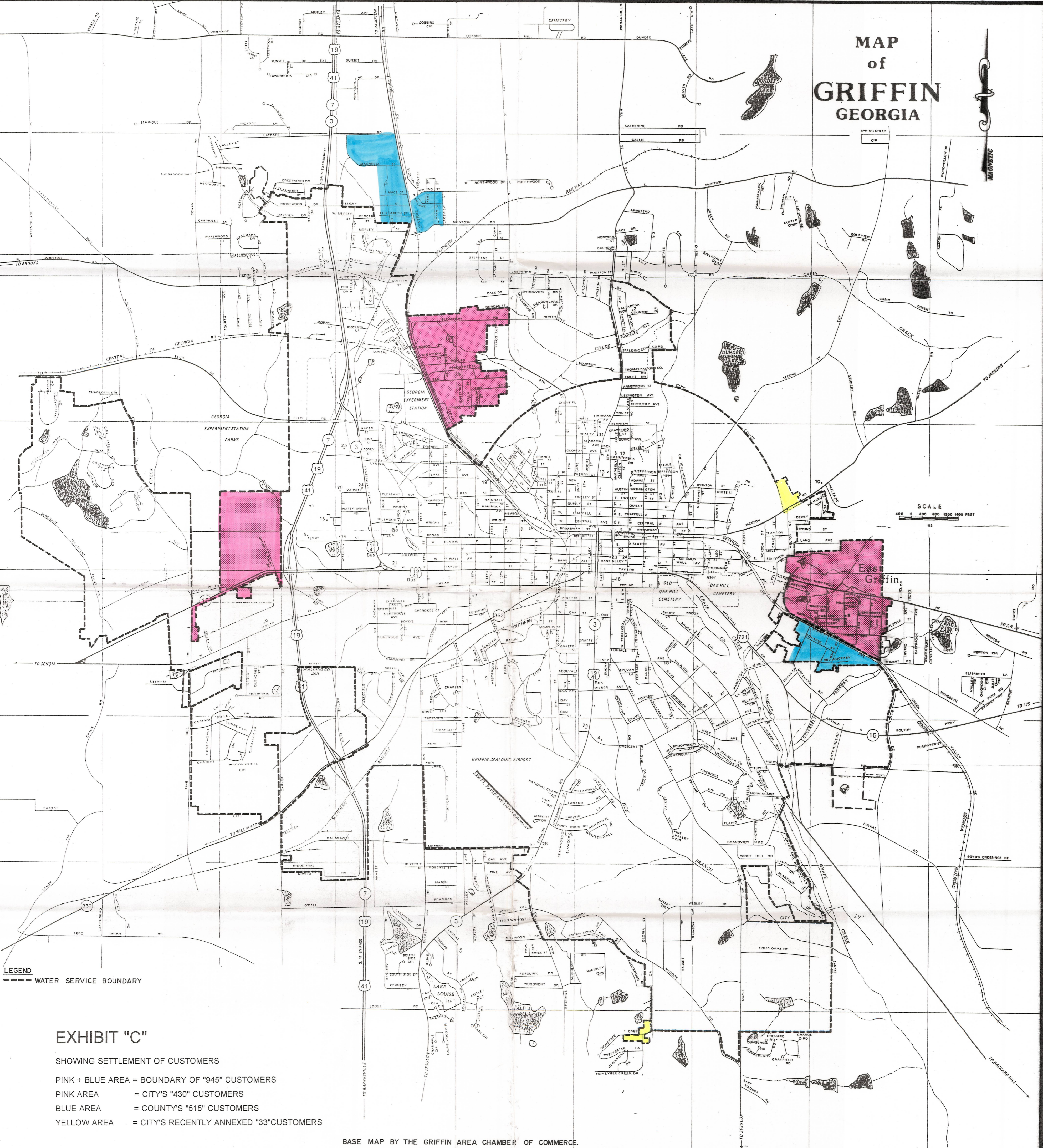
City of Griffin
Wholesale Rate Calculation
For Spalding County Water and Sewerage Authority

	<u>Allocation</u> %	<u>Water Sales</u> Basis	<u>FY 2020</u> Actual	<u>Cost</u> per kgal
Operations and Debt Costs				
<u>Office of Director</u>				
Personnel Services & Benefits	50%	Total	\$ 195,208	\$ 0.072
Purchased & Contract Services	50%	Total	27,112	0.010
Supplies	50%	Total	5,615	0.002
Other	50%	Total	-	0.000
<i>Subtotal: Office of Director</i>			\$ 227,936	\$ 0.084
<u>Water Production</u>				
Personnel Services & Benefits	100%	Total	\$ 1,287,671	\$ 0.476
Purchased & Contract Services	100%	Total	918,920	0.339
Supplies	100%	Total	1,437,954	0.531
Other	100%	Total	-	0.000
<i>Subtotal: Water Production</i>			\$ 3,644,544	\$ 1.346
<u>Water Distribution</u>				
Personnel Services & Benefits	100%	Integral	\$ 1,448,197	\$ 0.955
Purchased & Contract Services	100%	Integral	581,140	0.383
Supplies	100%	Integral	453,691	0.299
Other	100%	Integral	-	0.000
<i>Subtotal: Water Distribution</i>			\$ 2,483,028	\$ 1.638
<u>Meter Reading</u>				
Personnel Services & Benefits	100.0%	Integral	\$ -	\$ 0.000
Purchased & Contract Services	100.0%	Integral	27,454	0.018
AMR Support Costs	58.5%	Spalding	5,039	0.006
Other	100.0%	Integral	-	0.000
<i>Subtotal: Water Distribution</i>			\$ 32,493	\$ 0.025
<u>Depreciation</u>				
Water System	80%	Total	\$ 1,848,554	\$ 0.683
Regional Water System	0%	Total	-	0.000
<i>Subtotal: Depreciation</i>			\$ 1,848,554	\$ 0.683
<u>General Fund Expenses</u>				
Administrative Support	12.36%	Total	\$ 824,698	\$ 0.305
<i>Subtotal: Depreciation</i>			\$ 824,698	\$ 0.305
<u>Debt Service</u>				
FY 2020 Principal & Interest Regional System	100%	Total	\$ 4,035,462	\$ 1.491
<i>Subtotal: Debt Service</i>			\$ 4,035,462	\$ 1.491
<i>Subtotal: Operations & Debt</i>			\$ 13,096,714	\$ 5.572
Return on Depreciated Assets				
=% of Net Book Value	4.88%		\$ 2,642,184	\$ 0.976
Not to Exceed 0% of Operations & Debt	0%		-	\$ 0.000
<i>Subtotal: Return on Depreciated Assets</i>		Total	\$ 2,642,184	\$ 0.976
Total: Costs Recovered from Wholesale Rate			\$ 15,738,898	\$ 6.548
Water Sales (kgal)				
Total System			2,706,867	
Integral System			1,515,884	
Total Water Produced			3,284,461	
Costs per Kgal				
Operations & Debt			\$ 5.572	
Return on Depreciated Assets			\$ 0.976	
Total: Cost per Kgal (Wholesale Rate)			\$ 6.548	

MAP of GRIFFIN GEORGIA

MAGNETIC

SCALE
400 800 1200 1600 FEET



LEGEND
--- WATER SERVICE BOUNDARY

EXHIBIT "C"

SHOWING SETTLEMENT OF CUSTOMERS

- PINK + BLUE AREA = BOUNDARY OF "945" CUSTOMERS
- PINK AREA = CITY'S "430" CUSTOMERS
- BLUE AREA = COUNTY'S "515" CUSTOMERS
- YELLOW AREA = CITY'S RECENTLY ANNEXED "33" CUSTOMERS

BASE MAP BY THE GRIFFIN AREA CHAMBER OF COMMERCE.

EXHIBIT "D"

Jackson Road Area

<u>Account #</u>	<u>Service Address</u>	<u>Current Customer</u>
1193001	1075 Jackson Road	Rock Tabernacle Church
2499203	1083 Jackson Road Apt. I	Sandra Daniel
2499903	1083 Jackson Road Apt. G	Clyde Smith
2500103	1083 Jackson Road Apt. B	Robert Sullivan
2501008	1083 Jackson Road Apt. A	David Chambers
2501103	1083 Jackson Road Apt. C	Hattie Holland
2501205	1083 Jackson Road Apt. D	Clifford James
2501302	1083 Jackson Road Apt. E	Melissa Owens
2501402	1083 Jackson Road Apt. F	Nestella Daniel
2501503	1083 Jackson Road Apt. H	Tawnya Cannon
2501604	1083 Jackson Road Apt. J	Dara Kelly
2390005	1089 Jackson Road	Dorothy Harper
2501702	1095 Jackson Road Apt. A	John Donaldson
2501802	1095 Jackson Road Apt. B	Ron Young
2384305	1101 Jackson Road Apt. B	Julie Pierce
2384405	1101 Jackson Road Apt. C	Edward Partain
2384505	1101 Jackson Road Apt. A	David Harper
2557501	1105 Jackson Road Apt. D	Latora Williams
2576901	1105 Jackson Road Apt. A	Tony Walker
2591001	1105 Jackson Road Apt. C	Dorothy Watts
2597101	1105 Jackson Road Apt. B	Lenny Akins
1319301	1235 Jackson Road	City of Griffin #3 Lift Station Water & Wastewater

EXHIBIT "D"

Honeybee Creek Area
Annexation I

<u>Lot #</u>	<u>Service Address</u>	<u>Current Customer</u>
23	1714 Honeybee Creek Drive	Stanley Hammond
24	1712 Honeybee Creek Drive	Jack Tinley, Jr.
25	1710 Honeybee Creek Drive	Pamela Garrison
26	1708 Honeybee Creek Drive	Richard Kjetlyka
27	1706 Honeybee Creek Drive	Melisa Skipper
1	1704 Honeybee Creek Drive	Diana Vigh
31	1705 Honeybee Creek Drive	Mildred Hightower
3	2231 Honeybee Creek Drive	Steve Harrison
1	1661 Middlebrooks Drive	Glenn Howard
2	1663 Middlebrooks Drive	Shirley Elmore
33	1701 Middlebrooks Drive	Mike Cornelison



SPALDING COUNTY WATER AND SEWERAGE FACILITIES AUTHORITY Attorney to address SDS and contract matters

Requesting Agency

County Manager

Requested Action

Authority Attorney to address Service Delivery Strategy (SDS) and contract issues.

