

## CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road  
Morrow, Georgia 30260

Called Board Meeting  
October 1, 2012 - Session One

Present at the meeting were: Chairman, Pete McQueen, Vice Chairman, John Chafin, Secretary/Treasurer, Marie Barber, Board Members, John Westervelt, Oscar Blalock, Rodney Givens and Sophia Haynes; Deputy Manager, Mike Bennett, Legal Counsel, Steve Fincher of Fincher, Denmark & Williams, Terry Moy, Manager of Program Management and Engineering and Jim Poff, Manager of Water Reclamation.

The Board Members met in the hotel lobby of The W Hotel, located at 333 Poydras Street, New Orleans, Louisiana, at 9:00 a.m. and boarded transportation to the Ernest Morial Convention Center. The meeting was held at the Ernest N. Morial Convention Center located at 900 Convention Center Boulevard New Orleans, LA 70130, beginning at 9:00 a.m. on Monday, October 1, 2012. This meeting was held in conjunction with the Water Environment Federation Annual Conference and Exhibition. The purpose of this meeting was to review recently purchased equipment and equipment/systems under consideration for purchase.

Once there, staff members escorted the group to several vendors of products/equipment recently purchased or under consideration for purchase. Much discussion was had regarding the usefulness and efficiency of the items under consideration and purchased and their propriety for use by the Clayton County Water Authority.

At approximately 12:00 p.m. the group completed its investigation, boarded transport back to the hotel and thereafter disbanded.

Regular Scheduled Board Meeting

October 2, 2012  
Session Two

Chairman McQueen called the meeting to order at 9:00 a.m.

Present at the meeting were: Chairman, Pete McQueen, Vice Chairman, John Chafin, Secretary/Treasurer, Marie Barber, Board Members, John Westervelt, Oscar Blalock, Rodney Givens and Sophia Haynes; General Manager, P. Michael Thomas, Deputy Manager, Mike Bennett, Legal Counsel, Steve Fincher of Fincher, Denmark & Williams, Terry Moy, Manager of Program Management and Engineering and Jim Poff, Manager of Water Reclamation.

The meeting was held at the Industry Room of The W Hotel located at 3333 Poydras Street, New Orleans, Louisiana, 70130.

Chairman McQueen called on Jim Poff, Manager of Water Reclamation, to give the invocation.

Approval of Minutes: Chairman McQueen called for any omissions or additions to the Regular Session Board Meeting minutes of September 6, 2012. Hearing none, the minutes were approved as presented.

Financial and Statistical Report: Chairman McQueen called on Mike Thomas, General Manager, to give the financial report. Mr. Thomas reviewed the financial information that was given to the Board for the period ending August 31, 2012.

Mr. McQueen informed attendees that an additional item was added to the agenda following item B - Casey WRF Influent Flow Meter Replacement Purchase Recommendation to be presented by Jim Poff.

Horizontal Cased Bores Bid Recommendation: CCWA issued a Request for Bid (RFB) for our Annual Contract for Cased Roadway/Railroad Bores. Bid packages were sent to nine contractors and the four contractors listed below attended a mandatory pre-bid conference where our staff explained the work and methods involved in this work.

Bids were evaluated based on selected line items and quantities of a “typical job by CCWA” from a Schedule of Values. A copy of the “typical job by CCWA” evaluation sheet was provided to all bidders at the bid opening on September 18, 2012.

Metro Horizontal Boring, Inc. was the low bidder but failed to comply with the specific requirements of the RFB package to write their Georgia Utility Contractor License Number on the outside of the Bid envelope and to also include a copy of the required license for documentation in the bid package. Therefore staff and CCWA's attorney consider this bid unresponsive.

Staff therefore recommends this annual contract be awarded to the second low bidder, Turpin, Inc. for the period of November 1, 2012 – October 31, 2013 based on the unit price list provided in the RFB. Work will be assigned on an "as needed – when needed" basis and work will be paid per the unit prices as shown on the enclosed Schedule of Values. We would also recommend that this contract be extendable for a second and third year at no changes in terms or conditions.

