

## CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road  
Morrow, Georgia 30260

Regular Board Meeting, October 5, 2006

Chairman, Pete McQueen, called the meeting to order at 1:30 p.m.

Present at the meeting were: Chairman, Pete McQueen, Vice Chairman, Lloyd Joiner, Secretary/Treasurer, Marie Barber, Board Members, Wes Greene, John M. Chafin and Doug Bonner. General Manager, M. Wade Brannan, Deputy Manager, Terry R. Hicks, Department Managers, Mike Thomas, Guy Pihera, Herbert Etheridge, Jim Poff and Teresa Adams, Project Engineer, Mike Buffington, Finance Director, Emory McHugh, Customer Accounts Director Morris Kelly and Labeebah Thompson, Contract & Procurement Administrator, Karen Riser, MIS Director, Rodney Crowell, Human Resources Director, Ed Durham, Engineering Services Supervisor, Bruce Taylor, Public Information Officer, Suzanne Brown, and Executive Secretary, Janet Matthews. Also present were: Steve Fincher of Fincher, Denmark & Williams, and Mike Bennett from CH2M Hill, Milford McGuirt and Aleisa Howell of KPMG, and Jay Byce, Redcoat Real Estate, Trace Copeland, The Shrader Land Company, LLC, and Jimmy Halligan, of Hyland Development, Incorporated. CCWA employees present were: Phil Champaign, Carol Lambert, and Azarina Carmical. Board member, John Westervelt, was not present.

Chairman McQueen called on Phil Champaign to give the invocation.

Approval of Minutes: Chairman McQueen called for any omissions or additions to the Regular and Executive Session Board Meeting minutes of Thursday, September 7, 2006.

Chairman McQueen recognized Wade Brannan, General Manager, who stated that last month the Board approved the purchase of a 37,000 LB. Excavator with a seven (7) year warranty. The warranty is actually for five (5) years, so the minutes need to be approved with that change.

Chairman McQueen complimented Mr. Hicks for determining that the warranty was for five (5) years and not the seven (7) years as stated for the 37,000 LB. Excavator. The minutes are approved with this change.

Financial and Statistical Report: Chairman McQueen called on Emory McHugh, Finance Director, to give our financial report. Mr. McHugh stated that before he gives the Board his financial report, he would like to introduce Milford

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McGuirt and Aleisa Howell from KPMG who are going to give the Board a presentation on the audit for this year.

Mr. McGuirt stated that he is pleased to have the opportunity to come before the Board and present the results of the 2006 audit for the Clayton County Water Authority. Mr. McGuirt showed the Board the CAFR which is a culmination of the Finance Section's work, with Wade and Terry also involved. The CAFR has everything you want to know about the financial and operating results of the Authority. It is an important document that is used by the bond rating agencies, bankers, and other entities or constituencies that are interested in the financial operations of the Authority.

Mr. McGuirt discussed an outline of the 2006 audit, what team members were involved in the audit, the professional services provided, and an overview of some of the required communications that the auditors have with the Authority and then talked about the financial statements. Mr. McGuirt explained that Ms. Aleisa Howell will walk the Board through some observations and recommendations and some best practices on internal control items.

Ms. Howell discussed the Management Letter in the KPMG handout as presented to the Board Members and asked if there were any questions from the Board.

Chairman McQueen thanked Mr. McGuirt and Ms. Howell for being here today and then asked Mr. McHugh to give his financial report.

Mr. McHugh reviewed the financial information that was given to the Board for the four-month period ending August 31, 2006.

Mr. Joiner asked whether the Stormwater expenses would be Water Authority expenses or would they be treated as a loan.

Mr. McHugh stated that this would be treated as a loan to the Stormwater Utility. These expenses are being tracked in budget unit 108.

Employee Recognition: Chairman McQueen called on Mike Thomas, Manager of Program Management & Engineering, who recognized Azarina Carmical, Water Resources Engineer, who has been working on our Watershed Management program and helping us to gear up for Stormwater. Azarina has really been a big help

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to Mike on the Stormwater side, writing Standard Operating Procedures among other things, which will put the Authority in a position to be ready to proceed on the first day that we are in charge of the Stormwater operation. Mr. Thomas added that Flood Plain Management will be a big part of the Stormwater program. This deals with flood insurance, flooding problems along with FEMA and State regulations on those issues. Azarina has been through some specialized training, has recently taken a test, and has been certified as a Flood Plain Manager by the Association of State Flood Plain Managers. Mr. Thomas congratulated Azarina for this achievement and the Board gave her a round of applause as Ms. Brown took a photo.

Chairman McQueen thanked Azarina for attaining her Flood Plain Manager status and for all her efforts with the Stormwater program.

Wetlands Festival Presentation: Chairman McQueen called on Guy Pihera, Manager of Water Production, who stated that on August 26<sup>th</sup> the Authority held our seventh annual Wetlands Watershed Festival at the Newman Wetlands Center. This is an event that is designed to provide some environmental education and outdoor fun to the public. Mr. Pihera showed several slides of the various activities during the festival and noted that a popular attraction at this event is the animals such as an alligator and a number of snakes and birds.

Mr. Pihera added that Brenda Lowery, who works at the County Solicitors office and is the mother of Keith Lowery, one of the Plant Operators at the Hooper Plant, was at the festival. She is a/k/a Prissy the Clown and volunteers her time to help us at this event. Also, the proceeds from the food sold benefit the American Cancer Society.

Mr. Pihera stated that the Authority had 564 visitors at the event. Including this year's festival, the Wetlands Center has now exceeded 200,000 visitors since opening in 1995. This is a great public education facility for our customers and the community. The cost to the Authority was minimal as we had some donors, such as CH2M Hill, who contributed towards the expenses. We had over 35 exhibitors and community people who helped out with the event and 27 staff and staff family members who volunteered for the day. Those here in the room today that volunteered at the festival are Teresa Adams, Ed Durham, Bruce Taylor, Azarina Carmical and Suzanne Brown, who was taking photographs and working in the food concession.

Mr. Pihera asked Carol Lambert, our Senior Conservation Specialist, to come forward. Carol has been at the Wetlands Center since it opened and is the key person

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that put this event together. Mr. Pihera wanted to thank Carol for all her efforts in making the Wetlands and Watershed Festival such a success.

Ms. Lambert stated that the Festival has grown each year and is a good event among many good things that are going on at the center. Ms. Lambert thanked all the volunteers and added how much she appreciates the support of the Board, management, and CH2M Hill.

Mr. Brannan added that Ms. Lambert is being modest. She is an excellent employee and does an outstanding job with the Wetlands Center and the programs there.

Ms. Barber stated that she would like to echo what Mr. Brannan has said because she worked closely with Ms. Lambert, when employed with the school system, and she has always done a wonderful job.

Chairman McQueen thanked Ms. Lambert for what she does for the Water Authority.

Chairman McQueen asked Mr. Pihera if we have plenty of water.

Mr. Pihera stated that the reservoirs are nearly full. In September, we were nine percent (9%) less in production than last September mainly because of rainfall we had last month and the dry weather we had last year.

Chairman McQueen asked if the Authority was dropping one of the lakes down.

