

CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road
Morrow, Georgia 30260

Regular Board Meeting, November 5, 2009

Chairman, Pete McQueen, called the meeting to order at 1:30 p.m.

Present at the meeting were: Chairman, Pete McQueen, Vice Chairman, Lloyd Joiner, Secretary/Treasurer, Marie Barber, Board Members, Wes Greene, John Westervelt, John Chafin and Don McMillian, General Manager, P. Michael Thomas, Legal Counsel, Steve Fincher of Fincher, Denmark & Williams, Steve Lavinder of CH2M Hill, other CCWA staff and visitors.

Chairman McQueen recognized Commissioner Sonna Singleton and thanked her for her continued support to the Water Authority.

Chairman McQueen recognized new Board Member, Dr. Don McMillian, Jr. and asked him to tell everyone about himself. Dr. McMillian provided a brief description of his background and involvement in the community. He expressed his appreciation to be a member of the Board.

Chairman McQueen called on Wayne Wilkerson, NTS Operator I in Water Reclamation, to give the invocation.

Approval of Minutes: Chairman McQueen called for any omissions or additions to the Regular and Executive Session Board Meeting minutes of Thursday, October 1, 2009 and Called Meeting minutes of October 13, 2009. Hearing none, the minutes were approved as presented.

Financial and Statistical Report: Chairman McQueen called on Emory McHugh, Finance Director, to give our financial report. Mr. McHugh reviewed the financial information that was given to the Board for the period ending September 30, 2009.

Recognition: Chairman McQueen called on Shayla Nealy, Water Resources Engineer in the Stormwater Department, to recognize Khoa Nyugen. Khoa, an 8th grader at Morrow Middle School, is the district-wide winner of the 8th Annual Water Conservation and Water Quality Essay Contest dedicated in memory of SFC John C. Beale. The award is sponsored by the Metropolitan North Georgia Water Planning District. Commissioner Sonna Singleton attended the recognition as Khoa is a student in her district. Also in attendance was Greg Curry, Principal at Morrow Middle; Timberly Wilson, Khoa's teacher; Crystal Beale, John Beale's widow; and Charlene Njoroge, Education and Public Awareness Coordinator with MNGWPD. Ms. Njoroge presented Khoa with a copy of his essay to be mounted, a certificate, and a check for \$100.

Chairman McQueen called on Herbert Etheridge, Manager of Distribution and Conveyance, to recognize Reginald Jester, Installation/Construction Foreman, for his twenty years of service to the Water Authority. Herbert congratulated Reginald and presented him with his 20-year service pin.

Chairman McQueen called on Jim Poff, Manager of Water Reclamation, to recognize Jimmy Powell, Environmental Compliance Inspector, and Wayne Wilkerson, NTS Operator I, for their twenty years of service to the Water Authority and presented them with their 20-year service pins. Jim also recognized Dexter Norris, NTS Senior Crew Leader for his twenty-five years of service and presented him with his 25-year service pin.

Backhoe Loaders Bid Recommendation: Chairman McQueen called on Herbert Etheridge, Manager of Distribution and Conveyance, to present the Backhoe Loaders Bid Recommendation.

Vendor	Bid (each)	Make/Model
Tractor & Equipment Co. Forest Park, GA	\$56,489.00	Komatsu WB146-5
ASC Volvo Forest Park, GA	\$59,588.00	Volvo BL70
METRAC Atlanta, GA	\$60,150.00	Deere 310SJ
Yancey Brothers Co., Inc. Atlanta, GA	\$62,960.00	Cat 420E
Lashley Tractor Sales Griffin, GA	\$51,800.92 Did not meet 11 of 36 specs	New Holland B95B
Briggs Construction Equipment Lawrenceville, GA	No Bid	
Atlanta JCB Kennesaw, GA	No Bid	

Staff recommends purchasing two Komatsu WB146-5 4WD Backhoe Loaders from Tractor & Equipment Company for \$56,489.00 each (\$112,978.00 total). This was the lowest equipment bid that meets most specifications and also offered the shortest delivery time (14 days). These Backhoe/Loaders are replacing two 10-year old Backhoe/Loaders that have reached the end of their useful life and have experienced numerous down time issues in recent months. This purchase was included in the current operating budget in the amount of \$120,000.00.

