

CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road  
Morrow, Georgia 30260

Regular Board Meeting  
May 2, 2013

The meeting was held at 2610 Shamrock Road, Jonesboro, Georgia 30236. Chairperson Barber called the meeting to order at 1:30 p.m.

Present at the meeting were Chairperson, W. Marie Barber, Vice Chairman, Oscar Blalock, Secretary/Treasurer, John Westervelt, Board Members, John Chafin, Rodney Givens, Sophia Haynes and Elizabeth G. Armstrong; General Manager, Mike Thomas, Deputy Manager, Mike Bennett, Legal Counsel, Steve Fincher of Fincher, Denmark & Williams, Carla Clark, Executive Coordinator and other CCWA staff and visitors.

Chairperson Barber called on Joshua Wood, Stormwater Technician, to give the invocation.

Approval of Agenda: Chairperson Barber informed the Board that a legal matter has come up and asked for a motion from the floor to amend the Agenda by adding an Executive Session

UPON MOTION by Oscar Blalock and seconded by Elizabeth G. Armstrong it was unanimously

RESOLVED to add an Executive Session to the agenda and approve the May 6, 2013 agenda as amended.

Approval of Minutes: Chairperson Barber called for any omissions or additions to the Regular Board Meeting minutes of April 11 & 12, 2013. Hearing none, and

UPON MOTION by Rodney Givens and seconded by Elizabeth G. Armstrong it was unanimously

RESOLVED to approve and accept the April 11 & 12, 2013 minutes as presented.

Financial and Statistical Report: Chairperson Barber called on Carl Stephens, Finance Director, to give the financial report. Mr. Stephens reviewed the financial information that was given to the Board for the period ending March 31, 2013.

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

RESOLVED to approve and accept the March 31, 2013 Financial Report as presented.

Shoal Creek WRF – GAWP Plant of the Year Award: Chairperson Barber called on Jim Poff. Jim introduced and presented Shoal Creek Plant Operator, Jim Hill with the GAWP Plant of the Year Award in its category.

Science Fair Recognition: Again Chairperson Barber called on Jim Poff. Jim presented the winners of the Water Environment Research Awards. First he presented B.C. Haynie 4<sup>th</sup> grader, Emily Mai with a trophy and award for her ‘Can Oil Effect The Evaporation of Water’ project. Next he presented the team of Jenee Graham and Naima McKinnie of Riverdale High School trophies and awards for their ‘Mechanisms and Removal of Selenium from Aquatic Systems’ project.

Wheel Loader with Combo Forks and Bucket Bid Recommendation: Chairperson Barber called on Bernard Franks to present the Wheel Loader Bid Recommendation.

Vendor	Bid	Make/Model
Georgia Underground Supply	\$39,148.32	Wacker WL30
Vermeer Southeast	\$39,325.00	Yanmar V4-6
Mason Tractor Company, Inc.	\$48,088.50	Kubota R520 SIT3
Cobb County Tractor	\$50,811.17	Takeuchi TW50
Cowen Equipment	\$54,475.00	Kawasaki 42ZV-2
GJ & LDBA Border Equipment Co.	\$62,996.36	Case Wheel Loader 21E
Yancey Bros.	No Bid Returned	

The CCWA staff recommends purchasing one new Yanmar V4-6 from Vermeer Southeast for \$39,325.00. This was the lowest equipment bid that met all and exceeded some specifications. This equipment will be used primarily during our two-inch

replacement projects instead of the larger Wheel Loader. The lower bid equipment (Wacker WL30) from Georgia Underground did not meet specs in the following key areas:

- Minimum Tipping Load (with bucket/ pallet forks) – Specified to be 5,000lbs/4,500lbs and the Wacker is 4,381 lbs. /3,583lbs- this is a difference of approximately 1,479lbs.
- Maximum Dump Height Specified at 9ft- The Wacker is 7’11” this is crucial for loading debris in high sided trucks like a Tandem.

This purchase was approved in the FY 2012 Budget. We will use the funds allocated for this purchase in BU#612 (Construction Equipment). This bid is \$13,675.00 below the budgeted amount due to the equipment size and competitive pricing.

UPON MOTION by Sophia Haynes and seconded by Oscar Blalock it was unanimously

RESOLVED to award the bid for the Wheel Loader with Combo Forks and Bucket to Vermeer Southeast in the amount of \$39,325.00 for the purchase of a Yanmar V4-6.