Mr. Pihera stated that we had lowered Shamrock Reservoir down for a little while to do some work, but it is back up.

Mr. Buffington explained that the contractor working on the Huie constructed wetlands was putting in a box culvert that required the lowering of the lake.

Annual Fencing Contract Recommendation: Chairman McQueen called on Teresa Adams, Manager of General Services, who stated that the Authority advertised our Annual Fence Installation & Repair Bid and received two (2) bids. Ms. Adams added that staff did a comparison, by line item, to determine which company came in as the lowest bid. It was determined that Hatmaker provided the lowest cost per item.

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Staff recommends the fencing contract award go to Hatmaker Fence Company, Incorporated, for the Fence Installation & Repair for one (1) year and that we may extend the contract for year two (2) and three (3) as long as the terms, conditions, and prices do not change. This award is contingent upon approval of bonds and insurance as required by the specifications and also authorizes the General Manager to sign the contract documents.

Clayton County Water Authority  
 Annual Fence Installation & Repair Bid  
 October 2006

**COMPANY:**

**Joyner Fence Inc.**

**Hatmaker Fence Company, Inc.**

#	Description of Fencing	Unit Price (under 50)	Unit Price (51 - 150)	Unit Price (151-500)	Unit Price (under 50)	Unit Price (51 - 150)	Unit Price (151-500)
1	Field Fence, barbed wire, 3-strand (per linear foot)	12.00	10.00	6.00	5.25	3.00	3.00
	Corner Brace (each)	65.00	60.00	50.00	150.00	150.00	150.00
2	Field Fence, barbed wire, 4-strand (per linear foot)	13.00	10.00	6.00	5.50	3.25	3.25
	Corner Brace (each)	65.00	60.00	50.00	150.00	150.00	NB
3	Field Fence, barbed wire, 5-strand (per linear foot)	13.00	10.00	6.00	5.75	3.50	3.50
	Corner Brace (each)	65.00	60.00	50.00	150.0	150.00	150.00
4	Field Fence, "hog wire", 47" (per linear foot)	15.00	13.00	9.00	6.50	5.25	5.25
	Corner Brace (each)	65.00	60.00	50.00	200.00	200.00	200.00
5	Field Fence, "hog wire", 47" with 1-strand of barbed wire along	15.00	13.00	9.00	6.75	5.50	5.50

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	Top (per linear foot)	.10	.10	.10	No bid	No bid	No bid
	Corner Brace (each)	65.00	60.00	50.00	200.00	200.00	200.00
6	Chain link, 4', 11 gauge (per linear foot)	20.00	15.00	10.00	8.95	6.50	6.50
	Terminal post (each)	50.00	40.00	30.00	30.00	30.00	30.00
	Walk gate (each)	80.00	75.00	70.00	100.00	100.00	100.00
	Drive gate (each)	160.00	155.00	150.00	200.00	200.00	200.00
7	Chain link, 6', Schedule 20 (per linear foot)	45.00	35.00	20.00	16.50	13.00	13.00
	Terminal post (each)	135.00	130.00	125.00	70.00	70.00	70.00
	Walk gate (each)	135.00	130.00	125.00	150.00	150.00	150.00
	Drive gate (each)	315.00	305.00	295.00	300.00	300.00	300.00

**COMPANY:****Joyner Fence Inc.****Hatmaker Fence Company, Inc.**

8.	Chain link, 6', Schedule 20, barbed wire (per linear foot)	50.00	40.00	25.00	17.50	13.50	13.50
	Terminal post (each)	145.00	140.00	135.00	85.50	85.00	85.00
	Walk gate (each)	160.00	155.00	150.00	165.00	165.00	165.00
	Drive gate (each)	365.00	355.00	345.00	315.00	315.00	315.00
9.	Chain link, 6', Schedule 40 (per linear foot)	50.00	40.00	25.00	18.00	14.50	14.50
	Terminal post (each)	160.00	155.00	150.00	90.00	90.00	90.00
	Walk gate (each)	185.00	180.00	175.00	170.00	170.00	170.00
	Drive gate (each)	385.00	375.00	365.00	320.00	320.00	320.00
10.	Chain link, 6', Schedule 40, barbed wire (per linear foot)	55.00	45.00	30.00	19.50	15.00	15.00
	Terminal post (each)	160.00	155.00	150.00	95.00	95.00	95.00

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	Walk gate (each)	210.00	205.00	200.00	175.00	175.00	175.00
	Drive gate (each)	410.00	400.00	390.00	325.00	325.00	325.00
11.	Chain link, 8', Schedule 20 (per linear foot)	50.00	40.00	25.00	20.00	17.00	17.00
	Terminal post (each)	210.00	205.00	200.00	85.00	85.00	85.00
	Walk gate (each)	280.00	275.00	270.00	225.00	225.00	225.00
	Drive gate (each)	545.00	535.00	525.00	450.00	450.00	450.00
12.	Chain link, 8', Schedule 20 , barbed wire (per linear foot)	55.00	45.00	30.00	21.50	18.00	18.00
	Terminal post (each)	225.00	220.00	215.00	100.00	100.00	100.00
	Walk gate (each)	280.00	275.00	270.00	250.00	250.00	250.00
	Drive gate (each)	545.00	535.00	525.00	475.00	475.00	475.00

Staff recommends awarding Hatmaker Fence Company, Inc. the fence installation & repair contract for the above bid amounts.

Staff recommends this contract may be extended for Year 2 and Year 3 by mutual consent by both parties, with no changes to terms, conditions, and price.

Funding Source: 2006 Operating Budget

\* Received an incomplete bid from Lindavid Inc. d.b.a. C&C Fence Company. Did not received bids from the following companies: Dixie Fence Company, All Star Fence, Celebrity Fence Co., and T & T Fencing Co.

UPON Motion by John Chafin and seconded by Marie Barber it was unanimously

**RESOLVED:** to award the Annual Fence Installation & Repair contract to Hatmaker Fence Company, Incorporated, for one (1) year with the stipulation that it may be extended for year two (2) and three (3) as long as the terms, conditions, and prices do not change and contingent upon approval of bonds and insurance as required

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by the specifications and to authorize the General Manager to sign the contract documents.

Cargo Van Purchase Recommendation: Ms. Adams stated that the Authority also advertised to purchase one (1) new 2006 High Roof Cargo Van. We only received one bid from Landmark Dodge Chrysler Jeep.

Clayton County Water Authority  
 Purchase (1) New 2006 High Roof Cargo Van  
 October 2006

<b>Vendor</b>	<b>Bid</b>
Landmark Dodge Chrysler Jeep Morrow, Georgia	\$ 34,992 (2006 Sprinter)
Allan Vigil Ford Morrow, GA	No Bid
Baranco Acura Morrow, GA	No Bid
Hennessey Mazda-Pontiac-Buick-GMC Morrow, GA	No Bid
Nissan South Morrow, GA	No Bid
Terry Cullen Southlake Chevrolet Jonesboro, GA	No Bid
Toyota South Morrow, GA	No Bid
Heritage Cadillac / SAAB Morrow, GA	No Bid
Martin Burks Chevrolet Forest Park, GA	No Bid
Southtowne Hyundai-Isuzu-Suzuki Riverdale, GA	No Bid
Mike's Auto Sales Jonesboro, GA	No Bid
Carmax Auto Superstores, Inc. Stockbridge, GA	No Bid
Saturn of Southlake Morrow, GA	No Bid
Willett Honda South Morrow, GA	No Bid



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Staff recommends rejecting the above bid and re-bidding the purchase of one (1) new 2006 high roof cargo van.

