

CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road
Morrow, Georgia 30260

Regular Board Meeting January 9, 2003

Chairman 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, Lindy Rogers, Board Members, Wesley E. Greene, Sr., Marie Barber, J. Alan Horton and Robbie Moore, Jr., General Manager, M. Wade Brannan, Deputy Manager, Terry R. Hicks, Department Managers, Frank Conort, Jim Poff, Dennis Hammock, Herbert Etheridge, Jr., Richard Calhoun, Teresa Adams, Guy Pihera and Mike Thomas, Executive Secretary, Patricia Groover, Janet Matthews, Assistant Manager of Administration, Scott Bailey, Project Manager, Mike Buffington, Contract & Procurement Administrator, Karen Riser, Human Resource Director, Ed Durham, Compensation & Benefits Coordinator, Michelle Mirzaiee, Distribution & Resource Coordinator, Jeff Brandon, Information Services Supervisor, Rodney Crowell, Administrative Secretary, Dianne Hammock and Inspector, Scott Smith. Also present were: Steve Fincher, Fincher & Hecht, L.L.C., Rick Hirsekorn, of CH2M Hill, Chris and Farrar Wood, of Jim Wood & Associates Public Relations, Visitors, Ralph McDuffie of McDuffie Realty, Jack Hatfield of Apple Realty, Monty Weatherup of Weatherup Construction and CCWA Retiree, Neal Wellons.

Chairman McQueen called on Scott Bailey, Assistant Manager of Administration, to give the invocation.

Chairman McQueen called for any omissions or additions to the minutes of the regular and executive board meeting on December 5, 2002, hearing none these minutes stand approved as presented.

Financial and Statistical Report: Chairman McQueen called on Frank Conort, Manager of Administration, who presented the monthly financial and statistical report. This report was received for information.

Chairman McQueen called on Mike Thomas, Manager of Program Management and Engineering who introduced Scott Smith, Water and Sewer Inspector with the Authority. Mr. Thomas stated that the Authority inspectors make sure any new water and sewer additions are done in a safe manner and according to Water Authority specifications. Mr. Thomas recognized and congratulated Mr. Smith who has received his Wastewater certification and is now working on his Water distribution license. Chairman McQueen stated that on behalf of the Board they appreciated the extra work Scott has done and that the knowledge he has gained will be a benefit to the Authority.

Chairman McQueen on behalf of the Board recognized Dion (Bo) Reynolds, Fleet Maintenance Foreman, who was not able to attend the meeting, Richard Calhoun,

Regular Board Meeting
 January 9, 2003
 Page Two

General Services Manager, and Patricia Groover, Executive Secretary, for their many years of dedicated service to the Authority and wished them many happy years in retirement.

Chairman McQueen called on Wade Brannan, General Manager, who on behalf of the staff, stated that these retirees were special folks and acknowledged that this is their last meeting in their official capacity. Mr. Brannan stated that these retirees were welcome to come back and visit anytime and both were given a round of applause.

Noah's Ark Pump Addition Project Summary: Chairman McQueen called on Guy Pihera, Manager of Water Production, who gave the Board an informational slide presentation and discussed the Noah's Ark Pump Addition Project Summary information that was distributed to the Board.

Project Scope

Install additional 8 MGD pump, control valve and piping. Equipment from Patterson Pump and Georgia Western, labor from Tom Davidson and CCWA.

Costs

- 18" valve and operator, Georgia Western \$5660 (bid)
- pump, Patterson Pump \$21,495 (bid)
- Tom Davidson labor \$3160
- CCWA labor \$12,668
- Miscellaneous material \$ 17,419

- Total Final Cost \$ 60,402
- Original Estimate \$100,000

Mr. Pihera stated that the final cost is well under the original estimate since it was based on the Authority using an outside contractor for the entire project. The Noah's Ark Pump Station project was funded by the 2001 Bond funds. Mr. Pihera stated that all equipment at the Noah's Ark Pump Station is up and running and that the pump station is in excellent shape due to the completion of this project.

Chairman McQueen stated that because CCWA employees performed the majority of the labor on this project, the cost savings is impressive. Chairman McQueen stated that on behalf of the Board he appreciates the savings on the Noah's Ark project. There was discussion concerning this information.

Morrow Pump Station Renovation Project Summary: Chairman McQueen called on Guy Pihera, Manager of Water Production, who gave an informational slide presentation and discussed the following Morrow Pump Station Renovation Project

Regular Board Meeting
January 9, 2003
Page Three

summary information that was distributed to the Board. There was discussion with questions that Mr. Pihera answered and gave additional information.

Project Scope

- Replace pump control center, pump controls and electric service
– Metro Power, contractor
- Replace 4 pump control valves and operators – equipment from Georgia Western and Temsco, installation by CCWA

Costs

- 18" valve and operators (2), Georgia Western \$11,170 (bid)
- 14" valve and operator (2), Temsco \$7688 (bid)
- Electrical contractor, Metro Power \$67,200 (bid)
- Miscellaneous material, \$3393
- CCWA labor \$7333

- Total Final Cost \$ 96,784
- Original Estimate \$160,000

Mr. Pihera stated that the final cost was well under the original estimate due to using CCWA labor instead of outside labor. Mr. Pihera stated that the Morrow Pump Station Electrical System and Valve Replacement project was funded by the 2001 Bond Funds. Chairman McQueen stated that on behalf of the Board he appreciated the cost savings on the Morrow Pump Station project.

Chairman McQueen called on Guy Pihera, Manager of Water Production, who updated the Board on the status of the Authority's water production and raw water reserve. Mr. Pihera discussed the information shown on the Water Supply Weekly Update for January 6, 2003, that was distributed to the Board. Mr. Pihera stated that the Authority's raw water reserve is in excellent condition at full capacity. There was discussion with questions concerning any changes to the State mandated water restrictions. Mr. Brannan, General Manager stated that any change to the water restriction would depend on the amount of rainfall this spring and the lake level of Lake Allatoona and springtime use of water resources.

