

CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road
Morrow, Georgia 30260

Regular Board Meeting, March 4, 2004

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, J. Alan Horton, Allan Smith, and John Westervelt. General Manager, M. Wade Brannan, Deputy Manager, Terry R. Hicks, Department Managers, Guy Pihera, Herbert Etheridge, Jim Poff and Teresa Adams, Finance Director, Emory McHugh, Customer Accounts Director, Morris Kelly, Project Manager, Mike Buffington, Contract & Procurement Administrator, Karen Riser, Information Services Supervisor, Rodney Crowell, Network Administrator, Chris Sims, Human Resources Director, Ed Durham, Engineering Services Supervisor, Bruce Taylor, Administrative Secretary, Dianne Hammock, Executive Secretary, Janet Matthews. Also present were: Steve Fincher, Fincher & Hecht, L.L.C., Rick Hirsekorn, of CH2M Hill, Chris Wood, of Jim Wood & Associates Public Relations, Darrell Thomas of Williams-Russell & Johnson, Incorporated, Latia Renfrow and Lonoia Murphy of Khafra Engineering Consultants, Incorporated, customers Lois Hunter and Elizabeth Armstrong, and CCWA employees: Emmanuel Igbokwe, Mike Crabtree, Joe Hinton, and Jeff Smith.

Chairman McQueen, on behalf of the Board of Directors, welcomed everyone to the meeting.

Chairman McQueen called on Emmanuel Igbokwe, a second-shift Class II Operator at the Shoal Creek Plant, to give the invocation.

Chairman McQueen congratulated Ms. Barber on her re-appointment to the Board of Directors for her second five-year term. Chairman McQueen complimented Ms. Barber on the good job she does.

Chairman McQueen introduced the newly appointed member of the Clayton County Water Authority Board of Directors, Mr. Allan R. Smith. Chairman McQueen

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gave some background information on Mr. Smith and welcomed him to the Authority's Board.

Mr. Smith said "thank you" and stated that he appreciated the opportunity to serve on the Board of the Water Authority.

Chairman McQueen stated that Mr. Smith was filling the un-expired term of Robbie Moore and added that Mr. Moore had done a good job and the Board was going to miss him.

Election of Board Officers: Chairman McQueen asked Vice Chairman Joiner to take over the meeting for the election of Chairman of the Board.

Vice Chairman Joiner opened the floor for nominations for Chairman of the Authority's Board of Directors.

Upon Motion by John Westervelt and seconded by Marie Barber it was unanimously

RESOLVED: that Pete McQueen be nominated for Chairman, there being no other nominations, the vote was unanimous to elect Pete McQueen as Chairman of the Clayton County Water Authority Board of Directors.

Chairman McQueen stated how much he appreciates his re-election as Chairman of the Board and added that it is a pleasure to serve. Chairman McQueen stated that he enjoys the Water Authority and added that he did not think that our Commissioners could do a better job in picking Board members as evident by Mr. Smith's appointment. In looking at the Board, Chairman McQueen stated that the Board has expertise in a lot of things now, a lawyer, to check on our attorney. There were chuckles from those in attendance.

Vice Chairman Joiner turned the meeting back over to Chairman McQueen.

Chairman McQueen opened the floor for nominations for Vice Chairman for the Authority's Board of Directors.

Upon Motion by Marie Barber and seconded by Alan Horton it was unanimously

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RESOLVED: that Lloyd Joiner be nominated for Vice Chairman, there being no other nominations, the vote was unanimous to elect Lloyd Joiner as Vice Chairman of the Clayton County Water Authority Board of Directors.

Chairman McQueen opened the floor for nominations for Secretary/Treasurer for the Authority's Board of Directors.

Upon Motion by Alan Horton and seconded by Lloyd Joiner it was unanimously

RESOLVED: that Marie Barber be nominated for Secretary/Treasurer, there being no other nominations, the vote was unanimous to elect Marie Barber as Secretary/Treasurer of the Clayton County Water Authority Board of Directors.

Approval of Minutes: Chairman McQueen called for any omissions or additions to the Regular and Executive Session Board Minutes of February 5, 2004. Hearing none they were approved as mailed.

Financial and Statistical Report: Chairman McQueen called on Emory McHugh, Finance Director, who presented the monthly financial and statistical report. This report was received for information with some discussion from the Board.

Chairman McQueen stated that today the Board has a guest, Lois Baines Hunter, who wanted to address the Board. The Board gave her three to five minutes to speak.

Ms. Hunter thanked the Board for the opportunity to come before them today. Ms. Hunter introduced herself and commended the Board for the low rates that she has enjoyed compared to the rates that her mother and sister have to pay in other counties.

Ms. Hunter stated that she has issues with a water leak in her house and that she has spent twenty-five hundred dollars (\$2,500) trying to find out where the leak was coming from. She brought each bill in and stated that Terry Turner was very good in assisting her in that problem. One of the issues is that she has paid her bill down and she still owes six hundred dollars (\$600). Ms. Hunter added that she is out about twenty-five hundred dollars (\$2,500) or more. Ms. Hunter stated that her account was adjusted with the first repair bill she brought in, but she had a larger bill that she brought in and she could not have another adjustment because she had already received an adjustment. Ms.

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Hunter stated that she did not know the policy and wanted the Authority to hold out doing an adjustment until the entire water problem was resolved.

Chairman McQueen stated to Ms. Hunter that the Board would review and discuss her concern and have Mr. Brannan contact her with their decision.

Employee Recognition: Chairman McQueen called on Guy Pihera, Manager of Water Production, who introduced Jeff Smith, a Class I Operator at Freeman Road. Mr. Pihera stated that Mr. Smith came to the Authority in August 2001 from Thomaston Mills and was a Class II operator at the time. Mr. Pihera commented that Mr. Smith has contributed greatly to the operations at the Freeman Road Plant and congratulated him on passing his Class I certification which has a pass rate ratio of 50%. Mr. Smith received a round of applause.

Mr. Pihera mentioned that the Authority has just received word from Georgia Water and Pollution Control Association (GWPCA) that Freeman Road has once again been selected as the "Plant of the Year" in their size category. Mr. Pihera explained that Jeff and all the other operators are a big part of the Authority being selected for this type of award.

Chairman McQueen stated that the Board appreciates what Jeff has accomplished in passing his Class I certification and also the honor won by the Freeman Road Plant.

Chairman McQueen called on Jim Poff, Manager of Water Reclamation, who stated that he had two to recognize this month. Mr. Poff explained that Cliff Bray was not able to attend today, but may be available to be recognized at the April Board meeting.

Mr. Poff next asked the Board if they remembered Mike Crabtree, who attended the November Board meeting and made a bold statement that he would be back. Mr. Poff reminded the Board that in November Mr. Crabtree had passed his Class II Wastewater Operator examination and recently took his Class I test and passed. Mr. Poff wanted to congratulate Mike and thank him for all his hard work of putting in his time and his effort to pass this test. Mr. Poff added that Mr. Crabtree's hard work would come in handy when they move up to the new Casey site, which would be a whole new ball game with training starting next week. Mr. Crabtree received a round of applause.

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Chairman McQueen, on behalf of the Board, thanked Mr. Crabtree for all his hard work in passing his Class I operator certification.

Employee Service Recognition: Chairman McQueen called on Terry Hicks who asked Mr. Poff to once again give the pass rate for the operator certification so that Allan Smith, the newest Board member, would have a better understanding. Mr. Poff explained that the passing rate for the operator certification is approximately 50 to 55% for the Class III certification, Class II is a difficult test where you have to know laboratory and operation and the pass rate is about 33%, and Class I is a little higher at 40% pass rate.

Mr. Hicks added that all of the CCWA operators on both the water and wastewater sides are certified operators.

Mr. Hicks asked Emmanuel to come back up and be recognized. Mr. Hicks gave some background information on Emmanuel's service with the Authority and added that Emmanuel had also attended Georgia State where he received a degree in Risk Management, which has been helpful because of safety issues that have evolved in water and wastewater. Mr. Hicks told Mr. Igbokwe how much he appreciates what he does for the Authority and congratulated him on his fifteen (15) years of service. The Board gave Mr. Igbokwe a round of applause.

Mr. Hicks next introduced Joe Hinton who has been with the Authority since February 1979, having started at the Northeast Plant, and then went to the Jackson Plant, and in 1988 transferred to the lab. Mr. Hicks added that Mr. Hinton actually did some initial training of Jim Poff, who is now the Manager of that department.

Mr. Hicks added that Mr. Hinton has several licenses, Class III Wastewater, Class II Wastewater, and a lab analyst. Mr. Hicks stated that he cannot speak the chemistry like Joe and Jim can, but they are the ones on the water reclamation side that are constantly looking after and testing the quality of the water that is leaving the plant. Mr. Hicks added that our water and wastewater labs have always been held in high regard with the state. Mr. Hicks thanked Mr. Hinton for his work in the lab all these years and congratulated him on his twenty-five (25) years of service. Mr. Hinton received a round of applause.

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Chairman McQueen thanked and congratulated Emmanuel and Joe for their combined forty years (40) of service, their dedication, and all the good things they do for the Authority.

Health Insurance Recommendation: Chairman McQueen called on Ed Durham, Human Resources Director, who discussed the recommendation for the health insurance. Mr. Durham stated that in looking in years past, the Authority had increases for the last three (3) years of 19.5%, 19%, and about 13%. The Authority has been very pro-active in attempts to reduce the increases. Mr. Durham added that the Authority has done a lot of things such as wellness programs, health fairs, educating employees, and changing co-pays to try to reduce utilization.

With all of that in mind, Mr. Durham stated that the Authority started out this year with a renewal rate of a little over twenty percent (20%) and after negotiating back and forth with Blue Cross/Blue Shield, the Authority was able to negotiate them down to a nine and a half percent (9.5%) renewal rate. Mr. Durham added that the Authority has since had conversation with Mr. Greene and he has given the Authority some insight as to some other things that the Authority might try to do to reduce that quote even further. The Authority has also had conversation with the Senior Underwriter at Blue Cross/Blue Shield and the Authority is pushing for eight percent (8%), but they were not able to get back with the Authority before this Board meeting to give us a response. Mr. Durham added that the eight percent (8%) would be the first single-digit increase in quite some time. Although the Authority is not pleased to have an increase, we are pleased that it is not double digit.