Ms. Adams explained that the reason staff is recommending re-bidding this vehicle is that since Dodge is the only manufacturer on the High Roof Cargo Van, we will make sure that a number of Dodge dealers are contacted and asked to bid.

Mr. Pihera stated that our ten (10) year old mobile lab was built on a regular van chassis and had to be converted to a high roof, which has caused some problems. Since the high roof van is manufactured, the staff feels that by bidding a high roof only, there would be no conversion needed.

UPON Motion by Marie Barber and seconded by John Chafin it was unanimously

RESOLVED: to reject the one (1) bid from Landmark Dodge Chrysler Jeep and to re-bid.

Dump Truck Purchase Recommendation: Chairman McQueen called on Herbert Etheridge, Manager of Maintenance & Construction, who stated that this recommendation is to replace a 1998 model tandem dump truck. Staff recommends purchasing one 58,000 pound cab and chassis 2007 Freightliner M2106 from the low bidder, Atlanta Freightliner Truck Sales & Service, in the amount of sixty one thousand four hundred eighty five dollars (\$61,485.00).

Clayton County Water Authority  
 58,000 pound Cab & Chassis  
 September 2006

Vendor	Bid	Make/Model
Atlanta Freightliner Truck Sales & Service Attn: Al Seiler 5884 Frontage Rd. Forest Park, GA. 30297	\$61,485.00	2007 Freightliner M2106
Middle Georgia Freightliner Attn: Wes Hearn 6391 Hawkinsville Rd. Macon, GA. 31206	\$62,014.00	2007 Freightliner M2106

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Peach State Truck Centers 100 Sterling Place McDonough, GA 30253	\$70,885.00	2007 Sterling Acetera
LJL Truck Center 2855 Broadway Macon, GA 31206	\$71,770.00	2007 International 7500 6x4
Bill Heard Chevrolet/International 6301 Veterans Parkway P.O. Box 8888 Columbus, GA 31908	No Bid	
Nalley Motor Trucks 2560 Moreland Avenue Atlanta, GA. 30315	No Bid	
Peach State Truck Center 6535 Crescent Drive Norcross, GA 30091	No Bid	

Recommendation: Staff recommends purchasing one 2007 Freightliner M2106 from the low bidder, Atlanta Freightliner Truck Sales & Service, in the amount of \$61,485.00. This purchase was budgeted at \$72,000.00.

UPON Motion by John Chafin and seconded by Wes Greene it was unanimously

RESOLVED: to accept staff's recommendation to purchase one 58,000 pound cab and chassis 2007 Freightliner M2106 from the low bidder, Atlanta Freightliner Truck Sales & Service, in the amount of sixty-one thousand four hundred eighty-five dollars (\$61,485.00).

Dump Body Recommendation: Mr. Etheridge stated that this item is a Dump Body to mount on the cab and chassis the Board just voted on. The Authority received three (3) bids. Staff recommends purchasing one Heil 13/16 cubic yard dump body from the low bidder, TBEI Heil, in the amount of fourteen thousand eight hundred three dollars (\$14,803.00).

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Clayton County Water Authority  
 Tandem Dump Body  
 September 2006

<b>Vendor</b>	<b>Bid</b>	<b>Make/Model</b>
TBEI Heil Attn: Danny Cancel 500 Lee Industrial Blvd. S.E. Austell, GA 30168	\$14,803.00	Heil
Interstate Truck Equipment, Inc. P.O. Box 87457 Atlanta, GA. 30337	\$21,975.00	Warren
Fontaine Truck Equipment P.O. Box 278 Forest Park, GA. 30298-0278	\$17,816.80	Crysteel
OX Bodies, Inc. 719 Columbus Street East P.O. Box 886 Fayette, AL 35555	No Bid	
Warren Truck Equipment 300 Planters Drive Columbia, SC 29209	No Bid	
Park Built Truck Equipment 2661 US 82 West Sylvester, GA. 31791	No Bid	
Superior Truck and Equipment 66 Arcado Rd. Lilburn, GA. 30047	No Bid	
Ranews Truck Equipment 1308 Highway 41 North Milner, GA. 30257	No Bid	
Smyrna Truck Equipment 2158 Atlanta Road Southeast Smyrna, GA 30080	No Bid	

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Recommendation: Staff recommends purchasing one Heil 13/16 cubic yard dump body from the low bidder, TBEI Heil, in the amount of \$14,803.00. This purchase was budgeted at \$18,000.00.

UPON Motion by Marie Barber and seconded by John Chafin it was unanimously

RESOLVED: to accept staff's recommendation to purchase one Heil 13/16 cubic yard dump body from the low bidder, TBEI Heil, in the amount of fourteen thousand eight hundred three dollars (\$14,803.00).

Truck-Mounted Crane Recommendation: Mr. Etheridge stated that when this Truck-Mounted Crane was budgeted we looked at doing some of this work in house, but we found out that when a crane is mounted on the chassis, it is best to let them do all the body work for warranty reasons. This Truck-Mounted Crane is used by our meter testing and repair section to assist with the testing and repairing of large meters. This consists of the crane, platform body to carry materials on, and an air compressor to run air tools. The air compressor from the vendor was more cost effective than the Authority purchasing separately. Staff recommends that we purchase one (1) New Truck Mounted Articulating Crane, 25 C.F.M. Air Compressor and Platform Body from the low bidder, Fontaine Truck Equipment for the amount of forty-three thousand six hundred eighty dollars and eighty-six cents (\$43,680.86).

Clayton County Water Authority  
 Purchase One (1) New Truck Mounted Articulating Crane,  
 25 C.F.M. Air Compressor and Platform Body  
 October 2006

Vendor	Bid	Model
Interstate Truck Equipment, Inc. College Park, GA	\$51,215.00	Crane - IMT 9/63 Platform - ITE 1196FB Compressor - Speedaire 4LW38
Fontaine Truck Equipment Forest Park, GA	\$43,680.86	Crane - IMT 9/63 Platform - FTEC Compressor - Ingersoll Rand #2475F13GH

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Nichols Fleet Equipment Columbus, GA Lilburn, GA	\$43,775.00	Crane - Palfinger PK-10000A Platform - Nichols HD 13296 Compressor - Champion HGR 13
Ranews Truck Equipment Milner, GA	No Bid	
Smyrna Truck Equipment Smyrna, GA	No Bid	
Superior Truck and Equipment Lilburn, GA	No Bid	

Staff recommends awarding the bid to Fontaine Truck Equipment Co in the amount of \$43,680.86.

2006 Capital Budgeted Amount: \$25,000.00. The remaining \$18,680.86 will be transferred from BU 612.59943 (Drilling/Cutting Equipment) as we expect a budgeted valve insertion tool to come in under budget in an amount sufficient to cover this expenditure.