W.J. Hooper Phase 2 Improvements Project Update: Chairman McQueen called on Mike Buffington, Project Manager, who gave an informational slide presentation and discussed the following W. J. Hooper Phase 2 Improvements Project Update information that was distributed to the Board. There was discussion by the Board.

Regular Board Meeting
January 9, 2003
Page Four

W. J. HOOPER IMPROVEMENTS – PHASE II PROJECT UPDATE

Project includes complete rehab and upgrade of existing WPP and is in accord with “Preliminary Design and Assessment of the W. J. Hooper WPP – Final Report”, dated March 2001. Design includes provisions for expansion from 20 MGD to 25 MGD capacity in the future. In general the project includes new raw water intake and pump station, new high rate settling basins, new chemical feed and storage facility, new high service pump station and modifications to existing building.

Construction documents are complete and the project will be advertised for bids in the local paper starting January 17, 2003. Bid opening is scheduled for February 20, 2003. A recommendation of award will be made at the March Board meeting. Construction funding will be provided by the proposed Series 2003 Bond Issue. Recommendation of award will be made subject to the availability of funds. We anticipate construction will start June 2003.

Project Managers:

- CH2M Hill, Engineers – George Ajy
- Clayton County Water Authority – Mike Buffington

Estimated Construction Cost:

\$ 20,000,000

Funding: Construction of the project will be funded by the Series 2003 Bond Issue.

Northeast WRF Expansion and Upgrade Task Order: Chairman McQueen called on Mike Buffington, Project Manager, who gave an informational slide presentation and discussed the Design of the Northeast WRF Expansion and Upgrade Project information that was distributed to the Board and recommended that the Board approve the proposed amended Task Order amount of five hundred sixty thousand dollars (\$560,000).

DESIGN OF NORTHEAST WRF EXPANSION AND UPGRADE PROJECT

The Northeast WRF will be upgraded and expanded from a current capacity of 6.0 MGD to a design capacity of 10.0 MGD. The plant will be designed for a high degree of treatment for discharge to Panther Creek. The design process for this facility includes a review of treatment alternatives, preliminary design and permitting, schematic design, and detailed design and bid services.

Regular Board Meeting
January 9, 2003
Page Five

Review of treatment alternatives and preliminary design is complete, and the permitting process is under way. Georgia EPD has issued a wasteload allocation establishing the degree of treatment required, and necessary documents are being prepared for submittal to EPD for review and approval.

The next step in the process is schematic design. This proposed task order includes the services of CH2M Hill to complete the schematic design phase of the facilities as described in the recently completed Design Development Report. The scope of this task order will include process design, pilot studies, survey and mapping, geotechnical investigations and report, and schematic design activities to define the proposed facilities.

Project Managers:

- CH2M Hill, Engineers – Jim Hawley
- Clayton County Water Authority – Mike Buffington

Proposed Task Order Amount:

\$ 560,000

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

TASK ORDER BO-01-10

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 the Northeast Water Reclamation Facility Expansion and Upgrade”.

The purpose of this Task Order is for the schematic design phase of the facilities as described in the Design Development Report submitted to Georgia EPD on behalf of the OWNER in December 2002. The scope of the task order will include process design, pilot studies, survey and mapping, geotechnical investigations and report, and schematic design activities to define the proposed facilities as described herein.

ARTICLE 1 — SCOPE OF SERVICES

The ENGINEER agrees to furnish the OWNER the following services:

PROJECT DESCRIPTION

The following improvements to the existing Northeast WRF will be designed:

1. New influent pump station
2. New headworks including screening and grit removal processes
3. New primary clarifiers (2) equipped for chemically enhanced treatment as required
4. New primary sludge pumping system

Regular Board Meeting

January 9, 2003

Page Six

5. New Anoxic/anaerobic basins
6. Minor modifications to the existing aeration basins and blower systems, including the addition of effluent splitter boxes, replacement of aeration blowers in kind, and possible addition of an internal wall on Aeration Basin 2.
7. New secondary clarifier (1) and modifications to the existing secondary clarifiers (3), consisting of the addition of baffles, effluent launder algae control system, and new scum pump stations.
8. New intermediate pump station
9. New chemical mixing and flocculation units for phosphorous precipitation
10. New chemical clarification system if required by pilot testing program
11. New filtration system utilizing existing Schreiber "Fuzzy" filters and new units
12. New Ultraviolet disinfection system and W3 pump station
13. New RAS and WAS pumping systems and modifications to existing
14. New gravity sludge thickener and associated pumping systems
15. New solids processing building including one new and one relocated centrifuge unit
16. New system for lime addition to produce Class B sludge or pasteurization (Class A).
17. Odor control systems to prevent offsite odor complaints
18. Modifications to the existing compost building to remove tankage above the roof and make it weather tight. No other remodeling is in the scope.
19. Minor modifications to the existing administration/control building to remove electrical and other equipment no longer in use after the plant upgrade, and to make it weather tight. No other remodeling is in the scope.
20. New Administration and Laboratory building
21. New electrical buildings (2) and new chemical building
22. Instrumentation and process control system
23. Standby power system
24. Site roads, grading, and other improvements (landscaping not included)

SCHEMATIC DESIGN DELIVERABLES

1. Process Mass Balances under the varying design conditions
2. Project Delivery and Estimate of Construction Cost
3. Process Narratives and design criteria for each treatment process
4. Equipment data sheets and catalog information
5. Design basis memoranda including;
 - a. Architectural design guidelines
 - b. Structural design criteria
 - c. Corrosion control criteria
 - d. Heating, ventilation and air conditioning criteria
 - e. Electrical design basis
 - f. Instrumentation and control design guide
 - g. Odor control memorandum
6. Drawings
 - a. Hydraulic profile
 - b. Process flow diagrams
 - c. Process mechanical preliminary plans and sections
 - d. Architectural floor plans and exterior elevations
 - e. Electrical overall one-line diagram
 - f. SCADA Block Diagram showing overall plan for plant control
 - g. Site layouts and major yard piping

Regular Board Meeting
January 9, 2003
Page Seven

PROCESS EVALUATION PILOT AND LABORATORY REPORTS

The studies described herein will be conducted primarily by the OWNER's operating and laboratory staff with technical direction and review the ENGINEER's staff. The OWNER will provide equipment rental, materials, piping, electrical, and labor for pilot work.