Mr. Durham stated that with the dental insurance there has been some increase, but those premiums are not as high, so it is not as much impact on the Water Authority. Overall, the total increase in the annual premium that the Authority will have to pay is about ten thousand eight hundred dollars (\$10,800), compared to an increase in health insurance of about one hundred sixty-nine thousand dollars (\$169,000).

Chairman McQueen commented that this is just for information today for the Board and the Authority will still be working on these quotes.

Board member, Wes Greene, commented that the lowest renewal that he has seen Blue Cross/Blue Shield give this year is eight percent (8%). Mr. Greene added that the

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nine and a half (9.5%) is outstanding and there could be a good possibility that the Authority could come in at eight or eight and a half percent (8% or 8.5%).

Mr. Brannan, General Manager, stated that since the Authority would have to contact employees, the budget is coming up and other items, would the Board consider authorizing the Authority to proceed with "not higher than nine and a half percent" (9.5%) and the Authority would continue to try to negotiate a lower rate.

Board member, Alan Horton, asked if the nine and a half percent (9.5%) represents the one hundred sixty-nine thousand dollar (\$169,000) increase.

Mr. Brannan answered that is correct.

Board member, John Westervelt, asked if this amount would be the Authority's portion.

Deputy Manager, Terry Hicks, stated that the \$169,000 is just the Authority's portion and that the total is about one hundred ninety-nine thousand dollars (\$199,000).

Mr. Greene asked Mr. Durham what was the percentage of the dental increase.

Mr. Durham responded that the PPO dental increase is sixteen percent (16%) on Blue Cross/Blue Shield and the DHMO did not change at all as far as premiums, but there are a lot of changes as far as the co-pays and cost of various procedures. Mr. Durham added that the Authority is still in conversation trying to get the PPO dental at fifteen percent (15%), but the Authority did have a loss ratio with our PPO dental of ninety-seven percent (97%).

Board member, Alan Horton, asked Mr. Durham what the breakdown of the Authority's participation of the PPO and HMO Blue Cross product.

Mr. Durham stated that ninety percent (90%) are in the HMO and ten percent (10%) are in the PPO.

Mr. Greene asked if the Authority pays one hundred percent (100%) of the PPO.

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Mr. Durham stated that one hundred percent (100%) is paid for the employee only. Mr. Durham added that 289 employees are in the HMO and 35 employees are in the PPO.

Upon Motion by Wes Greene and seconded by Alan Horton it was

RESOLVED: to accept the recommendation of Human Resources to accept the renewal from Blue Cross/Blue Shield not to exceed on the HMO medical of nine point five percent (9.5%) and also to accept the recommendation on the PPO dental and the changes under the DHMO as stated so that they can begin open enrollment by the middle of this month. This motion passed with Vice Chairman, Lloyd Joiner abstaining.

Mr. Greene wanted to commend the Authority's staff in negotiating this situation, which started out at twenty-four percent (24%), which is totally unacceptable, to bringing that down to nine and a half percent (9.5%) was really a great job. This has been going on for the last several months and Mr. Greene stated that staff should be commended for that negotiation. Mr. Greene added that he did not feel that the Authority could stand twenty-four percent (24%) on the current rates, which are pretty stiff right now. Mr. Greene stated that where it hurts the most is on the dependent side, where the employee is paying that portion. Mr. Greene stated that the staff has done a great job.

Mr. Durham stated that a lot of credit goes to Michelle Mirzaiee, who unfortunately could not be here because she is attending a leadership class today. Mr. Durham added that the Health Fair is May 10 this year and invited the Board.

Mr. Horton asked what screenings would be offered at the Health Fair.

Mr. Durham stated that, in the past, the Authority has had cholesterol screenings, blood pressure checks, and last year Michelle was able to get, at no cost, breast exams for women.

Mr. Greene asked if diabetes testing was available at the Health Fair.

Mr. Durham stated that last year the Authority had a doctor from Henry Medical who talked to employees on diabetes and also to employees after having their blood pressure checked. Several employees commented that they had talked to this doctor at the Health Fair more than they had talked to their own doctor. This doctor also went through

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the Health Fair because it was all-inclusive and she had not been able to attend one on her own time.

Mr. Greene asked Mr. Durham if the Authority was online with Blue Cross/Blue Shield.

Mr. Durham stated that the Authority is online with Blue Cross/Blue Shield on most functions, all functions that are available to customers.

Mr. Greene asked if additions and deletions are online and is the Authority getting the claims every month online.

Mr. Durham answered that the Authority is still not receiving monthly claims reports.

Mr. Greene insisted that the Authority continue to request that the Authority obtain monthly online claims.

Chairman McQueen thanked Mr. Greene and Mr. Horton for their input.

Cut Off Policy: Chairman McQueen called on Morris Kelly, Customer Accounts Director, who stated that last month he missed an opportunity to address the reason why our “90-day or older” accounts were so high. Mr. Kelly stated that last month’s “90-day or older” accounts were for the period ending December 31, 2003, which involved the holidays. The holidays have two effects on the Authority, such as the customers tend to spend on Christmas some of what normally would be paid on their water bill plus the holidays cut into the time the Authority’s staff has to get out and contact the customer. Mr. Kelly added that the Board could see the total on the “90-day or older” accounts for this month are down from what they were last month. Mr. Kelly stated that the total on these accounts fluctuate from month to month and overall the Authority is on track with out debt ratio being less than one percent of the Authority’s billing.

Board member, Wes Greene, mentioned to Mr. Kelly that he was the one that brought this up last month because there were eight (8) pages of cutoffs and having been on the Board ten years, had not seen that many before.

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Mr. Kelly stated that the Authority has seen about a fifteen percent (15%) increase in the number of accounts that have gotten to the cutoff stage, which he attributes to the state of the economy.

Mr. Greene stated that it seems some people take advantage of the Authority's generosity and purposely ride it out to the cutoff stage because they feel that the Authority will not cut them off and for those people the Authority should cut them off.

Mr. Greene asked that the Authority staff watch these accounts, particularly commercial accounts, closely, 90 days is very generous and there are people that will ride the Authority's generosity.

Mr. Kelly stated that the staff is constantly working on tightening up the amount of cutoff accounts each month.

Board member, Alan Horton, asked what is the Authority's reconnect fee.

Mr. Kelly stated that the Authority actually calls this a trip fee, which was set up about a year ago by the Board, which is twenty dollars (\$20) for going out and cutting service off and then after the customer comes in and pays, we go out again and reconnect their service which is also twenty dollars (\$20).

Mr. Horton stated that maybe the Authority should have some other disincentive for this type of customer.

Mr. Kelly stated to Mr. Horton that there is a group of people that live on the edge and he believes that no matter what the Authority were to set as a disincentive it would not matter to these customers. Mr. Kelly added that it is back to just staying on top of these accounts.

Mr. Greene stated that the Board needs to readdress this matter and asked Mr. Kelly if the threshold for cutoffs is sixty dollars (\$60). Mr. Kelly added that if an account is under \$60 some people on a "water only" account could go two or three months before they appear on this cutoff report.

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Board member, John Westervelt, stated that he had not been at last months meeting, but asked about the twenty-six thousand dollar account (\$26,000) on the cutoff list.

Mr. Kelly stated that was the commercial account that was mentioned.

Mr. Greene stated that he knew the owner of the motel and the customer had the money, but the customer knew that he could get by with not paying the water bill until the Authority cut his service off.

Mr. Brannan stated that for the mass of seventy thousand customers (70,000) that the Authority is offering goodwill to, most of those are homeowners that respond back to that goodwill. Mr. Brannan added that the Authority has some big accounts like this one that think when it comes right down to it that the Authority will not cut them off, but this customer's water went to a drip right quick.

Mr. Greene stated that the Authority should separate the residential from the commercial, and tighten up on the commercial accounts. Mr. Greene suggested that the Authority does not need any ninety-day period on commercial accounts.

Chairman McQueen called on Guy Pihera, Manager of Water Production, who stated that after five p.m. everyday the calls come to the Freeman Road Plant and the customers that need to be turned back on or are complaining about being cutoff, are calling Jeff Smith, who was recognized earlier today, or his co-workers. Besides operating the plant and the distribution system, Jeff and his co-workers in the evening, handle all these calls.

Mr. Greene stated that he knew that the Authority only had one person to turn accounts back on.

Mr. Kelly commented that the Authority has one employee that works until 9 p.m. and at 5 p.m. his workload is discussed to see if he will need additional help that evening and if he does, then additional manpower is assigned to assist.

Chairman McQueen stated to Mr. Brannan, Mr. Kelly, and Mr. Pihera that if the Board needs to change the policy for cutoffs, then the staff needs to discuss it and let the

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Board know and the Board will certainly change it. Chairman McQueen stated that he does not like to see people abuse the goodwill of the Authority and added that the Authority would work with those that are having a hard time because of the economy.

HQ Generators Task Order: Chairman McQueen called on Teresa Adams, Manager of General Services, who stated that this design task order is for Standby Power Generator Systems at the Main Office Facility. Ms. Adams gave a slide presentation that showed the location of the four new standby power generator systems and stated that this system would ensure that the Authority would experience minimal to no power disruption during any electrical power service outage to the buildings. Ms. Adams added that each generator system would have a diesel generator set in outside, sound attenuated enclosure with sub-base fuel tank, and an automatic transfer switch.

Ms. Adams stated that the design process would include design of construction documents, which would include collecting data, design calculations, schematic and detailed drawings, specifications, and permitting, as well as bid services. Ms. Adams stated that the proposed task order amount is a not-to-exceed seventy-four thousand six hundred fifty-five dollars (\$74,655). After authorization to proceed, the completion schedule is three months. Ms. Adams stated that the funding source would be the R&E Funds.

DESIGN TASK ORDER
MAIN OFFICE FACILITIES
STANDBY POWER GENERATOR SYSTEMS
INSTALLATION OF FOUR NEW POWER GENERATORS

The Main Office Facilities Standby Power Generator Systems project includes the installations of four new power generators.