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

RESOLVED: to approve the purchase of two Komatsu Backhoe Loaders from Tractor & Equipment Company for the amounts as outlined above.

Installation of Hydrant Security Devices Bid Recommendation: Chairman McQueen called on Herbert Etheridge, Distribution and Conveyance Manager, to present the Installation of Hydrant Security Devices Bid Recommendation.

In September 2008, the CCWA Board of Directors approved the revision to CCWA's engineering specifications to require developers to use the Davidson hydrant security devices in all new developments. Water Authority staff would like to install these devices in all fire hydrants installed or replaced during any future CCWA construction and maintenance activities. In order to accelerate the installation of these devices in critical areas, CCWA staff proposes to utilize outside services to install approximately 325 devices. Bids were advertised in the Clayton News Daily, on the CCWA website and solicitations were mailed to six vendors and only one bid was received. This bid also included seven line items for various repairs to hydrants that may be discovered during the installation of these devices.

For the initial program staff proposes to install 325 devices in high profile areas. We anticipate spending approximately \$50,000.00 for the installation of the security devices and miscellaneous repairs discovered and corrected during this program.

Water Authority staff offer the following recommendations to improve our distribution system security:

- 1) Approve Homeland Security Products and Services as the sole source vendor for supplying the Davidson Anti-Terrorism Valve for a term of three years. This vendor has the exclusive rights to market and supply these devices in the Southeastern United States. These devices will be purchased at a cost of between \$575.00 and \$610.00 per device (depending on the hydrant manufacturer).

- 2) Additionally, Staff recommends the approval of the project budget of \$225,000 for the installation of hydrant security devices including the award of the installation contract to Davidson Hydrant & Utility Services, LLC for a total cost not to exceed \$50,000.00 based on the following unit prices. This contract for installation of devices is renewable for up to three years at the same terms should additional funding be allocated for future projects.

Fee Schedule

Installation of Hydrant Security Devices	\$110.00
Operating Nut Replacement	\$ 25.00
Replace Chain and/or Caps	\$ 0.00
Install Hydrant Riser Kit	\$ 25.00
Replace Breakaway Flange	\$ 0.00
Replace Breakaway Coupling	\$ 0.00
Hydrant Main Valve Replacement	\$150.00
Miscellaneous Repair Work (per hour)	\$ 48.80

UPON Motion by Wes Greene and seconded by John Westervelt it was unanimously

RESOLVED: to approve Homeland Security Products and Services as the sole source vendor for supplying the Davidson Anti-Terrorism Valve for a term of three years and to approve the project budget of \$225,000 for the installation of hydrant security devices including the award of the installation contract to Davidson Hydrant & Utility Services, LLC as requested and outlined above.

35,000 lb Truck Replacement Bid Recommendation: Chairman McQueen called on Herbert Etheridge, Distribution and Conveyance Manager, to present the 35,000 lb Truck Replacement Bid Recommendation.

Cab & Chassis'

Vendor	Bid	Make/Model
Nalley Motor Trucks Atlanta, GA 30315	\$121,254.00	2010 International 4300
Middle Georgia Freightliner Macon, GA 31206	\$133,192.00	2010 Freightliner M2
Nextran Truck Center Macon, GA	\$129,031.00	2011 Ford F 750
Carl Black GMC Kennesaw, GA 30144	No Bid	GMC no longer builds these trucks
Peach State Truck Sales & Svc Forest Park, GA 30297	No Bid	N/A