UPON Motion by John Chafin and seconded by Wes Greene it was unanimously

RESOLVED: to purchase one (1) New Truck Mounted Articulating Crane, 25 C.F.M. Air Compressor and Platform Body from the low bidder, Fontaine Truck Equipment, in the amount of forty-three thousand six hundred eighty dollars and eighty-six cents (\$43,680.86).

Meter Installation Fee Recommendation: Mr. Etheridge stated that occasionally staff looks at our pure costs for meter installations, such as materials and labor, and tries to adjust our rates to break even. The last time we looked at these rates was May of 2005. We are recommending that these Meter Installation Fees be adjusted per the attached schedule effective January 1, 2007.

Clayton County Water Authority  
 Meter Installation Fee Adjustment  
 October 2006

The CCWA has historically attempted to set Meter Installation Fees so that we recover our actual costs for these installations.

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Due to recent increases in costs of materials (copper, brass, etc), we are recommending that Meter Installation Fees be adjusted per the attached schedule effective January 1, 2007. This will permit builders to complete homes that are currently under contract and give them time to adjust pricing on new homes as needed. We will notify builders of this adjustment by mail.

The last time that these fees were adjusted was in May 2005.

**METER INSTALLATION FEE/PROPOSED FEES**  
**Effective January 1, 2007**

	<b>CCWA CURRENT</b>	<b>CCWA PROPOSED</b>
Residential		
Normal 5/8"	\$760.00	\$870.00
Residential		
Prestubbed 5/8"	\$295.00	\$320.00
Non- Residential		
Normal 5/8"	\$825.00	\$940.00
Non- Residential		
Prestubbed 5/8"	\$360.00	\$370.00
Fire Connection- High Use		
Normal 5/8"	\$825.00	\$940.00
Fire Connection- High Use		
Prestubbed 5/8"	\$360.00	\$370.00
Residential		
Normal 3/4"	\$790.00	\$900.00
Residential		
Prestubbed 3/4"	\$330.00	\$350.00
Non- Residential		
Normal 3/4"	\$860.00	\$970.00
Non- Residential		
Prestubbed 3/4"	\$390.00	\$400.00

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Fire Connection- High Use		
Normal 3/4"	\$860.00	\$970.00
Fire Connection- High Use		
Prestubbed 3/4"	\$390.00	\$400.00

**METER INSTALLATION FEE/PROPOSED FEES**  
**Effective January 1, 2007**

	<b>CCWA PROPOSED</b>	<b>CCWA PROPOSED</b>
Residential		
Normal 1"	\$860.00	\$970.00
Residential		
Prestubbed 1"	\$375.00	\$400.00
Non- Residential		
Normal 1"	\$920.00	\$1,040.00
Non- Residential		
Prestubbed 1"	\$435.00	\$470.00
Fire Connection- High Use		
Normal 1"	\$920.00	\$1,040.00
Fire Connection- High Use		
Prestubbed 1"	\$435.00	\$470.00
Residential		
Normal 1 1/2"	\$3,540.00	\$3,920.00
Non- Residential		
Normal 1 1/2"	\$3,540.00	\$3,920.00
Fire Connection- High Use		
Normal 1 1/2"	\$3,715.00	\$4,110.00
Residential		
Normal 2"	\$3,585.00	\$4,210.00
Non- Residential		

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Normal 2"	\$3,585.00	\$4,210.00
Fire Connection- High Use		
Normal 2"	\$3,835.00	\$4,510.00

UPON Motion by Lloyd Joiner and seconded by Marie Barber it was unanimously

RESOLVED: to approve adjusting the Meter Installation Fees per the attached schedule effective January 1, 2007.

Northeast Plant Construction Update: Chairman McQueen called on Mike Buffington, Project Engineer, who gave an informational update on the construction of our Northeast Water Reclamation facility expansion and upgrade project.

NORTHEAST WRF  
 EXPANSION AND UPGRADE PROJECT  
 CONSTRUCTION UPDATE

The Northeast WRF will be upgraded and expanded from the current capacity of 6.0 MGD to a design capacity of 10.0 MGD. The plant is designed for a high degree of treatment for discharge to Panther Creek.

The major treatment processes include new raw waste pump station; preliminary treatment; primary sedimentation; modifications to the aeration basins; secondary clarifiers; flocculation and filtration; UV disinfection; sludge thickening and dewatering; emergency standby generators; and new control building and operator laboratory.

Construction is going extremely well and continues ahead of schedule. Contractor is working throughout the site on all structures. All underground piping and concrete work should be complete late 2006. Current schedule projects final completion late 2007 or early 2008.

Project Managers:

- CH2M Hill, Engineers (Design) – Jim Hawley
- CH2M Hill, Engineers (Construction Manager) – Dave Goddeyne



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- CH2M Hill, Engineers (Resident Engineer) – Chris Cranmer
- Clayton County Water Authority – Mike Buffington

Contract Amount: \$55,633,000

Funding: Series 2005 Bond Issue

Huie Wetlands Phase III Piping Recommendation: Mr. Buffington stated that the Authority has continued with our phased approach to converting the Huie land application site from the spray irrigation system to the constructed wetlands. Phase I and II are complete and in operation. Phase III is under construction. Phase IV is currently under design with Phase V and IV as future projects.

#### HUIE CONSTRUCTED WETLANDS PHASE 3 PIPING RECOMMENDATION

The Huie Constructed Wetlands Phase Three project with a treatment capacity of 3.14 MGD is under construction. Phase One and Phase Two projects with a combined capacity of 6.25 MGD are complete and in operation. Phase Four with a capacity of 8.16 MGD is under design.

The Phase Three project includes flow control buildings with piping, valves and metering to distribute flows to the different wetland cells. It is recommended that additional piping and valves be installed as a part of the Phase Three project for future distribution of flows to the Phase Four site. Installation of this piping now will result in cost savings and ease of construction in the future. The cost of the proposed additional piping, valves, and connections is \$76,406. The overall cost of this project will still be less than the contract amount due to value engineering and unused unit price items. This is not increasing the contract amount, but it is a change in scope so we are asking for the Board's approval to add this pipe to the Phase III construction.

Project Managers:

- CH2M Hill, Engineers Construction Manager – Dave Goddeyne
- Clayton County Water Authority – Mike Buffington

Phase Three Construction Project:

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- General Contractor – Heavy Constructors, Inc.
- Contract Amount – \$5,956,450
- Funding – Series 2005 Bond Issue.

UPON Motion by Wes Greene and seconded by John Chafin it was unanimously

RESOLVED: to approve the cost of the proposed additional piping, valves, and connections for the Huie Constructed Wetlands Phase III project in the amount of seventy-six thousand four hundred six dollars (\$76,406).

Lake Spivey Golf Course Sewer Recommendation: Chairman McQueen called on Mike Thomas, Manager of Maintenance & Construction, who stated that last month staff had brought a recommendation for a sanitary sewer request at the Lake Spivey Golf course. The most practical way to serve that area with sewer was to pump to a nearby gravity line that flows to Reeves Creek Lift Station. The Reeves Creek Lift Station pumps to the Rum Creek Lift Station, which then pumps to the Casey Plant.

