

CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road
Morrow, Georgia 30260

Regular Board Meeting February 10, 2000

Chairman Lane called the meeting to order at 1:30 p.m.

Present at the meeting were: Chairman, Joe T. Lane, Vice Chairman, Tim Jones, Secretary/Treasurer, Donald E. Whitman, Board Members, Pete McQueen, Lindy Rogers, Lloyd B. Joiner and Marie Barber, General Manager, M. Wade Brannan, Deputy Manager, Terry R. Hicks, Department Managers, Frank Conort, Neal Wellons, Dennis Hammock, Gary Howe, Guy Pihera, Herbert Etheridge, Jr., and Richard Calhoun, Project Engineer, Mike Thomas, Executive Secretary, Patricia Groover, Assistant to Manager of Administration, Karen Riser, Human Resources Coordinator, Darlene West, Information Specialist, Andy Wells, Data Processing Supervisor, Rodney Crowell, Programmer Analyst, Bill Bell, Administrative Secretaries, Dianne Hammock and Deborah Bruce. Also present were: Steve Fincher, Fincher & Hecht, L.L.C., Mike Buffington, of Robert and Company, Rick Hirsekorn, of CH2M Hill, Jim Wood, of Jim Wood & Associates Public Relations, Bill Johnston, Wachovia Securities Inc. and Visitors from the City of Riverdale, Ron Gossett, Jeff Moon, Don Foster and Marry Lee, Visitors with Powertell, Richard Shirah and Robyn Bolton, Visitor, Paul Harris.

Chairman Lane called on Deborah Bruce, Administrative Secretary, to give the invocation.

Chairman Lane stated that he would entertain a motion to approve the minutes of the regular and executive Board meeting on January 6, 2000 and called meetings on January 11 & 12, 2000.

Upon Motion by Don Whitman and seconded by Lindy Rogers it was unanimously

RESOLVED: That the minutes of the regular and executive Board meeting on January 6, 2000 and called meetings on January 11 & 12, 2000 be approved as received.

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

Chairman Lane gave the Board information on the Authority's new meter testing program and the results of finding meters that were reporting incorrect water use. There was a discussion concerning the possibility of checking billing records to determine when

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a water meter starts reporting incorrect water use. Chairman Lane called on Herbert Etheridge, Manager of Maintenance & Construction, to give the Board information on the Authority's meter testing program. Mr. Etheridge stated that the new meter testing and repair section was transferred from the Department of Administration under Frank Conort, to his department on February 1st. Mr. Etheridge distributed copies of Net Gain Gallons/Net Gain Revenue Recap Sheet through January 31, 2000. Mr. Etheridge went over and discussed the information in the Net Gain Gallons/Net Gain Revenue Recap Sheet. Mr. Etheridge stated that the Authority's net gain of revenue, through January 31, 2000, is \$2,642,065. Mr. Etheridge gave the Board information on the number of meters that still need to be tested and what the expected results of testing these meters will be. Chairman Lane requested that Mr. Conort look at the billing records of the accounts where meters were found that was reporting incorrect water usage and give the Board information on how abrupt the changes were in these accounts.

Accident Analysis 1999: Chairman Lane called on Neal Wellons, Manager of Water Pollution Control, who distributed copies of a graph showing CCWA accidents starting in 1987, when the Authority's safety program was started, through 1999. Mr. Wellons went over and discussed the information shown on this graph. Mr. Wellons stated that the Authority's safety program is doing very well with only 15 accidents that required medical attention in 1999. Mr. Wellons stated that the down side of this is the lost time accidents, where the employee misses a full day of work because of the accident, went up from zero in 1998 to three for 1999. Mr. Wellons stated that after the safety program was instituted, the Authority was able to self-insure their workman's compensation plan. Mr. Wellons stated that the first year that the Authority went self-insured on workman's compensation plan, the Authority saved over two hundred thousand dollars. Mr. Wellons stated that Authority has an excellent safety program and the most important part is having the support of management and employees. There was a general discussion concerning this information.