Mauldin & Jenkins Contract Extension: Chairperson Barber called on Carl Stephens to present the Mauldin & Jenkins Contract Extension. Annually, CCWA, as required, engages an auditing firm to examine our financial statements to provide reasonable assurance that our financial statements are presented fairly, in all material respects, and/or give a true and fair view in accordance with the financial reporting framework. The purpose of an audit is to provide an objective independent examination of the financial statements, which increases the value and credibility of the financial statements produced by management, thus increasing the reader’s confidence in the financial statements. The audit or independent examination provides an opinion, which gives assurances to the reader and reduces the risk of material misstatement of the financial statements via fraud and/or error.

CCWA is required (and it’s more efficient) to utilize the same audit firm for these services that Clayton County utilizes. Presently, the County and CCWA are utilizing the firm of Mauldin & Jenkins, LLC. To date, the County has not indicated any plans to change firms. Due to differing fiscal year-end dates (the County’s year-end is December 31<sup>st</sup> while CCWA’s year-end is April 30<sup>th</sup>), the County can forego making a decision on

whether to continue to engage Mauldin and Jenkins, LLC at this time. But due to our April 30<sup>th</sup> year-end, we are asking for a one year extension of our contract with Mauldin & Jenkins, LLC to perform audit services for FY 2012-13 financial statements.

The Contract for FY 2012-13 Audit shall not exceed \$48,750 and the funding Source will be the Revenue Fund (operating). Project Managers for Mauldin & Jenkins, LLC will be David Irwin and Carl Stephens for the Clayton County Water Authority.

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

RESOLVED to extend the Financial Auditing Annual Services contract with Mauldin and Jenkins.

Hail Damage Vehicle Repair Recommendation: Clayton County Water Authority experienced hail damage to 133 of its vehicles during the hail storm that occurred the evening of March 18, 2013. Our total fleet consists of over 190 vehicles. Total estimate of the damage to all 133 vehicles was \$225,887.10, less the \$66,500 deductible. The insurance payment to CCWA was \$159,387.10. The number of vehicles that will be repaired is 57 of the 133 vehicles that were damaged, with an appraisal repair amount of \$114,991.44 for the 57 vehicles.

	Vehicle ID	Year	Make/Model	Location of Damage	Appraisal Amount Travelers Insurance	Clayton Collision Center Inc. Jonesboro	Terry Cullen Southlake Chevrolet Jonesboro	Acci-Dents Douglasville
1	1206	2004	Ford Expedition	Roof, Hood	\$2,150.00	\$3,634.26	\$5,880.70	\$2,500.00
2	1270	2008	Ford Escape	Roof, Hood	\$2,800.05	\$2,578.12	\$2,975.62	
3	1290	2009	Ford Escape	Roof, Hood	\$3,127.65	\$2,233.26	\$3,236.52	\$2,600.00
4	1291	2009	Ford Explorer	Roof, Hood	\$2,502.35	\$3,294.48	\$4,037.23	\$2,600.00
5	1480	2008	Ford Ranger	Roof, Hood	\$1,914.40	\$1,795.69	\$4,319.73	\$2,000.00
6	1481	2008	Ford Ranger	Roof, Hood	\$1,856.35	\$1,755.69	\$4,040.95	\$1,900.00
7	1482	2008	Ford Ranger	Roof, Hood	\$2,221.55	\$1,935.69	\$2,736.38	\$2,000.00
8	1483	2008	Ford Ranger	Roof, Hood	\$1,661.55	\$1,535.69	\$2,753.36	\$2,200.00
9	1484	2008	Ford Ranger	Roof, Hood	\$1,463.15	\$1,673.26	\$3,490.75	\$2,000.00
10	1485	2008	Ford Ranger	Roof, Hood	\$1,832.10	\$1,815.69	\$2,749.75	\$2,000.00
11	1486	2008	Ford Ranger	Roof, Hood	\$2,694.08	\$1,435.69	\$2,200.51	\$1,900.00
12	1487	2008	Ford Ranger	Roof, Hood	\$1,931.55	\$1,862.43	\$2,224.85	\$1,600.00
13	1607	2010	Ford F-250 Super Duty 4X2 Reg.	Roof, Hood	\$1,566.25	\$1,770.78	\$2,644.53	\$2,000.00
14	1608	2010	Ford F-250 Super Duty 4X2 Reg.	Roof, Hood	\$1,529.05	\$1,980.78	\$2,228.60	\$2,500.00
15	1610	2010	Ford F-250	Roof, Hood	\$2,023.95	\$1,898.56	\$2,621.73	\$2,200.00
16	1614	2010	Ford F-250	Roof, Hood	\$1,881.45	\$1,752.78	\$2,754.95	\$2,500.00
17	1615	2011	F250 4x2 Diesel	Roof, Hood	\$2,198.85	\$1,626.30	\$2,714.94	\$2,000.00
18	1616	2011	F350 4x2 Diesel	Roof, Hood	\$1,911.05	\$1,438.56	\$1,854.00	\$2,300.00
19	1618	2011	F250 4x2 Diesel	Roof, Hood	\$962.15	\$1,426.30	\$1,838.80	\$1,000.00