Memorandum reports for purposes of establishing design criteria will be prepared by the ENGINEER as follows:

1. Chemical flocculation testing
2. Untreated wastewater testing for nitrification rate
3. Pilot study of direct filtration for phosphorous removal
4. Dye testing of aeration basins and secondary clarifiers

GEOTECHNICAL REPORT

TOPOGRAPHIC SURVEY AND MAPPING

The scope does not include legal or boundary surveys or right of way survey for the purpose of purchasing property, easements or rights of way.

MODELS

Computer generated models will be provided by the ENGINEER for the following structures:

1. Administration/Laboratory Building
2. Primary clarifiers
3. Influent pump station
4. Headworks
5. Gravity thickener

Additional models will be developed in subsequent phases of the design process.

DESIGN ASSUMPTIONS

1. Reproducible copies of existing plant construction drawings will be provided by the OWNER, which the ENGINEER can rely upon for design purposes.
2. Investigation and remediation of hazardous waste, asbestos, lead paint or other contamination will be conducted under a separate task order or contract.
3. All plant roadways will be repaved.
4. Full standby power is required.
5. Documents prepared under this task order are not for construction and are preliminary.
6. Approximately 6 workshops will be conducted during this schematic design process.

ARTICLE 2 — COMPENSATION

Compensation by the OWNER to the ENGINEER will be as follows:

Work under this task order will be performed for a lump sum fee of \$560,000

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

The above stated amount will be a portion of the estimated fee for full design and bid phase services of \$2,375,000, the remainder of which will be presented in a subsequent task order.

ARTICLE 3 — INSURANCE

The insurance coverage required for this task order is shown on the attached insurance exhibit B.

OTHER PROVISIONS

The following provisions shall apply to this task order:

SCHEDULE

The ENGINEER will begin the work under this task order when authorized by the OWNER.

Work under this task order will be completed by March 31, 2003 and documents delivered to the OWNER for approval.

Regular Board Meeting
 January 9, 2003
 Page Eight

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 this _____ day of _____, 2003

By _____
 Name Title

For the ENGINEER, CH2M HILL

Dated this _____ day of _____ 2003

By _____
 Name Title

**EXHIBIT A
 INSURANCE REQUIREMENTS**

TASK ORDER NO. BO-01-10

**Design of the Northeast Water Reclamation Facility
 Expansion And Upgrade**

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

Regular Board Meeting
 January 9, 2003
 Page Nine

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 claim 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 Retroactive date under the policy will predate any work for the Owner. Sixty (60) days prior written notice of cancellation or non-renewal shall be given to the OWNER in the event of termination or non-renewal.

The Owner may elect to obtain a PROJECT 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.

Regular Board Meeting
January 9, 2003
Page Ten

(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.

Upon Motion by Lloyd Joiner and seconded by Lindy Rogers it was unanimously

RESOLVED: that the proposed amended Task Order amount of five hundred sixty thousand dollars (\$560,000) for the Design of Northeast WRF Expansion and Upgrade Project be approved.

City of Lovejoy Sewer System Improvements: Chairman McQueen called on Mike Thomas, Manager of Program Management and Engineering, who gave an informational slide presentation summary and discussed the following Lovejoy-Tara Boulevard Sewer Improvements Lift Station & Generator Purchase information that was distributed to the Board. There was discussion concerning this information.

LOVEJOY – TARA BOULEVARD SEWER IMPROVEMENTS LIFT STATION & GENERATOR PURCHASE

The Lovejoy – Tara Boulevard Sewer Improvements consist of a gravity sewer line running south from Lovejoy parallel to Tara Boulevard to a pump station and force main that will run back north along Tara Boulevard and tie into an existing 10 inch gravity line in Lovejoy. These improvements will serve the property along Tara Boulevard south of Lovejoy and the southeast portion of Lovejoy. The project consists of the following components:

- 3,477 ft. of 8 inch gravity sewer line
- 2,395 ft. of 10 inch gravity sewer line
- 8,007 ft. of 8 inch force main
- Gorman-Rupp Series Connected T4 Pump Station and all associated components
- Precision Systems Generator

Regular Board Meeting
January 9, 2003
Page Eleven

This project will serve approximately 500 acres and flows of up to 500,000 gallons per day. The estimated construction cost for this project is \$700,000 including the lift station and generator.

Lift Station - CCWA has chosen to standardize our sewer lift stations around the use of Gorman-Rupp above ground, self-priming pumps and Precision Systems Generators. The Water Authority currently has 29 lift stations of which all but five are Gorman-Rupp stations. Several more lift stations are in the construction or planning stages. Gorman-Rupp stations & pumps provide the following advantages:

- A safer working environment – no confined space or dangerous air issues.
- Pumps and motors are easier to access and remove for service.
- Most Gorman-Rupp parts are interchangeable, so fewer spare parts have to be stocked and parts can be temporarily robbed or borrowed from out of service stations or stations with back-up pumps to make emergency repairs.
- Gorman-Rupp stations can be easily upgraded with new sheaves, belts, starters and motors to increase capacity without purchasing a larger pump.
- Gorman-Rupp has made some changes to improve the ease of maintenance of the pumps; examples include the increased life of wear plates and the option of a pressure transducer for level measurements which replace the need for an air pump and a bubbler which can be clogged or impacted by turbulence.
- Our staff is very familiar with the maintenance and repair of these stations.

Generator – It is Water Authority policy (and EPD policy) to provide for backup power at all major lift stations in order to prevent sewer overflows during power outages. It is imperative that the generators provide reliable service when they are needed. The Water Authority has found the generators provided by Precision Systems to be extremely reliable and virtually maintenance free. These generators have been installed at CCWA lift stations for over 5 years without any need for repairs or without any operational problems. CCWA recently publicly bid generators and selected a lower-priced alternative but we have had significant problems with installation and maintenance of these generators with faulty control boards, battery back-ups and improper installation by the manufacturers contractor. Our experience has been totally opposite with the Precision Systems products.