J.W. Smith Clearwell Update: Chairman Lane called on Mike Thomas, Project Engineer, who stated that in 1998 the Board authorized an addition to the clearwell at the J. W. Smith WPP. Mr. Thomas stated that this project was necessary to comply with new federal rules on chlorine contact time. Mr. Thomas stated that addition to the clearwell also provided additional storage capacity for treated water. Mr. Thomas stated that this project included the construction of a one million-gallon clearwell adjacent to the existing clearwell. Mr. Thomas stated that the original completion schedule for this project was met. Mr. Thomas stated that this project did require that the existing clearwell be drained and both clearwells cleaned and disinfected. Mr. Thomas stated that the J. W. Smith WPP was out of operation for about a week while this operation was completed. Mr. Thomas stated that he would like to thank the Authority's employees who worked with the contractor in order to complete this work. Mr. Thomas called on Guy Pihera, Manager of Water Production, to explain the process of shutting down the J.W. Smith

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WPP and running the system for a week without this plant. Mr. Pihera gave the Board a detail account of how the J.W. Smith WPP was shut down and the process used to clean out the clearwells. Mr. Pihera stated that the entire process went smoothly and that the new Freeman Road WPP ran very smoothly at full capacity. There was a discussion concerning this information and the possibility of cleaning out the clearwell at the W.J. Hooper WPP. Mr. Thomas stated that there was a change order for this project in the amount of four thousand five hundred forty four dollars and sixty cents (\$4,544.60). Mr. Thomas stated that this change order was for the removal of an existing sewer line and three hundred cubic yards of fill material. Mr. Thomas requested that the Board approve this change order.

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

RESOLVED: To authorize the additional payment of four thousand five hundred forty four dollars and sixty cents (\$4,544.60) for this change order.

Letter of Credit in Lieu of Apartment Security Deposit: Chairman Lane called on Terry Hicks, Deputy Manager, who stated that the Authority received a letter from a group requesting that the Authority consider taking a letter of credit in lieu of a cash deposit. Mr. Hicks stated that it is the Authority policy to require a cash deposit on all accounts. Mr. Hicks stated that in the past that he is not aware of the Authority ever doing anything but taking cash deposits. Mr. Hicks stated that administratively the Authority keeps these cash deposit on hand for two years. Mr. Hicks stated that after two years, if the customer has a good paying account record, the cash deposit is returned including 5% simple interest. Mr. Hicks stated that from an administrative standpoint we feel that it would be better to continue requiring a cash deposit. There was a general discussion concerning the reason why the Authority requires a cash deposit. Chairman Lane requested that Mr. Rogers meet with Mr. Conort and come up with a recommendation as to how this should be handled in order to protect the Authority and be of service to the community.

New Service Application Agreement: Chairman Lane called on Terry Hicks, Deputy Manager, who stated that the Board was given information from the Authority's legal counsel which addresses changes to the CCWA new and existing service applications agreements. Mr. Hicks stated that last summer, when the Authority wanted to enforce water restrictions, the Authority's legal counsel had some concerns about the Authority's existing service application. Mr. Hicks stated that legal counsel suggested some language changes to the Authority's service application. Mr. Hicks stated that this change says that the Board has the right at any point in time to adjust rates and call for water restrictions. Mr. Hicks stated that the information from legal counsel contains a resolution that the Board will need to adopt. There was a discussion concerning why these changes were needed. There was also a discussion concerning the wording in this

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service application agreement. Chairman Lane stated that this would be tabled until the next Board meeting in order to give the Authority's attorney time to re-look at this document.

Water Production Demand Analysis: Chairman Lane called on Guy Pihera, Manager of Water Production, who distributed copies of Water Demand Analysis and stated this handout contains information on the dynamics of the water system cycle and how it works on a day to day basis. Mr. Pihera stated that there are patterns of supply, demand and production that vary depending upon the season of the year, day of the week, time of day and weather. Generally it is divided into a low demand season and high demand season. Mr. Pihera gave the Board information concerning the dynamics of the system during two extreme seasons of the year. Mr. Pihera stated that the Water Production Plants usually run at a combined production rate of 25 MGD. Mr. Pihera discussed how the Authority customers use water depending on the time of day. Mr. Pihera used a graph to show the Board the correlation between water demand, water production and water storage. There was a discussion concerning this information with questions and answers. Mr. Lane requested and received information concerning the inline pump for the Rivers Edge Subdivision that was approved at the last Board meeting.