	Vehicle ID	Year	Make/Model	Location of Damage	Appraisal Amount Travelers Insurance	Clayton Collision Center Inc. Jonesboro	Terry Cullen Southlake Chevrolet Jonesboro	Acci-Dents Douglasville
20	1621	2012	Ford E4DCutaway Van	Roof, Hood	\$1,339.60	\$ 638.56	\$1,142.79	\$1,000.00
21	1680	2008	Ford F-250 D	Roof, Hood	\$953.75	\$ 954.26	\$1,143.00	\$600.00
22	1691	2009	Ford F-250 D	Roof, Hood	\$2,101.25	\$1,886.30	\$3,055.61	\$2,600.00
23	1694	2009	Ford F-350 D	Roof, Hood	\$1,578.35	\$1,598.26	\$2,354.40	\$2,500.00
24	1700	2010	Ford F-150	Roof, Hood	\$2,349.00	\$1,592.21	\$3,348.14	\$3,000.00
25	1701	2010	Ford F-150	Roof, Hood	\$1,760.83	\$1,304.21		\$2,300.00
26	1703	2010	F150 Supercab 4X2	Roof, Hood	\$2,141.93	\$1,962.21	\$3,265.52	\$3,000.00
27	1705	2010	F150 Supercab 4X2	Roof, Hood	\$2,002.20	\$2,472.21	\$3,342.52	\$3,000.00
28	1706	2010	F150 Supercab 4X4	Roof, Hood	\$2,517.25	\$2,344.21	\$3,847.72	\$2,900.00
29	1708	2010	F150 Supercab 4X4	Roof, Hood	\$1,824.55	\$2,802.21	\$3,624.06	\$2,900.00
30	1711	2011	F150 Supercab 4X4	Roof, Hood	\$1,705.40	\$1,982.21	\$3,243.36	\$2,900.00
31	1712	2011	F150 Supercab 4X4	Roof, Hood	\$3,699.00	\$2,442.21	\$3,561.96	\$3,000.00
32	1713	2011	F150 Supercab 4X4	Roof, Hood	\$2,470.78	\$2,182.21	\$3,769.28	\$2,500.00
33	1714	2011	F150 Supercab 4X4	Roof, Hood	\$1,918.90	\$2,482.21	\$3,389.28	\$2,900.00
34	1715	2011	F150 Supercab 4X4	Roof, Hood	\$2,115.02	\$2,482.21	\$3,814.87	\$3,000.00
35	1790	2009	Ford F-150, 4x4	Roof, Hood	\$2,392.40	\$2,162.21	\$3,500.74	\$2,500.00
36	1791	2009	Ford F-150, 4x4	Roof, Hood	\$1,023.00	\$ 616.61	\$907.55	\$300.00
37	1792	2009	Ford F-150, 4x4	Roof, Hood	\$2,549.00	\$2,352.21	\$3,457.53	\$2,700.00
38	1810	2011	Ford F-350 D 4 X 4	Roof, Hood	\$1,537.85	\$1,380.78	\$1,633.80	\$1,900.00
39	1812	2011	Ford F-350 D 4 X 4	Roof, Hood	\$1,356.25	\$1,182.21	\$1,957.36	\$1,200.00
40	1813	2011	Ford F-350 D 4 X 4	Roof, Hood	\$1,486.45	\$1,602.26	\$787.61	\$900.00
41	1814	2011	F550 4x4 Diesel	Roof, Hood	\$1,757.45	\$1,500.78	\$2,253.00	\$2,500.00
42	1820	2012	Ford F-550 D Super D 4x4	Roof, Hood	\$1,362.55	\$2,360.80	\$2,884.06	\$2,600.00
43	1824	2011	Ford E-450 D Cut-a- way	Hood	\$1,242.25	\$ 618.56	\$966.00	\$1,000.00
44	1880	2008	Ford E-450 Cargo (Cutaway) Van	Roof, Hood	\$1,042.00	\$ 678.56	\$1,721.14	\$1,000.00
45	1881	2008	Ford F-450 D	Roof, Hood	\$1,257.00	\$1,760.78	\$2,334.90	\$2,700.00
46	1882	2008	Ford F-450 D	Roof, Hood	\$1,595.15	\$2,120.78	\$2,755.60	\$2,500.00
47	1890	2009	Ford F-550 D	Roof, Hood	\$2,137.65	\$2,740.78	\$3,068.41	\$3,000.00
48	1894	2009	Ford F-550 D	Roof, Hood	\$2,032.65	\$2,480.78	\$2,385.19	\$2,700.00
49	3473	2007	GMC Sierra 1500	Roof, Hood, Bed Cover	\$3,411.85	\$2,254.26	\$3,112.00	\$2,500.00
50	3474	2007	GMC Sierra 1500	Roof, Hood, Bed Cover, Windshield	\$3,414.35	\$2,633.26	\$3,253.29	\$2,500.00
51	4580	2008	Chevrolet 1500 - Silverado	Roof, Hood	\$1,806.15	\$2,443.26	\$3,378.91	\$2,400.00
52	4581	2008	Chevrolet 1500 - Silverado	Roof, Hood	\$2,158.75	\$3,072.82	\$2,088.32	\$2,600.00
53	4582	2008	Chevrolet 1500 - Silverado	Roof, Hood	\$2,526.25	\$1,604.82	\$3,533.85	\$2,500.00
54	4583	2008	Chevrolet 1500 - Silverado 4x4	Roof, Hood	\$3,393.65	\$2,413.26	\$3,045.86	\$2,500.00
55	4584	2008	Chevrolet 1500 - Silverado 4x4	Roof, Hood	\$2,733.65	\$2,004.82	\$3,345.32	\$2,600.00
56	4585	2008	Chevrolet 1500 - Silverado 4x4	Roof, Hood	\$2,053.55	\$2,874.82	\$3,300.41	\$2,500.00
57	4589	2008	Chevrolet 1500 - Silverado	Roof, Hood	\$2,016.25	\$2,822.82	\$3,119.24	\$2,800.00
			<b>Total Amounts</b>		<b>\$114,991.44</b>	<b>\$112,251.94</b>	<b>\$158,996.50</b>	<b>\$126,300.00</b>