Last month the Board asked staff to evaluate the feasibility of this request since we are pumping to two (2) other lift stations before we get to the plant. That could have some additional costs, and we were concerned about the capacities of those existing lift stations. What we have done over the last month is to look at the capacity of the existing lift stations, the expected future flows in those basins, the remaining capacity, and the additional costs of pumping to two other lift stations. Mr. Thomas showed some slides to the Board explaining the process of the analysis that was done.

#### Lake Spivey Golf Course Sewer Request

JB Landcorp requested approval for the installation of a sanitary sewer lift station to serve the proposed development at the Lake Spivey Golf Club on Walt Stephens Road. The Board evaluated this request at the September Board meeting and requested that CCWA staff further evaluate this proposal. The proposed development will consist of approximately 130 residential lots within the golf course and will generate approximately 39,000 gallons of sewerage per day. The lift station force main will discharge into a gravity sewer system that flows to the Reeves Creek Lift Station on Speer Road. Reeves Creek Lift Station pumps to the Rum Creek Lift Station, where it is pumped to a gravity system that flows to the W.B Casey WRF. The existing plant has a capacity of 24.0 MGD and is currently treating 14.0 MGD.

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In general, we discourage situations where a lift station pumps to another lift station to minimize additional power costs and increased chances of sewer overflows. However, some of our larger stations such as Reeves Creek and Rum Creek have the capacity to serve as regional lift stations that can receive flow from other stations.

Mr. Thomas stated that right now, Reeves Creek lift station runs about six (6) hours a day. Our preferred maximum is fourteen (14) hours. Once you start getting above fourteen (14) hours, then expansion or upgrade to the lift station should be considered. Rum Creek station right now, which receives the Reeves Creek flows and other flows in the basin, is running about eight (8) hours. In the long term future, that would be one area where we would have some concerns, in ten or twenty (10 or 20) years from now. This new development, which is adding thirty-nine thousand (39,000) gallons a day, will add about twenty (20) minutes of run time to the lift station.

Staff did look at maintenance costs, power costs, and personnel costs to run those other two (2) lift stations and what the twenty (20) minutes a day adds to those costs. Over a two year period, we project that cost to be about five thousand dollars (\$5,000) per station. The calculated cost of our staff to do this analysis is about fifteen hundred dollars (\$1,500).

This development would generate thirty-nine thousand (39,000) gallons of sewerage per day, one hundred thirty (130) lots, which would generate one hundred ten thousand three hundred seventy dollars (\$110,370) in impact fees on the sewer side.

Staff's recommendation to the Board is that we accept this request contingent on the developer paying all costs to install new the lift station and sewer system according to CCWA specifications plus the following amounts to the Authority: the normal fifty thousand dollar (\$50,000) maintenance fee; additional five thousand dollar (\$5,000) maintenance fee for the two (2) lift stations that we pump into; and our staff costs for the analysis in the amount of fifteen hundred dollars (\$1,500); for a total of sixty-one thousand five hundred dollars (\$61,500).

UPON Motion by Doug Bonner and seconded by Lloyd Joiner it was unanimously

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RESOLVED: to accept staff's recommendation for the installation of a sanitary sewer lift station at Lake Spivey Golf Course, contingent on the fact that the developer, JB Landcorp, will design and install a new lift station for this development according to our current specifications and pay the maintenance fee of sixty-one thousand five hundred dollars (\$61,500).

Casey/Huie Permitting Task Order: Mr. Thomas stated that for the Authority to discharge from a wastewater treatment system the state must issue us a National Pollutant Discharge Elimination System (NPDES) permit. These permits are renewed every five (5) years. The permit for the Huie site will expire November of 2007, so we started thinking about what we need to do to renew that.

Casey/Huie Permitting Support  
CH2M Hill Task Order BO-00-15

The State issues a National Pollutant Discharge Elimination System (NPDES) permits for discharges from wastewater treatment plants that have a 5 year term. The Casey WRF and Huie Wetlands NPDES permit expires in November 2007 so it is time for us to begin the application process for reissuance of the permit. This permit allows CCWA to treat 24 mgd of raw sewage at the Casey WRF and discharge up to 15 mgd of treated wastewater from the Huie wetlands while irrigating the remaining 9 mgd onto the land application site. CH2M Hill and CCWA staff worked together to develop a long-term master plan for the Huie site which recommended the complete conversion of the Huie site from land application to constructed wetlands. This limits the need for additional land and will significantly reduce operational costs in the future.

As a result of the Master Plan recommendations, we will be requesting an increase in our discharge from the wetlands from 15 to 24 mgd. This request requires significant analysis and documentation to insure the State that no significant impact to the environment or local water resources will occur as a result of this increased discharge. We will need to conduct additional analysis for the proposed increase in discharge levels. We will need the assistance of CH2M Hill to conduct this analysis and prepare the documentation required during the permitting process.

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The Task Order will include the following services:

- Develop a water quality model to determine the water quality impacts of the wetlands discharge on downstream waters and to procure a waste load allocation from the State Environmental Protection Division;
- Preparation of an Antidegradation Report – this report compares affordability and benefits of the proposed alternative versus a no discharge alternative;
- Preparation of an Environmental Information Document – this report summarizes any potential environmental impacts associated with the proposed project;
- Preparation of a Design Development Report – this report provides a preliminary engineering analysis of the project and identifies the basic design criteria and assumptions;
- Coordination meetings with Georgia EPD – several coordination meetings with EPD may be required; and
- Public meeting support – A public meeting will be required before the permit is issued.

This process is expected to take at least 12 months to complete. Each of the documents listed above have to be reviewed and approved by EPD before the next document can be submitted.

TASK ORDER BUDGET:	\$59,090
FUNDING SOURCE:	2000 Bond Funds
CH2M HILL PROJECT MANAGER:	Doug Baughman
CCWA PROJECT MANAGER:	Mike Thomas

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### TASK ORDER NO. BO-00-15

This Task Order is an attachment to the Master Services Agreement between CH2M HILL, INC., (“ENGINEER”) and CLAYTON COUNTY WATER AUTHORITY (“OWNER”) for a PROJECT generally described as *Casey/Huie Permitting Support*.

#### Background

The purpose of this Task Order is to provide technical services in support of the revised NPDES Permit for the Casey WRF. The OWNER has proposed to transition the existing effluent disposal for the Casey WRF from partial land application system (LAS) and partial wetlands discharge to full wetlands discharge and closure of the LAS. This will require a revision to the existing NPDES permit for the facility. The PROJECT involves the development of support documentation for the wasteload allocation, and the preparation of the anti-degradation report, environmental information document, and design development report. Specific tasks are described in the following scope of services.

#### ARTICLE 1 — SCOPE OF SERVICES

The scope of services for fiscal year 2006:

- Task 1 – Wasteload Allocation Modeling and Permit Application
- Task 2 – Preparation of the Anti-Degradation Report
- Task 3 – Preparation of the Environmental Information Document
- Task 4 – Preparation of the Design Development Report
- Task 5 – Coordination/Meetings with Georgia Environmental Protection Division (GA EPD)
- Task 6 – Project Management and Reporting

#### Task 1 –Wasteload Allocation Modeling and Permit Application

The ENGINEER will develop a spreadsheet-based watershed nutrient and water balance model for the Lake Blalock watershed to estimate existing and potential future total phosphorus (TP) loadings at the outlet of the lake. Georgia EPD has indicated that nutrient loadings to downstream Lake Jackson are a continued concern and that development of the revised wasteload allocation for the wetland discharge from the Casey WRF will require additional information.