<b>Vendor</b>	<b>Price</b>
Metro Horizontal Boring, Inc McDonough, Ga	\$50,911.00
Turpin, Inc Forest Park, GA	\$53,729.00
Strack, Inc Fairburn, GA	\$59,963.00
Gary's Grading & Pipeline Co. Monroe, Ga	\$67,976.00

UPON motion by John Chafin and seconded by Marie Barber with Pete McQueen, John Westervelt, Oscar Blalock and Rodney Givens voting in favor and Ms. Haynes abstaining it was

RESOLVED: to award the contract for Horizontal Cased Bores to Turpin, Inc. as outlined in the request for bid documents, contingent upon approval of bonds and insurance as required and to authorized the General Manager to sign the contract.

Shoal Creek WRF Influent Pump Station Design Improvements Task Order JA-RE-12-0: The purpose of this Task Order is to provide a specifications and drawings package to define work associated with repairing corroded concrete and reinforcing steel in the existing Shoal Creek WRF influent pump station. Improvements

will also be made by adding a reinforced concrete dividing wall in the wet well so that half the pump station can be kept in service while the other half is being cleaned and maintained. The Task Order Amount shall not exceed \$74,765.00 the funding Source will be the Renewal & Extension Funds designated for this project in FYB 2012 budget. Project Managers for Jacobs Engineers will be Matt Bracewell; and for Clayton County Water Authority Terry Moy and Jim Poff.

UPON motion by John Westervelt and seconded by Oscar Blalock with Pete McQueen, John Chafin, Marie Barber and Sophia Haynes voting in favor and Rodney Givens abstaining it was

RESOLVED: to approve the Task Order JA-RE-12-0 for the sum of \$74,765.00 for the Shoal Creek WRF Influent Pump Station Design Improvements with Jacobs Engineering Group, Inc. and to authorize the General Manager to sign the Task Order.

W.B. Casey WRF Influent Flow Meter Replacement Purchase: This purchase is for the influent flow meter at Casey WRF. General Service's maintenance staff has tried all they know of to get the old one repaired. Currently our only option left is to replace the unit. Because this is a NPDES Permit parameter, we need to get this replacement expedited as we are estimating influent flows for our monthly Georgia EPD reports.

Staff has received three quotes and recommends that we purchase 36" Flow Tube from Process Specialties, Inc. This is the vendor with lowest quote price of \$32,086.12. This emergency purchase will be funded from the Water Reclamation operating funds.

Vendor	Quote Price
Process Specialties, Inc.	\$32,086.12
Process Automation Service Solutions, Inc.	\$35,217.50
Instrumart	\$67,834.00

UPON motion by Marie Barber and seconded by Rodney Givens it was unanimously

RESOLVED: to approve the purchase of a 36" Flow Tube from Process Specialties, Inc. This is the vendor with lowest quote price of \$32,086.12.

Georgia National Guard 8-inch Sanitary Sewer Extension Project Completion Summary: Terry Moy gave the following update: As a part of work associated with the Base Realignment and Closure (BRAC) plan for Fort Gillem, the Georgia National Guard

and an adjacent housing complex, will lose access to sewer service when the closure takes place. CCWA worked with the customers to develop a plan to extend sewers to provide continued service.

The work included the construction of approximately 3,700 linear feet of 8-inch diameter gravity sewers. CCWA work included surveys, engineering, design, permitting and construction management of the project.

Construction bids were opened on October 20th, 2011. Construction started in April and work was completed in June, 2012.

The original project estimate was \$340,000. Final construction costs were \$266,861.57. Costs for this sewer extension were shared by the National Guard, the apartment complex at Ft. Gillem and CCWA. A summary of completed project costs is presented below.