This project includes design and preparation of construction documents for the installations of four new standby power generator systems for four buildings located at the Main Office Facilities on Battle Creek Road. The four buildings are the Battle Creek Main Office Building, Maintenance and Construction Building A, General Service Warehouse Building B, and Waste Water Management Building C. Each generator system will include a diesel generator set in outside, sound attenuated enclosure with sub-base fuel tank, and an automatic transfer switch.

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The design process will include field visit to Battle Creek Facilities, determining electrical loads at each building, design calculations, permitting, schematic and detailed design, specifications, and bid services.

Project Mangers:
CH2M Hill, Engineer – Kirsten Horton
Clayton County Water Authority – Teresa Adams

Proposed Task Order Amount:
\$ 74,655

Funding:
The project will be funded by R & E Funds.

TASK ORDER RE-03-04

This is an attachment to the AGREEMENT between CH2M HILL (“ENGINEER”) and CLAYTON COUNTY WATER AUTHORITY (“OWNER”), for a project generally described as *Battle Creek Facilities Generator Project*.

ARTICLE 1 — SCOPE OF SERVICES

The scope of services for this Task Order includes:

Construction documents preparation for standby power generator systems for four building located at the OWNER’s facilities on Battle Creek Road. The four buildings are the Battle Creek Main Office Building, Maintenance and Construction Building A, Maintenance Building B, and Waste Water Management Building C. Each generator system will include a diesel generator set in outside, sound attenuated enclosure with sub-base fuel tank, and an automatic transfer switch.

TASK 1 – DESIGN AND CONSTRUCTION DOCUMENT PREPARATION

The ENGINEER will use the information provided by the OWNER in the Southern Company Energy Solution report to complete the design and prepare construction documents for the project. The task includes the following:

- Field visit to Battle Creek Facilities.
- Determine electrical loads at each building.
- Determine method of connecting to each building incoming power.

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- Finalize size of each generator system.
- Develop equipment layout for each generator and building.
- Prepare final construction drawings and specifications.
- Prepare a construction cost estimate.

Work under this Task Order will be conducted in the ENGINEER's Atlanta office. Two workshops will be conducted. Drawings and specifications will be provided to the OWNER's staff for review and comments. All files, drafts and data will be available to the OWNER's staff when requested. The OWNER's staff are requested to participate in any project meetings and in the work as it progresses. All review comments will be resolved to the satisfaction of the owner. A construction cost estimate will be prepared and submitted with the 50% documents.

Task 1 Deliverables

Design Development Deliverables:

1. Draft site plans with generator locations.
2. Electrical One Line Diagrams.
3. Draft building plans showing interface with existing equipment.
4. List of technical specifications to be prepared in the contract documents for all disciplines.
5. Cost Estimate.
6. Design development deliverables will be submitted for review by the OWNER's staff.
7. 3 Copies of the Design Development Deliverables will be submitted to the Owner.

Contract Document Deliverables:

1. 10 copies of the design drawings defining the work for bidding and construction under one construction contract.
2. 10 copies of specifications and procedural documents based on CH2M HILL master documents.

Final documents will be submitted only to CCWA for review. Permitting will be done by the Owner. Documents will be signed and sealed as required by the statutes of the State of Georgia.

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TASK 2 – BID SERVICES

Bid phase services are responding to bidder inquiries, providing written addenda, attending the bid opening and recommending award of the construction contract. Additional bid phase services will require amendment to this task order. Printing of contract documents will be done by the ENGINEER and the costs charged to bidders and suppliers.

ARTICLE 2 — COMPENSATION

Compensation by OWNER to ENGINEER will be as follows:

Work will be performed based on a lump sum fee of \$ 74,655.

Payment will be due to the ENGINEER monthly based on the percentage of the work completed each month. Progress estimates will accompany each monthly invoice for review by the OWNER.

ARTICLE 3 — INSURANCE

The insurance coverage required for this “Task Order” is shown on the attached insurance exhibit B.

SCHEDULE

The ENGINEER will begin work under this task order when authorized by the OWNER. Work under this task order will be completed within 3 months of authorization.

OTHER PROVISIONS

This proposal is based on the following assumptions:

1. The ENGINEER will keep the OWNER apprised of the engineering work and will notify the OWNER of changes to the project affecting compensation terms before additional charges are incurred.
2. Drawings of the existing facilities and site are available from the OWNER for the ENGINEER'S use. Existing drawings will be digitized and used as the base of improvements/renovations of existing facilities. If additional site survey information is needed, it will be provided by the OWNER staff.
3. Review submittals will consist of a 50% design and 90% design.

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4. CH2M HILL master specifications as revised for the OWNER will be used as the basis for all specifications, including General Conditions, Supplemental Conditions, Division 1, and all technical sections in Division 2 through 16.

This Task Order will become part of the referenced AGREEMENT when executed by both parties.

IN WITNESS WHEREOF, the parties execute below:

For OWNER, CLAYTON COUNTY WATER AUTHORITY

Dated this _____ day of _____, 2004

By: _____
Name Title

For ENGINEER, CH2M HILL

Dated this _____ day of _____, 2004

By: _____
Name Title

EXHIBIT A
INSURANCE REQUIREMENTS
TASK ORDER RE-03-04
BATTLE CREEK FACILITIES GENERATOR PROJECT

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.

- (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.

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“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.

(d) Professional liability insurance to include coverage for the Owner and all Subs, Engineers and Design Consultants, with a minimum 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 Retro-active date under the policy will predate any work for the Owner.

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- (e) 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 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 \$25,000,000 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.

Board member, Alan Horton, asked Ms. Adams what the estimated cost to purchase and install the generators would be.

Ms. Adams stated that the total amount would be five hundred thirty thousand dollars (\$530,000) to purchase and install the generators.

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Mr. Horton asked Ms. Adams if the Authority currently has any emergency power backup.

Ms. Adams stated that the Authority does not have any emergency power backup for these buildings at this time.

Mr. Horton questioned why the Authority needs this backup power for all these buildings.

Ms. Adams explained that if there are any electrical power outages on Georgia Power's side and the Authority's systems are down, the automatic transfer switch would switch over to the generator and provide the Authority with backup power and there would not be any disruption of operations.

Mr. Horton asked if it has been a problem for the Authority to not have backup power in the past.

Ms. Adams stated that installing generators is similar to buying insurance, when you need it, it is good to have and when you do not have it, it could result in high costs.

Mr. Brannan stated that all of the Authority's business operations such as computers, maintenance and construction's ability to communicate, service equipment, if the Authority were to be called out on an emergency type situation, the warehouse would need to be in operation and all of that would be down if there was an electrical power outage.

Mr. Horton asked if Georgia Power has only one feed.

Mr. Brannan stated that the Authority looked at Georgia Power's estimate for the Authority and basically the Authority decided to split this cost out to see if on the front end the Authority could do their own design work and then go into the market, purchasing the generators rather than Georgia Power doing the overall job. Mr. Brannan added that this would give the Authority a feel for the relationship with Georgia Power to see if this would be the most economic way to do this or is it better for the Authority to split the design service and bid purchase on the generators. Mr. Brannan added that there is no dual feed for when there is a power outage and all our operations are down.

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Mr. Greene added that the Authority has just been fortunate that nothing has happened in the past and added that it is wise for the Authority to be prepared.

Vice Chairman Joiner added that another major factor is that not too many years ago the Authority was on paper and if the power went out, one could keep on writing, but now if the power goes out the Authority would have problems communicating.

Board member, John Westervelt, stated that this seemed such a big hit for such a small problem even though the funds are in the R&E Fund. Mr. Westervelt stated that for the Authority to go from zero to all four-generator systems is a sizable commitment.

Mr. Brannan stated that the Authority could bid this out and come back for the generator just to keep this building up if the Board wanted to separate that out. Mr. Brannan added that looking at this from an operational standpoint, this building and Mr. Etheridge's building where the shop is, the Authority has to have the ability to maintain equipment, to get crews in and out of here, and service our customers that are going to be in the field, communications is going to be critical for us and the warehouse just supports that operation. Mr. Brannan added that he would not know if this was cost prohibitive until the Authority puts it out in the market to see what kind of cost the Authority would have to pay.

Mr. Greene asked if this was budgeted.

Mr. Brannan stated that it was.

Mr. Joiner stated that the question that the Authority has to ask is if the Authority loses power, can the Authority operate and is it really necessary that the Authority keep on operating and what is affected if the power is out. Mr. Joiner stated that the Authority should not buy these generators if the Authority does not need them.

Mr. Horton asked if the Authority had any UPS equipment for the computers.

Mr. Hicks stated that this equipment is only designed to have an orderly shutdown as soon as the power goes off. It gives the Authority 10 or 15 minutes of time and then it starts to notify the main computers to shutdown. Mr. Hicks stated that this system is to shutdown the system, not to run any length of time.

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Chairman McQueen stated that this is something that management feels that the Authority needs.

Mr. Brannan stated that hopefully the Authority could bid this out and the bid would come back cheaper than the Authority thinks it will be. Mr. Brannan stated that he hates not being able to support our operations in an emergency situation.

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

RESOLVED: to approve the staff's recommendation of the expenditure of not to exceed seventy-four thousand six hundred fifty-five dollars (\$74,655) for the Design Task Order for the Standby Power Generator Systems for the Main Office Facilities.

Belt Filter Press Rebuild Recommendation: Chairman McQueen called on Jim Poff, Manager of Water Reclamation, who gave a slide presentation showing both the Andritz Belt Filter Presses at the Casey Plant in our pelletizing operation. Mr. Poff stated that these presses were new in 1988, purchased for about a quarter of a million dollars. Mr. Poff stated that one press is in serious need of being rebuilt and the Authority put the job out for bid with four different companies and received two bids. Mr. Poff stated that staff recommends the low bid from the Ashbrook Corporation for a total of one hundred nineteen thousand dollars (\$119,000). This item was budgeted and will be paid for from the fourth quarter FY 2003 operating budget.