Maintenance Bodies & Compressors

Vendor	Bid
Interstate Truck Equipment, Inc. College Park, GA 30349	MTC Line Maintenance Body w/ Vanair Compressor \$59,650.00
Fontaine Truck Equipment, Inc. Forest Park, GA 30297	Omaha Standard Line Maintenance Body w/ Boss Compressor \$62,597.40
Knapheide Truck Equipment Milner, GA 30257	Knapheide Line Maintenance Body w/Vanair Compressor \$96,456.22
Superior Truck and Equipment Lilburn, GA 30047	No Bid
Smyrna Truck Equipment Smyrna, GA 30080	No Bid

Staff recommends purchasing two 2010 International 4300 Cab and Chassis' from the low bidder, Nalley Motor Trucks, in the amount of \$121,254.00 and two MTC Line Maintenance Bodies and Vanair Compressors from the low bidder, Interstate Truck Equipment Co, in the amount of \$59,650.00. These purchases total \$180,904.00 and were budgeted at \$216,000.00 in the approved 2009 Capital Budget. These two vehicles will replace 10 year old units that have reached the end of their useful life and have experienced numerous downtime issues recently.

UPON Motion by Lloyd Joiner and seconded by Don McMillian it was unanimously

RESOLVED: to approve the purchase of two 2010 International 4300 Cab and Chassis' from Nalley Motor Trucks and two MTC Line Maintenance Bodies and Vanair Compressors from Interstate Truck Equipment Co. for the amounts as outlined above.

Watermain Line Stop Installation Bid Recommendation: Chairman McQueen called on Herbert Etheridge, Distribution and Conveyance Manager, to present the Watermain Line Stop Installation Bid Recommendation.

Vendor	Price
TDW Services Conyers, GA	See unit prices
HydraStop Aslip, IL	No Bid
International Flow Technologies Murrieta, CA	No Bid

Staff recommends awarding this annual contract to TDW Services for the period of December 1, 2009 – November 30, 2010. TDW Services has performed this work for us in recent months under a CCWA Board approved low quote, and the bid prices in this Annual Contract are comparable to those recently quoted prices. The two solicited companies that did not return a bid are not currently licensed to perform work in Georgia as Utility Contractors as required by State Law.

Work will be assigned on an “as needed – when needed” basis and work will be paid per the unit prices as shown on the included schedule. The funding source for this work will be the Operations Budget or a specific Capital Project. Expenditures under this contract will not exceed \$100,000.00 on a fiscal year basis without further Board approval.

Staff recommends the contract for Water Line Stopping and Wet Tapping be issued to TDW Services at the specified unit prices and for a total value not to exceed \$100,000 in any fiscal year. Staff also recommends that this contract be extendable for a second and third year at no changes in terms or conditions for labor. An annual escalation of material costs (Line items 2.01 – 2.06) will be permitted upon sufficient documentation of price increases from the manufacturer not to exceed 8% per year.

Schedule of Values

Item #	Description	Unit Price
1.00	Mobilization	
1.01	Mobilization	\$500.00
2.00	Line Stop materials (per unit)	
2.01	12” - 200 psi	\$2,285.00
2.02	16” – 150 psi	\$3,265.00
2.03	20” – 130 psi	\$3,465.00
2.04	24” – 175 psi	\$5,930.00
2.05	30” – 175 psi	\$8,370.00
2.06	36” – 175 psi	\$8,960.00