Requirement for Board Action

Is this Item Goal Related?

Summary and Background

Fiscal Impact / Funding Source

STAFF RECOMMENDATION**ATTACHMENTS:**

Description	Upload Date	Type
<input type="checkbox"/> 2017 SDS Agreement	9/30/2020	Backup Material
<input type="checkbox"/> 2017 SDS DCCA verification	9/30/2020	Backup Material



SERVICE DELIVERY STRATEGY

FORM 1

COUNTY: **SPALDING COUNTY**

I. GENERAL INSTRUCTIONS:

1. FORM 1 is required for ALL SDS submittals. Only one set of these forms should be submitted per county. The completed forms shall clearly present the collective agreement reached by all cities and counties that were party to the service delivery strategy.
2. List each local government and/or authority that provides services included in the service delivery strategy in Section II below.
3. List all services provided or primarily funded by each general purpose local government and/or authority within the county that are continuing *without change* in Section III, below. (It is acceptable to break a service into separate components if this will facilitate description of the service delivery strategy.)

OPTION A <i>Revising or Adding to the SDS</i>	OPTION B <i>Extending the Existing SDS</i>
<ol style="list-style-type: none">4. List all services provided or primarily funded by each general purpose local government and authority within the county which are revised or added to the SDS in Section IV, below. (It is acceptable to break a service into separate components if this will facilitate description of the service delivery strategy.)5. For each service or service component listed in Section IV, complete a separate, updated <i>Summary of Service Delivery Arrangements</i> form (FORM 2).6. Complete one copy of the <i>Certifications</i> form (FORM 4) and have it signed by the authorized representatives of participating local governments. [Please note that DCA cannot validate the strategy unless it is signed by the local governments required by law (see Instructions, FORM 4).]	<ol style="list-style-type: none">4. In Section IV type, "NONE."5. Complete one copy of the <i>Certifications for Extension of Existing SDS</i> form (FORM 5) and have it signed by the authorized representatives of the participating local governments. [Please note that DCA cannot validate the strategy unless it is signed by the local governments required by law (see Instructions, FORM 5).]6. Proceed to step 7, below. <div data-bbox="841 1178 1495 1398" style="background-color: #003366; color: white; padding: 10px; text-align: center;"><p>For answers to most frequently asked questions on Georgia's Service Delivery Act, links and helpful publications, visit DCA's website at http://www.dca.ga.gov/development/PlanningQualityGrowth/programs/servicedelivery.asp, or call the Office of Planning and Quality Growth at (404) 679-5279.</p></div>

7. If any of the conditions described in the existing *Summary of Land Use Agreements* form (FORM 3) have changed or if it has been ten (10) or more years since the most recent FORM 3 was filed, update and include FORM 3 with the submittal.
8. Provide the completed forms and any attachments to your regional commission. The regional commission will upload digital copies of the SDS documents to the Department's password-protected web-server.

NOTE: ANY FUTURE CHANGES TO THE SERVICE DELIVERY ARRANGEMENTS DESCRIBED ON THESE FORMS WILL REQUIRE AN UPDATE OF THE SERVICE DELIVERY STRATEGY AND SUBMITTAL OF REVISED FORMS AND ATTACHMENTS TO THE GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS UNDER THE "OPTION A" PROCESS DESCRIBED, ABOVE.

II. LOCAL GOVERNMENTS INCLUDED IN THE SERVICE DELIVERY STRATEGY:

In this section, list all local governments (including cities located partially within the county) and authorities that provide services included in the service delivery strategy.

Spalding County, City of Griffin, City of Orchard Hill, and the City of Sunny Side

III. SERVICES INCLUDED IN THE EXISTING SERVICE DELIVERY STRATEGY THAT ARE BEING EXTENDED WITHOUT CHANGE:

In this section, list each service or service component already included in the existing SDS which will continue as previously agreed with no need for modification.

- | | |
|---------------------------------|---|
| 1. County Administration | 21. Code Enforcement |
| 2. City Administration | 22. Tax Billing and Collections |
| 3. City Police | 23. Stormwater |
| 4. Sheriff | 24. Water |
| 5. Tax Appraisal and Assessment | 25. Wastewater |
| 6. Coroner | 26. Animal Control |
| 7. Courts | 27. Animal Shelter |
| 8. Adult and Juvenile Probation | 28. Correctional Institution |
| 9. Health and Human Services | 29. Fire |
| 10. Cooperative Extension | 30. Public Works |
| 11. Emergency Management | 31. Street Lighting |
| 12. City Garage | 32. Griffin Downtown Development Authority |
| 13. Board of Elections | 33. Griffin-Spalding Development Authority |
| 14. Voter Registration | 34. Spalding Co. Water & Sewerage Facilities Auth. |
| 15. Parks and Recreation | 35. Butts, Henry, Lamar & Spalding Joint Dev. Auth. |
| 16. Airport | 36. Griffin-Spalding Hospital Authority |
| 17. Solid Waste | 37. Library Services |
| 18. Planning | 38. Emergency Communications (911) |
| 19. Zoning | 39. Water Distribution |
| 20. Building Inspections | |

IV. SERVICES THAT ARE BEING REVISED OR ADDED IN THIS SUBMITTAL:

In this section, list each new service or new service component which is being added and each service or service component which is being revised in this submittal. For each item listed here, a separate Summary of Service Delivery Arrangements form (FORM 2) must be completed.

None



SERVICE DELIVERY STRATEGY

FORM 3: Summary of Land Use Agreements

Instructions:

Answer each question below, attaching additional pages as necessary. Please note that any changes to the answers provided will require an update of the service delivery strategy. If the contact person for this service (listed at the bottom of this page) changes, this should be reported to the Department of Community Affairs.

COUNTY: SPALDING COUNTY

1. What incompatibilities or conflicts between the land use plans of local governments were identified in the process of developing the service delivery strategy?

There were no incompatibilities or conflicts noted between the land use plans of Spalding Counties and the Cities of Griffin, Orchard Hill and Sunny Side.

2. Check the boxes indicating how these incompatibilities or conflicts were addressed:

- ☐ Amendments to existing comprehensive plans
☐ Adoption of a joint comprehensive plan
☐ Other measures (amend zoning ordinances, add environmental regulations, etc.)

If "other measures" was checked, describe these measures:

None

NOTE:

If the necessary plan amendments, regulations, ordinances, etc. have not yet been formally adopted, indicate when each of the affected local governments will adopt them.

3. What policies, procedures and/or processes have been established by local governments (and water and sewer authorities) to ensure that new extraterritorial water and sewer service will be consistent with all applicable land use plans and ordinances? Spalding County, the City of Griffin, and the Spalding County Water and Sewerage Facilities Authority have a Spalding County Joint Wastewater Management Plan that is utilized to direct functions of water and sewer services in conjunction with current and future land use plans.

4. Person completing form: **Jeannie R. Brantley, Planning Director for TRRC**

Phone number: **678-692-0510**

Date completed: September 26, 2017

5. Is this the person who should be contacted by state agencies when evaluating whether proposed local government projects are consistent with the service delivery strategy? ☐ Yes ☒ No

If not, provide designated contact person(s) and phone number(s) below:

WILLIAM WILSON, JR., SPALDING COUNTY MANAGER, 770-467-4224



SERVICE DELIVERY STRATEGY

FORM 5: Certifications for Extension of Existing SDS

Instructions: This two page form must, at a minimum, be signed by an authorized representative of the following governments: 1) the county; 2) the city serving as the county seat; 3) all cities having a 2010 population of over 9,000 residing within the county; and 4) no less than 50% of all other cities with a 2010 population of between 500 and 9,000 residing within the county. Cities with a 2010 population below 500 and local authorities providing services under the strategy are not required to sign this form, but are encouraged to do so.

If the strategy for providing **ANY** local service is being revised, FORM 5 CANNOT be used. When revisions are necessary, a submittal MUST include updates to FORM 1, FORM 2, and FORM 4 that cover ALL local services.

COUNTY: SPALDING COUNTY


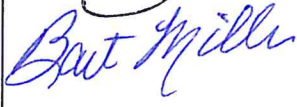
We, the undersigned authorized representatives of the jurisdictions listed below, certify that:

1. We have reviewed our existing Service Delivery Strategy (SDS) and have determined that it continues to accurately reflect our preferred arrangements for providing **ALL** local services throughout our county and no changes in our Strategy are needed at this time. We authorize its extension until:

Select <u>1</u> box, below	Type End-Year Below
<input type="checkbox"/> February 28,	2022
<input type="checkbox"/> June 30,	
<input checked="" type="checkbox"/> October 31,	

2. Each of our governing bodies (County Commission and City Councils) that are a party to this strategy have adopted resolutions agreeing to the Service Delivery arrangements identified in our strategy and have executed agreements for implementation of our service delivery strategy (O.C.G.A. 36-70-21);
3. Our service delivery strategy continues to promote the delivery of local government services in the most efficient, effective, and responsive manner for all residents, individuals and property owners throughout the county (O.C.G.A. 36-70-24(1));
4. Our service delivery strategy continues to provide that water or sewer fees charged to customers located outside the geographic boundaries of a service provider are reasonable and are not arbitrarily higher than the fees charged to customers located within the geographic boundaries of the service provider (O.C.G.A. 36-70-24 (2));
5. Our service delivery strategy continues to ensure that the cost of any services the county government provides (including those jointly funded by the county and one or more municipalities) primarily for the benefit of the unincorporated area of the county are borne by the unincorporated area residents, individuals, and property owners who receive such service (O.C.G.A. 36-70-24 (3));
6. Our Service Delivery Strategy continues to ensure that the officially adopted County and City land use plans of all local governments located in the County are compatible and nonconflicting (O.C.G.A. 36-70-24 (4)(A));
7. Our Service Delivery Strategy continues to ensure that the provision of extraterritorial water and sewer services by any jurisdiction is consistent with all County and City land use plans and ordinances (O.C.G.A. 36-70-24 (4)(B)); and
8. DCA has been provided a copy of this certification and copies of all forms, maps and supporting agreements needed to accurately depict our agreed upon strategy (O.C.G.A. 36-70-27).