A water balance analysis will be used to estimate existing and potential future flows at the outlet of Lake Blalock. This analysis will be based on existing information on the stage-storage relationship prepared for Lake Blalock and regional hydrologic runoff information for watersheds of a similar size and with similar land use types. Runoff data from these similar watersheds will be used to estimate the volume of water entering from the Lake Blalock watershed during a typical metrological year. Existing

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information on the TP loads entering the lake from the Huie Wetlands site and TP concentrations in the lake from a 2005 water quality assessment will be used with the water balance data to estimate nutrient loads to Lake Blalock. A EUTROMOD spreadsheet model will be developed to estimate future water quality conditions and nutrient levels in the lake. This tool will facilitate development of predictions of future nutrient levels at full operation of the wetland discharge.

The ENGINEER will summarize the results of the water balance analysis, EUTROMOD model, and overall downstream nutrient loading analysis in a technical memorandum.

ENGINEER's Assumptions

No additional field sampling will be required.

Up to one week of a staff engineer's time has been included to address GA EPD requests for additional modeling.

Deliverables

The ENGINEER will submit the following to OWNER:

An electronic copy of the preliminary draft technical memorandum.

A total of 5 hard copies of the draft technical memorandum and an electronic copy of the document (in Word or PDF).

A total of 10 hard copies of the final technical memorandum and an electronic copy of the document and supporting spreadsheets or data files.

Task 2 –Preparation of the Anti-Degradation Report

ENGINEER will develop the anti-degradation report required by GA EPD in association with the NPDES permitting process. This report is typically focused on an economic analysis comparing the costs and "affordability" between an LAS and surface discharge alternative. GA EPD has recognized that this premise does not really apply in this case in which the PROJECT objective is to decommission an existing LAS and convert the effluent disposal alternative to a surface discharge (through the Huie Wetlands). Therefore, the ENGINEER will have to include the traditional economic analysis and then include additional socio-economic factors in the report to document the benefits of the proposed surface discharge. These benefits will include improved water quality and the reuse of highly treated effluent for water supply.

The ENGINEER will prepare the economic analysis using the existing cost data developed for the previous upgrades to the Casey WRF and the Huie Wetlands system. A draft of the report will be submitted to the OWNER in electronic format for review and comment. The ENGINEER will revise the document based on the OWNER's comments and submit the document to the GA EPD staff for review. A total of 5 hard copies of the draft report will be provided along with an electronic version (in Word or PDF) for the OWNER.

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Based on comments from the GA EPD, the ENGINEER will coordinate with the OWNER and revise the draft report for final submittal to GA EPD. A total of 10 copies of the final report will be provided along with an electronic copy of the document and associated files.

#### ENGINEER's Assumptions

Existing cost information for the Casey WRF and Huie Wetlands system will be sufficient to complete the anti-degradation analysis.

#### Deliverables

ENGINEER will submit the following documents:

An electronic copy of the preliminary draft Anti-degradation report

A total of 5 hard copies of the draft Anti-degradation report and an electronic copy of the document (in Word or PDF)

A total of 10 hard copies of the final Anti-degradation report and an electronic copy of the document and associated supporting files.

#### Task 3 – Preparation of the Environmental Information Document

The ENGINEER will prepare an environmental information document (EID) utilizing the original EID materials and related information prepared for the upgrades to the Casey WRF in 2001. Because no new construction will be required at the Casey WRF for the permit request, the potential impacts associated with this project will be limited to the potential water quality effects in Lake Blalock and downstream on Lake Jackson. The modeling development in Task 1 will be used to support the water quality analysis for the EID and the impact evaluations for the modifications to the wetlands system that were previously addressed in a separate EID will be used for the other resource categories.

The ENGINEER will submit a preliminary draft of the EID to the OWNER in electronic format for review and comment. The ENGINEER will revise the document based on the OWNER's comments and submit the EID to the GA EPD staff for review. A total of 5 hard copies of the draft EID will be provided along with an electronic version (in Word or PDF) for the OWNER.

Based on comments from the GA EPD, the ENGINEER will coordinate with the OWNER and revise the draft EID for final submittal to GA EPD. A total of 10 copies of the final EID will be provided along with an electronic copy of the document and associated files.

#### ENGINEER's Assumptions

Existing information on the Casey WRF and Huie Wetlands system construction and operations will be sufficient to support development of the EID. It is assumed that additional engineering or the development of additional drawings will not be required to complete the EID.



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**Deliverables**

ENGINEER will submit the following to the OWNER:

An electronic copy of the preliminary draft EID.

A total of 5 hard copies of the draft EID and an electronic copy of the document (in Word or PDF).

A total of 10 hard copies of the final EID and an electronic copy of the document and associated supporting files.

**Task 4 – Preparation of the Design Development Report**

The ENGINEER will prepare a brief design development report (DDR) utilizing the previous materials prepared for the Casey WRF and Huie Wetlands projects to meet the GA EPD requirements for the NPDES permit. The DDR will summarize the design of the treatment facilities at Casey WRF as well as the phases of the Huie Wetlands system to reach the full capacity for the proposed 24 million gallons per day (mgd) effluent discharge (max month).

The ENGINEER will submit a preliminary draft of the DDR to the OWNER in electronic format for review and comment. The ENGINEER will revise the document based on the OWNER's comments and CCWA will submit the DDR to the GA EPD staff for review. A total of 5 hard copies of the draft DDR will be provided along with an electronic version (in Word or PDF) for the OWNER.

Based on comments from the GA EPD, the ENGINEER will coordinate with the OWNER and revise the draft DDR for final submittal to GA EPD. A total of 10 copies of the final DDR will be provided along with an electronic copy of the document and associated files.

**ENGINEER's Assumptions**

Existing information on the design of the Casey WRF and the Huie Wetlands will be sufficient to develop the revised combined DDR for the WRF and wetlands system.

**Deliverables**

ENGINEER will submit the following to the OWNER:

An electronic copy of the preliminary draft DDR.

A total of 5 hard copies of the draft DDR and an electronic copy of the document (in Word or PDF).

A total of 10 hard copies of the final DDR and an electronic copy of the document and associated supporting files.

**Task 5 – Coordination/Meetings with GA EPD**

The ENGINEER will coordinate with GA EPD during the development of the wasteload allocation model, and the anti-degradation, EID, and DDR reports. A total of up to four meetings will be held with GA EPD staff to review comments on the various submittals. The ENGINEER's project manager will attend these meetings along with one additional scientist or engineer.

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The ENGINEER will provide assistance in development of presentation materials for a public meeting on the proposed project, as required by GA EPD for the EID and DDR. Materials for the meeting will include up to 6 poster boards describing the proposed project.

#### ENGINEER'S Assumptions

Up to four meetings will be adequate to address GA EPD comments.  
 CCWA staff will provide logistical assistance in scheduling the public meeting location and publishing the notice in the Clayton County newspaper.  
 The ENGINEER'S project manager will attend the public meeting.