Schedule of Values cont'd

Item #	Description	Unit Price
3.00	Line Stop Labor/Services	
3.01	12" single stop	\$2,975.00
3.02	12" double stop	\$4,615.00
3.03	12" double stop w/bypass provision	\$4,615.00
3.04	16" single stop	\$6,380.00
3.05	16" double stop	\$9,820.00
3.06	16" double stop w/bypass provision	\$9,820.00
3.07	20" single stop	\$7,018.00
3.08	20" double stop	\$10,777.00
3.09	20" double stop w/bypass provision	\$10,777.00
3.10	24" single stop	\$13,230.00
3.11	24" double stop	\$19,845.00
3.12	24" double stop w/bypass provision	\$19,845.00
3.13	30" single stop	\$17,200.00
3.14	30" double stop	\$25,800.00
3.15	30" double stop w/bypass provision	\$25,800.00
3.16	36" single stop	\$21,400.00
3.17	36" double stop	\$32,100.00
3.18	36" double stop w/bypass provision	\$32,100.00
4.00	Wet Tapping Services	
4.01	10" wet tap	\$450.00
4.02	12" wet tap	\$600.00
4.03	16" wet tap	\$1,200.00
4.04	20" wet tap	\$1,600.00
4.05	24" wet tap	\$2,500.00
5.00	Miscellaneous	
5.01	Additional labor for Line Stops beyond 3 days allowed (per hour)	\$100.00
5.02	Standby rate for Wet Taps (per hour)	\$0.00
6.00	Daily charge for Line Stop equipment left on site during CCWA repair/bypass activities beyond three days allowed	
6.01	12" Stop (per day or part thereof)	\$490.00
6.02	16" Stop (per day or part thereof)	\$1,690.00
6.03	20" Stop (per day or part thereof)	\$1,690.00
6.04	24" Stop (per day or part thereof)	\$2,150.00
6.05	30" Stop (per day or part thereof)	\$2,550.00
6.06	36" Stop (per day or part thereof)	\$2,950.00

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

RESOLVED: to award the Watermain Line Stopping and Wet Tapping Bid Recommendation to TDW Services as requested and outlined above.

Eagles Landing Parkway Watermain Relocation Recommendation: Chairman McQueen called on Herbert Etheridge, Distribution and Conveyance Manager, to present the Eagles Landing Parkway Watermain Relocation Recommendation.

Due to a Henry County SPLOST project to widen Eagles Landing Parkway between Country Club Dr and SR 42, the CCWA is being required to relocate 4,300 feet of 24” watermain. This main transports water from the Hooper Plant to the Noah’s Ark and Jonesboro Re-pump Stations. Funding was allocated in the R&E Fund based on our initial estimate of \$1,025,000.00 to complete this work. We are close to completing the design and estimate that this work will be completed at a cost of approximately \$775,000.00 utilizing CCWA staff and annual contracts. CCWA staff requests Board approval of the budget for this project.

UPON Motion by Wes Greene and seconded by John Chafin it was unanimously

RESOLVED: to approve the budget for this project for the amounts as outlined above.

Line 10 Watermain Project Recommendation: Chairman McQueen called on Herbert Etheridge, Distribution and Conveyance Manager, to present the Line 10 Watermain Project Recommendation.

The 2000 Master Plan identified the need for Watermain Line 10 (approximately 15,500 feet of 12” main) to begin at Rex Rd/SR 42 extending eastward along Rex Rd to Stagecoach Rd and then northward to Panola Rd. Approximately 2,250’ of 12” main was installed along Rex Rd during the construction of I-675 numerous years ago and the CCWA 2000 Master Plan recommended that this main be completed along the path outlined above. This watermain was recommended to address deficiencies in fire flow capabilities in the northeast section of the county. The following phases have been completed to date:

- Stagecoach Rd beginning at Panola Rd going southward for 3,500’ – completed in 2004 at a cost of \$113,103.01
- Rex Rd in conjunction with a GDOT roadway/bridge relocation project near Rex Mill – 2,900’ completed in 2008 at a cost of \$369,387.07

The final phase – 9,100’ to be constructed beginning early in 2010 at a cost not to exceed \$1,060,000.00.

Funding of approximately \$816,000.00 has been set aside in the R&E fund to complete this project. The final Phase of this project has been estimated at approximately \$1,060,000.00 utilizing CCWA staff and annual contracts. The excess funding requirement of approximately \$244,000.00 is due to the increased cost of materials since 2000 and the unanticipated cost to install 700' of watermain within the bridge constructed last year with the Rex Rd relocation project.