CCWA staff recommends that the following lift station and generator be purchased for the Lovejoy – Tara Boulevard sewer service improvements:

Gorman-Rupp Series Connected T-4 Sewage Lift Station	\$109,284
Precision Systems Series 3000T Generator	\$54,988

Regular Board Meeting
 January 9, 2003
 Page Twelve

Upon Motion by Lindy Rogers and seconded by Marie Barber it was unanimously

RESOLVED: to approve one hundred sixty four thousand two hundred seventy two dollars (\$164,272) for the purchase of the Lovejoy-Tara Boulevard Lift Station and Generator for sewer improvements in that area.

Mt. Zion Road –Sewer Request: Chairman McQueen called on Wade Brannan, General Manager, who discussed the request before the Board for the Authority to assist the developer, Southside #2, LLC, in extending a sewer line to property located on Mt. Zion Road just west of Fielder Road. The request by the developer is for the Authority to participate in fifty per cent (50%) of the cost of the project. Mr. Brannan stated that after discussion with the Authority staff and based on the volume that would be generated by that development, Mr. Brannan could not recommend that the Authority participate at the 50% level. There was discussion concerning this information.

**SOUTHSIDE #2, LLC
 2283 Hollonville Road
 Brooks, GA 30205
 404-379-1645**

TO: Clayton County Water & Sewer Authority

DATE: 12/31/02

RE: Sewer Connection on Mt. Zion Road


Please accept this letter as our formal written request for the Clayton County Water & Sewer Authority to participate in the cost of running sewer connections beginning at the property located West of the Intersection of Fielder Road and Mt. Zion Road and running West and South of Mt. Zion Road with approximate linear footage of 1,700 feet. Enclosed is a preliminary plat for your perusal.

We are hereby requesting the Water & Sewer Authority participate fifty percent (50%) of the cost of this project. The approximate total cost of this project is 85,000.00.

Please be advised that upon connection of said sewer lines to the above described property, this would enhance future development of approximately 31.25 acres in the immediate area, with the potential for an additional 140 acre development adjacent thereto. Based upon the above, any cost incurred by the Water Authority would be returned by future revenues.

Best regards,

Monty Weatherup



Enc.

Regular Board Meeting
January 9, 2003
Page Thirteen

Robbie Moore, Board Member, asked that the Authority staff look at the developer's design, his cost estimate and determine how many potential property owners could be served by this extension and report back to the Board. The Board tabled this request until the Authority staff has time to investigate the cost of this extension and determine additional properties that could be served.

2003 Bond Issue Authorization: Chairman McQueen called on Wade Brannan, General Manager, who gave information on the 2003 Bond Program in the amount of twenty-six million dollars (\$26,000,000) which includes the expansion of the Northeast Plant, upgrading the Hooper Plant, upgrading the Reeves Creek Lift Station, and the replacement of the water line that comes out of Hooper and goes over to I-675. Mr. Brannan asked the Board to authorize the Authority staff to proceed with compiling the information for the 2003 Bond Program and to authorize CH2M Hill to begin preparation of the Engineer's Report. Chairman McQueen asked if there were any questions of Mr. Brannan.

**Engineer's Report for the 2003 Bond Issue
Task Order No. RE-02A-04**

This task order includes CH2M Hill services for the preparation of the Engineer's Report for the 2003 Bond Issue. The preliminary project list for the 2003 Bond Issue is shown below.

Detailed Design of the Northeast WRF 10 mgd Expansion	\$1,900,000
Hooper WPP, Ph. 2 Improvements Construction	\$20,000,000
Reeves Creek sewer basin line & lift station improvements	\$2,500,000
Water Distribution System Improvements (Hooper Line)	<u>\$1,700,000</u>
TOTAL	\$26,100,000

The 2003 bond issue would be developed in early 2003 with the goal of receiving the proceeds in May 2003. The CH2M Hill Engineer's Report will include the review of historical financial and operating data as well as projected financial and operational data. The report will describe the current Clayton County Water Authority water and sewer system and proposed capital improvement program. The report will also include CH2M Hill's certification that the planned capital improvement program is consistent with CCWA's needs and business strategy.

Project Managers:

CH2M Hill, Engineers – Bob Vilker
Clayton County Water Authority – Mike Thomas

Task Order Amount: \$22,000

Funding: This project will be funded by the R&E fund

TASK ORDER RE-02A-04
ENGINEER'S REPORT FOR THE 2003 BOND ISSUANCE

This attachment is to the AGREEMENT between CH2M HILL, INC., ("ENGINEER"), and CLAYTON COUNTY WATER AUTHORITY ("OWNER"), for a PROJECT generally described as: the preparation of the Engineer's Report to be used in support of the 2003 Bond Issuance. All terms and conditions of said Agreement are incorporated herein by reference

ARTICLE 1. SCOPE OF SERVICES

Project Approach

The Engineer's Report will be conducted through a multi-step process designed to review capital facility options and associated costs, and to evaluate financial forecasts and analyses for the CCWA. Several of these steps must be made sequentially, as specific steps require data developed in previous steps or previous Engineer's Reports conducted for CCWA by CH2M HILL. Wherever and whenever possible, CH2M HILL will perform steps in parallel and leverage existing CCWA models and previously prepared data to minimize the time required to complete the updated feasibility study.

a) Project Kick-Off, Data Review and Collection

CH2M HILL will participate in an initial Project Kick-off meeting with CCWA staff, bond counsel, and underwriter to establish the project schedule, format requirements, review the proposed report outline, identify issues of concern from the Master Plan, review bond covenants – particularly with respect to coverage and financial policies - and define communications protocols.