RECOMMENDATION
 Clayton County Water Authority
 Modification and Repairs Andritz Belt Press
 March 2004

Andritz Ruthner 1010 Commercial Blvd. S. Arlington, Texas 76017	\$134,500.00
Ashbrook Corporation 11600 East Hardy Houston, Texas 77093-1098	\$119,000.00
Columbia Machine Works, Inc. P.O. Box 1018 Columbia, Tennessee 38402-1018	No Bid
Johnson Environmental Services P.O. Box 3572 Humble, TX 77347	No Bid

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The modification and repairs to the Andritz Belt Press shall be a turnkey project consisting of disassembling, reconditioning, refurbishing, and reassembling of Belt Filter Presses (BFP) to original factory condition. All labor, to perform factory modifications and repairs, shall be authorized OEM factory trained personnel. Only original manufacturer's equipment will be used. The contractor shall furnish all labor, parts, shipping, handling, arranging, scheduling and equipment re-commissioning services to accomplish this task.

CCWA staff recommends accepting the low bid from Ashbrook Corporation for \$119,000. Funds from the fourth quarter FY 2003 operating budget will pay for this budgeted item.

Mr. Poff added that the poor condition of the press affects production and as the Authority moves into the new Casey Plant the Authority will be talking about a different kind of solids handling. Mr. Poff stated that the Authority will have primary clarifiers, which is settling before going to the aeration basin with a totally different kind of sludge and possibly a different quantity, which will not be known until the system is put into operation.

Board member, John Westervelt, asked Mr. Poff if the Authority will continue to handle solids the same way in the future or are there new things coming up on the horizon.

Mr. Poff stated that the Authority has a bid in the paper now for solids handling at the Shoal Creek Plant and the Authority is actually looking at a newer technology, which is a centrifuge. Mr. Poff explained that the Authority went through an extensive design process with CH2M Hill and decided to go with centrifuge in the new locations.

Mike Buffington, Project Engineer, stated that under the next ten year master plan the Authority will be looking at the solids handling at the Casey Plant, that is not to say that we will be getting away from pelletizing, but the Authority will look at different ways of handling, by going to digestion at the new plant and possibly new ways of handling the solids, but that would be at least ten years down the road before that can be an option.

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

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RESOLVED: that the Board approve the low bid in the amount of one hundred nineteen thousand dollars (\$119,000) for Modification and Repairs of the Andritz Belt Press from the Ashbrook Corporation. This would be funded by the fourth quarter FY 2003 operating budget.

Electronic Engineering Survey Instrument: Chairman McQueen called on Bruce Taylor, Engineering Services Supervisor, who stated that the Electronic Engineering Survey Instrument is the core piece of equipment for our survey crews which is used to survey all of the Authority's assets, water lines, and sewer lines. Mr. Taylor stated that the instrument that is being considered has the potential to increase productivity by up to twenty-five percent (25%) per both of our crews. Mr. Taylor stated that one of the added features is that it will allow the Authority to remotely shoot in traffic areas, such as standing on the side of the road and shoot the road center line without having to get in harms way and also allows the Authority to shoot our larger structures, such as water towers.

Mr. Taylor stated that the staff looked at three bids and recommends the purchase of the Trimble 5603 DR2004 Electronic Engineering Survey Instrument from Advance Precision Products for a total bid price of twenty-five thousand two hundred dollars (\$25,200).

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Clayton County Water Authority
 Tab Sheet
 Electronic Engineering Survey Instrument
 February 2004

T.J. Coleman & Company Attn: John Kearney 4015 Canton Road, N.E. Marietta, GA 30060	No Bid
Navigation Electronics, Inc. Attn: Kelly Guidry 7094 Peachtree Industrial Blvd. Norcross, GA 30071	No Bid
Allen Precision Equipment Attn: Robert Williams, Sales Representative 1550 Boggs Road Duluth, GA 30096	\$30,445.00 Topcon GPT -8003A
Advance Precision Products Attn: Bob Stribling, Survey Sales Associate 530 Interchange Drive Atlanta, GA 30336	\$25,200.00 Trimble 5603 DR2004
Earl Dudley Associates, Inc. Attn: Royce Bain, Systems Associate 6140 Northbelt Parkway, Suite E Atlanta, GA 30071	\$30,995.00 Leica TCRA Plus w/Allegra Data Collector
Navigation Electronics, Inc. Attn: Kelly Guidry 200 Toledo Drive LaFayette, LA 70506	No Bid

The Electronic Survey Instrument will be used to survey Clayton County Water Authority's infrastructure and properties including water lines, sewer lines, force mains, valves, property lines, and buildings. This advanced instrument has the capability to increase the productivity of our survey crews by up to 25%. It will also increase safety by allowing our survey crew to "shoot" survey points remotely, which is vital for elevated structures and high-automobile traffic areas.

CCWA staff recommends that we accept the low bid from Advance Precision Products for the total price of \$25,200.00 for the Trimble 5603 DR2004 Electronic

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Engineering Survey Instrument Package. Funding for this equipment is currently available in the operating budget.

Upon Motion by Alan Horton and seconded by John Westervelt it was unanimously

RESOLVED: that the Board approve the low bid from Advance Precision Products in the amount of twenty-five thousand two hundred dollars (\$25,200) for the Electronic Engineering Survey Instrument.

Mr. Taylor added that this instrument is a robotic instrument that allows the Authority to increase our productivity on one crew by fifty percent (50%) or overall productivity by twenty-five percent (25%). Mr. Taylor stated that the instrument will actually follow the person with the pole as he is going around and hitting points, so it is a considerable time-saver for the Authority.

Mr. Hicks commented to Mr. Westervelt that he would see in the budget process that the Authority has eliminated one position out of that section.

Portable CCTV Inspection System Recommendation: Chairman McQueen called on Herbert Etheridge, Manager of Maintenance & Construction, who stated that two and a half years ago the Board was good enough to purchase a closed circuit televising unit to televise our sewer lines. Since this is a road or street type vehicle, Mr. Etheridge stated that the Authority is not able to televise our sewer lines out in the woods, along riverbanks, or at stream crossings. Mr. Etheridge explained that is probably where forty percent (40%) or fifty percent (50%) of the Authority's sewer lines are located and also about where seventy percent (70%) of our problems are with our sewer lines, such as leaks caused by a high water table, or instead of the sewer line being in the middle of the street, it is out on the stream bank with tree roots.

Mr. Etheridge explained that the Authority advertised and sent bid packages to six vendors and only received two bids back on this Portable CCTV unit. Mr. Etheridge added that the low bid is from the manufacturer, Ques, Incorporated, and this is the recommendation of the staff to purchase this televising equipment for a price of fifty-six thousand eight hundred ninety dollars (\$56,890).

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6-Wheel Utility Vehicle Recommendation: Mr. Etheridge stated that the Authority thought we could get a better price if the Authority split the purchase of the 6-wheel drive utility vehicle and the Portable CCTV unit. The Authority bid the 6-Wheel Utility Vehicle separately and received three bids. The low bid was Metro Cycles of Lithia Springs, Georgia, with a bid of ten thousand eight hundred ninety-two dollars (\$10,892) for a 2004 Polaris Ranger 6x6, RS50AA.

Mr. Etheridge stated that this equipment is budgeted in the FY 2003 budget in the amount of sixty-five thousand dollars. The total cost of the Portable CCTV unit and the 2004 Polaris Ranger 6x6, RS50AA Utility Vehicle is sixty-seven thousand seven hundred eighty-two dollars (\$67,782) or two thousand seven hundred eighty-two dollars (\$2,782) over budget due to the upgrade of the transporter for the CCTV unit and the inclusion of a winch on the ATV. Mr. Etheridge added that the additional funds are available in the FY 2003 budget.

Clayton County Water Authority
 RECOMMENDATION FOR
 One New Portable CCTV Inspection System
 March 2004

STM Equipment Attn: Gary Renfro 2554 Gravel Drive Fort Worth, TX 76118	No Bid
QUES Attn: Kevin Jordan 3600 Rio Vista Ave. Orlando, FL. 32805	Ques Inspector General \$56,890.00
Foster Group Sales 3630-A Burnette Park Drive NW Suwannee, GA. 30024	No Bid
Frontier Equipment Attn: Clark Kerr P.O. Box 850114 Yukon, Oklahoma 73085-0114	Ques Com Pkg. w/Steer able \$65,898.00
Municipal Equipment Sales P.O. Box 1233 208 Bell Place Woodstock, GA 30188	No Bid
Kinloch Equipment & Supply Attn: Todd Kinloch 205 North Richey Pasadena, Texas 77056	No Bid

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It is recommended that the Authority accept the low bid from QUES, Inc. for the Ques Inspector General Portable CCTV Inspection System for \$56,890.00. This purchase will be funded through the revenue fund and was budgeted in the FY 2003 Budget.

The budgeted amount for the CCTV unit and the 6 WD ATV was \$65,0000.00. The total bid for the 2 items was \$67,782.00 (\$2,782.00 over budget). The overage was due to the upgrade of the transporter for the CCTV unit and the inclusion of a winch on the ATV. The additional funds are available in the FY 2003 budget.

RECOMENDATION
 Clayton County Water Authority
 One New 6 Wheel/6 Wheel Drive All Terrain Utility Vehicle
 FEBRUARY 24, 2004 @ 2:00 P.M.

POLARIS AMERICA OF ATLANTA INC 1423 DOGWOOD DRIVE SW CONYERS, GA 30012	\$11,520.00 2004 Polaris Ranger 6x6, RS50AA
METRO CYCLES 631 THORNTON RD LITHIA SPRINGS, GA 30122	\$10,892.00 2004 Polaris Ranger 6x6, RS50AA
POLARIS OF ATLANTA INC. 945 BUFORD DR LAWRENCEVILLE, GA 30043	\$11,370.00 2004 Polaris Ranger 6x6
POLARIS VICTORY OF CUMMING 594 VETERANS MEMORIAL BLVD CUMMING, GA 30040	No Bid
POLARIS OF ATHENS 1271 MALCOM BRIDGE RD BOGART, GA 30622	No Bid
GAINESVILLE MOTOR SPORTS 2750 BROWNS BRIDGE RD GAINESVILLE, GA 30504	No Bid
INTERNATIONAL CITY CYCLES 125 N DAVIS DR WARNER ROBINS, GA 31093	No Bid
ROCKDALE TRACTOR 1180 HWY 138 CONYERS, GA. 30013	No Bid
PARKWAY LAWN & GARDEN 1809 FOREST PARKWAY LAKE CITY, GA. 30260	No Bid

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It is recommended that the Authority accept the low bid from Metro Cycles for the Polaris RS50AA Ranger All Terrain Utility Vehicle for \$10,892.00. This purchase is being funded through the revenue fund and was budgeted in the FY 2003 Budget.