CCWA Staff recommends Board approval of this project budget and the reallocation of excess R&E funds of \$244,000.00 to this project.

UPON Motion by John Chafin and seconded by John Westervelt it was unanimously

RESOLVED: to approve the project budget and reallocation of excess R&E funds of \$244,000.00 to this project as outlined above.

Shoal Creek WRF Non-Potable Water System Bid Recommendation: Chairman McQueen called on Terry Moy, Program Management and Engineering Manager, to present the Shoal Creek WRF Non-Potable Water System Bid Recommendation.

Vendor	Total Bid Amount
Davidson Hydrant & Utility Services, LLC Hampton, Georgia	\$149,802.35
Southern Champion Construction Stone Mountain, Georgia	\$168,500.00
Heavy Constructors, Inc. Marietta, Georgia	\$176,000.00
Allsouth Constructors Covington, Georgia	\$176,477.00
Sol Construction, LLC Atlanta, Georgia	\$179,500.00
Willow Construction Powder Springs, Georgia	\$184,800.00

The current Shoal Creek WRF non-potable water system was designed to provide reuse water to the River's Edge Golf Course and for use at the Shoal Creek Plant. The golf course no longer uses this water. We continue to have the need for reuse water at the Shoal Creek Plant for process operations, clean-up and irrigation.

The existing system was built in 1992 and needs to be replaced. These new pumps will replace this system and provide a power and water cost savings of at least \$31,000 per year equating to a less than five year return on investment plus avoidance of a large capital cost for replacing the existing system.

Staff recommends awarding the contract for this project to lowest bidder, Davidson Hydrant & Utility Services, LLC for the bid total of \$149,802.35.

UPON Motion by Lloyd Joiner and seconded by Don McMillian it was unanimously

RESOLVED: to approve awarding the contract for this project to lowest bidder, Davidson Hydrant & Utility Services, LLC for the amount as outlined above.

Bond Refinancing Recommendation: Chairman McQueen called on Mike Thomas, General Manager, to present the Bond Refinancing Recommendation.

Financial conditions appear to be right for refinancing approximately \$18 million of the 2001 Bond Series. CCWA staff recommends utilizing William Camp of Morgan Keegan & Company as bond underwriter, Roger Murray of Murray Barnes Finister, LLP as bond counsel and Steve Fincher of Fincher, Denmark & Williams, LLC as local counsel. We will also set parameters for acceptable levels of savings in order to complete the refinancing.

UPON Motion by John Chafin and seconded by Marie Barber it was unanimously

RESOLVED: to approve the recommendation to refinance the Bond utilizing the advisors identified above as long as it generates savings to CCWA of three percent (3%) or greater.

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

RESOLVED: that the Board adjourn into executive session for land, legal, and personnel issues. The Board reserves the right to return to open session.

The Board returned to open session. The following items were discussed:

Mr. Thomas stated that there will be an OPEB Trust meeting immediately following the regular Board Meeting. All were welcomed to attend.

Mr. Thomas asked Emory McHugh, Finance Director, to discuss his plans for accounting method changes in reporting of assets due to plant demolition and expansion. Mr. McHugh proposes that we show these assets as an adjustment to our Fund Balance.

Mr. Thomas provided an update on the City of Atlanta Sewer Settlement Agreement. The refund is expected to be approximately 2.1 million dollars and will be put in the R & E Fund to be used mainly for capital projects. We still have an on-going contract for a small area of houses where we bill our customers and pay the City.

Mr. Thomas provided an update and presented stats on the Customer Service Call Center issues. Mr. Thomas stated that Mr. Bennett has been working diligently to improve the operations and October was the best month with decreased customer wait time, call abandonment and dropped calls.

Mr. Thomas reminded the Board that a legislative briefing will be held here at CCWA on December 9, 2009 at 11:30 a.m. to discuss current water issues in Georgia and invited the Board Members to attend.

Upon Motion by Wes Greene and seconded by Don McMillian 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