Prior to the kick-off meeting, CH2M HILL will provide a data request list for collection of updated information in anticipation of the initial project meetings. In conjunction with the Project Kickoff meetings, CCWA financial and operating performance data and growth projections utilized in the previous report will be reviewed for changes since the last analysis was completed and summarized. This information will be used to establish the context for strategic financial decision making. Specifically, the following information needs to be reviewed:

- ❖ Historical and projected service revenues
- ❖ Historical and projected tap fee revenues, interest income, and other non-rate revenue sources
- ❖ Historical and projected operation and maintenance expenses
- ❖ Projected capital improvement program requirements
- ❖ Outstanding indebtedness and other long-term liabilities

- ❖ Un-collectible accounts receivable and disconnection rates
- ❖ Historical and projected operating statistics (water system capacity, annual and peak water production, service connections by meter size and customer class; wastewater system capacity, annual and peak wastewater system flows, service connections by water meter size and customer class)
- ❖ The most recent strategic planning documents, annual report, current budget, and quarterly and annual financial statistics reports
- ❖ Bond covenants for outstanding bonds

b) Capital Improvement Plan Review

CH2M HILL will review CCWA's Capital Improvement Plan (CIP) and associated cost estimates based largely on system knowledge developed through our ongoing Program Management and Master Planning work. CH2M HILL will certify that the planned capital improvements are consistent with prudent system development and preservation and in alignment with CCWA's business strategy.

CH2M HILL will also review operating and maintenance (O&M) cost projections for the forecast period to ensure that operational requirements of planned capital improvements are incorporated and consistent with industry experience.

c) Financial Forecasting and Analysis

CH2M HILL will review CCWA's financial forecast information and will update the detailed financial forecasts. We will review CIP financing alternatives and implications for CCWA's financial performance and rates. Forecasts will be prepared using information on prospective CCWA customer growth, capital financing costs, and future O&M costs to forecast financial performance. The project team will forecast water rate, sewer rate, and impact fee revenues required to fund the capital program, meet debt service coverage requirements, and maintain adequate operating fund balances. All financial forecast assumptions input into the updated version of the financial performance model will be evaluated relative to CCWA historical experience and growth projections, and fully documented.

d) Engineer's Report

CH2M HILL will compile information collected and developed on CCWA's capital program and financing plan in an updated version of the existing Engineer's Report. This document will be important for educating the bond market, including underwriters, insurers and rating agencies, about CCWA's current financial plans and financial forecast. The report will be structured as follows, subject to CCWA's modification:

Chapter 1: Introduction

This chapter will contain introductory material to focus the reader on the important aspects of the study. Chapter 1 will describe the service area, customers, population, and local economic conditions and will include a service area map. The information in Chapter 1 will help the reader understand the size and nature of CCWA's water and sewer system as well as the assumptions of the study. It will also present the major conclusions of the study.

Chapter 2: Current Water System

Chapter 2 will review CCWA's water system facilities, evaluate its major system components, and comment on maintenance requirements. The chapter will describe the overall condition of the current system and how effectively it meets the mission of providing high-quality water service to CCWA's customers.

Chapter 3: Current Sewer System

Chapter 3 will review CCWA's wastewater system facilities, evaluate its major system components, and comment on maintenance requirements. The chapter will describe the overall condition of the current system and how effectively it meets the mission of providing high-quality water and wastewater services to CCWA's customers.

Chapter 4: Water System Capital Improvement Plan

Chapter 4 will summarize the Water CIP to enable the reader to understand CCWA's long-range plan for enhancing and extending services. This chapter will explain the potential challenges the utility faces and the potential impacts of these challenges on the utility's operations and capital needs.

The presentation of CCWA's Water CIP will focus on the extent to which it supports CCWA's long-term business strategy, provides for adequate system maintenance, and enhances capacity to meet growth in service demands. The chapter will also address the capital requirements for compliance with current and potential water quality regulations.

The Water CIP will identify, by year, specific capital improvements, the estimated cost of each improvement, and a schedule for construction.

Chapter 5: Wastewater System Capital Improvement Plan

Chapter 5 will summarize the Wastewater CIP to enable the reader to understand CCWA's long-range plan for enhancing and extending services. This chapter will explain the potential challenges the utility faces and the potential impacts of these challenges on the utility's operations and capital needs.

The presentation of CCWA's Wastewater CIP will focus on the extent to which it supports CCWA's long-term business strategy, provides for adequate system maintenance, and enhances capacity to meet growth in service demands. The chapter will also address the capital requirements for compliance with prospective Capacity Management and Operations & Maintenance (CMOM) regulations, TMDLs, and other regulations impacting sewerage system capital requirements

The Wastewater CIP will identify, by year, specific capital improvements, the estimated cost of each improvement, and a schedule for construction.

Chapter 6: Financial Performance and Revenue Analysis

The first section of this chapter will identify the financial capacity of CCWA under historical and current rate and fee levels. This section will include a description of the utility's historical revenue sources, revenue requirements, rates, tapping fees, and financial performance measures.

The second section will provide projected pro forma operating results, including reasonable (conservative) projections of customer/usage growth, revenues, expenditures, working capital balances, and bond coverage. Financial projections for CCWA will be presented in detail, including forecasts of the water rates and sewer rates required to fund the capital program and meet debt service coverage requirements. All assumptions used to develop the financial forecast will be documented.

e) Present Engineer's report

CH2M HILL will present the Engineer's Report to the Clayton County Water Authority Board of Commissioners, if requested. Presentation materials will be designed for subsequent use by CCWA in the bond rating process.

Project Team

CH2M HILL's project team features senior level personnel with decades of economic, financial, and engineering expertise who will be actively engaged in every aspect of this process. They will draw on the services of other CH2M HILL professionals as needed to support the project. We propose that the Engineer's Report be conducted by CH2M HILL's Utility Management Solutions Practice Director, Eric Rothstein, CPA, Norman Pearson, Senior Economist and Cody Stanger, Economist. Robert Vilker, P.E. will supervise the capital improvement program review.

ARTICLE 2. COMPENSATION

Compensation by OWNER to ENGINEER will be as follows:

Work will be performed based on a lump sum fee of \$22,000.

Regular Board Meeting
January 9, 2003
Page Eighteen

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 monthly meeting and additionally as requested by the OWNER.

ARTICLE 3. INSURANCE

The insurance coverage required for this "Task Order" is shown on the attached Exhibit A.