The budgeted amount for the CCTV unit and the 6 WD ATV was \$65,000.00. The total bid for the 2 items was \$67,782.00 (\$2,782.00 over budget). The overage was due to the upgrade of the transporter for the CCTV unit and the inclusion of a winch on the ATV. The additional funds are available in the FY 2003 budget.

Upon Motion by John Westervelt and seconded by Marie Barber it was unanimously

RESOLVED: to approve the low bid of the Ques Inspector General Portable CCTV Inspection System in the amount of fifty-six thousand eight hundred ninety dollars (\$56,890) and the low bid from Metro Cycles for the 2004 Polaris Ranger 6x6, RS50AA 6-Wheel Drive All Terrain Utility Vehicle in the amount of ten thousand eight hundred ninety-two dollars (\$10,892).

Jackson Force Main Task Order Recommendation: Chairman McQueen called on Mike Buffington, Project Manager, who gave a slide presentation showing the existing Jackson Plant and stated that as part of the new W. B. Casey Water Reclamation Facility the Authority is constructing a new transfer pump station at the Jackson site at Thomas Road and Highway 54. This pump station will pump the combined treated effluent to the Huie holding ponds. Mr. Buffington stated that in order for the new pump station to operate at the peak capacity of 40 MGD, the Authority is proposing a design task order for the design and preparation of construction documents for the replacement of approximately 2,600 linear feet of the existing 36-inch concrete force main with 42-inch ductile iron pipe. The proposed task order is in the amount of eighty-five thousand dollars (\$85,000). Mr. Buffington added that the Series 2001 Bond Issue would fund this project.

Mr. Buffington stated that the staff's recommendation is that the Board accept this Task Order for the Jackson Transfer Pump Station Force Main Improvements in the amount of eighty-five thousand dollars (\$85,000).

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DESIGN TASK ORDER
JACKSON TRANSFER PUMP STATION
FORCE MAIN IMPROVEMENTS

The W. B. Casey WRF project includes a new Jackson Transfer Pump Station to pump treated effluent to the Huie holding ponds for further treatment on the land application system and constructed wetlands. The new W. B. Casey WRF has a design capacity of 24 MGD, and the peak pumping capacity of the new Jackson Transfer Pump Station is 40 MGD. The current capacity of the existing 36-inch force main from the transfer pump station to the Huie holding ponds is approximately 35 MGD without exceeding the design pressure of the pipe and without improvements to the force main. During storm events, peak flows greater than 35 MGD will overflow to the Flint River.

This project includes design and preparation of construction documents for the replacement of approximately 2,600 linear feet of the existing 36-inch concrete force main with 42-inch ductile iron pipe. This will allow the new pump station to operate at the peak capacity of 40 MGD. The design process will include site survey, subsurface geotechnical investigation, permitting, schematic and detailed design, and bid services.

Project Managers:

CH2M Hill, Engineers – Terry Moy
Clayton County Water Authority – Mike Buffington

Proposed Task Order Amount:

\$ 85,000

Funding:

The project will be funded by the Series 2001 Bond Issue.

TASK ORDER BO-01-14

This attachment is to the AGREEMENT between CH2M HILL, INC., (“ENGINEER”), and CLAYTON COUNTY WATER AUTHORITY (“OWNER”), for a PROJECT generally described as *Design of Jackson Pump Station Forcemain Improvements*.

ARTICLE 1 — SCOPE OF SERVICES

PROJECT DESCRIPTION

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The proposed project consists of the design and preparation of construction documents for wastewater conveyance system improvements which generally include the replacement of approximately 2600 linear feet of 36-inch concrete pipeline with 42-inch pipeline along a route between the existing pump station to a point at the intersection of GA Hwy 54 and Mundy Mill Road.

ENGINEER agrees to furnish OWNER the following services:

Project Phases Provided by the ENGINEER

Preliminary Engineering

Design Development

Preparation of Construction Contract Documents

Bidding Assistance Services

TASK 1 – PRELIMINARY ENGINEERING (30% DESIGN)

The following sub-task activities will be provided:

Project Kickoff Meeting

Review project team organization, delivery schedule and identify points of contact

Review OWNER standards, specifications and preferences relevant to delivering the work (GADOT jack & bore requirements, materials of construction, standard details/requirements, etc.)

Confirm regulatory coordination and permitting support needs

Field Surveys

Field surveys will be needed to support the routing evaluation and contract document production. Additional survey work will be provided to prepare temporary construction easements. The work to be completed will include:

Prepare and manage a subcontract for pipeline route surveys including utility notification and location.

Prepare base plan and profile drawings for the pipelines showing existing utilities, planometrics and appurtenances.

Provide horizontal and vertical control for planned geotechnical work.

Prepare temporary construction easements to support the contract documents.

Geotechnical Investigations

Geotechnical investigations will be needed to support the routing evaluation and design of the Flint River and GA Hwy 54 crossings and confirm the ground conditions for the pipeline route. The work to be provided will include:

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Prepare and manage a subcontract for geotechnical investigations.
Complete field investigations and report on subsurface conditions along the pipeline route.

Hydraulic Design Review

The proposed improvements are based on Technical Memoranda prepared by ENGINEER:

W.B. Casey WRF – Plant Effluent Hydraulic Analysis, dated April 12, 2001, and Huie Wetlands Effect on New Jackson Pump Station dated February 27, 2002 (updated February 27, 2002).

It is understood that some changes subsequent to the transmittal of these memoranda may impact the proposed hydraulics of the system. This subtask activity has been provided to confirm and update our understanding of current and planned hydraulic conditions.

Environmental Permitting Assistance

The proposed pipeline alignment will include crossings of the Flint River and GA Hwy 54. From prior work it is understood that wetlands may also be impacted. This subtask will include a one day site survey in conjunction with the pipeline routing alternatives evaluation to develop a recommendation for the project approach. This work also includes the review of existing information prepared under other work to supplement preparation of a U.S. Army Corps of Engineers 404 – Pre-construction Notification (PCN) (to be prepared with Contract Documents).

Preliminary Design

The objective of the preliminary design effort is to develop a construction approach and horizontal alignment for the proposed pipeline. Defining the construction approach will include evaluating alternatives for crossing the Flint River and Hwy 54 using open cut and/or combinations of trenchless technologies (in single or multiple drive applications) to minimize environmental impacts and permitting issues. A conceptual level construction cost estimate will be prepared and submitted to OWNER to support the recommended approach. This work will be coordinated with the results of wetlands delineations and environmental permitting requirements, geotechnical findings and field survey results.

Deliverables for Task 1 will include:

Project Kickoff meeting minutes

Electronic and paper copies of the route/utility surveys

Easement Descriptions (to be prepared with the 90% design deliverable)

Geotechnical Report

Hydraulic Design Summary

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USACE 404/Pre-construction Notification (to be prepared with the 90% design deliverable)

Recommended construction approach and horizontal alignment
 Conceptual level construction cost estimate

TASK 2 – DESIGN DEVELOPMENT (60% DESIGN)

Following the completion of Task 1 and OWNER approval of the recommended construction approach and horizontal alignment, ENGINEER will proceed with the preparation of construction plans. Based on our current understanding of the work, the preliminary list of drawings is presented in Table 1.

Table 1 – Preliminary Drawing List

Sht	Title
1	Cover Sheet and Index of Drawings
2	Key Plan and Abbreviations
3	Legend and General Notes
4	Plan & Profile - 1
5	Plan & Profile – 2
6	Plan & Profile – 3
7	Standard Details - 1
8	Standard Details – 2
9	Standard Details – 1
10	Connection Details
11	Erosion and Sediment Control Plan - 1
12	Erosion and Sediment Control Plan – 2
13	Erosion and Sediment Control Plan – 3
14	Erosion and Sediment Control Details

The 60% Design deliverable will include the development of the plan and profile drawings and preliminary details. Erosion and Sediment Control and planned GA DOT permit drawings and Specifications will not be included. Task 2 will be completed with a design review meeting with OWNER.

TASK 3 – CONTRACT DOCUMENT PREPARATION (90% DESIGN)

Task 3 will result in the preparation of Contract Documents which will include complete development of all drawings, specifications, GA DOT permit drawings, Erosion and Sediment Control drawings, USACE 404 Pre-construction Notification and temporary easement descriptions. Following OWNER's review and approval of the 90% deliverable, ENGINEER will prepare Bid Documents.

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TASK 4 – BIDDING SERVICES

Bid phase services are based on standard services provided to the OWNER by the ENGINEER for other projects and includes preparation of an advertisement for bids, answering bidder inquiries, providing written clarifications and addenda as required, attending bid opening and recommending award of the construction contract to OWNER.

ARTICLE 2 — COMPENSATION

Compensation by OWNER to ENGINEER will be as follows:

Work will be performed based on a lump sum fee of \$85,000.

Payment will be due to the ENGINEER based on an assessment of current project status based by the CCWA program manager that work is progressing as planned. This determination will be made at monthly meetings and additionally as requested by the OWNER.

ARTICLE 3 — SCHEDULE

ENGINEER will begin this scope of work as soon as authorized by the OWNER and will transmit deliverables as follows:

Task 1 - Preliminary Engineering - within 4 weeks or completion of surveys and geotechnical work.

Task 2 – Design Development – within 4 weeks after CCWA approval of 30% design deliverable.

Task 3 – Contract Document Preparation – Within 2 weeks after CCWA approval of 60% design deliverable.

Task 4 – Bidding Services – To be provided at the direction of CCWA.

ARTICLE 4 — INSURANCE

The insurance coverage required for this “Task Order” is shown on the attached insurance exhibit A.

OTHER PROVISIONS

The following provisions shall apply to this Task Order:

The design work on this project will be completed in 2004.