SDS FORM 5, continued

JURISDICTION	TITLE	NAME	SIGNATURE	DATE
<u>CITY OF GRIFFIN</u>	Chairman	Rodney McCord		10/26/17
<u>SPALDING COUNTY</u>	Chairman of the Board of Commissioners	Bart Miller		

RESOLUTION

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SPALDING COUNTY A POLITICAL SUBDIVISION OF THE STATE OF GEORGIA, GEORGIA, AGREEING TO THE SERVICE DELIVERY STRATEGY ARRANGEMENTS IDENTIFIED IN THE 2017 SPALDING COUNTY SERVICE DELIVERY STRATEGY TO EXTEND THE EXISTING STRATEGY THROUGH AND TO INCLUDE OCTOBER 31, 2022; REAFFIRMING THOSE INTERGOVERNMENTAL AGREEMENTS WITH SPALDING COUNTY AND THE OTHER MUNICIPALITIES WHO ARE PARTIES TO THE SERVICE DELIVERY STRATEGY; AUTHORIZING THE CHAIRPERSON TO SIGN "FORM 5: CERTIFICATION FOR EXTENSION OF EXISTING SDS"; AUTHORIZING TRANSMITTAL TO THE GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS; AND FOR OTHER PURPOSES.

WHEREAS, Spalding County a political subdivision of the State of Georgia is a party to the existing Service Delivery Strategy ("SDS") with the Cities of Griffin, Orchard Hill and Sunny Side, which will expire on October 31, 2017, unless a new SDS is entered by the parties on or before that date or the existing SDS is extended to a date certain;

WHEREAS, the parties have reviewed the existing SDS and agreed that it should be extended through and to include October 31, 2022, in order to reflect the renegotiation of Local Option Sales Tax following publication of the 2020 U.S. Decennial Census; and

WHEREAS, as a condition for extending the existing SDS it is necessary that certain intergovernmental agreements ("IGA's"), entered by the parties to implement the existing strategy, have their terms extended to remain in full force and effect through and to include October 31, 2022, or if sooner, until a new SDS is agreed upon and adopted;

NOW, THEREFORE, BE IT RESOLVED that the Spalding County a political subdivision of the State of Georgia agrees with the Service Delivery arrangements, set forth and described in the existing Spalding County Service Delivery Strategy, and approves extending the SDS through and to include October 31, 2022, or until such time as the Spalding County SDS is hereinafter renegotiated, should such occur sooner.

FURTHER RESOLVED, that those certain intergovernmental agreements entered by and between the parties to implement the existing SDS be extended as to term through and to include October 31, 2022;

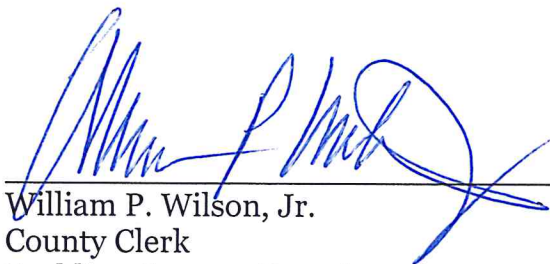
FURTHER RESOLVED, that the Chairperson of the Commission is hereby authorized and directed to sign "Form 5: Certification for Extension of Existing SDS" and cause the same to be transmitted to the Georgia Department of Community Affairs, for and as the act of said City.

SO RESOLVED, this 28th day of September, 2017.

CERTIFICATION

I, WILLIAM P. WILSON, Jr., do hereby certify that I am the County Clerk of the Board of Commissioners of Spalding County, a political subdivision of the State of Georgia, and in that capacity serve as custodian of public records for said County and its governing Board of Commissioners. The attached is a full and complete copy of a Resolution in a meeting, held September 28, 2017, the original of which appears in the official Minutes of said meeting. Official Minutes are routinely prepared, by me or under my supervision, shortly after the time of the meeting in the regular course of business. Minutes are reviewed by the Board and approved at the next regular meeting. I have compared the attached copy of the Resolution to the Original of record and find it to be identical. Said Resolution remains in full force and effect and has not been subsequently amended, modified, or rescinded. The meeting at which the action was taken was duly called and conducted in compliance with the Georgia Open Meetings Law, with a quorum present.

This 28th day of September, 2017.



William P. Wilson, Jr.
County Clerk
Spalding County, Georgia

(SEAL)

A RESOLUTION

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CITY OF GRIFFIN, GEORGIA, AGREEING TO THE SERVICE DELIVERY STRATEGY ARRANGEMENTS IDENTIFIED IN THE 2017 SPALDING COUNTY SERVICE DELIVERY STRATEGY TO EXTEND THE EXISTING STRATEGY THROUGH AND TO INCLUDE OCTOBER 31, 2022; REAFFIRMING THOSE INTERGOVERNMENTAL AGREEMENTS WITH SPALDING COUNTY AND THE OTHER MUNICIPALITIES WHO ARE PARTIES TO THE SERVICE DELIVERY STRATEGY; AUTHORIZING THE CHAIRPERSON TO SIGN "FORM 5: CERTIFICATION FOR EXTENSION OF EXISTING SDS"; AUTHORIZING TRANSMITTAL TO THE GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS; AND FOR OTHER PURPOSES.

WHEREAS, the City of Griffin is a party to the existing Service Delivery Strategy ("SDS") with Spalding County and the Cities of Orchard Hill and Sunnyside, which will expire on October 31, 2017, unless a new SDS is entered by the parties on or before that date or the existing SDS is extended to a date certain;

WHEREAS, the parties have reviewed the existing SDS and agreed that it should be extended through and to include October 31, 2022, in order to reflect the renegotiation of Local Option Sales Tax following publication of the 2020 U.S. Decennial Census; and

WHEREAS, as a condition for extending the existing SDS it is necessary that certain intergovernmental agreements ("IGA's"), entered by the parties to implement the existing strategy, have their terms extended to remain in full force and effect through and to include October 31, 2022, or if sooner, until a new SDS is agreed upon and adopted;

NOW, THEREFORE, BE IT RESOLVED that the City of Griffin agrees with the Service Delivery arrangements, set forth and described in the existing Spalding County Service Delivery Strategy, and approves extending the SDS through and to include October 31, 2022, or until such time as the Spalding County SDS is hereinafter renegotiated, should such occur sooner.

FURTHER RESOLVED, that those certain intergovernmental agreements entered by and between the parties to implement the existing SDS be extended as to term through and to include October 31, 2022;

FURTHER RESOLVED, that the Chairperson of the Commission is hereby authorized and directed to sign "Form 5: Certification for Extension of Existing SDS" and cause the same to be transmitted to the Georgia Department of Community Affairs, for and as the act of said City.

SO RESOLVED, this 26th day of September, 2017.

CERTIFICATION

I, KENNY L. SMITH, do hereby certify that I am the Secretary of the Board of Commissioners of the City of Griffin, a Georgia municipal corporation, and in that capacity serve as custodian of public records for said City and its governing Board of Commissioners. The attached is a full and complete copy of a Resolution, adopted by the Board, by a vote of 6 "Aye" to 0 "Nay", with Commissioner Cora Flowers absent, in a regular meeting, held September 26, 2017, the original of which appears in the official Minutes of said meeting. Official Minutes are routinely prepared, by me or under my supervision, shortly after the time of the meeting in the regular course of business. Minutes are reviewed by the Board and approved at the next regular meeting. I have compared the attached copy of the Resolution to the Original of record and find it to be identical. Said Resolution remains in full force and effect and has not been subsequently amended, modified, or rescinded. The meeting at which the action was taken was duly called and conducted in compliance with the Georgia Open Meetings Law, with a quorum present.

This 26th day of September, 2017.



Kenny L. Smith
Secretary, Bd. of Commissioners
City of Griffin, Georgia

(SEAL)

MEMORANDUM

TO: Honorable Bart Miller
Chair, Spalding County Commission

Honorable James A. Morgan
Mayor, City of Orchard Hill

Honorable Rodney McCord
Chair, City of Griffin

Honorable Larry Gossett
Mayor, City of Sunny Side

FROM: Brian Johnson, Director 
Office of Planning and Environmental Management

DATE: October 16, 2017

SUBJECT: Service Delivery Strategy Verification

We are happy to inform you that the Department of Community Affairs has reviewed the recent extension of the Service Delivery Strategy for Spalding County and the Cities of Griffin, Orchard Hill and Sunny Side and verified that it meets all applicable requirements. Please note that verifying your service delivery strategy in no way affects your Qualified Local Government status under the separate requirements of the Georgia Planning Act.

This Service Delivery Strategy must be reviewed and revised if any of the following occur:

- 1) Update of the county's comprehensive plan;
- 2) Change of service delivery arrangements;
- 3) Change in revenue distribution arrangements (e.g., changes to LOST distribution among the county and its municipalities);
- 4) Creation, abolition, or consolidation of local governments;
- 5) Expiration of the existing service delivery strategy agreement; or
- 6) The county and affected municipalities otherwise agree to revise the strategy.

Additionally, be aware that state agencies are prohibited under Georgia law from providing state administered financial assistance, grants, loans, or permits to local projects that are inconsistent with the strategy. It is necessary for local governments to ensure that local projects are consistent with their Service Delivery Strategy prior to seeking state assistance.

BJ/nah

cc: Robert Hiett, Interim, Executive Director, Three Rivers RC
Jeannie R. Brantley, Planning Director, Three Rivers RC
William P. Wilson, Jr., County Manager, Spalding County
Kenny L. Smith, City Manager, City of Griffin
Kathy Gibson, Ex-Officio County Clerk, Spalding County
Teresa Watson, City Clerk, City of Griffin
Frances Jones, City Clerk, City of Orchard Hill
William Slaughter, City Clerk, City of Sunny Side



SPALDING COUNTY WATER AND SEWERAGE FACILITIES AUTHORITY
Consider approval of the counter proposal to the City of
Griffin's Water Sales Agreement

Requesting Agency

Spalding County Water Authority

Requested Action

Consider approval of the counter proposal to the City of Griffin's water sales agreement.

Requirement for Board Action

Is this Item Goal Related?

Summary and Background

Fiscal Impact / Funding Source

STAFF RECOMMENDATION



SPALDING COUNTY WATER AND SEWERAGE FACILITIES AUTHORITY

Paragon presentation on costs

Requesting Agency

County Manager

Requested Action

Paragon Consulting Group to present updated costs for system reconfiguration to allow for multiple water suppliers.