#### Deliverables

ENGINEER will submit the following to the OWNER:

Meeting minutes from each of the meetings will be prepared to summarize key decisions and action items.

Up to 6 posters describing the proposed project and potential environmental impacts

#### Task 6 – Project Management and Reporting

ENGINEER will use its internal project control system to manage all administrative activities for this PROJECT. The Project Manager will review monthly project control reports of the task activities that have been conducted during the reporting period. Managing the monthly reports will confirm that the work performed is assigned to appropriate tasks, and questions about charges can be clarified. During each monthly reporting period, ENGINEER will provide OWNER a summary of the tasks completed and proposed work scheduled for the next period. Project problems, their solutions, and the milestones will be documented by ENGINEER.

The Project Manager will meet bi-monthly with task leaders to obtain verbal updates on status and to identify problems for inclusion in the monthly status reports. These meetings will be conducted to confirm that tasks are being completed on schedule and that future work is properly planned.

#### Deliverables

Monthly progress reports including activities completed and proposed for the next month.

## ARTICLE 2 — COMPENSATION

Compensation for the Scope of Services outlined in Article 1 shall be in accordance with the terms specified in the Master Service Agreement. Compensation shall be on a Per Diem basis (time and expenses) with a maximum not to exceed amount of **\$59,090** without prior written approval from the OWNER.

## ARTICLE 3 — SCHEDULE

This Task Order is based upon the PROJECT schedule presented in Exhibit 1. This schedule assumes that the wasteload allocation (WLA) approval from GA EPD will

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likely take up to 6 months and that the anti-degradation report would not be submitted until the WLA is received from GA EPD. The ENGINEER will not initiate the DDR and EID reports until the anti-degradation report is approved by GA EPD. The ENGINEER will proceed with the subsequent reports as soon as the WLA request is approved by GA EPD.

**Article 4 — Insurance**

The insurance coverage required for this Task Order is shown on Exhibit A, “Insurance Requirements”, which is attached hereto and made a part of this Agreement.

This Task Order will become part of the referenced AGREEMENT on the effective date when executed by both parties. The effective date is the latest date when this Task Order has been signed, as shown below.

IN WITNESS WHEREOF, the parties execute below:

For OWNER, CLAYTON COUNTY WATER AUTHORITY

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2006

By: \_\_\_\_\_  
Name Title

For ENGINEER, CH2M HILL, INC.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2006

By: \_\_\_\_\_  
Name Title

**EXHIBIT A**

INSURANCE REQUIREMENTS  
TASK ORDER No. BO-00-15  
CASEY/HUIE PERMITTING SUPPORT

**ENGINEER's Insurance**

The ENGINEER will maintain throughout the completion of the above and any subsequent task orders in connection with this project and after completion as required in this Exhibit A.

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(a) Workers' compensation as required by the State (Statutory) where the work is performed and Employers Liability in the amount of one million (\$1,000,000), Each Per Accident, Per Disease Each Employee and Per Disease Policy Limit. ENGINEER shall also indemnify and hold OWNER harmless for any such liability that may attach to OWNER as a "statutory employer" of any of ENGINEER's employees, agents or subcontractors. "An Alternate Employer Endorsement" naming the OWNER as a protected Alternate Employer will be added to the Workers' Compensation policy.

(b) Automobile Liability insurance covering claims for injuries to persons and/or property arising from the use of motor vehicles, including onsite and offsite operations, owned, non-owned or hired vehicles, with \$1,000,000 Combined Single Limit.

(c) Commercial General Liability, Occurrence Form, including Contractual Liability, per Project General Aggregate Limit of Liability, losses caused by explosion, collapse and underground (X, C, U perils). The OWNER is added as an Additional Insured using ISO Form CG 20-10 extended to include Products/Completed Operations, or an equivalent Additional Insured endorsement; either form must be acceptable to the OWNER. The coverage is primary as to the work of the ENGINEER for the OWNER and includes separation of insureds (cross liability). Additional Insured status will be certified to the OWNER for a period of five (5) years following completion of the project. The General Liability shall cover claims for injuries to persons or damage to property arising out of any covered negligent act or omission of ENGINEER or of any of its employees, agents, or subcontractors.

The limits of coverage shall be:

\$ 1,000,000	Per Occurrence
\$ 1,000,000	Personal or Advertising Injury
\$ 1,000,000	Fire Damage
\$ 5,000	Medical Payments
\$ 1,000,000	General Aggregate
\$ 1,000,000	Products/Completed Operations Occurrence and Aggregate

In the alternative, the ENGINEER may substitute a claims made policy in the same amounts and for the same coverages, provided that it has full prior acts coverage and a five (5) year Extended Reporting Period included in the current policy.

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(d) Professional Liability Insurance to include coverage for the OWNER and all Subcontractors, ENGINEER and Design Consultants, with a minimum annual policy limit of \$10,000,000 per claim and in the aggregate. The OWNER may increase the limit requirements where, in the opinion of the OWNER, such increase is desired. The policy shall contain an eight (8) year Extended Reporting Period or the ENGINEER will furnish the OWNER evidence of continuing coverage for that same period of time after completion. The Retroactive date under the policy will predate any work for the OWNER. Sixty (60) days prior written notice of cancellation or non-renewal shall be given to the OWNER in the event of termination or non-renewal. The OWNER may elect to obtain a PROJECT or Owner's policy on a primary or excess basis. The ENGINEER will amend their PRACTICE policy to provide primary or excess coverage to increase the combined limits of coverage. Deductibles included in the policies will be the responsibility of the ENGINEER.

(e) An Umbrella policy, including Excess following form, will be provided with a minimum limit of \$10,000,000 Per Occurrence and Aggregate (Per Project) and will apply over underlying policies for Automobile Liability, Commercial General Liability and Employers Liability. The Umbrella policy limits may be combined with the underlying limits to obtain the total limits required.

(f) The ENGINEER will furnish a Certificate of Insurance to the OWNER for coverages: (a) Workers' Compensation/Employers Liability; (b) Automobile Liability; (c) Commercial General Liability; (d) Professional Liability; and (e) Umbrella Liability. The certificates will include a copy of the endorsement on each policy, which requires written notice to the OWNER in the event, or termination or non-renewal of at least sixty (60) days.

The certificates for the Commercial General Liability will also include a copy of the endorsement naming the OWNER as an Additional Insured, providing primary coverage for Operations and Products/Completed Operations.

Waiver of Subrogation – ENGINEER waives subrogation against OWNER as to Workers' Compensation including Employment Practices Liability, Automobile and Commercial General Liability Policies.

(g) Each and every policy required by this contract shall be with a company that is rated by Best as A- or better. Further, the OWNER shall not be responsible for any deductibles established by such policies.