The construction documents will be prepared for a single construction contract.

It is assumed that the pipeline route will parallel the previously permitted 30-inch pipeline and that earlier work can be reused, which will allow for permitting with a USACE Pre-construction Notification (PCN) for a nationwide permit (NWP) 12. If the route differs and additional permitting assistance is required, additional fees for these

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services will be negotiated based on the definition of the work required. The environmental permitting effort proposed assumes that no mitigation will be required for this project.

Hydraulic reviews will be limited to a not to exceed effort of 2 person-days to review existing modeling and implement minor revisions to confirm pipe hydraulics. No additional surge/transient analyses are included in this work.

The drawings will follow CH2M HILL CAE/CAD standards. 3D models will be created with MicroStation and MicroStation's engineering configuration products or equal. CH2M HILL master specifications will be used as the basis for all specifications, including General Conditions, Supplemental Conditions, Division 1, and all technical sections in Divisions 2 through 16. General Conditions will be furnished by the OWNER.

5 copies of 11 X 17 drawings will be provided for each internal review by the OWNER. The final construction contract deliverables will consist of 5 copies of 11 X 17 drawings, 3 copies of full size drawings and 8 copies of 8½ X 11 legal and technical specifications for OWNER'S use. An additional 7 signed and sealed copies of 11X17 drawings and technical specifications will be also provided to OWNER for submission to the Georgia EPD. One electronic copy of the final design drawings will be provided to OWNER in an AutoCAD format.

This Task Order will become part of the referenced AGREEMENT when executed by both parties.

IN WITNESS WHEREOF, the parties execute below:

For the OWNER, CLAYTON COUNTY WATER AUTHORITY

Dated the _____ day of _____, 2004

By

Name

Title

For the ENGINEER, CH2M HILL,

Dated this _____ day of _____, 2004

By

Name

Title

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EXHIBIT A
INSURANCE REQUIREMENTS
TASK ORDER BO-01-14

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.

(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:

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\$ 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.

(d) Professional liability insurance to include coverage for the Owner and all Subs, Engineers and Design Consultants, with a minimum 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 Retro-active 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 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 \$25,000,000 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.

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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.

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

RESOLVED: that the Board approves the recommendation of staff to accept the Proposed Task Order for the Jackson Transfer Pump Station Force Main Improvements in the amount of eighty-five thousand dollars (\$85,000).

Property & Casualty Insurance Update: Chairman McQueen called on Terry Hicks, Deputy Manager, who gave the Board an informational update on the Authority's Property & Casualty Insurance. Mr. Hicks stated that the Authority is still in the process of getting proposals for the Property & Casualty insurance. The Board actually appointed an agent to go out and get multiple quotes on each of the types of property and casualty insurance. Mr. Hicks stated that there is property coverage along with various kinds of casualty, such as general liability, auto liability, public officials, umbrella and workers compensation stop loss. Mr. Hicks stated that the Authority is self-insured for workers compensation, currently up to three hundred thousand dollars (\$300,000). The Authority is looking at that minimum, which may go up on us this year, and also looking at the public officials insurance, and travel accident insurance.

Mr. Hicks stated that the Authority has some early numbers back in, mostly on the casualty side, from mainly the existing carriers (St. Paul), because they understand our business, and they have been writing it for several years. Mr. Hicks stated that Chubb does the property coverage, including boiler machinery. Mr. Hicks stated that the premium for this past year, or the year that we are in right now, is about six hundred six thousand dollars (\$606,000). Since 9/11, this has probably a little over doubled, because

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water and sewer is considered an area where folks feel like they could get to if they needed to.

Mr. Hicks added that our new Board member, Allan Smith, would understand the area of workers comp, where the Authority has seen an increase. Historically, when the Authority would fill out forms for workers comp, we basically gave them the number of employees in certain categories and their salary projections and that was it. Now, the Authority fills out how many employees are in each building, how many employees are on each shift in each building, and what their salaries are, because they want to know concentration in areas now, because of what happened on 9/11. Mr. Hicks stated that it is a lot more sophisticated process that the Authority goes through now. Early numbers, coming back in, show that for this year the number could be around six hundred seventy-five thousand dollars (\$675,000), could be some more or some less according to how the process comes along. Mr. Hicks stated that actually the Authority is seeing a little under ten percent (10%) right now for the total program. Mr. Hicks added that the highest percentage is in the workers comp right now. These are just initial quotes and the Authority has feelers out for other quotes. Mr. Hicks stated that somewhere in that range should be the max that it should be this year. This will be effective May 1, 2004.

Mr. Hicks stated that the Board just heard Mr. Buffington mention the Casey Plant coming online. Three million (\$3M) of the fifty-five million dollar (\$55M) bid was for demolition of the old plant. The Authority is going to add fifty-two million (\$52M) more on in property and the Authority is going to get rid of somewhere on the order of sixteen million (\$16M) out of the two existing plants that the Authority is getting rid of, plus the UV is just coming under our insurance and that is another seven million dollars (\$7M). Mr. Hicks stated that that nets, all said and done, probably an additional forty-two million (\$42M) dollars worth of property coverage that will come on around June.

Currently, the Authority is somewhere in the hundred sixty million (\$160M) to hundred seventy million (\$170M) property coverage range now. The Authority expects anywhere from fifty (\$50,000) to seventy-five thousand (\$75,000) additional premium within that first quarter of next year, as soon as the Authority notifies them. Mr. Hicks stated that hopefully the numbers that the Board hears next month will be better numbers and the Board will approve the program.

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On a unit rate, the property sets their units per hundred dollars worth of value in various categories. Mr. Hicks added that the one quote that the Authority received, which is the current carrier, has agreed to a four percent (4%) decrease in the unit rate. Even with that, the Authority is getting additional exposure. Mr. Hicks wanted the Board to be aware of where the Authority is in this process and what the numbers are that the Authority is seeing. Like the health coverage, this is the first year since '01 that we hope and think that we will be running in the single digit percent increase. Mr. Hicks explained that in that first year, the Authority had a difficult time finding someone to write coverage, because they just did not want to touch water and sewer, so we were very limited. Mr. Hicks stated that even though we were limited, we still were able to keep some of the real big name players in the pool with us versus having to get insurance by somebody we just do not know anything about.

Mr. Hicks stated that in talking earlier about generators, the Authority has been real fortunate. The Authority has been fortunate in not having much down time in any of our facilities, but ten years ago in July we had the flood of '94 and the Authority was down about two days. The Authority had roughly a quarter of a million dollars in losses which was nothing compared to Macon and down stream. The insurance carriers jumped right in where they should have, because they were good quality carriers, and not only paid for property losses, but we carried a business interruption policy and we actually got some money out of that even though we just delayed our billing process, but we figured that we lost because we had to buy some water. Mr. Hicks wanted to bring the Board up to date on the Property & Casualty Insurance with this information.

Mr. Hicks added that the Authority has put more than this amount in the budget because Mr. Hicks wanted to make sure that the Board gets some good numbers for this coverage.

Board member, Wes Greene, asked what amount is listed in the budget.

Mr. Hicks replied one million dollars (\$1M) is in the budget.

Chairman McQueen stated that Mr. Hicks wanted to bring this before the Board for informational purposes and if anyone had any questions to let Mr. Hicks know because he is still working on this.

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Mr. Hicks wanted to recognize one other person that is sitting on the back row, Karen Riser. As Mr. Durham has recognized Michelle, Mr. Hicks wanted to state that Ms. Riser is the backbone to all of this. Ms. Riser is in the daily, constant contact, prodding the agent to get with the vendor, to get the information to us. Ms. Riser has just been a tremendous help over the last several years. Mr. Hicks added that Ms. Riser jumped into this insurance just about when it went haywire. Mr. Hicks wanted to thank Ms. Riser for the extraordinary amount of work that she does on the insurance issues.

Chairman McQueen, on behalf of the Board, thanked Ms. Riser for all her hard work in gathering this information pertaining to insurance.

The Landings @ Mundy's Mill Lift Station Request: Chairman McQueen called on Wade Brannan who explained to the Board that the Authority has a request for a residential development with about 118 lots off Brown Road. Mr. Brannan gave a slide presentation showing the location of Brown Elementary at the corner of Poston Road and Brown Road where the request is for installation of a sanitary sewer lift station to serve the proposed development known as The Landings at Mundy's Mill. This lift station will pump to a lift station on Brown Road which pumps into Casey. Mr. Brannan stated that the pump station on Brown Road could accommodate the additional capacity that this development will put on it. Currently the Brown Road pump station is pumping an average of eleven to thirteen hours a day. Mr. Brannan added that the developer would have to pay for all the costs of the lift station, all the costs of the generator, all of the costs of the SCADA system, and put up a fifty thousand dollar (\$50,000) cash bond to install the lift station and proceed with this development. Mr. Brannan stated that the developer has met every requirement that any other developer has to meet and so the Authority brings this to the Board for their consideration.

Board member, Wes Greene, asked if this lift station request is at no cost to the Authority.

Mr. Brannan stated that this is correct.

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M E M O R A N D U M

To: Wade Brannan
CC: CCWA Board of Directors
From: Keith Watkins
Date: February 27, 2004
Re: The Landings at Mundy's Mill Lift Station

Avalanche Development is requesting approval for the installation of a sanitary sewer lift station to serve the proposed development known as The Landings at Mundy's Mill. This development will consist of 118 single-family residential lots on Brown Road south of Poston Road. The lift station force main will discharge into a gravity sewer system that flows to the Brown Road Lift Station. The existing station is currently pumping an average of eleven to thirteen hours a day. The additional flows will add approximately three hours of pumping time to the Brown Road lift station.

The developer is aware of the CCWA requirement for the \$50,000 maintenance fee and specifications required on the lift station.

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

RESOLVED: that the Board approves the request for the installation of a sanitary sewer lift station for the proposed development known as The Landings at Mundy's Mill at no cost to the Authority.