Staff recommends awarding this business to Clayton Collision Center Inc., (the lowest quote) in the amount of \$112,251.94. The funding source will be the 2013 Operating Budget.

UPON MOTION by John Westervelt and seconded by Sophia Haynes it was unanimously

RESOLVED to award the quote for services to Clayton Collision Center, Inc. in the amount of \$112, 251.94.

Headquarters Building Modifications Update: Chairperson Barber again called on Terry Moy. CCWA issued a Notice to Proceed to the construction contractor on December 5, 2012 with a contract completion date of August 1, 2013. Terry updated the Board on the progress thus far.

The major work items include:

- a building expansion and centralizing of Customer Service and Management and Information Systems (MIS) staff,
- construction of a new customer service lobby and drive in teller facility,
- relocation of the Board Room and Community Use Room, and
- replacement of HVAC systems, roof and carpeting.

College Park Water Sales Contract Amendment: Chairperson Barber called on General Manger, Mike Thomas. CCWA and College Park staffs have been negotiating increased water sales from CCWA to the City. Our current contract allows for the City to buy up to 1.5 million gallons per day (mgd) at 75% of our commercial retail rate. CCWA and College Park staff and consultants have evaluated and tested the ability of both water systems to provide and accept up to 3 mgd.

CCWA has tentatively offered to lower our wholesale rate for the City of College Park to 65% of the commercial retail rate if they agree to routinely purchase more water from CCWA. This rate will cover all CCWA costs to supply the water and provide some funding for our capital program.