Cost Breakdown	Amount
National Guard	\$60,345.65
Park at Fort Gillem	\$63,493.31
CCWA	\$143,022.61
Total	\$266,861.57

Regulatory and Monitoring Data Management Task Order SW-10-03 Project Closeout Summary: Terry Moy gave the following update: Various data such as inspection reports, water quality testing results and biological stream sampling, are collected and used by different CCWA personnel to support operations and stored in multiple formats (electronic and hard copy) and in multiple locations. Consolidating this data for monitoring and regulatory reporting reports is an extremely labor intensive process.

The purpose of this Task Order was to provide improved data collection and reporting tools in support of regulatory compliance activities related to watershed protection and stormwater management. The work included evaluations of data collected, reporting and monitoring needs and development of a consolidated format and approach for managing data.

The final tool consisted of programming modifications to CCWA's existing Cityworks – Computerized Maintenance Management System (CMMS) and the development of a customized database tool to collect and manage field information related to stream and watershed monitoring data.

DMS became operational in early 2012 and was used to prepare this year's Annual Report. Preliminary estimates of labor savings obtained from using DMS are approximately \$44,000/yr. The original TO amount was \$200,000. The project came in under budget at \$198,542.

East Jesters Creek Watershed Improvement Strategy Task Order BC-SW-12-04:  
To expand upon the findings in the CCWA Watershed Management Plan (2001), the East Jesters Creek (EJC) Watershed has been chosen for additional detailed investigation. The East Jesters Creek Watershed includes East Jesters Creek and Conine Creek which generally begins near Mt. Zion Road, west of Southlake Mall and flows from the north through the Cities of Morrow, Forest Park, and Lake City. Historically, these creeks have been classified as degraded due to heavy urbanization, loss of natural vegetation, and not suitable for supporting fish and macro-invertebrates.

The purpose of this Task Order is to provide engineering services to support a watershed improvement strategy with the goal improving water quality and hydrology, complying with permit requirements, and protecting established stream restoration project in East Jesters Creek.

The review of existing monitoring data and other datasets along with field investigations and stream walks will allow the Engineer to evaluate the watersheds and prepare specific project recommendations for water quality and hydrologic improvements.

East Jester Creek is listed as partially supporting the designated use of fishing on the Georgia Environmental Division's draft 2012 303(d) list of impaired streams. The pollutant of concern is fecal coliform and the impairment is from the headwaters to the confluence with Jesters Creek (approximately 4 miles). The development of this improvement strategy will also comply with State and District requirements for watershed improvement plans.

The scope of services includes:

Task 1 – Desktop Analysis

Task 2 – Field Inventory

Task 3 – BMP Modeling

Task 4 – Develop of the Watershed Improvement Strategy

Task 5 – Public Education and Outreach

Project Managers for Brown & Caldwell will be Aylin Lewallen; and the Project Manager for Clayton County Water Authority will be Kevin Osbey. The Task Order shall not exceed \$131,369 and the funding source will be the FY 2012 Stormwater Revenues.

UPON motion by John Westervelt and seconded by Marie Barber with Pete McQueen, John Chafin, Oscar Blalock, and Sophia Haynes voting in favor and Rodney Givens abstaining it was

RESOLVED: to approve the Task Order BC-SW-12-04 for the sum of \$131,369.00 for the East Jesters Creek Watershed Improvement Strategy with Brown and Caldwell and to authorize the General Manager to sign the Task Order.

Backflow Prevention Program Update: Mike Bennett presented the following update: CCWA Board approved the CCWA Backflow Prevention Program to achieve 100% compliance with State requirements for our commercial water customers at the March, 2012 CCWA Board meeting. The approved program includes owning and installing approximately 1,500 new commercial backflow devices, annual testing and repairs of all backflow devices, and implementing a monthly commercial account fee addition to partially recover CCWA cost for State compliance.

The monthly fee to commercial account bills was initiated in July 2012. Internal installation of the required backflow devices began in May, 2012. A new backflow technician was recently hired to assist with the required annual testing of all backflow devices.