McDonough Road Sewer Line Installation for Soccer Complex: Chairman Lane called on Gary Howe, Manager of Engineering, who stated that he would like to give the Board an update on the sanitary sewer line installation for the Clayton County Soccer Complex. Mr. Howe stated that the work on this sewer line is complete. Mr. Howe stated that the bid came in at one hundred ten thousand three hundred fifty three dollars (\$110,353). Mr. Howe stated that the total cost was one hundred ten thousand five hundred twenty five dollars and eighty cents (\$110,525.80) which was an overrun of one hundred seventy two dollars and eighty cents (\$172.80).

Upon Motion by Pete McQueen and seconded by Don Whitman it was unanimously

RESOLVED: To authorize the additional payment of one hundred seventy two dollars and eighty cents (\$172.80) for this change order.

Kingsland Point Subdivision Sewer Metering Station Request: Chairman Lane called on Wade Brannan, General Manager, who stated that there has been discussion concerning a subdivision located in the City of Riverdale. Mr. Brannan stated that when the Authority talked with the City of Riverdale and the contractor, there was a question concerning the metering of the sewerage from this subdivision. Mr. Brannan stated that the City of Riverdale initially wanted to serve this development with water and sanitary sewer. Mr. Brannan stated that this would require the Authority to install a sewer metering station at a cost of six thousand five hundred ninety five dollars (\$6,595) plus a

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ten year contract for the maintenance cost of eighty one thousand one hundred twenty dollars (\$81,120). Mr. Brannan stated that after discussing this with the City of Riverdale they have agreed for the Authority to provide water and sanitary sewer service to the Kingsland Point Subdivision and no metering station will be required.

Line One Project Summary: Chairman Lane called on Herbert Etheridge, Manager of Maintenance & Construction, who stated that line one, which was in the 1990 Master Plan, has been completed and was put into service about three weeks ago. Mr. Etheridge stated that this line runs from the Jonesboro twin tanks up Southlake Parkway under Interstate 75 to the water tank in Morrow. Mr. Etheridge stated that Board members received a copy of the final change order. Mr. Etheridge stated that even with this change order the cost of installing this line came in six thousand six hundred seventy six dollars and seventy five cents (\$6,676.75) under the original contract estimate.

Mr. Etheridge stated that he would like to give the Board information concerning line eight that is in the process of being installed. Mr. Etheridge stated that as part of the contract work there will have to be a tee cut into two lines so that line eight going out Morrow Road can be connected to the Morrow pumping station. Mr. Etheridge stated that there are two valves that have been in this line since the early sixties. Mr. Etheridge stated that in order to cut in this tee these two valves will have to be closed in order to shut down the pumping station. Mr. Etheridge stated that the problem we are having is that these two valves will not seal. Mr. Etheridge stated that Gary's Grading & Pipe Line, which is the contractor on this project, has asked to contract with another company to install temporary line stops at an additional cost of forty thousand dollars (\$40,000). Mr. Etheridge stated that he would like the Board to approve this work and authorize the Authority to hire Tom Davidson & Sons for amount up to ten thousand dollars for labor only to install the two new valves. Mr. Etheridge stated that the Authority will furnish the valves and materials at a cost of seven thousand one hundred ninety three dollars (\$7,193). Mr. Etheridge stated that the cost of both of these projects with materials and labor would be approximately sixty thousand dollars (\$60,000).

Upon Motion by Lindy Rogers and seconded by Pete McQueen it was unanimously

RESOLVED: To approve both of these projects at a cost of sixty thousand dollars (\$60,000).