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

IN WITNESS WHEREOF, the parties execute below:

For OWNER, _____

Dated this _____ day of _____, 2003

By: _____
Name Title

By: _____
Name Title

For ENGINEER, CH2M HILL INC.,

Dated this _____ day of _____, 2003

By: _____
Name Title

**EXHIBIT A
INSURANCE REQUIREMENTS
TASK ORDER RE-02A-04**

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

Regular Board Meeting
January 9, 2003
Page Nineteen

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. 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.

Regular Board Meeting
January 9, 2003
Page Twenty

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

RESOLVED: that the Authority is authorized to begin the preliminary work for the 2003 Bond Issue and CH2M Hill's Task Order in the amount of twenty two thousand dollars (\$22,000) to begin preparation of the Engineer's Report.

2003 Service Fees: Chairman McQueen called on Wade Brannan, General Manager who gave information to the Board concerning Rates and Fees Recommendations. These are fees that the Authority charges to individuals who do business with the Authority. There was discussion concerning this information.

**Rates and Fees
Recommendations**

Rate / Fee	Current	Recommended	Increase (Decrease)	
I. Water Rates	\$ 3.24	\$ 3.24	\$ -	
II. Sewer Rates	\$ 3.36	\$ 3.36	\$ -	
III. Water Impact Fees				
Residential	\$ 675	\$ 675	\$ -	
Mobile Home/Apartments	\$ 525	\$ 525	\$ -	
IV. Sewer Impact Fees				
Residential	\$ 849	\$ 849	\$ -	
Mobile Home/Apartments	\$ 660	\$ 660	\$ -	
V. Water Tap Fees				
Residential not stubbed				
5/8"	\$ 775	\$ 828	\$ 53	*
3/4"	\$ 800	\$ 854	\$ 54	*
1"	\$ 850	\$ 934	\$ 84	*
<i>* due to materials increase</i>				
Residential stubbed with Box and Lid				
5/8"	\$ 250	\$ 250	\$ -	
3/4"	\$ 275	\$ 275	\$ -	
1"	\$ 300	\$ 300	\$ -	
Commercial				
1 1/2"	\$ 2,000	\$ 3,292	\$ 1,292	*
2"	\$ 2,150	\$ 3,485	\$ 1,335	*

Regular Board Meeting
January 9, 2003
Page Twenty-one

<i>* due to contracting installation</i>			
VI. Sewer Tap Fees	\$ 1,300	\$ 1,300	\$ -
VII. Sewer Surcharge			
B.O.D.	\$ 0.48	\$ 0.49	\$ 0.01 *
T.S.S.	\$ 0.47	\$ 0.57	\$ 0.10 *
N	\$ 1.32	\$ 1.31	\$ (0.01) *
P	\$ 1.41	\$ 1.31	\$ (0.10) *
<i>* due to operating costs variances</i>			
VIII. Septage Charge	\$ 100 /Ths.	\$ 100 /Ths.	\$ -
IX. Reconnect Charge	\$ 20 Trip	\$ 20 Trip	\$ -
X. Deposits			
Water only (min.)	\$ 50	\$ 60	\$ 10 *
Water and Sewer (min.)	\$ 100	\$ 120	\$ 20 *
<i>* due to adjustment to rates</i>			

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

RESOLVED: that the Authority accepts the proposed Rates and Fees Recommendations to be effective February 1, 2003. This motion passed with Robbie Moore opposing the motion.

Employee Health Insurance for Retirees: Chairman McQueen called on Wade Brannan, General Manager who stated that upon request of Board Member, Alan Horton, a package was being compiled that would explain the benefits of the Authority's employees. Mr. Brannan stated that this information would take some time to compile due to including comparables from other local government agencies. Chairman McQueen stated that this benefits package would be for information purposes only for the Board. Mr. Brannan stated that once all the information is compiled, a meeting would be set up to discuss the comparison of the benefits.

Mr. Brannan stated that the issue he is bringing before the Board today is currently a retiree and spouse are eligible for coverage under the Authority's health insurance plan for retirees. The Authority pays the cost of the retiree's insurance and the retiree pays the cost of insurance for an eligible spouse at 100%. Since some retirees may have a spouse and dependent/s and currently our program specifically states only retiree and spouse are covered, our recommendation to the Board for your consideration would be to cover retiree, spouse and dependent/s with the retiree paying the cost of both the spouse and dependent/s. There was discussion concerning this information.

Regular Board Meeting
January 9, 2003
Page Twenty-two

Upon Motion by Lloyd Joiner and seconded by Lindy Rogers it was unanimously

RESOLVED: that the Authority adopt the recommendation that “dependent/s” be added as an option for insurance coverage for the Authority’s retirees with the stipulation that our insurance provider supply a definition of “dependent”.

Chairman McQueen stated that he would entertain a motion for the Board to go into executive session to consult with legal counsel.

Upon Motion by Lindy Rogers and seconded by Wes Greene it was unanimously

RESOLVED: that the Board adjourns into executive session, the Board reserved the right to return to the open session.

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

Chairman McQueen called on Wade Brannan, General Manager who provided information to the Board concerning moving the water meter to accommodate the fifth runway, which will require the Authority to hire a contractor to install the SCADA system for this meter. The Authority obtained one quote for twenty thousand seven hundred fifty dollars (\$20,750) and Mr. Brannan stated that the staff is trying to obtain another quote for comparison to bring before the Board. Mr. Brannan stated that the City of Atlanta will reimburse the Authority for the cost of this contractor and he is bringing before the Board this quote for approval subject to the Authority receiving the additional quote. Mr. Brannan stated that the Authority would authorize this work to the contractor with the lower quote.

Upon Motion by Lindy Rogers and seconded by Wes Greene it was unanimously

RESOLVED: that the quote amount of twenty thousand seven hundred fifty dollars (\$20,750) be approved for installation of the SCADA system at the relocated City of Atlanta meter subject to the Authority receiving one additional quote.

Mr. Brannan gave an update to the Board on the deer hunt. There were one hundred forty-four (144) deer harvested on the Huie site, thirty-four (34) on the Woolsey Road property and ten (10) at Shoal Creek for a total of one hundred eighty-eight (188). Although the total deer harvested was under the Authority’s target of two hundred, Mr. Brannan stated that he felt the Authority was in good shape with the number that were harvested this season.