Policy & Law Manual Revisions: Presented are the proposed revisions to the CCWA Law & Policy Manual that were identified during our recent review of internal controls. The revisions included the following:

1. Add a category of bill adjustment entitled “unexplained water loss adjustment” when no leak is evident but excessive water usage cannot be logically explained.
2. Clarify other bill adjustment procedures to match our current practices;
3. Delete the reference to specific positions regarding credit card use so as positions change or needs change a Board action is not required every time a position name changes or a minor change is made;
4. Clarify current practices for wire transfers for financial institutions; and
5. To remove specific cell tower sites out of the policy without removing the requirement for Board approval so that this specific policy does not have to be revised every time a cell tower site is added.

CCWA staff recommends these revisions to the CCWA Law and Policy Manual be adopted.

UPON motion by Marie Barber and seconded by Oscar Blalock followed by votes in favor from Pete McQueen, John Chafin, John Westervelt and Rodney Givens, with Sophia Haynes voting against, (Ms. Haynes voiced specific opposition against lifting the requirement for customers to produce proof of ownership or a lease. She was in favor of the other provisions);

RESOLVED: to approve the Policy & Law Revisions as presented.

**STATE OF GEORGIA**

**COUNTY OF CLAYTON**

**RESOLUTION NO. 2012-5**

**WHEREAS**, Georgia Laws 1955, page 3334, created the Board of the Clayton County Water Authority; and

**WHEREAS**, the Board of Directors (“Board”) has adopted a Clayton County Water Authority Law and Policy Manual consisting of Chapters 1 through 15, each inclusive; and

**WHEREAS**, the Board wishes to update the Clayton County Water Authority Law and Policy Manual.

**NOW THEREFORE, BE IT AND IT IS HEREBY RESOLVED THAT:** The Clayton County Water Authority hereby officially amends the Clayton County Water Authority Law and Policy Manual by updating the following sections:

Section 22 (Customer Accounts and Adjustments) of Chapter 8 (Customer Service);  
Section 6 (Credit Cards) of Chapter 10 (Purchasing and Disposal);  
Section 4 (Financial Institutions Signatures) of Chapter 12 (Financial); and  
Section 2 (Cellular Towers) of Chapter 13 (Facilities and Land Use).

**Chapter 8 Customer Service**  
**Section 22 Customer Accounts and Adjustments**

ESTABLISHING AN ACCOUNT

A) New Account:

- 1) Customer is to complete an application for service providing pertinent
- 2) information such as name, address, etc;
- 3) Customer places an appropriate deposit for the type of account;
- 4) Customer pays applicable water and sewer impact fees based on one day's usage;
- 5) Customer pays for meter installation costs plus any related costs;
- 6) Customer may be required to provide documentation of ownership or Lease agreement; and
- 7) Deposits shall be determined by the Customer Service Director, who will set the deposit at an amount which he or she believes will approximate two months of usage to the customer.

B) Existing Account:

- 1) Customer is to complete an application for service providing pertinent information such as name, address, etc;
- 2) Customer places an appropriate deposit for the type of account; and
- 3) Customer is required to provide documentation of ownership or Lease agreement.

## BILLING

A) Frequency:

- 1) Bills are to be rendered once a month on approximately thirty (30) day intervals; and
- 2) Billing date is to be determined by bill cycle.

B) Terms:

- 1) Bills are to be paid within twenty (20) days from the date of the bill;
- 2) Bills paid after twenty (20) days from the date of the bill are assessed a late fee equal to ten percent (10%) of the current month's unpaid balance;
- 3) Service may be terminated for non-payment after thirty-five (35) days from the date of the bill;
- 4) Once service is terminated, it will be reconnected only after the past due balance is paid. Reconnection may occur on the same day as requested. If the request is made before 3:00 P.M., there will be a trip charge. If the request is made after 3:00 P.M. an additional fee shall apply. A per trip charge is assessed if field contact or disconnect is required; and
- 5) Returned payment items constitute non-payment. A return fee will be assessed.