Requirement for Board Action

Is this Item Goal Related?

No

Summary and Background

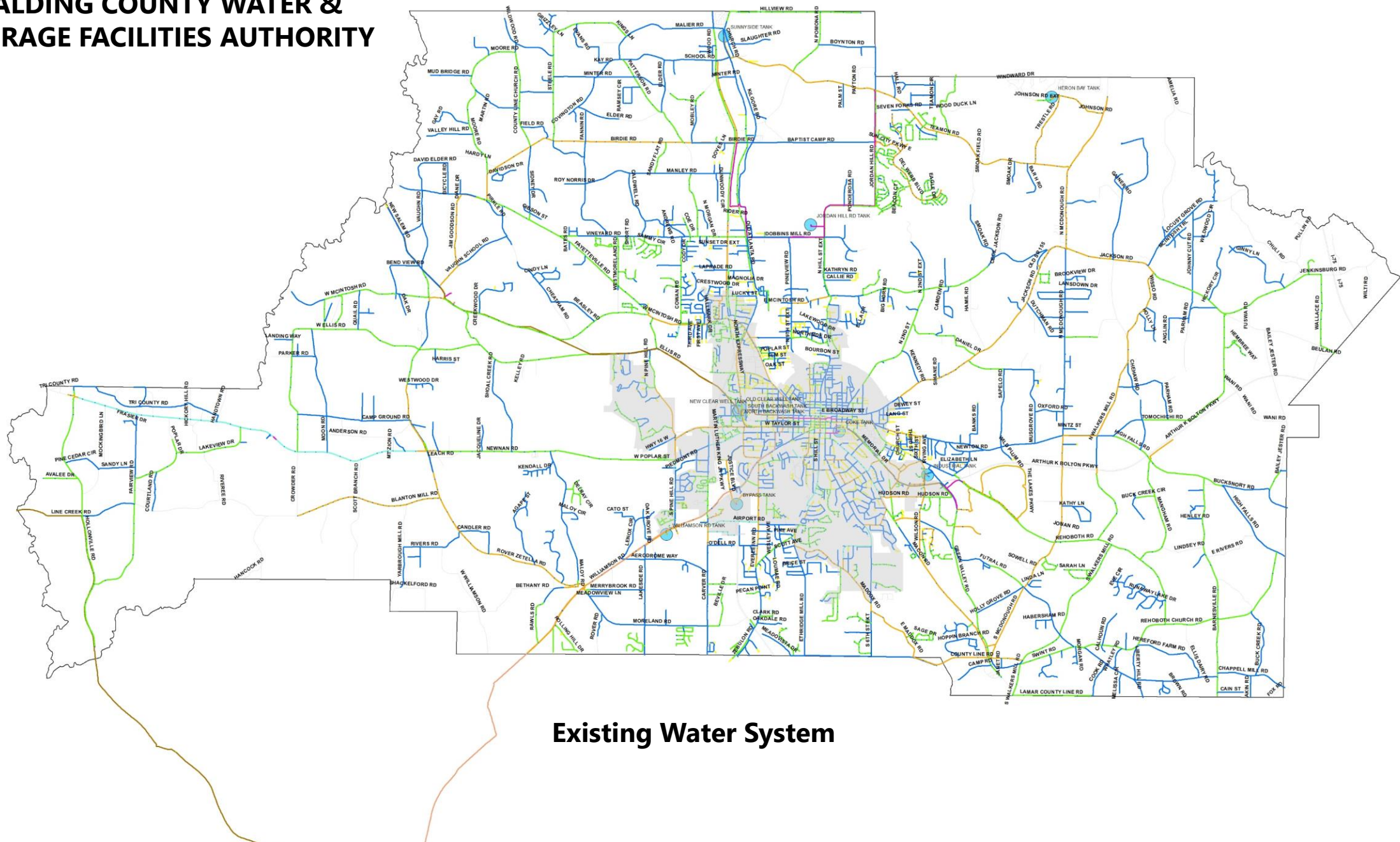
Fiscal Impact / Funding Source

STAFF RECOMMENDATION

ATTACHMENTS:

Description	Upload Date	Type
<input type="checkbox"/> Cost Calculations	9/29/2020	Backup Material