Mr. Brannan explained to the Board that Dennis Hammock, Manager of Land Management had two valves on the Huie spray application site that are leaking and the operators are not working. Mr. Brannan stated that two quotes were obtained for the replacement of these two valves with the lowest quote for the thirty-inch valve being nine

Regular Board Meeting
January 9, 2003
Page Twenty-three

thousand ninety-seven dollars (\$9,097) and the lowest quote for the forty-two inch valve being fourteen thousand five hundred twenty-two dollars (\$14,522). Mr. Brannan asked the Board for authorization to purchase these two valves from funds already in the budget for the Land Management Department.

Upon Motion by Lindy Rogers and seconded by Marie Barber it was unanimously

RESOLVED: that the Authority is authorized to purchase the thirty-inch valve for nine thousand ninety-seven dollars (\$9,097) and the forty-two inch valve for fourteen thousand five hundred twenty-two dollars (\$14,522) as needed at the Huie spray application site.

Mr. Brannan stated that the Authority has received payment on two outstanding invoices. The Authority received payment in December 2002 from the Clayton County Development Authority in the amount of sixty-seven thousand six hundred eighty-five dollars and nineteen cents (\$67,685.19). The Authority also received payment from Shockley Plumbing Company in the amount of ten thousand eleven dollars and sixty-six cents (\$10,011.66).

Mr. Brannan stated that after discussion with Mr. Moore and Mr. Greene he recommends that the Authority allow Hamilton, Dorsey, Alston, our risk management consultants, to solicit quotes for property insurance.

Upon Motion by Lindy Rogers and seconded by Wes Greene it was unanimously

RESOLVED: that the Authority is authorized to allow Hamilton, Dorsey, Alston to obtain quotes on property insurance.

Mr. Brannan stated that Steve Fincher and his staff have negotiated the hold harmless agreement with Wedeco who is supplying the UV light system at all of the Authority's Water Production plants: Freeman Road, J. W. Smith and Hooper. Wedeco, under Steve Fincher's guidance, has signed the agreement. Mr. Brannan asked that the Board authorize Chairman McQueen and Secretary/Treasurer, Lindy Rogers to sign the Wedeco hold harmless agreement, which is the Authority's Indemnification in the event the Authority is contested while using these units. This Indemnification for the Authority is the only Indemnification that Wedeco has issued for their UV systems.

STATE OF GEORGIA

COUNTY OF CLAYTON

HOLD HARMLESS, INDEMNIFICATION AND LIMITATION

OF LIABILITY AGREEMENT

Regular Board Meeting
January 9, 2003
Page Twenty-four

This Agreement made and entered into this _____ day of _____, 2002, by the Clayton County Water Authority (hereinafter "Authority") and, Wedeco Ideal Horizons, Inc. (hereinafter referred to as "Wedeco"), also known collectively as the "Parties," witnesseth:

WHEREAS, the Authority is a duly constituted Authority under Georgia law capable of contracting so as to provide water and sewer to the public;

WHEREAS, Wedeco is the provider of equipment used by the Authority capable of disinfecting water by the application of ultraviolet light to water;

WHEREAS, the Authority desires to obtain and Wedeco desires to provide this Hold Harmless, Indemnification and Limitation of Liability Agreement regarding the acquisition, service and use of equipment provided to the Authority by Wedeco;

WHEREAS, the Parties wish to set out terms relating to the indemnification and hold harmless clauses regarding the use of equipment provided by Wedeco; and

NOW THEREFORE, for and in consideration of the promises and the mutual undertakings hereinafter set forth, and the terms and consideration described hereinbelow, it is agreed among the Parties as follows:

Article I. Hold Harmless, Indemnification and Limitation of Liability Agreement.

Wedeco shall hold the Authority harmless, indemnify and defend the Authority from any expenses incurred as a result of any damages, claims, causes of action, or claims for injunctive or equitable relief alleged against the Authority by any other supplier, manufacturer, or seller of treatment processes, materials, equipment or parts thereof for any alleged infringement of the Calgon Carbon patent, including the provisions of costs and attorney's fees. Further Wedeco shall indemnify the Authority and hold the Authority harmless from any lawsuit, claim, administrative proceeding or other action filed by a third party to this Agreement for any and all claims other than claims for consequential or special damages resulting from the use of

Regular Board Meeting
January 9, 2003
Page Twenty-five

Wedeco's equipment including provision of costs and attorney's fees. All indemnifications and hold harmless terms herein shall be contingent upon the Authority's normal use of the equipment, parts, and services for which the equipment, parts, and services were designed and upon prompt notification as provided under Article II Miscellaneous f) of any claims or suits against the Authority or the Authority's Project Engineering Contractor.

Article II Miscellaneous.

- a) The parties acknowledge that time is of the essence in the performance of the obligations of the Parties under this Agreement.
- b) This Agreement shall bind and enure to the benefit of the Parties' respective heirs, executors, and legal representatives, successors, successors in title and assigns whether so expressed or not and to the furthest extent a County Water Authority or corporation can be bound in such manners.
- c) The Parties acknowledge that they have mutually participated in the negotiation of this Agreement, and no provision of this Agreement shall be construed against or interpreted to the disadvantage of any party herein or thereto by any court or other governmental or judicial authority by reason of such party having or being deemed to have structured, dictated or drafted such provision; that the Parties at all times have had access to attorneys in the negotiation of the terms of and the preparation and execution of this Agreement, and the Parties have had the opportunity to review and analyze this Agreement for a sufficient period of time prior to its execution and delivery thereof; that no representations or warranties have been made on behalf of either party or relied on by either party pertaining to the subject matter of this Agreement, other than those that are set forth herein, and all prior statements, representations and warranties, if any, are totally superseded and merged into this Agreement. The Parties agree that the terms of this Agreement were negotiated at arms length, and that this Agreement was prepared and executed without fraud, duress, undue influence or coercion of any kind exerted by any party upon any other party; and that the execution and delivery of this Agreement is the free and voluntary act of each party executing it.