## ADJUSTMENTS

### A) Customer Relations:

#### Explained Water Loss Adjustments

- 1) A customer experiencing unusual water use caused by a leak, not the fault of the Authority, may be entitled to an adjustment, under the following terms and conditions:
  - a) Adjustments to a water bill shall be allowed for up to one-half of the water usage over and above average usage. If the customer is also a sewer customer, and it is clear that the unusual quantities of water did not enter the sewerage system, the customer shall also receive a credit corresponding to the amount of water determined not to have entered the system;
  - b) To qualify for the adjustment, the customer must present evidence of the leak and proof of repair;
  - c) Adjustments shall be for one billing cycle;
  - d) A customer may qualify for this credit only two billing cycles per 12 month period; and
  - e) To qualify for an adjustment, the customer must apply within 120 days of the repair.

#### Unexplained Water Loss Adjustments

- 2) A customer experiencing unusual water use from an unknown source as outlined as a 1 month spike in usage, when the usage has returned to normal the following month, not the fault of the Authority, may be entitled to an adjustment with approval by the General Manager or Customer Accounts Director.
- 3) The Customer Accounts Director or the Customer Service Supervisor may approve payment plans for residential and non-residential customers with high bills due to leaks, which are not the fault of the Authority, with no late fees added for late payment. Payment arrangement terms are available per the approval of the Customer Service Supervisor, the Customer Accounts Director or General Manager.
- 4) At customer request, and upon approval of the Customer Services Supervisor or the Customer Accounts Director, a customer with a good pay record may have the late fee waived one time per twelve month period or multiple times at the discretion of the Customer Accounts Director; and
- 5) Adjustments other than the above must be approved by the Customer Accounts Director.

B) Billing Corrections:

- 1) Excessive water usage caused by the Authority is to be adjusted to the customer's normal use. Adjustments shall occur whenever needed; and
- 2) Excessive sewer usage caused by the Authority is to be adjusted to the
- 3) customer's normal use. Adjustments shall occur whenever needed.

AUTOMATIC DRAFT ACCOUNT

A) Setting up Account:

- 1) Customer must complete and sign application form for each account with the Authority;
- 2) Changes to customer's banking account necessitate completion of new application form;
- 3) First draft will occur on the second billing after the date of the application; and
- 4) A customer wishing to terminate automatic draft on an active account must do so in writing.

B) Automatic Draft Billing:

- 1) Customer's account will be automatically drafted on the second billing after the date of the application;
- 2) Change in customer's banking account necessitates a new application. Automatic draft will resume on the second billing after the date of the change;
- 3) Customer is to be mailed a monthly statement no less than ten (10) days before banking account is drafted;
- 4) The amount on the customer's statement will be drafted if customer does not contact Authority within ten (10) days from date of the statement;
- 5) Drafts denied by the bank will be assessed a handling fee; and
- 6) Drafts denied by the bank for non-sufficient funds, account closed, refer to maker, lien on account and the like will result in withdrawal of automatic draft privileges. Privileges may be reinstated only at the Authority's discretion.

(Reference minutes of May 2, 1996 Pages 589 – 593, December 7, 2000 Pages 1272 – 1273, April 1, 2004 Pages 2449 – 2450, June 3, 2004 Pages 2508 – 2509, October 5, 2006 Page 3458, November 1, 2007 Page 3751)

**Chapter 10 Purchasing and Disposal**  
**Section 6 Credit Cards**

At the discretion of the General Manager, certain positions, primarily Department Managers, are authorized to obtain a Credit Card to be used solely and exclusively for expenses of the Clayton County Water Authority.  
(Reference minutes of April 3 & 4, 2008 Pages 3907 - 3909)

**Chapter 12 Financial**  
**Section 4 Financial Institutions Signatures**

The following positions are authorized signatures on the following accounts of the Authority:

1. Board Secretary/Treasurer for the Revenue Fund;
2. General Manager for the Payroll Account;
3. Finance Director or designee for all Wire Transfers between banks; and
4. Finance staff for all transfers with the same bank.