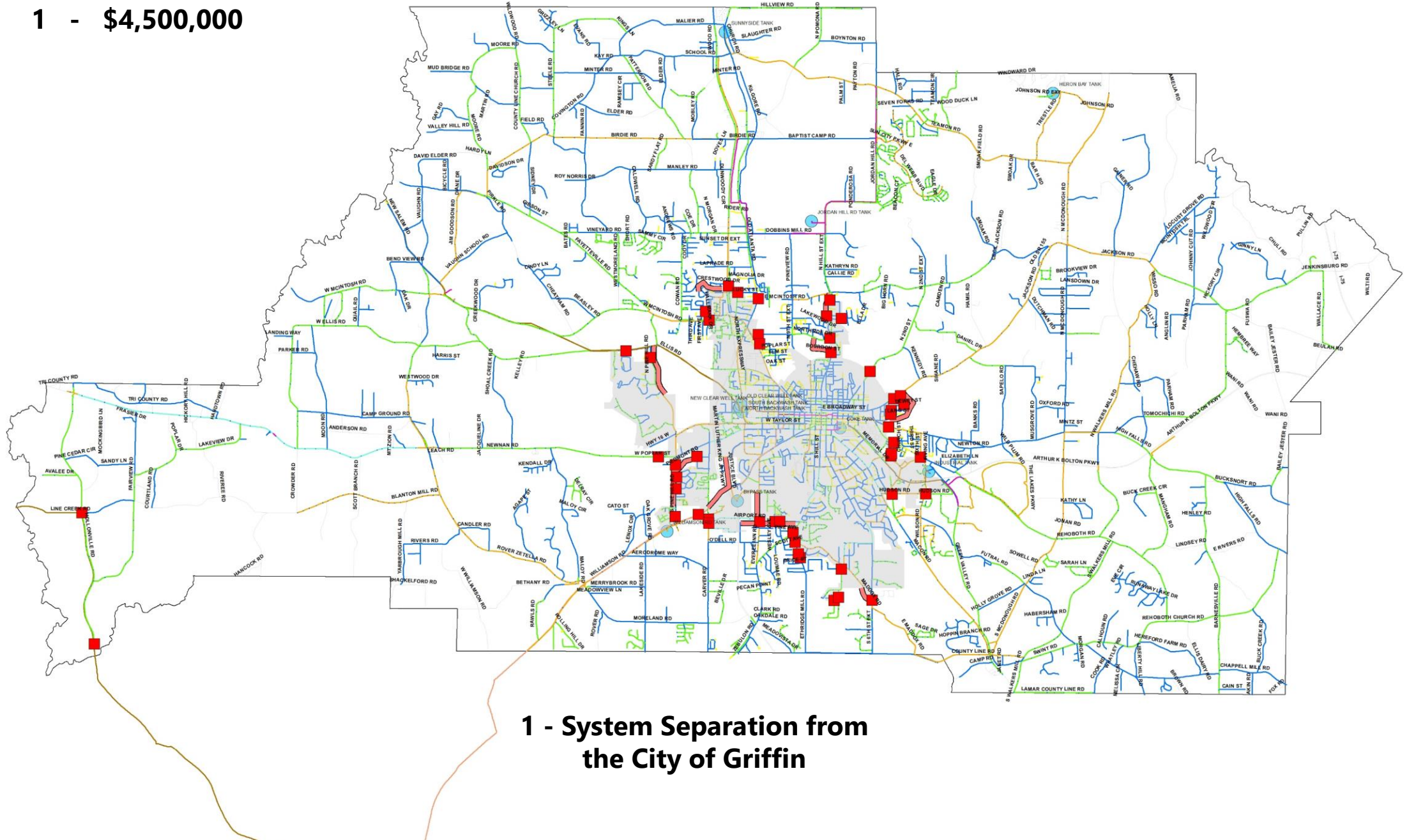
SPALDING COUNTY WATER & SEWERAGE FACILITIES AUTHORITY



Existing Water System

ESTIMATED COSTS

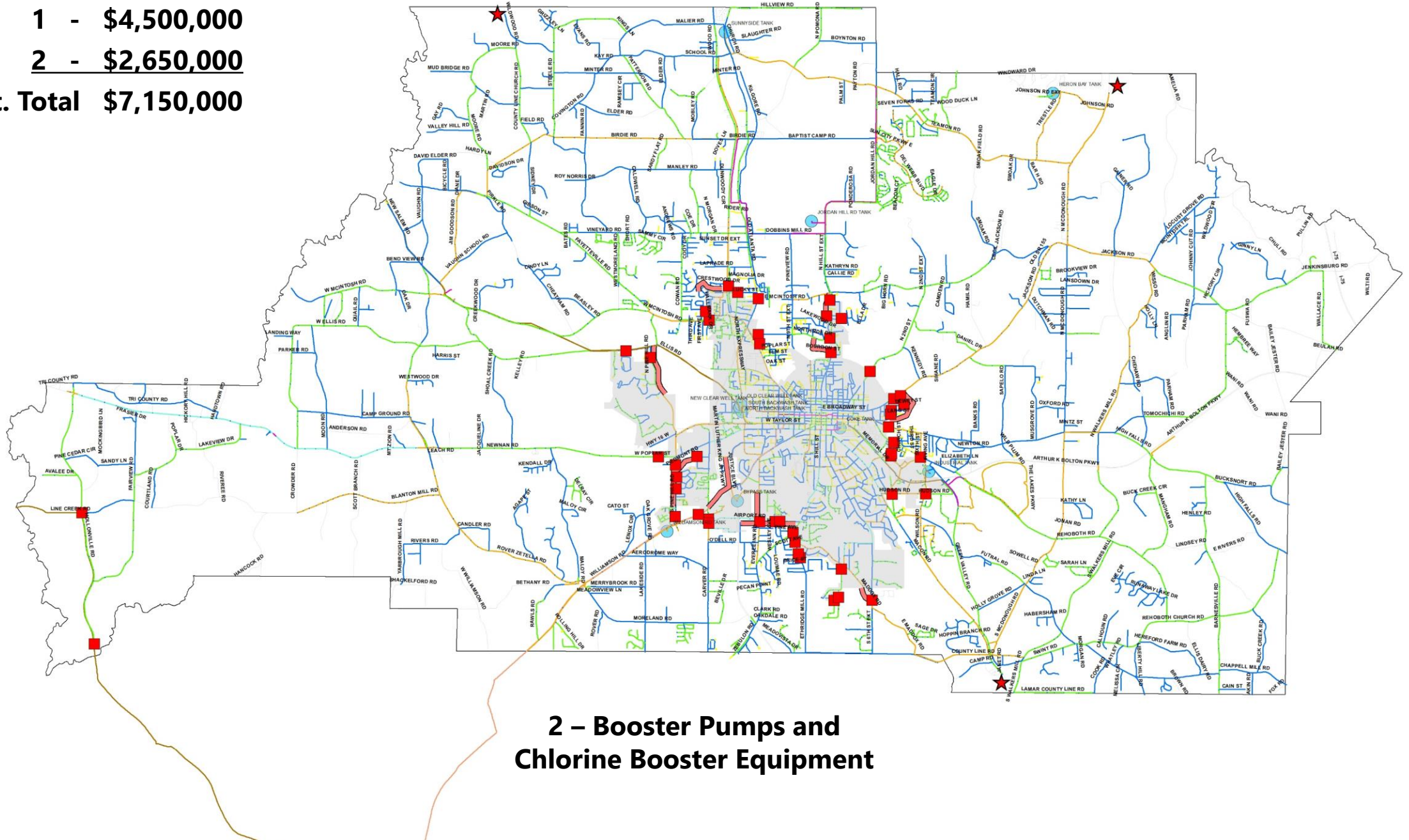
1 - \$4,500,000



ESTIMATED COSTS

1 - \$4,500,000

2 - \$2,650,000

Est. Total \$7,150,000

2 – Booster Pumps and Chlorine Booster Equipment

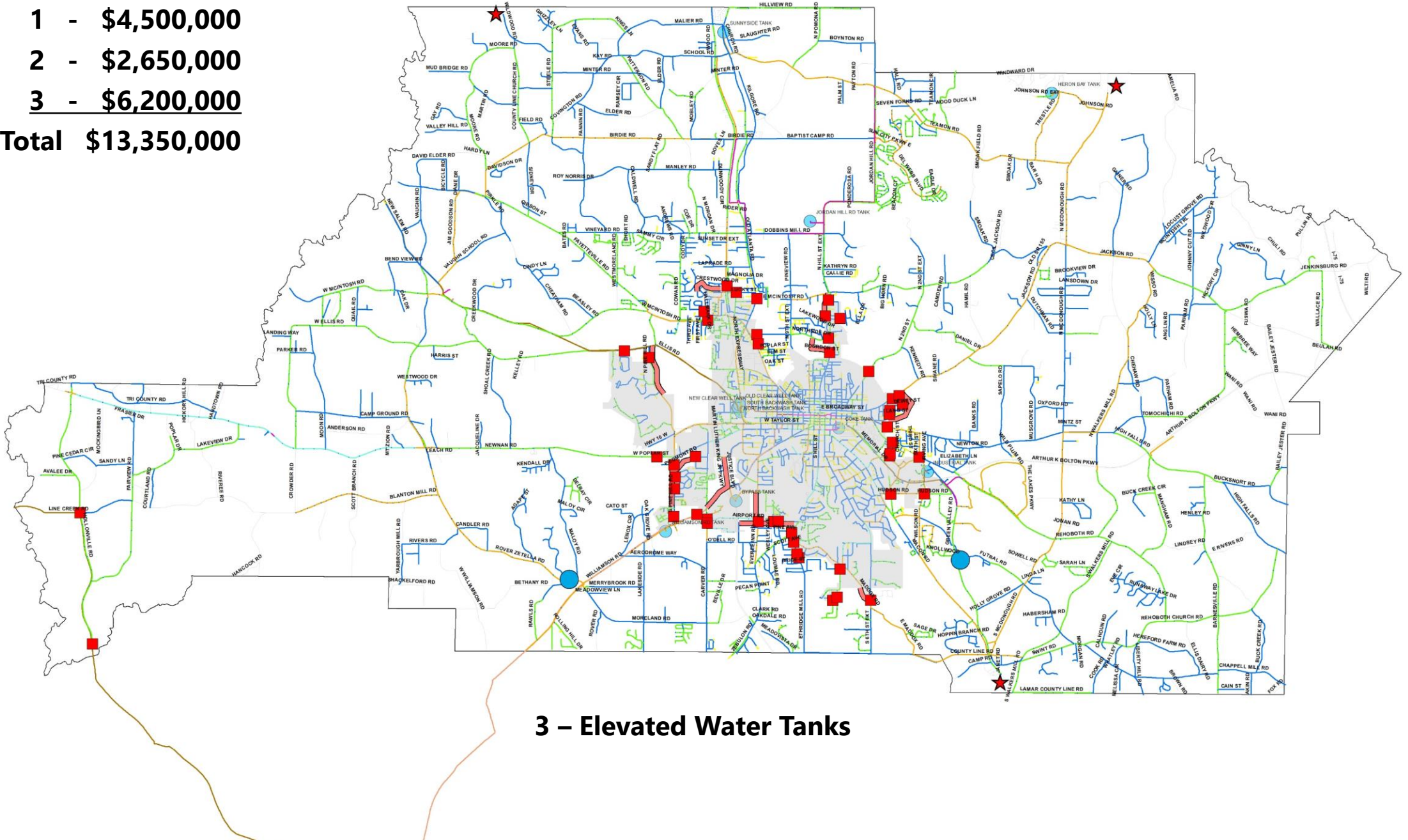
ESTIMATED COSTS

1 - \$4,500,000

2 - \$2,650,000

3 - \$6,200,000

Est. Total \$13,350,000



3 – Elevated Water Tanks

ESTIMATED COSTS

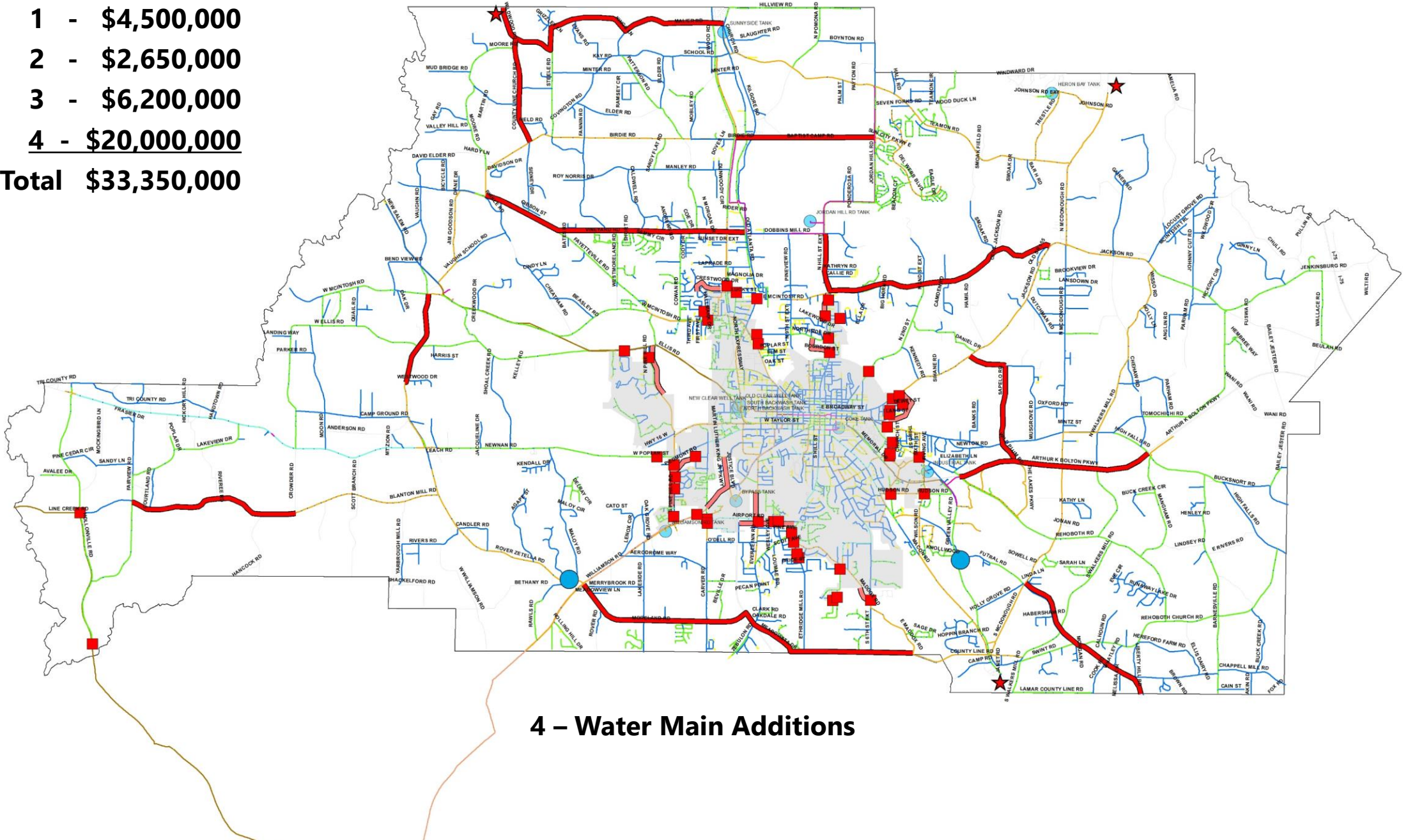
1 - \$4,500,000

2 - \$2,650,000

3 - \$6,200,000

4 - \$20,000,000

Est. Total \$33,350,000



4 – Water Main Additions

ESTIMATED COSTS

1 - \$4,500,000

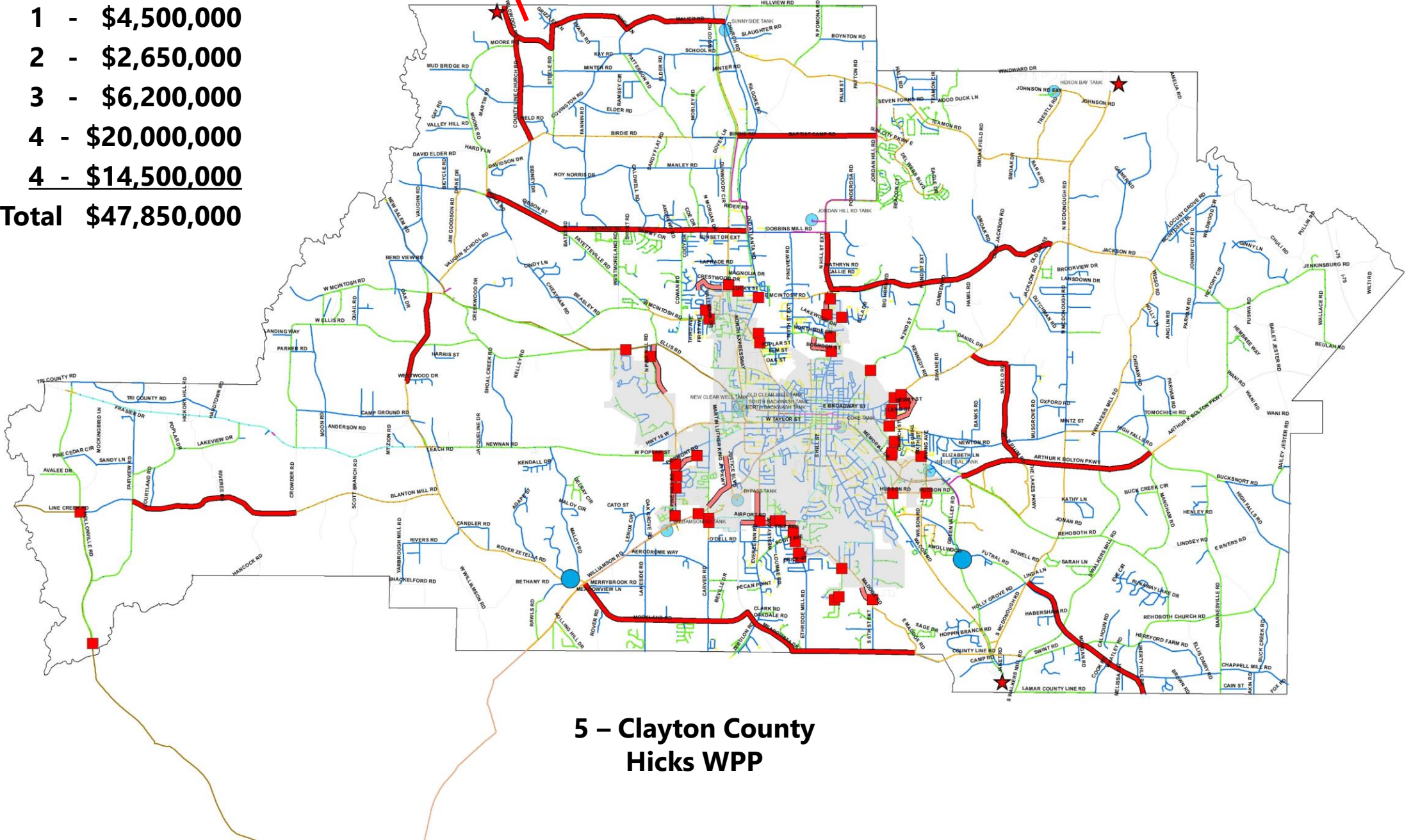
2 - \$2,650,000

3 - \$6,200,000

4 - \$20,000,000

4 - \$14,500,000

Est. Total \$47,850,000





SPALDING COUNTY WATER AND SEWERAGE FACILITIES AUTHORITY Update on Multi Supplier Providers