Construction Policy Recommendation: Chairman McQueen asked Mr. Brannan to continue with the Construction Policy Recommendation. Mr. Brannan stated that last month the staff talked to the Board about our construction policy and some of the issues that could have some liability exposure for the Authority. In the past, with the approval of the Board, the Authority has entered into an agreement to participate on some projects

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where the Authority felt that it was in our best interest and our customers' to expand our sewer system. When the Authority agreed to expand the sewer system and the Authority participated, some developers assumed that they would manage or oversee the job and the Authority was participating at a percentage.

After conferring with legal counsel, Steve Fincher, of Fincher & Hecht, it was determined that clarification was needed in our policy of participating in sewer system expansion. Mr. Brannan explained that the developer will have to do the engineering to our specifications; they will have to put their percentage of money up front before the Authority allows the project to go forward, when a bid is approved by the Board for improvement, then the Authority will oversee the job as it progresses. If the job comes in under the bid amount, the Authority will refund a portion of the amount that the project was under to the developers and if the Authority reaches the limit of the money that the developer has provided the Authority, the Authority will stop until the developer puts the rest of the money up. Mr. Brannan added that this is just good business for the Authority and limits our exposure. The Authority is insured that the contractor is doing the work, has plenty of insurance, and the Authority knows the integrity of the bidding process. Mr. Brannan stated that the staff brings this to the Board with the revised policy that our attorney has prepared.

Steve Fincher, legal counsel for the Authority, stated that the Board will probably recognize the policy as it is ninety percent (90%) of what the policy was, but the prior policy language did not count on the Authority participating in the lift stations from time to time, which the Authority may or may not do in the future. Mr. Fincher stated that the language was changed a little bit to incorporate the ability to participate in the lift station installation, but made it clear that the Authority would really install the project.

Policy for CCWA Participation in Expansion of System Improvements at the Request of Private Owners of Property

From time to time, the Clayton County Water Authority (CCWA) is approached by private holders and developers of property with a request that the CCWA commit to a financial contribution to a project to expand its water distribution and/or sewer collection facilities.

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In order to provide the standard under which the CCWA will evaluate and respond to such requests, the Board hereby adopts the following findings and review standards:

FINDINGS

The CCWA is charged by State Law with the right, power and authority to operate, build and maintain a waterworks and sanitary sewer system, together with the right to acquire lands and construct these facilities, including projects embracing sources of water supply and related facilities.

The CCWA is charged by State Law with the right, power and authority to exercise police powers over the entire water and sewer system and shall have the right and authority to make rules and regulations governing the construction, operation and maintenance of the system, as well as extensions and connections with any water main or sewer line within or without the limits of the Clayton County.

Nothing in State Law requires the CCWA to furnish service to any consumer if in the discretion of the CCWA it is not deemed feasible or desirable to do so.

As a general policy rule, the expansion of the distribution and collection facilities within Clayton County are to be favored, when the long term effects of such expansion can be reasonably projected to increase the overall public health, safety and welfare of Clayton County.

As a general policy rule, those seeking the expansion of the distribution and collection facilities within Clayton County to serve a proposed development on specific property should take full responsibility for the costs of such expansion.

From time to time, the costs of expansion of the distribution and collection facilities within Clayton County to serve a proposed development on specific property, because of the scope of the project, are of such a magnitude that the development of the specific site is not economically feasible.

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From time to time, the costs of expansion of the distribution and collection facilities within Clayton County to serve a proposed development on specific property, because of the scope of the project, are of such a magnitude that the improvement will, once installed, allow for the future expansion of service to properties other than the specific development.

In such circumstances, very often the facilities to be expanded or extended to serve the specific development can be utilized by others to open for development currently underutilized property.

In such circumstances, the expansion or extensions of the facilities can be in the best long-term interest of the CCWA, and the interests of the developer and the interest of the CCWA result in an opportunity to provide service at a reduced expense to the ratepayers.

POLICY

As a general rule, the expansion of system improvements at the request of and for the immediate benefit of private owners of property must be done at the expense of the private owners.

However, the CCWA recognizes that there may be instances where private expansion provides opportunities for the further economical expansion of the systems by the CCWA to serve other surrounding properties.

Any person desiring the CCWA to consider participation in a system improvement project shall file an application with the General Manager containing the following items:

1. The name, address and telephone number of the person(s) making the application and his or her relationship to the Persons in Interest;
2. A list of all Persons in Interest, which for the purposes of this policy means all owners of, any person with a contractual interest in, or any person known to the applicant as the intended developer of, property intended to be directly benefited by the system improvement;
3. A description of the proposed improvement sufficient to allow the CCWA to adequately consider the request;

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4. A statement of the level of participation requested by the applicant(s);
5. The applicants' analysis of the request based on the stated policy contained herein; and
6. The Application shall be submitted in writing and the information contained therein must be verified by the sworn statement of the applicant.

Under normal circumstances, if the proposed expansion crosses over other lands that will or could benefit from the expansion in the foreseeable future, financial participation from the owners of such land should be sought before approaching the CCWA. If the applicant(s) have sought participation, and have not been successful in acquiring voluntary financial participation, the CCWA will assist in contacting the other directly interested and affected owners and seeking their financial or in kind participation in the cost of the proposed expansion. In making a judgment regarding the CCWA participation in the financial costs of the system expansion, the number of potential beneficiaries that agree to assist in the costs of the improvement shall be relevant and important criteria.

If the CCWA does participate in the costs of system improvements pursuant to this policy, and there are other property owners who do or will benefit from the expansion, but refuse to participate financially at the time of the installation of the project in a equitably proportionate amount to their benefit, the CCWA may refuse service to such property owners unless and until they pay their proportionate share of the expense of the system improvements, in addition to any impact fees that may otherwise apply to the development.

Under normal circumstances, the CCWA will assist in the acquisition of easements or rights of way for water or sewer facilities, provided that it is demonstrated that:

1. The most reasonably available and least obtrusive route has been selected;
2. The Private Owner(s) have demonstrated that he has attempted to acquire the right of way through reasonable negotiation, and has offered a fair price for a voluntary transaction; and

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3. The Private Owner(s) have deposited with the CCWA an amount sufficient to cover all expenses associated with the acquisition, including actual right of way expenses, appraiser and attorney fees, and other miscellaneous expenses. If, at any time the amount tendered is deemed to be insufficient to cover such expenses, the Private Owner(s) must, within five (5) working days of written notice from the CCWA, tender such additional sums as deemed appropriate by the CCWA. Likewise, if, after completion of the acquisition, any funds previously deposited remain after all expenses have been paid, the balance shall be rebated, pro rata, to all contributing parties.

The Board will consider, after review and upon recommendation from the General Manager, requests for financial participation in the Expansion of System Improvements at the Request of Private Owners of Property.

If requested by a Private Owner(s), the CCWA may participate in the financial expense of a System Expansion, under the following standards:

1. All such decisions will be at the sole discretion of the Board of the CCWA.
2. All members of the Board will be provided a copy of the applicant's list of Persons in Interest prior to any vote taken on this issue
3. The General Manager must make a recommendation to the CCWA that:
 - A) The proposed System Expansion will provide an expansion of the system that provides a benefit to the County and the CCWA by making service available to areas not currently served; or
 - B) The proposed System Expansion will result in an improvement to the CCWA systems, by, for instance, allowing the immediate or long term removal of lift stations from the system, or allowing the removal of obsolete systems, or allowing a beneficial looping of service, or other like improvements, so as to provide a benefit to the County and the CCWA separate from the benefit that may be enjoyed by the Private Owner; and
 - C) The proposed System Expansion will provide an expansion of the system that does not provide a benefit solely to the Private Owner.

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If the General Manager makes a recommendation to participate in a proposed System Expansion, he must also make a recommendation to the Board of the appropriate financial commitment to be made by the CCWA. The General Manager's recommendation should be based on the following considerations:

- A). The relationship of the benefit to the Private Owner(s) to the benefit to the public, the System, Clayton County, the regional water and sewer delivery and collection systems, and the long term goals of the CCWA;
- B). The opportunities of the CCWA to acquire new customers for water and/or sewer services which would add to the revenue base of the CCWA;
- C). The likelihood that the System Expansion will increase economic development in Clayton County;
- D). The CCWA shall not participate financially in system expansion for the sole benefit of a Private Owner; and
- E). The financial participation of all property owners potentially directly benefited from the system improvement.

If the Board approves participation in the project, the CCWA will install the system improvement. The CCWA may expand the scope of the system improvement, but any increased cost of the expansion of the system improvement beyond that necessary to serve the original applicant will not be charged to the original applicant. In addition, work on the project shall not commence until the Private Owner(s) shall have deposited with the CCWA an amount sufficient to cover his agreed share of all expenses associated with the system improvement, including engineer fees, labor and material costs and all other miscellaneous expenses. If, at any time the amount tendered is deemed to be insufficient to cover such expenses, the Private Owner(s) must, within five (5) working days of written notice from the CCWA, tender such additional sums as deemed appropriate by the CCWA. Likewise, if, after completion of the system improvement, any funds previously deposited remain after all expenses have been paid, the balance shall be rebated, pro rata, to all contributing parties.

Vice Chairman, Lloyd Joiner, stated that this policy is well written and describes what the Authority has tried to do all along.

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

RESOLVED: that the Board approves the revised policy as presented on the Authority's participation in Expansion of System Improvements at the Request of Private Owners of Property.

2004/2005 Budget Discussion: Mr. Brannan stated that Emory McHugh and his staff are feverishly working to get the Board a budget document for their review. Mr. McHugh should finish his work some time next week. Mr. Brannan added that Mr. McHugh is trying to simplify everyone's ability to interpret the budget document and monitor it during the year as we go forward, separating the bond issues away from our operating money. That way the Authority can track that money and see where it is flowing through the budget a lot easier. Mr. Brannan stated that Mr. McHugh is doing some other things as well and he is doing a real good job and Mr. Brannan stated how much he appreciates all the work that Mr. McHugh and his staff are putting in on that document. Mr. Brannan stated that after the staff gets the Board the budget document, prior to the meeting whether it is on March 22nd or whatever day the Board chooses, management will be glad to sit down with the Board members to go through the document to answer any questions prior to us getting to that meeting.