(Reference minutes of January 8, 2004 Page 2297)

**Chapter 13 Facilities and Land Use**  
**Section 2 Cellular Towers**

It shall be the policy of the CCWA Board of Directors to lease certain properties for the construction of cellular towers. Individual property leases will be approved by the Board of Directors.

(Reference minutes of November 4, 2004 Page 2657, May 4, 2006 Pages 3303 – 3304)

**[SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

**SO RESOLVED** this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

ATTEST:

CLAYTON COUNTY WATER  
AUTHORITY

\_\_\_\_\_  
Marie Barber, Secretary

\_\_\_\_\_  
Pete McQueen, Chairman

\_\_\_\_\_  
Sophia Haynes, Board Member

\_\_\_\_\_  
John M. Chafin, Board Member

\_\_\_\_\_  
Rodney Givens, Board Member

\_\_\_\_\_  
Oscar Blalock, Board Member

\_\_\_\_\_  
John L. Westervelt, Board Member

APPROVED AS TO FORM:

\_\_\_\_\_  
Steven M. Fincher, Attorney for  
Clayton County Water Authority

Upgrade to CISCO Communications Software Proposal Recommendation: In order to improve our Customer's experience, minimize expenses and improve customer service metrics, staff put out a Request for Proposal for an upgrade and improvements to our Cisco phone system. The RFP included the requirements for a vendor to do the following:

Upgrade Cisco software – The current Cisco phone system was implemented in June 2009. An upgrade is necessary before the current version is no longer supported and to implement an outbound dialing campaign.

Design, Program and Implement Outbound Dialing Campaign – An outbound dialing campaign will provide auto-generated calls to CCWA customers. This campaign will be designed to perform a daily task of reading a database file, making the telephone call, and playing a specified wave (voice message) file. The calls may inform Customers of a pending disconnect, a potential leak, an outage in their area, an appointment reminders, etc.

Reporting Software – The historical reporting provided by Cisco is very limited. Staff is seeking reporting software that provides flexibility for customization of reports, dash-boarding to view trends and to displaying statistics through an existing wall board.

Professional Services – Staff requested cost on an additional 300 hours to be used in the future enhancements to the IVR such as payment arrangements as well as staff training.

Company	Softchoice	Presidio	Adcap
Project costs	\$ 53,152.30	\$ 74,050.89	\$109,331.38
Costs of additional 300 hrs.	\$ 58,500.00	\$ 46,500.00	\$ 52,500.00
Total Costs	\$111,652.00	\$130,550.00	\$161,831.38
Points (including costs)	50	36	24

The costs include all software, licensing, hardware, implementation services consulting and training costs. The fiscal year budget contains \$120,000 for this project in Business Unit 106. Staff recommends award to Softchoice in the amount \$53,152.30 and up to an

additional 300 hours at \$195/hour on an as needed basis for a total not to exceed \$111,652.

UPON motion by John Chafin and seconded by Oscar Blalock it was unanimously

RESOLVED: to award the contract for the purchase of goods and services to include all software, licensing, hardware, implementation services consulting and training costs to Softchoice for an amount not to exceed \$111,652.00 as outlined in the request for proposal documents, contingent upon approval of bonds and insurance as required and to authorize the General Manager to sign the contract documents.

Annual Fuels Contract Bid Recommendation Modified Tab Sheet: After further review, staff recommends the award made to B & B Oil Company, on August 2, 2102, be rescinded due to B&B Oil's bid has been determined non-responsive. B&B Oil Company included in its bid submittal a disclaimer, agreeing only to a maximum net 10-day payment term. CCWA's payment term as clarified in Addendum 1 to the proposal was stated as net 30-day firm. Therefore, staff recommends rescinding the award to B & B Oil Company, and awarding to the lowest responsive bidder, A.R. Brooks Enterprises, Inc. d.b.a. Lance Oil Company. This contract will be for one year and may be extended for a second and third year by mutual consent from both parties, with no changes in terms, conditions, and rates. Funding Source will be from the Operating Budget.