CCWA staff is requesting Board approval to proceed with a contract amendment to provide for the following:

- The purchase of up to 3.0 mgd of potable water by the City of College Park from CCWA on a continuous basis;

- The purchase price will be 65% of the commercial retail rate if the City purchases an average of 1.0 mgd or greater during a monthly reading cycle or 75% of commercial retail if the City purchases an average of less than 1.0 mgd during a monthly reading cycle;
- The purchase price will be adjusted whenever CCWA adjusts the commercial retail rate, except during the first three years of the contract the City's rate will only increase by half of the retail rate adjustment. After three years, the rate will return to 65% of the commercial retail rate and stay at that level for all future rate adjustments.

**CLAYTON COUNTY WATER AUTHORITY  
 CALCULATION OF WHOLESALE RATES - WATER  
 DETERMINATION OF RELEVANT COSTS TO RECAPTURE  
 FISCAL YEAR ENDED APRIL 30, 2011**

**COST TO PRODUCE WHOLESALE WATER**

<b><u>A.</u></b>	Direct Water Costs		\$ 14,445,285 <sup>▼</sup>	
	Less: Non-Wholesale Related Budget Units			
	#616 - Meter Testing and Repair	\$ 760,920		
	#617 - Leak Detection and Repair	162,238		
	#618 - Backflow Testing and Repair	<u>242,639</u>	<u>1,165,797</u>	\$ 13,279,488
	Direct Depreciation (Water Assets)		<u>7,453,113</u>	\$ 20,732,601
<b><u>B.</u></b>	Indirect and Administrative Costs		\$ 18,975,048 <sup>▼</sup>	
	Less: Non-Wholesale Related Budget Units			
	#131 - Meter Services	\$ 4,222,713		
	#340 - JW Smith Recreation Park	96,704		
	#342 - Smith Community Use Building	17,344		
	#350 - Lake Shamrock Recreation	192,244		
	#351 - Shamrock Community Use Bldg	192,244		
	#352 - Wetland Center	124,260		
	#610 - Meter Installation	167,677		
	#000 - Collections	-		
	#104 - Public Relations	170,911		
	#630 - Utility Locators	280,779		
	#901 - General Services Manager	231,532		
	#930 - Garage	76,660		

#960 - Grounds Maintenance		146,776	
#970 - Building Maintenance		400,354	
#132 - Customer Accounting		3,365,511	
Operating Transfer (Stormwater)		<u>996,000</u>	<u>10,681,709</u>
Net Indirect and Administrative Costs			\$ 8,293,339
Incremental Revenue Contribution			<u>53.59%</u> 4,444,238
<b>C.</b> Indirect Depreciation Expense			\$ 1,932,471
Wholesale Portion of Assets			<u>33.87%</u>
Net Indirect Depreciation - Wholesale			\$ 654,584
Incremental Revenue Contribution			<u>46.41%</u> 303,805
<b>D.</b> Interest Expense (Net)			
Bonds	\$ 9,659,616	19.2%	\$ 1,858,886
GEFA Loans	291,646	35.6%	103,785
Interest Income (Revenue & Debt Service Funds)			
	(74,987)	53.59%	(40,184)
Interest Expense (Net of Interest Income)			<u>1,922,488</u>
Total Relevant Wholesale Costs			<u>\$ 27,403,132</u>
Total Gallons Billed			<u>7,823,417</u>
Cost of Wholesale Water Per Thousand			<b>\$ 3.50</b>

CCWA water sales continue to decline, therefore, we have more than adequate capacity to supply the water requested by College Park. Staff is requesting permission to move forward with negotiating water sales to College Park.

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

RESOLVED to approve and authorize staff to move forward with water sale negotiation with the City of College Park.

Small Local Business Enterprise Program Proposal: Again, Chairperson called on Mike Thomas. In the past the Board has indicated a desire for CCWA to consider the implementation of a Small Local Business Enterprise (SLBE) Program to promote diversity in its contracting and increase economic opportunities for small and local



businesses. Clayton County has recently implemented a similar program and CCWA staff recommends possibly modeling our program after the County's program.

A SLBE program can increase opportunities for MWBE and SLBEs by increasing the scope of contracts placed in the SLBE program, applying SLBE goals to more contracts, applying a bid incentive to SLBE contracts and adhering to the federal size standard for small businesses.