The board in the past has wanted to meet for half a day to go over that document and ask any questions they may have of the staff, so the Authority's proposal, based on our timeline, is for a Called Meeting, Monday, March 22nd, at the Smith CUB at 8:30 a. m. and start the meeting at 8:45 a. m. to discuss the proposed budget. Mr. Brannan stated that after the meeting, the Authority would have a van available so that the Board can tour some of our construction sites if they would like to.

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

RESOLVED: that the Board adjourns into executive session for land, legal, or personnel. The Board reserved the right to return to the open session.

Chairman McQueen called the regular Board meeting back into open session.

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Board member, Wes Greene, ask Mr. Fincher for any new information on the house explosion.

Mr. Fincher stated that he had not heard anything at all since our last meeting.

Mr. Hicks stated that the insurance company has come to some agreement on that issue.

Mr. Fincher added that the insurance company paid on this.

Mr. Brannan stated that one thing he would like to add is that the location law that was in effect when we had the accident in August 2000, is now being amended through legislation in the House that is going to require the Authority to locate sewer taps up to the right-of-way even if that goes beyond where our facilities stop. In other words, Mr. Brannan stated that the Authority has a sewer main, the tap comes off, there is a distance between the end of our tap out to the right-of-way line and this legislation would require the Authority, if the legislation gets passed, to locate where the plumber comes in and ties into our service line out to the right-of-way. Mr. Brannan has made a trip to the Capital and has made numerous calls to voice aggressively our disagreement with this legislation. Mr. Brannan stated that the Authority does not want to locate something that is not ours, we do not inspect it, we do not own it, we do not maintain it and we do not have anything to do with it. If the contractor needs that information, then he ought to pay to locate it, but it should not be incumbent on us to spend the money to have to locate something that we do not own. Mr. Brannan added that this locating can be done, but you would have to have manpower, equipment, and other things that would roll back into our customers monthly bills.

Mr. Greene asked who wrote that bill.

Mr. Brannan stated that it really is the Public Service Commission and the gas company is involved in it. Mr. Brannan talked with Senator Starr and ACCG trying to come up with wording that would ensure that the Authority does not have to locate something that the Authority does not own. If that bill goes through, it will cost the Authority some money.

Mr. Greene asked that if the bill passes could it include the ability to charge the contractor.

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Mr. Brannan added that the Authority is continuing to work on this.

Chairman McQueen asked Mr. Brannan to address the issue that Ms. Lois Baines Hunter brought before the Board today.

Mr. Brannan stated that the current policy is that when a customer has a leak, the Authority will do an adjustment for the customer, which the Authority did for Ms. Hunter in the amount of approximately \$300. Ms. Hunter came back again two months later with another problem and had another total adjustment for about \$700. Since the Authority's policy is that the customer can only receive one adjustment in a twelve-month period, the Authority offered to take the \$300 off the \$700 and give Ms. Hunter the second adjustment of \$400. Ms. Hunter wanted the Authority to give her the total \$700 in addition to the \$300 she had already received.

Mr. Hicks reminded the Board that any of these credits that the Authority gives are write-offs and the Board heard Mr. Kelly state that the Authority is a little bit under 1% on a yearly basis on write-offs with our current policy. Mr. Hicks added that anything that gets any more generous would increase these write-offs.

Board member, Wes Greene, stated that if a person has multiple breaks and multiple issues, such as a pipe to break, in one month and brings us a bill, and then another issue, and it breaks, and they come back with another bill, Mr. Greene stated that if it is a separate incident the Authority may need to take a look at this. Mr. Greene asked Mr. Brannan what he thought of this.

Mr. Brannan stated that as a staff either way will work, but the policy is such that the Authority only allows one adjustment per customer per twelve-month period of time. If the Board wants to change that policy to give the customer additional amounts in that same twelve-month period, we can do it as a staff.

Mr. Greene stated that if there are totally separate incidents in a twelve-month period, it might be a wise thing to let that be at senior management's discretion when there are different infractions.

Chairman McQueen and Ms. Barber asked how often does this happen.

Mr. Hicks answered that it happens fairly often.

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Mr. Horton was a little concerned about leaving it at the discretion of senior management and felt that would put management in a bad position. Mr. Horton stated that the Board should set policy one way or another.

Mr. Greene asked what if the Board set policy where the customer could have one adjustment every six months. Mr. Greene added that a lot of the system was getting older and there could be a need for more adjustments.

Ms. Barber asked how much the Authority pays out in a year.

Mr. Brannan stated six hundred fifty thousand dollars (\$650,000) was what the Authority is losing a year. The last couple of years it has been at six hundred fifty thousand dollars (\$650,000) and he does not anticipate this figure going down.

Mr. Horton asked Mr. Brannan if other water systems provide any contribution.

Chairman McQueen asked Mr. Brannan to look at Henry County and Fayette County for comparisons of their adjustment policies with the policies of the Authority.

Vice Chairman Joiner asked the Board to put it in terms of provider and consumer and anything that the Board agrees to verbally or just in a sentence is somewhat contradictory. Everything that gets to and through that water meter, the Authority is responsible for. When it leaves that water meter, the homeowner is responsible. The Authority is not responsible for how well the homeowner maintains their property. If the homeowner has a small leak, or a pipe that is substandard or old lead pipes that are about to rust out, and the customer fixes one piece and it should be three pieces, the Authority is not responsible for their property. Mr. Joiner stated that if the Board makes a decision, then the Board is responsible as a Board. Mr. Joiner stated that the bottom line is to let management review these policies and come back and make a recommendation to the Board.

Mr. Greene stated that on the cutoffs, his focus was on the great big commercial bills. Mr. Greene added that the Authority is the only deal in town. Mr. Greene does not want to see a senior citizen with a thirty-dollar bill having their service turned off. The Authority can afford to work with these customers, but on the twenty-six thousand dollar bill the Authority needs to deal with these accounts.

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Chairman McQueen stated that Mr. Brannan would check with Henry and Fayette Counties and then bring this information back if not on the 22nd, then at the next Board meeting.

Mr. Westervelt asked what the Authority's cutoff policy is.

Mr. Hicks stated that there is a period of twenty days after the date of the bill when a ten percent penalty is added to the bill. About the thirty-third day this account will hit a cutoff list, but again there is a sixty-dollar threshold. Mr. Hicks stated that it is not a ninety-day policy, but is actually a thirty-day period and that is what it says on the bill, that the customer will be cut off, but because of the amount of customers that the Authority has, these accounts will build up and then the Authority is actually out there trying to cut these accounts off. Mr. Hicks mentioned that the accounts that the Board is seeing on the list are the accounts that have not been cut off. Mr. Hicks added that the Board has not seen the ones that have been cut off, which is more than on this list.

Mr. Westervelt asked how much money is Mr. Hicks talking about.

Mr. Hicks stated that most of the cutoffs then get paid, because they are playing the system or they really could not make the payment or they make arrangements to pay the bill. Mr. Hicks added that this month the list went down to about four pages, but the dollar value is still at about forty-seven thousand dollars (\$47,000). Mr. Hicks stated that there was about eleven thousand dollars worth of deposits (which stay on file for two years and with a good pay record are refunded) which tells you that some of these customers are our longer-term customers that are getting into these situations which is somewhat driven by the economy and this particular county has a higher unemployment rate than some of our surrounding counties.

Mr. Brannan stated that the Authority had someone request a line extension on the sewer system and after the staff looked at it, management decided that it was not in the best interest of the Authority to even bring it before the Board. Mr. Brannan stated that if it had been close, he would have brought it before the Board, but this request was not even close and rather than taking the Board's time he told the customer that he would have to come back with a better proposal.

Mr. Hicks stated that in December 2003 the accounts that made the cutoff list, which is just the thirty days and over, the amount of money was just over one

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million dollars (\$1M). What actually was above the sixty-dollars, so that it really hit the list, was over eight hundred thousand dollars (\$800,000), so when you saw uncollected of fifty thousand (\$50,000), the Authority collected the other seven hundred fifty or eight hundred thousand dollars. Mr. Hicks stated that this is done each month.

Chairman McQueen stated that the field reps are doing a good job in collecting the funds due the Authority and if the trip charge that is currently twenty dollars (\$20) every time the Authority goes out needs to be changed, then let the Board know.

Mr. Brannan next mentioned that at the Jackson Plant, T-Mobile wants to put up a cellular tower and has offered to pay the Authority ten thousand dollars (\$10,000) a year. Mr. Brannan stated to the Board that the Authority has a communications tower on the water tank in Riverdale, where the Authority is getting twenty-one thousand dollars (\$21,000) a year. Mr. Brannan added that T-Mobile needs to make the Authority another proposal and with the Board's blessing and Mr. Brannan can work it through the County he will proceed to handle this request.

Mr. Brannan stated that the Authority is having a lot of people retiring, averaging ten a year. The issue that is coming up with so many people retiring and some have thirty years or more while others do not, but are eligible to draw something out of the retirement system, so our recommendation is that if the staff wants to pool funds and have an event lets do something like that, but the Authority itself will recognize their service by having them come before the Board or present them a plaque, but it becomes more difficult to do something for one and not another. If the Board elects to do something different than that is fine, but the Authority needs a policy across the board for all employees.

Chairman McQueen stated that what Mr. Brannan is stating is that the Authority cannot continue to host a big lunch or something similar for each employee that retires or leaves the company.

Mr. Greene stated that the Authority should give each employee a plaque and or a pin and get out of the food business.

Chairman McQueen stated that at the Board of Education a watch is given, but someone outside the system, such as a vendor, furnishes the watches. Chairman McQueen suggested that someone look into doing something like a watch. The

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school system cannot take taxes and pay for the watches, but gets a vendor that helps with that.

Mr. Brannan stated that the Authority would come back with a clarification on what the Authority decides to do.

Mr. Brannan stated that the last item is the AWWA conference in Orlando on June 13th through the 17th and if the Board will let management know by the 12th of this month, the Authority can save one hundred thirty-five dollars (\$135) per person just on the conference. There was some discussion, with everyone to let Mr. Brannan know who definitely can go to this conference.

Mr. Brannan also mentioned the WEFTECH conference in New Orleans, October 2nd through the 6th.

Upon Motion by Marie Barber and seconded by John Westervelt 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.

Pete McQueen, Chairman

Walter Marie Barber, Secretary/Treasurer