COMPANY NAME	UNIT PRICES (OPIS + Differentials) price per gallon			TOTALS
	GASOLINE	LOW SULFUR	LOW SULFUR RED DYE	
	Est. Qty. 110,000 gallons	Est. Qty. 140,000 gallons	Est. Qty. 25,000 gallons	
B & B Oil Company East Point, GA	OPIS + 0.015	OPIS + 0.015	OPIS + 0.085	\$5,875 Non-responsive
<b>A.R. Brooks Enterprises, Inc. d.b.a. Lance Oil Company Smyrna, GA</b>	<b>OPIS + 0.022</b>	<b>OPIS + 0.022</b>	<b>OPIS + 0.022</b>	<b>\$6,050</b>
Mansfield Oil Company Gainesville, GA	OPIS + 0.0384	OPIS + 0.0432	OPIS + 0.0440	\$11,372
Petroleum Traders Corporation. Ft. Wayne, IN	OPIS + 0.0284	OPIS + 0.0351	OPIS + 0.2000	\$13,038
Great Lakes Petroleum Co. Cleveland, OH	OPIS + 0.06	OPIS + 0.06	OPIS + 0.06	\$16,500
Hightower Petroleum Co. Middletown, OH	2.83278	3.14294	3.14404	\$830,218

UPON motion by John Westervelt and seconded by Oscar Blalock it was unanimously

RESOLVED to rescind the original award in August to B&B Oil because the bid was non-responsive based on payment terms.

UPON motion by Rodney Givens and seconded by John Chafin it was unanimously

RESOLVED: to award the contract for Annual Fuel purchase to A.R. Brooks Enterprises, Inc. d.b.a. Lance Oil Company as outlined in the bid documents, contingent upon approval of bonds and insurance as required and to authorize the General Manager to sign the contract documents.

Water & Sewer Revenue Projections: Mr. Thomas presented detail on consumption patterns, revenue projections and potential rate adjustments. Water consumption by our customers continues to decline. Consumption decreased about 5% over the last year. The number of actual accounts has increased slightly but the average use by most customers has declined. In January 2012, we increased rates by 5% across the board – base charges and consumption charges all increased 5%. Despite this, our revenues have been less than similar periods in 2011 due to the decrease in consumption.

As we look at current economic and demographic trends for our community, we do not believe that we can expect the trend of decreasing water sales to reverse itself anytime soon – it is likely this trend will continue for at least a few more years. Therefore, in order to keep the Water Authority financially secure, we must combine reductions in expenditures with rate adjustments to meet our financial obligations.

Operating expenses for the 1<sup>st</sup> quarter of FY2012 were 14% less than 1<sup>st</sup> quarter 2011; however, we can likely not sustain this level of cost reduction without significantly impacting service.

After considerable discussion regarding current and future capital needs as identified in CCWA's Strategic Master Plan

UPON motion by John Westervelt and seconded by Marie Barber it was unanimously

RESOLVED: to adjust base rates and volumetric charges for all customer classes by 5% effective January 1, 2013.

Third Party Credit Card Processing Service Expiring: CCWA's annual contract for third party credit card processing services with Paymentus will expire December 31, 2012. Mr. Thomas requested approval to extend this contract to December 31, 2013 due to favorable terms and to allow our Customer Service Section time to complete other time sensitive projects before preparing a Request for Proposals for these services.

UPON motion by Marie Barber and second by John Chafin it was unanimously

RESOLVED: to extend the contract for third party credit card processing with Paymentus for one year and to authorize the General Manager to sign the contract.

UPON Motion by Rodney Givens and seconded by John Chafin it was unanimously

RESOLVED: to adjourn the regular session board meeting.

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

---

Pete McQueen, Chairman

---

Walter Marie Barber, Secretary/Treasurer