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TASKS	DAYS																															
	0	10	2	3	4	5	6	7	8	9	1	1	1	1	1	1	1	1	1	1	2	2	2	2	2	2	2	2				
	0	0	0	0	0	0	0	0	0	0	0	1	2	3	4	5	6	7	8	9	0	1	2	3	4	5	6	0				
Task 1 – Wasteload Allocation Modeling and Application	█																															
Task 2 – Anti- degradation Report																			█													
Task 3 – Environmental Information Document																			█													
Task 4 - Design Development Report																			█													
Task 5 – Coordination /Meetings with GA EPD	█		█																				█		█							
Task 6 – Project Management and Reporting	█																															

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Mr. Thomas stated that staff's recommendation is to approve the CH2M Hill Task Order BO-00-15 in the amount of fifty-nine thousand ninety dollars (\$59,090) for the Casey-Huie Permitting Support.

UPON Motion by Marie Barber and seconded by Wes Greene it was unanimously

RESOLVED: to accept staff's recommendation to approve the CH2M Hill Task Order BO-00-15 in the amount of fifty-nine thousand ninety dollars (\$59,090) for the Casey-Huie Permitting Support.

2007 Financial Recommendation: Chairman McQueen called on Wade Brannan, General Manager, who discussed with the Board, as we do almost every October, the status of our financial plan and our water and sewer rates. The Board received a brief synopsis of some of the issues that staff has been looking at internally in regard to our rates and our bond program. Staff's recommendation to the Board is to stay with the five percent (5%) adjustment in our water & sewer rates for the coming year. This rate adjustment would take effect with water used on or after January 1, 2007, but would not be reflected in our customer's bill until February 2007.

#### 2007 Rate Adjustment

CCWA has adopted a "pay as you go" policy for future capital improvement projects. This business model was most recently communicated to our bond holders in the 2005 Bond Program and incorporated into the 2005 Master Plan Update.

Three of the major projects that will require funding from operational revenues are the Huie Wetlands Phase IV grading (\$14,000,000), the Casey Solids Handling Improvements (\$30,000,000+), and the Atlanta Lift Station & Force Main (\$4,500,000). Funds for these projects will need to be accumulated over several years to proceed with these improvements. The Huie Wetlands project and Atlanta Lift Station & Force Main should be initiated in the next 24 months as funds become available. The total estimated funding for these projects is \$18,500,000.

A 5% rate adjustment will generate approximately \$8,000,000 in annual revenue to fund new construction. Not implementing a rate adjustment this year will also have a cumulative effect on funding for capital improvements in future years. On the negative side of this situation, we are also experiencing a higher rate of default in customer accounts which will reduce revenue and increase collection cost. Water Production

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dropped from 10,334.9 million gallons in 2004 to 9980.1 million gallons in 2005 and 2006 is tracking very close to our production in 2005. Customer demand over the last several years indicate any revenue increases for operations or capital improvements will only be provided by rate adjustments, not increased production. These demand characteristics, along with a gradual rise in interest rates, also indicate a slowdown in construction and therefore a reduction in the collection of impact fees.

A reduction in the 5% adjustment policy, as adopted by the Board and communicated in our Bond documents, would significantly handicap our ability to continue the rehabilitation and upgrade of our facilities and to meet regulatory and operational requirements as outlined in the Water Resources Initiative.

Recommendation: Continue 5% Rate Adjustment for 2007.

UPON Motion by Lloyd Joiner and seconded by Marie Barber it was unanimously

RESOLVED: to accept staff's recommendation for a five percent (5%) adjustment in our water & sewer rates to be effective with water used on or after January 1, 2007, and billed beginning with the February 2007 bills.

Chairman McQueen stated that the Board has been trying to keep this a secret, but stated that the Board had voted several months ago to name the Freeman Road Plant after Mr. Hicks. We will proceed with our plans to set a date and erect the new sign for the "Terry R. Hicks Water Production Complex". The Board gave Mr. Hicks a standing ovation.

Mr. Hicks was overcome with emotion and could not speak at that time.

Ms. Barber stated that while she was here at the Authority for invoice signing, one of our Customer Service Reps, Crystal Beale, was having a very hard time with a customer, but handled the situation so well. Ms. Barber called Mr. Brannan and complimented Ms. Beale for the professional way she handled this customer.

UPON Motion by Lloyd Joiner and seconded by Wes Greene it was unanimously

RESOLVED: that the Board adjourn into executive session for land, legal, and personnel issues. The Board reserves the right to return to the open session.

After discussion in Executive Session, the Board returned to open session.

UPON Motion by Marie Barber and seconded by Doug Bonner it was



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RESOLVED: that if the debt to the Authority discussed in Executive Session has not been satisfied in full by the close of business October 16, 2006, the Chairman is hereby instructed to retain Special Counsel recommended by General Counsel to immediately initiate action to recover all amounts due to the Authority.

Chairman McQueen asked if anyone had any questions about the Motion.

Some general discussion ensued.

Chairman McQueen asked if there was any other discussion. Hearing none, the vote was taken.

The vote was taken by show of hands with five (5) voting for the Motion and Mr. Greene abstaining.

UPON Motion by Marie Barber and seconded by John Chafin it was unanimously

RESOLVED: that the Board adjourn into executive session again for land, legal, and personnel issues. The Board reserves the right to return to the open session.

Mr. Brannan stated that repair work needs to be done on some of the Wetlands dam and the cost will be about thirty-five thousand dollars (\$35,000). There is twenty-five thousand dollars (\$25,000) in their budget that they can transfer. Mr. Brannan stated that with the authorization of the Board he will approve the additional ten to eleven thousand dollars (\$10,000 to \$11,000) needed to complete the repair where the rain has washed out some of that dam.

UPON Motion by Wes Greene and seconded by John Chafin it was unanimously

RESOLVED: to approve the additional ten to eleven thousand dollars (\$10,000 to \$11,000) needed to complete the repair where the rain has washed out some of the dam at the Wetlands at Freeman Road.

Mr. Brannan stated that the Correctional Institute called and asked if the Authority had a two (2) acre site for a waste material transfer site. This would be a drop off location and they plan to put several throughout the County. Mr. Brannan told them when they asked that he would check with the Board, but most of the Authority's land is tied up in use with spray fields.

The Board agreed that the Authority did not have any land that would be suitable for what they were asking.

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Mr. Brannan stated that the Authority had set a policy where an account could have two (2) adjustments in a twelve (12) month period of time. Sometimes when a customer has a leak it may bridge over two or three months. Currently our policy allows each of the two adjustments per year to cover a two month period if needed, which could amount to four (4) months being adjusted per year. Staff still recommends two (2) adjustments in a twelve (12) month period, but each adjustment would only cover one billing cycle of approximately thirty (30) days and this would be effective November 1, 2006.

UPON Motion by Marie Barber and seconded by Lloyd Joiner it was

RESOLVED: to approve staff's recommendation of two (2) adjustments in a twelve (12) month period, but each adjustment would only cover one billing cycle of approximately thirty (30) days and this would be effective November 1, 2006.

Mr. Brannan reminded the Board about the WEFTEC conference in Dallas. The Board will meet at 9:15 a.m. on Saturday, October 21<sup>st</sup> in the HQ back parking lot for transportation to the airport.

Upon Motion by Lloyd Joiner and seconded by John Chafin it was unanimously

RESOLVED: that the regular session board meeting be adjourned.

There being no further business to come before the open meeting, the meeting was adjourned.

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Pete McQueen, Chairman

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Walter Marie Barber, Secretary/Treasurer