McDonough Road Water Line Extension: Chairman Lane called on Wade Brannan, General Manager, who stated that he was contacted by Henry County Water Authority and asked if the Authority would consider assisting them with the cost of installing a 8" water line along McDonough Road going toward Interstate 75. Mr. Brannan stated that it would take about eighteen hundred feet of 8" water line in order to

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get to the county line. Mr. Brannan stated that this would also require the Authority to install a water meter. Mr. Brannan stated that Henry County would furnish the labor to install the line and meter if the Authority would furnish the water line and meter. Mr. Brannan stated that the cost of the water line and meter would be approximately forty thousand dollars (\$40,000). Mr. Brannan stated that he would like to ask the Board to authorize the Authority to work with Henry County Water Authority by furnishing the materials for the installation of this water line and meter with a not to exceed cost of forty thousand dollars (\$40,000).

Upon Motion by Tim Jones and seconded by Lindy Rogers it was unanimously

RESOLVED: To approve the Authority to work with Henry County Water Authority by furnishing the materials to install eighteen hundred feet of 8" water line and a water meter with a not to exceed cost of forty thousand dollars (\$40,000).

Powercell 138 Communication Tower Request: Chairman Lane called on Wade Brannan, General Manager, who stated that the Authority has a request from Powercell asking to install towers on the Authority's water tanks. Mr. Brannan introduced Richard Shirah with Powercell, and asked him to present Powercell's proposal to the Board. Mr. Shirah showed the Board pictures of towers that had been installed on water tanks. Mr. Shirah stated that one of the locations where the Authority has a water tank that Powercell is interested in is located at State Route 85 and State Route 138. Mr. Shirah discussed the amount of ground space that Powercell would also require to locate equipment needed for this tower. Mr. Shirah stated that Powercell would not install anything that would interfere with anything that the Authority might need to do at this tank location. Mr. Brannan gave the Board information on some of the concerns of Management by allowing this tower to be installed. Mr. Brannan stated that at this time he cannot make a recommendation one way or the other. There was a general discussion concerning this information. Chairman Lane requested, that before any decision was made concerning this matter, that Mr. Shirah bring a complete proposal back to Mr. Brannan within ten days.

Chairman Lane requested a break at 2:45 p.m.

Chairman Lane called the meeting back to order at 3:00 p.m.

Northeast WPCP Sewer Line Installation: Chairman Lane called on Wade Brannan, General Manager, who stated that he would like to make the Board aware of what the Authority is trying to work out with the developer that the Authority acquired land from adjacent to the Northeast WPCP. Mr. Brannan showed the Board a map of the property that the Authority acquired and stated that this land is to be used as a buffer. Mr. Brannan stated that this developer is now putting in sewerage for a development he is

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planning to put on the land that he still owns. Mr. Brannan stated that this developer would need to cross the Authority's property with this sanitary sewer line in order to tie into the sanitary sewer system. Mr. Brannan gave the Board information on how and where this sanitary sewer line will need to cross the Authority's property. Mr. Brannan stated that before this developer is allowed to install this sanitary sewer line, across the Authority's property, he would be required to sign a hold harmless agreement. There was a discussion concerning this information.

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

RESOLVED: To authorize this developer to proceed with installing the sanitary sewer line across the Authority's property after all required documents have been signed protecting the Authority's property.

Personnel Request FY 2000: Chairman Lane called on Wade Brannan, General Manager, who distributed copies of a Personnel Summary and stated that over the past year he has been looking at the operation of the Authority. Mr. Brannan stated that he would like to request additional personnel to assist us with meeting some of the needs that the Authority has now. Mr. Brannan stated that he would like to proceed with funding these positions and go ahead and fill these positions. Mr. Brannan went over the list of positions and gave the Board information about each of these positions. Mr. Brannan discussed the source of funding for the requested positions and stated that these positions will be included in the personnel and operating section of next year's budget. Mr. Brannan stated that he would like the Board's approval to go ahead and employ employee personnel for these positions. Mr. Lane stated that CH2M Hill has been asked to assist the Authority in finding personnel for some of these positions. There was a general discussion with questions and answers concerning this information.

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

RESOLVED: That these positions are approved and Mr. Brannan proceed with employing personnel in these positions.