The County's implementation consultant, Rodney Strong of the firm Griffin & Strong, provided an overview on the County's program, the legal aspects of a SLBE and alternatives for CCWA to consider. In his presentation Mr. Strong offered a couple of alternatives for the Board to consider. Mr. Strong submitted a proposal for CCWA's consideration.

UPON Motion by Rodney Givens and seconded by Elizabeth G. Armstrong it was unanimously

RESOLVED that the Board adjourn into executive session to discuss a legal issue. The Board reserves the right to return to open session.

The Board returned to open session.

The Board continued discussions on the SBLE Program. From discussions, many options were presented. Chairperson Barber appointed a committee consisting of Rodney Givens, Chair; Elizabeth G. Armstrong Vice Chair, members Mike Thomas, Teresa Adams and Karen Riser to visit with members of Clayton County Government and Clayton State College to explore the availability of options to form a SLBE Program tailored to CCWA. Chairperson Barber asked for the committees input.

Mr. Thomas made the Board abreast of the date conflict for the July Board Meeting. Since the meeting date fell on the July 4<sup>th</sup> holiday, Mr. Thomas asked if the Board wanted to consider moving the meeting date to Tuesday, July 2, 2013 or the following week, Thursday, July 11, 2013. By consensus the Board agreed to move the meeting date to July 11, 2013.

Mr. Thomas informed the Board of Board Member Givens' request to travel to the AWWA Conference in June one-day early to attend a workshop. Chairperson Barber requested opinions and comments from the remaining members on the request as this travel would incur additional travel expenses. By consensus the Board agreed to vote on

the increased expenses to allow Mr. Givens to travel to Denver on Saturday and the remaining members to follow on Sunday.

UPON MOTION by John Westervelt and seconded by Elizabeth G. Armstrong it was unanimously

RESOLVED to approve the increased expenses to allow Mr. Givens to travel to AWWA Conference in Denver one day early.

Mr. Thomas updated the Board on the Bond Refinancing. Because the Bond Refinancing is a joint venture with the County Commissioner, and because the County Commissioners have utilized the services of a Financial Advisor as opposed to an Underwriter for the sale of their Bonds, Mr. Thomas offered that it may be in the best interest of the CCWA to proceed with our Bond process in like manner. He informed the Board that he had received a general proposal from PFM Group, at the recommendation of Chairman Turner. (This was distributed to each of the Board Members)

Chairperson Barber shared with the Members that Chairman Turned expressed more comfort with a negotiated sale rather than sale through an Underwriter, as it would appear to be in the best interest of the county. Chairperson Barber went on to recognize that while the Board has performed it's due diligence in securing what it feel is best for the citizens of Clayton County; she also pointed out that because this is a joint issue with the County Commissioners, the Board would be remiss to not strongly considered an avenue already being traveled by the Commissioners.

Secretary Treasurer Westervelt stated that if this avenue gets it done, he was for anything that gets this organization to the 7.5 million in savings. He also stated that while he would have liked to have received information along these lines earlier. With a quick overview of the information he'd received he thought this might also be the best avenue.

Mr. Thomas requested permission to terminate the agreements with Raymond James/Morgan Keegan and Terminus Financial Services as Underwriters and request permission to reach out to the PFM, Group and request a quote for Financial Advisement on a competitive sale of our Bonds utilizing a negotiated sale.

Board Member Haynes expressed concerned about Mr. Thomas' request without more information on the type of sale now being considered and more information on PFM and felt it hindered the Board's ability to make that decision based. She went on to explain her concern with the process CCWA had previously gone through to get to the decision it had previously made. Her question remained, with the all that CCWA had gone through

to vet candidates, what was wrong with that process? Her concern was that the process had turned from a business process to what appeared to be a more political process. No information has been presented to question the experience of the candidates chosen as they have apparently done business with the county and the CCWA. Board Member Haynes went on to state that now we have a different company brought into this mix with a different type of process, and of greater concern the potential of one of the companies not selected bringing an objection or charge to the CCWA. She asked if this process is really comparing apples to apples here; why are we down to the wire changing and midstream on something that should have only taken us three weeks and not three months. She went on to say that she still has not heard anyone say that Chairman Turner wants us to use this company and why? Ms. Haynes stated that she felt it would be almost reckless on the part of CCWA to take the deal from Raymond James/Morgan Keegan & Terminus and give it to someone we know nothing about. Again she stated that her biggest issue was that no one has given any explanation as to what was wrong with the process CCWA went through to get to the decision already made. Her position was to put the deal at hand before the commissioners, let them vote up or down and be done with it.