Requesting Agency

Spalding County Water Authority

Requested Action

Chairman Lamb to discuss multi supplier options and economics of this approach.


Requirement for Board Action

Is this Item Goal Related?

Summary and Background

Fiscal Impact / Funding Source

STAFF RECOMMENDATION**ATTACHMENTS:**

Description	Upload Date	Type
 Lamb Presentation	9/30/2020	Backup Material

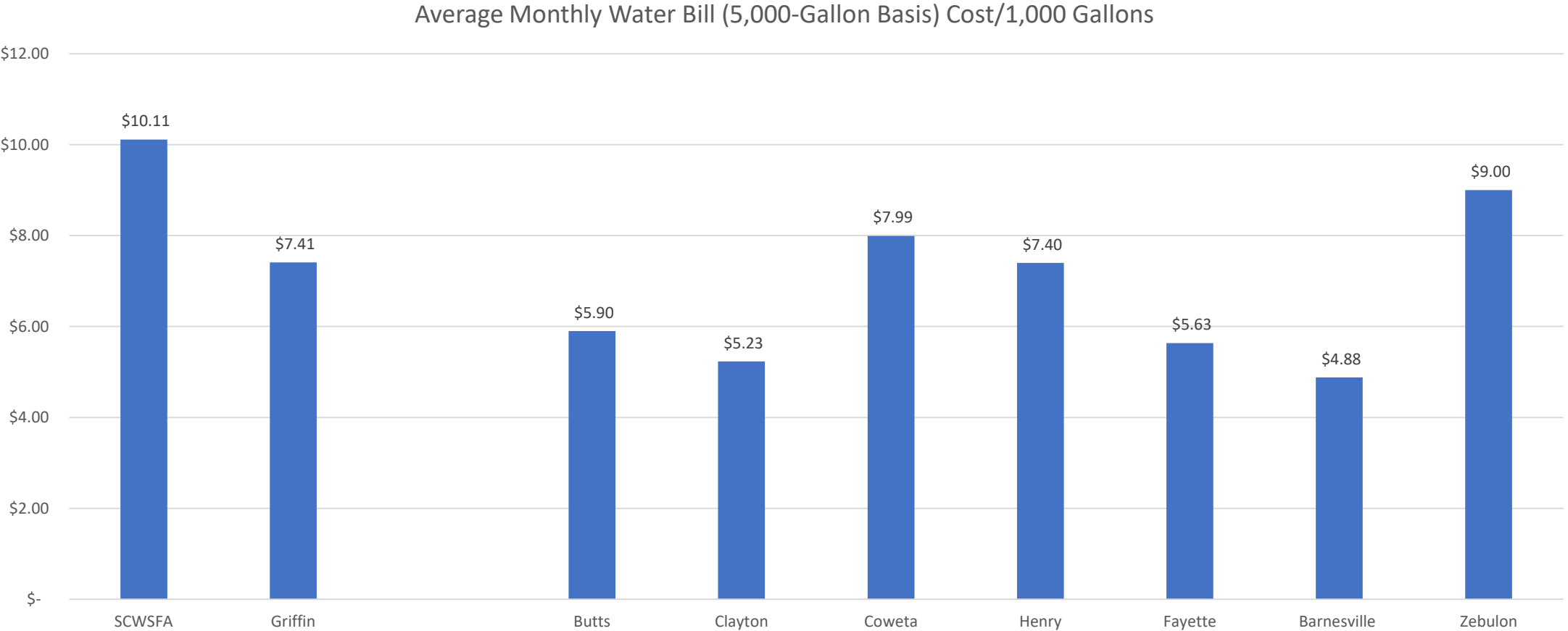


Spalding County Water & Sewer Facilities Authority

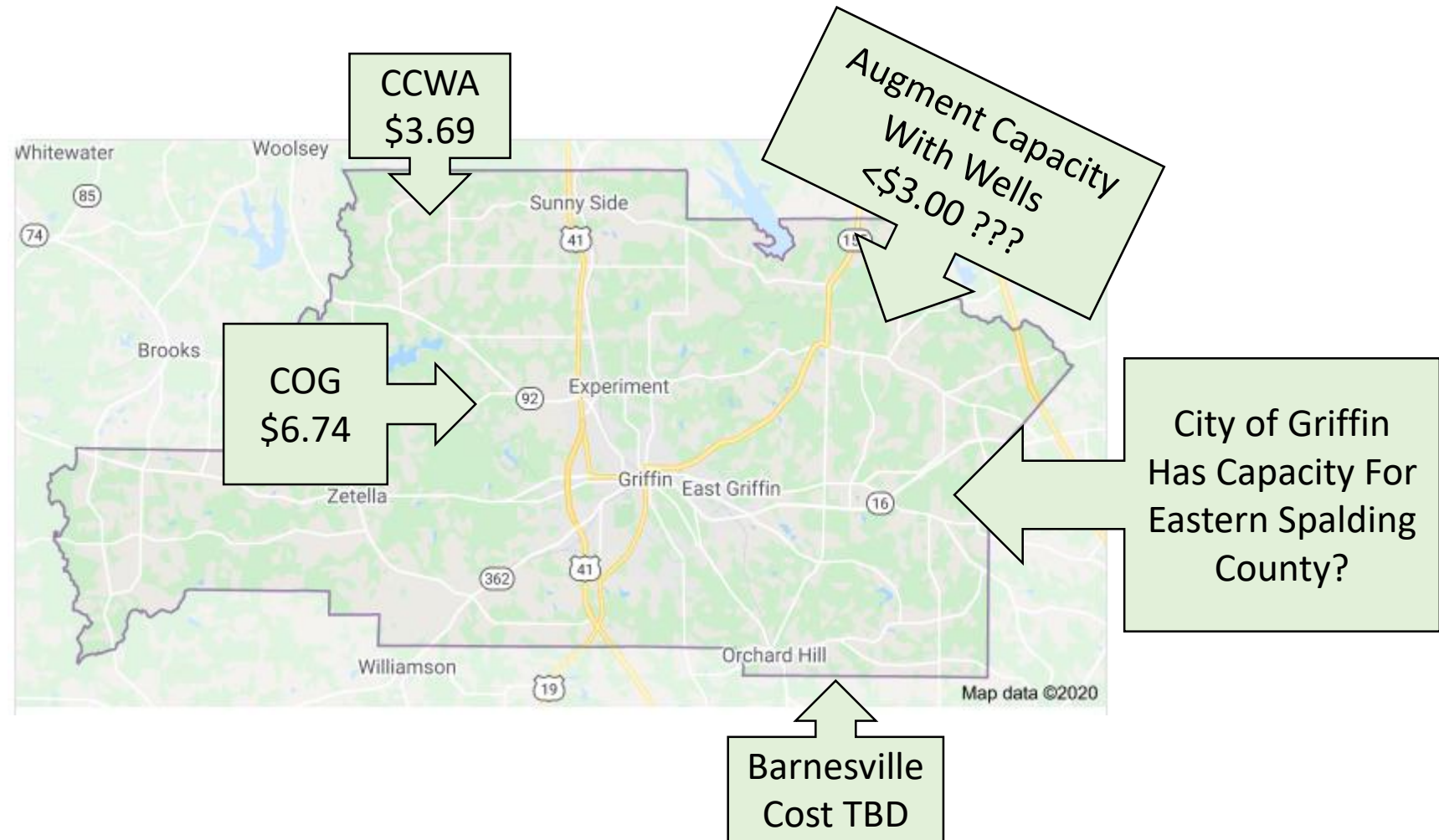
- **Goals:**
 - Reduce The Water Rates For SCWSFA Customers Without Impacting Water Quality Or Service Delivery
 - Create An Industrial Rate That Will Attract Industry In The SCWSFA Service Delivery Area:
 - Current SCWSFA & City Rates Are Not Competitive For Many Prospects
 - Create a Business Model That Allows Future Control Of Cost And Delivery of Services