10 Year Master Plan Engineering Authorization: Chairman Lane called on Wade Brannan, General Manager, who stated that the Board recently met and discussed the work that is identified in the 2000 Master Plan. Mr. Brannan distributed copies of FY2001 Master Plan Priorities and asked the Board to authorize CH2M Hill to prepare task orders to let the Board know the cost of engineering design for these projects. Mr. Brannan stated that after these task orders have been prepared he would come back for the Board's authorization for each of these projects. Mr. Brannan stated that one of the major aspects of the Ten Year Master Plan would be a public information process that the Authority needs to initiate immediately. Mr. Brannan stated he would also like for the

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Board to approve CH2M Hill to work with the Authority's staff to develop a public information package that the Authority can start getting out to the public. Mr. Brannan stated that the cost of developing the information package should not exceed fifty thousand dollars (\$50,000). Mr. Brannan called on Rick Hirsekorn, CH2M Hill who gave the Board information concerning the public involvement and public relations program for the Authority. Mr. Hirsekorn stated that this program will be conducted on a level that will allow the general public to understand what the Authority plans to do. Chairman Lane stated that the biggest problem facing the Authority is public awareness and understanding.

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

RESOLVED: That CH2M Hill be authorized to start preparing task orders for the FY2001 Master Plan projects and to develop a public involvement and public relations program for the Authority.

Chairman Lane gave the Board information concerning a meeting with Bill Johnston, with Wachovia Securities, Inc. that he, Mr. Rogers, Mr. Brannan, Mr. Hicks and Mr. Conort attended in order to discuss financing the 2000 Master Plan projects.

Chairman Lane called on Herbert Etheridge, Manager of Maintenance & Construction, to give the Board information on what some of the employees in his department would be doing tonight. Mr. Etheridge gave the Board information on a special project that approximately 26 employees would be conducting to assist in the modeling of the water system.

Chairman Lane announced that two of the Authority's Board member appointments would end on February 29. Chairman Lane stated that he would like for both of these Board members to be re-appointed. Mr. Lane stated that both Mr. Jones and Mr. Joiner have been tremendous assets to the Authority's Board. Mr. Jones stated that he was leaving the Authority in very good hands.

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

Upon Motion by Tim Jones and seconded by Marie Barber it was unanimously

RESOLVED: That the Board adjourns into executive session and the Board reserves the right to return to the open session.

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

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Chairman Lane stated that Rick Hirsekorn, of CH2M Hill has information that he needs to share with the Board and that Bill Johnston, with Wachovia Securities, Inc. has agreed to answer any financial questions. Mr. Hirsekorn distributed copies of the 2000 Master Plan Executive Summary and stated that this contains everything that has been talked about concerning the Master Plan. Mr. Hirsekorn stated that this is all of the recommendations by CH2M Hill for the Authority's facilities. Mr. Hirsekorn went over this information and discussed it with the Board. There was a general discussion with questions and answers concerning this information and the money needed to finance these projects. Mr. Hirsekorn stated that the money that is being spent up front is to determine which technology would be viable and what the cost would be. Mr. Hirsekorn stated that the construction dollars would not be spent until the second and third year. There was a discussion concerning this information and information that was received at the 2000 Master Plan called meeting. There was a discussion concerning the Authority's planed rate increase and the importance of keeping the leaders of Clayton County informed. Chairman Lane call on Bill Johnston, with Wachovia Securities, Inc. who distributed copies of Clayton County Water Authority Water and Sewerage Revenue Bonds, Series 2000 and Beyond. Mr. Johnston went over the information in this handout and discussed it with the Board. There was a general discussion concerning this information with questions and answers.

Upon Motion by Tim Jones and seconded by Lloyd Joiner it was unanimously

RESOLVED: To authorize Bill Johnston, with Wachovia Securities, Inc. to proceed with the May first bond issue.

Upon Motion by Tim Jones and seconded by Lindy Rogers it was unanimously

RESOLVED: That the Chairman, Mr. Lane and Secretary/Treasurer, Don Whitman, be authorized to handle negotiations for bond counsel and underwriters counsel.

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

Joe T. Lane, Chairman

Donald E. Whitman, Secretary/Treasurer