Legal Counsel, Steve Fincher, reiterated that this is a joint issue with the County Board of Commissioners that they have as much say in this matter as the Authority. He went on to express that the County Commissioners have done their due diligence in seeking the counsel of their financial advisor, and Finance Director and they have advised their client that a competitive sale is the best way to do this deal. CCWA has a termination for convenience clause in their contract with Raymond James/Morgan Keegan and Terminus that could be utilized; giving the Authority the opportunity to negotiate a price for services rendered.

Mr. Thomas explained a Financial Advisor is truly going to represent the Water Authority and we would pay them a fee; whereas an Underwriter could turn around and sale the Bonds for profit obtaining a commission of the sale.

After much more discussion, it was decided that the board did need to come to a decision as whether or not to change its process. Ms. Armstrong stated that while she was not a proponent of a process being shoved upon the Board, she said that the Board needed more time to consider the use of a financial advisor and asked what and if there was a time frame to consider.

Mr. John Chafin stated that we have a responsibility to the citizens of Clayton County to save them money whenever possible since we have gone up 5% each year in the last few

years. He went on to say that he felt that using a financial advisor was more economical and that they would be more inclined to side with the Authority's best interest as opposed to an Underwriter. He went to state that he was of the opinion that we get a good end product that ultimately is saving the citizens of Clayton County seven-million dollars.

Mr. Givens stated that it was the Board's responsibility to be good stewards of the citizen's money and he did not want the Board to engage in anything that would not pass testing. He went on to say that while he recognizes that it was also the duty of the CCWA Board to support County Commissioners' in governing of the County, he wished that the Board members had known more about the competitive sale process prior to starting the whole RFP process. In addition, while he does not disagree with the use of a Financial Advisor, he felt that the Board needed more time, exercising its due diligence in selecting a company. He also stated that the ultimate goal was to save the citizens money.

Mr. Oscar Blalock agreed that the Board should not just accept the presented general proposal from PFM and make a determination to use their services. He stated that if the Board is going to change course, then it would be in the best interest of the board to check two or three other financial advisors and compare them all if that is in fact the route considered; and it appears this is the route at this point. He went on to state the Board needed time to digest the new process that has been presented and while he did not have expertise on which was the best route from a practical sense, from a political stand point it might be the best avenue to take as things stand right now. He also expressed that the ultimate responsibility of this Board was to save money wherever possible for the citizens of Clayton County.

Mr. Thomas expressed that it may be in the best interest of this Board to proceed with the firm presented and have them provide a more detailed proposals for the Bond sale while reiterating that at no point would he ever present anything to the Board that was not thoroughly researched.

Ms. Haynes stated that she was not as concerned with who handles the deal, but rather that due diligence is done and whatever this Board decides passes scrutiny. If this Board is going to elect another process to handle the underwriter portion of this sale and we use a similar process to select the underwriters that would be a process she could support. However; if the decision of this Board is to select this company that is currently before them without consideration of others, that would be a process she would not support. While she understood that the this Board along with the County Commission are parties to this contract, and she in not intentionally opposing the Commission, but she would not go beyond her fiduciary duty as a Board member and make a decision without knowing as much information as possible that made sense and was explainable.

UPON MOTION by John Chafin and seconded by Oscar Blalock with Marie Barber, Elizabeth G. Armstrong, John Westervelt and Rodney Givens all in agreement and with Sophia Haynes opposing the motion carried and it was

RESOLVED that the General Manager, Mike Thomas would request a detailed proposal for the 2003, 2004 Series Bond Sale from PFM and have them present it to the Board at a Special Called Meeting on Monday, May 13, 2013 at 5:00 p.m. in a formal interview process. The Board, at that time would vote in that meeting to either use PFM or go the route of selecting other candidates through an interview process.

UPON Motion by John Westervelt and seconded Rodney Givens, it was unanimously

RESOLVED to adjourn the meeting.

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

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Walter Marie Barber, Chairperson

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John Westervelt, Secretary/Treasurer