Average Monthly Water Bills

2019 GA Water & Wastewater Rates (UNC School of Government)

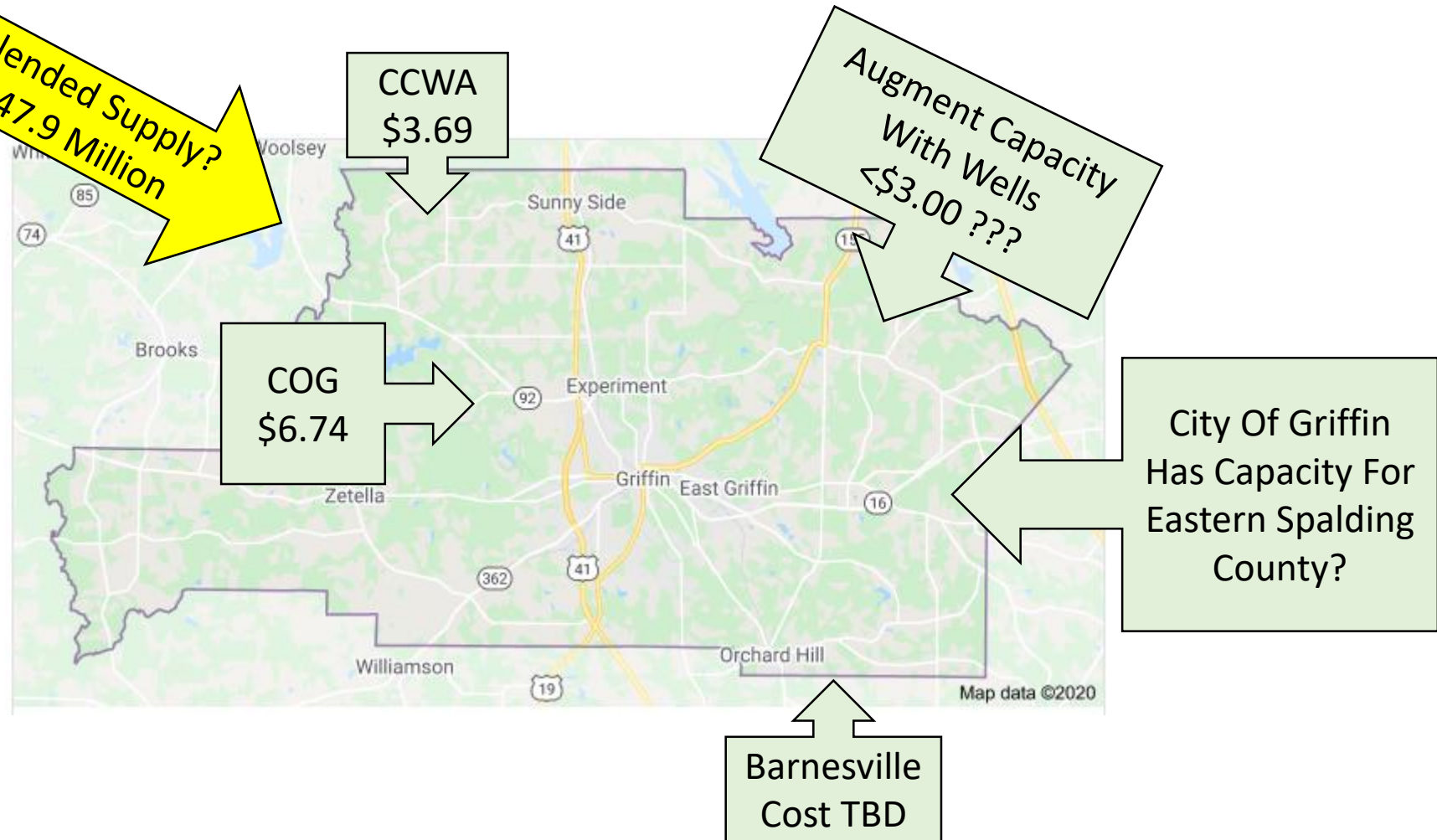


A Multi – Supplier Relationship Brings Blended Cost To Spalding County



A Multi – Supplier Relationship Brings Blended Cost To Spalding County

Capital Cost To Get A Blended Supply?
Estimated @ \$33.4 - \$47.9 Million



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Capital Cost To Get A Blended Supply?
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CCWA
\$3.69

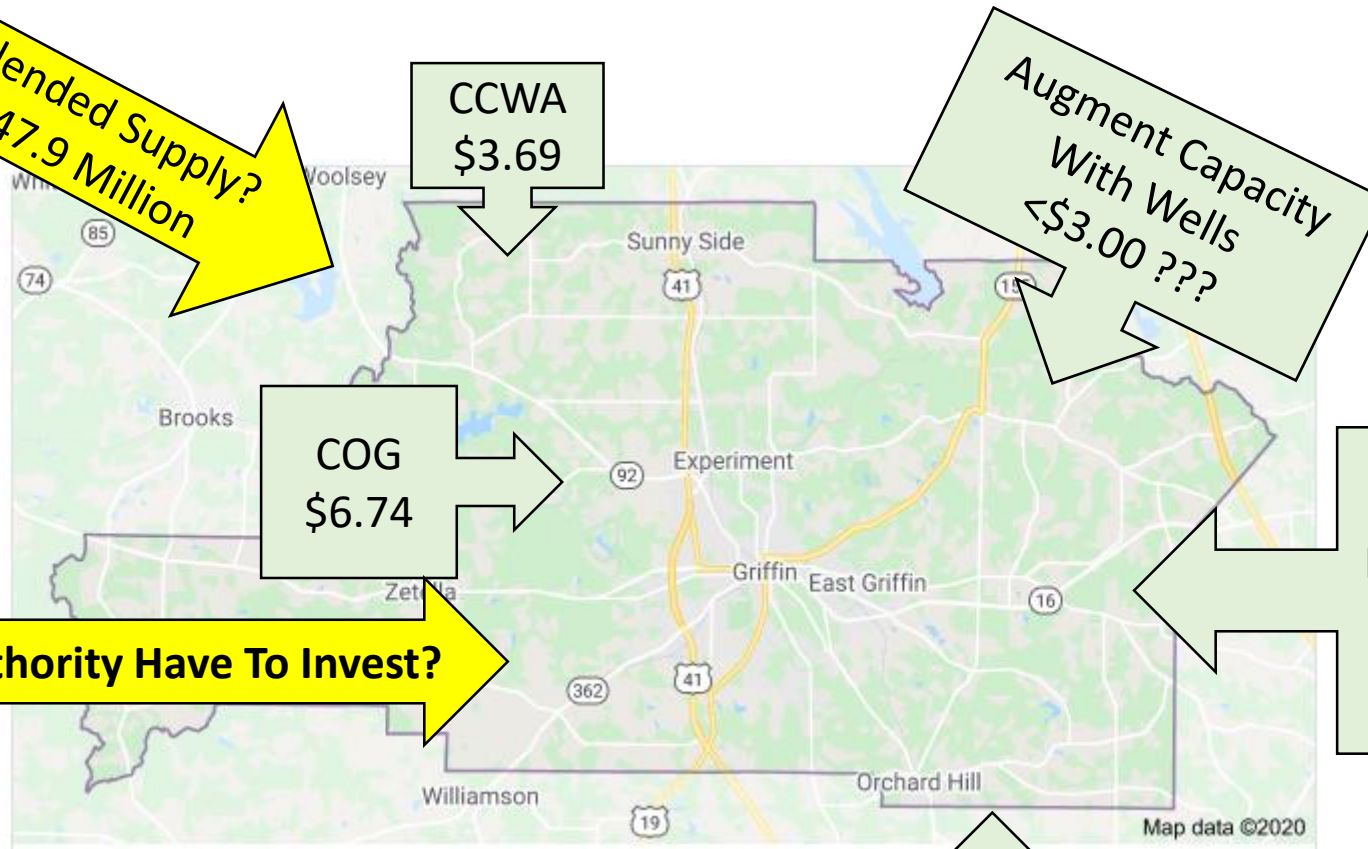
Augment Capacity
With Wells
<\$3.00 ???

COG
\$6.74

City Of Griffin
Has Capacity For
Eastern Spalding
County?

What Resources Does The Authority Have To Invest?