Regular Board Meeting
January 9, 2003
Page Twenty-six

- d) This agreement shall be interpreted, enforced and governed under the laws of the State of Georgia. Both Wedeco and the Authority submit themselves to the personal jurisdiction of the state and federal court system in Georgia for such enforcement.
- e) The Provisions of this Agreement are severable, and if any part of the Agreement is found to be unenforceable, the remainder of the Agreement will continue to be valid and effective.
- f) All notices, requests and/or responses to Parties that are permitted or required to be given under this Agreement shall be in writing, signed by or on behalf of the party giving the same and shall be mailed postage prepaid, certified with return receipt requested to the other party at the following addresses:

Wedeco:

John Marrino, President
Wedeco Ideal Horizons
3520 Westinghouse Blvd
Charlotte, NC 28273

Clayton County Water Authority:

Wade Brannan, General Manager
Clayton County Water Authority
1600 Battle Creek Road
Morrow, Georgia 30260

The parties hereby acknowledge and agree that they shall promptly notify the other of any change in the aforementioned address within fifteen (15) days of the change of that address.

- g) This agreement shall terminate absolutely without further obligation on the part of the Authority at the close of the calendar year in which it was executed or renewed and at the close of each succeeding calendar year for which it may be renewed, if renewed.
- h) This Agreement will be automatically renewed unless the Authority elects to terminate the contract on the day of the close of the calendar year in which this agreement is executed or renewed, if renewed or within thirty (30) days after the close of the day of the calendar year in which this agreement is executed or renewed.

Regular Board Meeting
January 9, 2003
Page Twenty-seven

- i) The total obligation of the Authority for the calendar year of execution and each calendar year of renewal shall be the terms described in an Construction Agreement between the Authority and Winter Environmental Services, Inc., dated January 23, 2002, the stated consideration is therein hereby deemed to be readopted hereby as if fully set fourth here.
- j) If applicable, title to any supplies, materials, equipment, or other personal property shall remain in Wedeco until fully paid for by the Authority.

Agreed and entered this _____ day of _____, 20_____.

Pete McQueen, Chairman
Clayton County Water Authority

ATTEST:

H. Lindy Rogers, Official Secretary
Clayton County Water Authority

Approved as to form:

Steven M. Fincher, Attorney
Clayton County Water Authority

Signed, sealed and delivered
In the presence of:

Notary Public

[SEAL]

[SIGNATURES CONTINUED ON THE FOLLOWING PAGE]

John Marrino, President
Wedeco Ideal Horizons

Jonathan Regan, Secretary

[SEAL]

Regular Board Meeting
January 9, 2003
Page Twenty-eight

Signed, sealed and delivered
In the presence of:

Notary Public
[SEAL]

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

RESOLVED: that the Board authorizes Chairman McQueen and Secretary/Treasurer Rogers to sign the Wedeco Indemnification Agreement for the UV system.

Mr. Brannan stated that the 4.7 million gallon overflow at the Jackson Plant on December 24, 2002 was due to heavy rain on Christmas Eve. The Authority discovered that at least one manhole cover had been removed. If the river rose up to six inches over the top of any manhole, six million gallons of water a day could flow into the manhole and get to one of the Authority's plants. Mr. Brannan stated that this is why it is so critical that we have a good maintenance program in place to assure that our manhole system is protected. There was discussion concerning this information.

Mr. Brannan stated that on Thursday, January 16, 2003 at the Called Board Meeting that the Authority will have available the information that Mr. Horton has requested on the employee benefits.

Mr. Brannan updated the Board on the run times at the Reeves Creek Lift Station. Currently this station is running between 13 to 17 hours per day and the gravity lines that the station pumps into are approximately 75% full during peak flows. The Authority's Engineering department along with assistance from CH2M Hill has started an evaluation of the alternatives for this station and will bring our recommendations back to the Board at a later date.

Mr. Brannan stated that the Authority is currently working on the Budget and hopefully will have that information to the Board either at the end of February or the first of March. Chairman McQueen asked that the Budget session with the Board be held at one of the Authority's Community Use Buildings like last year.

Mr. Brannan stated that Mr. Moore has expressed concern regarding construction at the airport and damages that might occur to some of the Authority's sewer lines. The Authority has begun a program of videoing the lines to assure that there is no damage.

Mr. Brannan stated that last month there had been some discussion regarding two homeowners whose homes have been damaged by sewer backups. These homeowners have become more sophisticated with the availability of information on the EPA website

Regular Board Meeting
January 9, 2003
Page Twenty-nine

in regard to bacteria and fungus caused by sewer backups. These homeowners acquired a specialist, who reviewed the damage and requested that the Authority pay a certain amount of money, which the Authority stated would not be paid until the Authority had investigated their claim. The Authority had a specialist to check out the damage and they came back with a cost of approximately twelve thousand dollars (\$12,000) per house to rehab each house back to its condition before the backup. Mr. Brannan stated that the Authority hopes to have this resolved within the next week or two. There was discussion concerning this information with the Board.

Mr. Brannan stated that from time to time a request would be made from a County Agency to use the big Community Use Building on a weekend. If the Community Use Building were available, the County Agency would like to rent the facility at the rate quoted for weekday rental rather than paying the weekend rate. Chairman McQueen stated that as long as this was not for personal use the Board agreed that the weekday rate could be charged to County Agencies that request a weekend rental of this facility.

Mr. Brannan stated to the Board that everyone enjoyed the Christmas Party at the Atlanta Motor Speedway and expressed appreciation to the Board for providing this party for the employees of the Authority.

Mr. Brannan stated that the Chamber of Commerce was having their annual banquet on Saturday, January 25, 2003 at the Hilton Atlanta Airport. Chairman McQueen asked all Board Members who wish to attend to let Mr. Brannan know so that arrangements could be made.

Chairman McQueen recognized Patricia Groover, Executive Secretary who stated how much she had enjoyed working with everyone and how much she appreciated what the Board has done for the Authority. Chairman McQueen on behalf of the Board thanked Patricia and wished her the best in her retirement.

Upon Motion by Wes Greene and seconded by Marie Barber 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

H. Lindy Rogers, Secretary/Treasurer