Barnesville
Cost TBD





Spalding County Water & Sewer Facilities Authority

- What Has Been Spent During The Present Contract?
 - For The Last Nine (9) Years:

• Depreciation	\$ 5,374,713
• Debt Service	\$ 9,357,958
• Return On Depreciated Assets	\$ 7,107,412
• Potential Available Capital	\$21,840,083
 - City Transfers To General Fund \$18,846,514
- Total City Transfers To General Fund
 - Life Of Contract (Partial Data) \$22,729,271
 - Transfers Allowed Under Current Contract
 - No Data For 1996-2002



Spalding County Water & Sewer Facilities Authority

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• Return On Depreciated Assets	\$ 7,107,412
• Potential Available Capital	\$21,840,083

**\$2,426,675/Year Average To Retire
Debt & Maintain System**

• City Transfers To General Fund	\$18,846,514
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- Total City Transfers To General Fund

- Life Of Contract (Partial Data) \$22,729,271
 - Transfers Allowed Under Current Contract
 - No Data For 1996-2002



Spalding County Water & Sewer Facilities Authority

- Authority Return On Investment (ROI)
 - Current Contract No ROI
- What Is The Impact Of The Transfers To The General Fund?
 - Higher City Of Griffin Debt Load That Results In
 - Higher Depreciation Charges
 - Higher Debt Service Charges
 - Higher Return On Depreciated Assets
 - Higher City Of Griffin Water Rates
 - On A City Water Customer Basis, >\$100/Year
 - And County Water Users Are Subsidizing City Taxpayers

A Multi – Supplier Relationship Brings Blended Cost To Spalding County

Capital Cost To Get A Blended Supply?
Estimated @ \$33.4 - \$47.9 Million

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\$3.69

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<\$3.00 ???

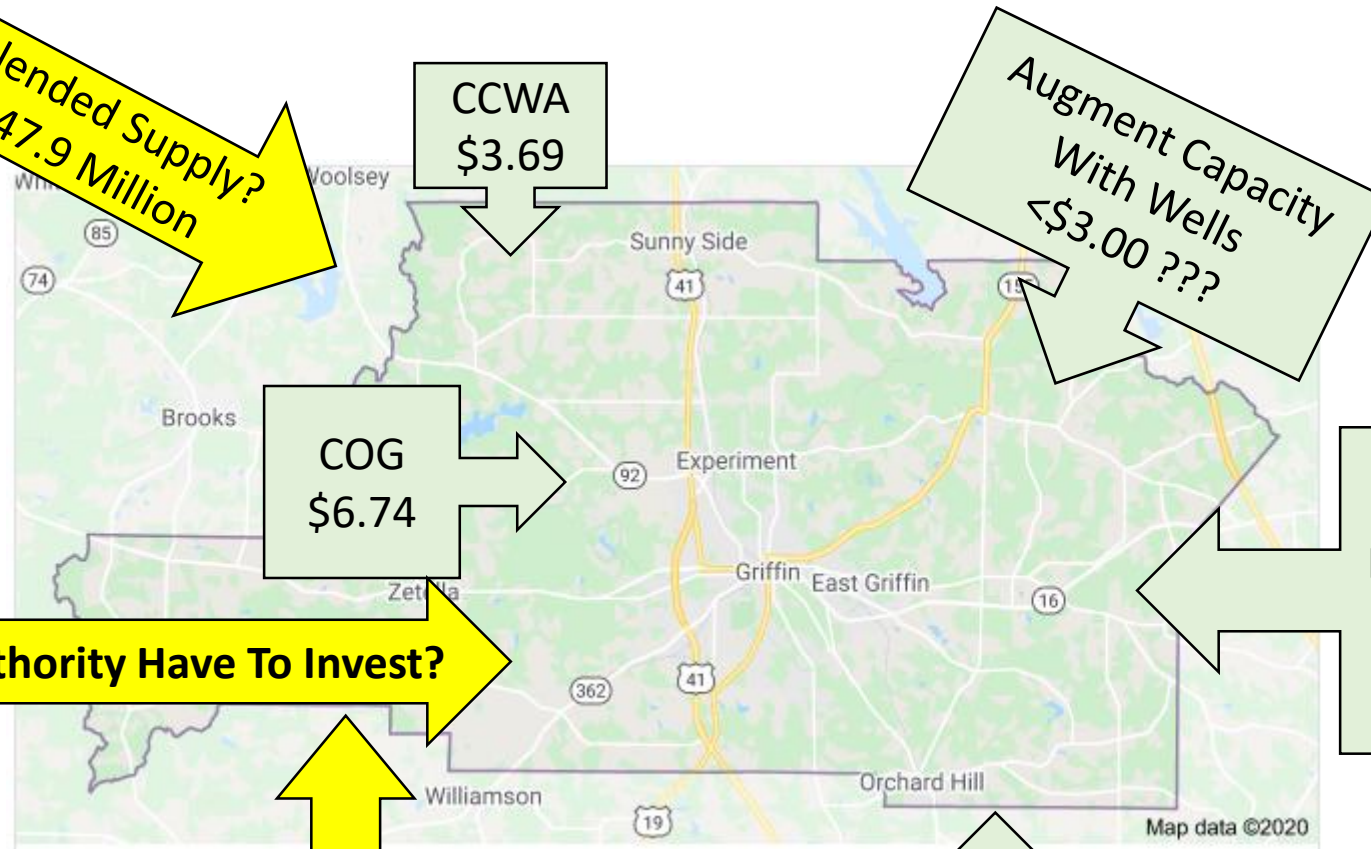
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City Of Griffin
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What Resources Does The Authority Have To Invest?

>\$13 Million In Reserves + \$2.5 Million/Year

Barnesville
Cost TBD



A Multi – Supplier Relationship Brings Blended Cost To Spalding County

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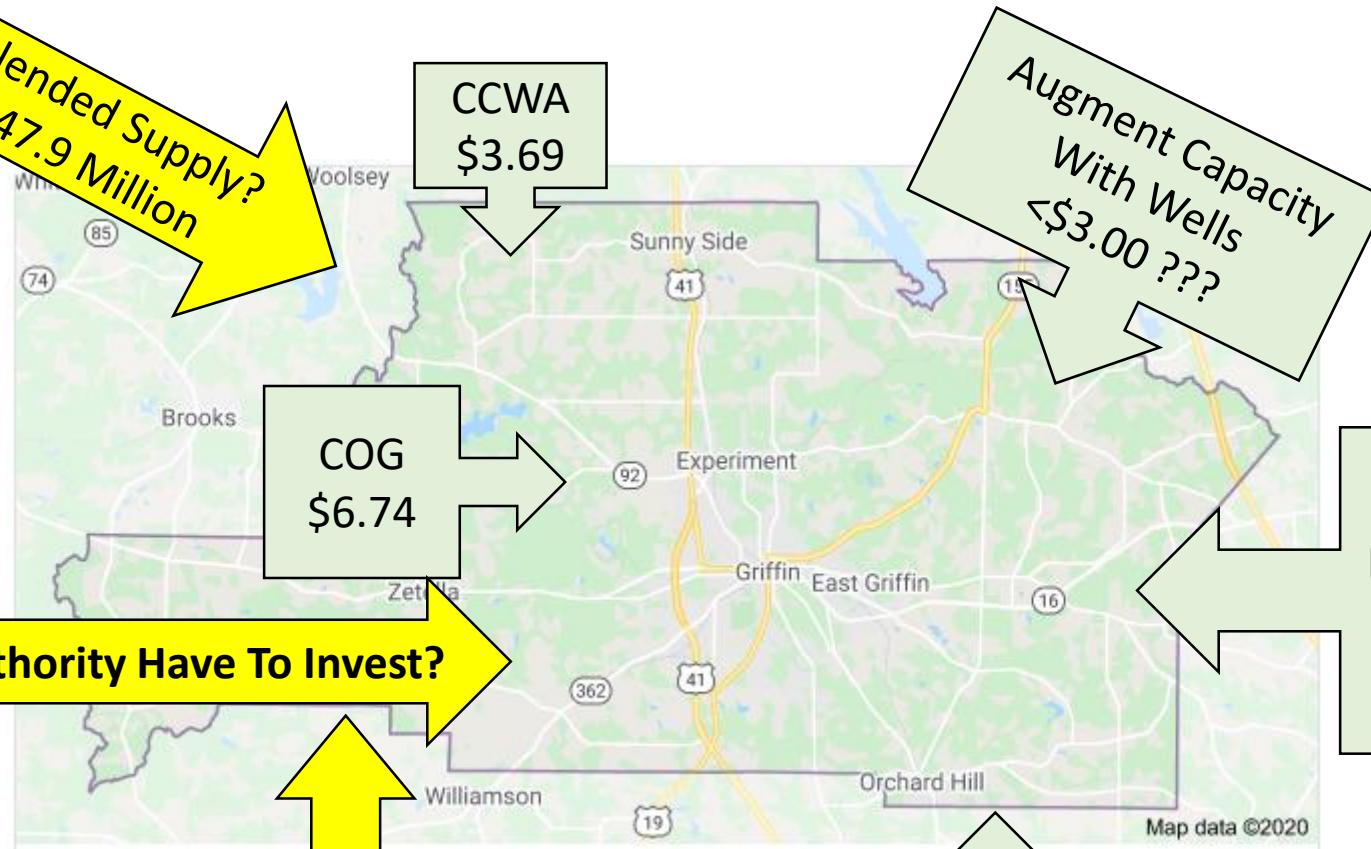
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Cost TBD





Spalding County Water & Sewer Facilities Authority

- What Does The Authority Need To Consider?
 - Do We Want To Continue With A Contract That Proves For No ROI?
 - Do We Want Authority Rate Payers To Subsidize City Taxpayers?
- And What Does The Future Hold For The City Water System?
 - What Is Coweta County's Impact On System Volume?
 - 40.5% Of Current 2020 Volume
 - 50.6% Of Projected 2039 Volume



Spalding County Water & Sewer Facilities Authority

- What Does The Authority Need To Consider?
 - Do We Want To Continue With A Contract That Provides No ROI?
 - Do We Want Authority Rate Payers To Subsidize City Taxpayers?
- And What Does The Future Hold For The City Water System?
 - What Is Coweta County's Impact On System Volume?
 - 40.5% Of Current 2020 Volume
 - 50.6% Of Projected 2039 Volume
 - Why Look At 2039?
 - 2039 Is The Opt-Out Year For Coweta County
 - What Happens To Authority Rates In 2020 If Coweta Opts Out?



Spalding County Water & Sewer Facilities Authority

- What Does The Authority Need To Consider?
 - Do We Want To Continue With A Contract That Provides No ROI?
 - Do We Want Authority Rate Payers To Subsidize City Taxpayers?
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 - 40.5% Of Current 2020 Volume
 - 50.6% Of Projected 2039 Volume
 - Why Look At 2039?
 - 2039 Is The Opt-Out Year For Coweta County
 - What Happens To Authority Rates In 2020 If Coweta Opts Out?
- The Authority Needs Lower Rates & Rate Stability