

CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road
Morrow, Georgia 30260

Regular Board Meeting, September 6, 2007

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, John Westervelt, John Chafin and Doug Bonner. General Manager, P. Michael Thomas, Deputy Manager, Mike Bennett, Department Managers, Guy Pihera, Herbert Etheridge, Teresa Adams, Jim Poff and Terry Moy, and Project Engineer, Mike Buffington, Finance Director, Emory McHugh, Customer Accounts Director, Brian Robinson, Risk Manager, Karen Riser, Human Resources Director, Ed Durham, Public Information Officer, Suzanne Brown, and Executive Secretary, Janet Matthews. Also present were: Steve Fincher of Fincher, Denmark & Williams, Steve Lavinder, Jay Kirk from CH2M Hill and the following employees: Steve Thompson, Pearla Glanton, Lee Morgan, Rodney Givens, Connie Bowen, Mandy Lindow, Bill Hansell, Simone Mitchell, Bonnie Fausel, Andrea Stallworth, Amanda LaPierre, Kristy McLemore, Lianne Sumner, Gabi LaFleur, Terry Hicks, and Angie Bennett. Board member, Wes Greene, was not present.

Chairman McQueen called on Steve Thompson 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, August 2, 2007. 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 three-month period ending July 31, 2007.

Employee Service Recognition: Mike Thomas, General Manager, stated that the Finance Department has received the Certificate of Achievement for Excellence in Financial Reporting award from the Government Finance Officers Association (GFOA) for many years. Mr. McHugh has also positioned the Water Authority to receive the annual Distinguished Budget Award. Mr. Thomas congratulated Emory and his entire staff for winning this award for the third year in a row.

Chairman McQueen called on Herbert Etheridge, Manager of Maintenance & Construction, who stated that the three (3) employees that were to be recognized today could not attend. Mr. Etheridge added that Nate Spieler, a second shift troubleshooter, received his Water Distribution license, his first certification. Bryant Bond, a Senior Equipment Operator, passed his Water Distribution certification and Tim Daniel, a Pipeline Equipment operator, passed his Water Distribution System exam.

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Employee Service Recognition: Chairman McQueen called on Jim Poff, Manager of Water Reclamation, who introduced Lee Morgan. Lee started with the Authority in 1992 and worked in the Sewer Maintenance section for about three (3) years. Lee then went to the General Service Department and worked in the garage for twelve (12) years. Lee has just started at the Casey Plant as a building and grounds custodian. Mr. Poff congratulated Lee and presented him his fifteen (15) year service pin.

Unaccounted for Water Update: Chairman McQueen called on Mike Bennett, Deputy Manager, to follow-up with the Board on the Unaccounted for Water Usage.

CCWA staff continues to work on the Unaccounted for Water (UAW) losses for potable water, an industry metric standard. As discussed previously, water utilities across the United States generally report this calculation as a twelve month “running average” due to the difficulty of trying to determine the exact date the potable water passes through a customer’s meter each month. CCWA meter readers currently read approximately 5,000 meters on 17 different days, each month, for a total of 80,000 monthly meter reads.

CCWA converted to the new Harris Customer Information System (CIS) in March 2007. A recent detailed review of each billing cycle revealed that one particular meter code in our system was not showing up in the “water usage” category in the new billing system data, even though the customer accounts were being billed the correct volume used. This correction has dropped our UAW numbers back to the 12% and lower percentages that were experienced prior to the new billing system.

In addition to the above, the CCWA team continues to work to reduce the UAW numbers by accounting for other authorized uses such as fire fighting, hydrant testing, hydrant flushing, fire line usage, and others. CCWA staff recently met with all local fire departments to establish procedures to account for their authorized usage of CCWA potable water for public safety purposes.

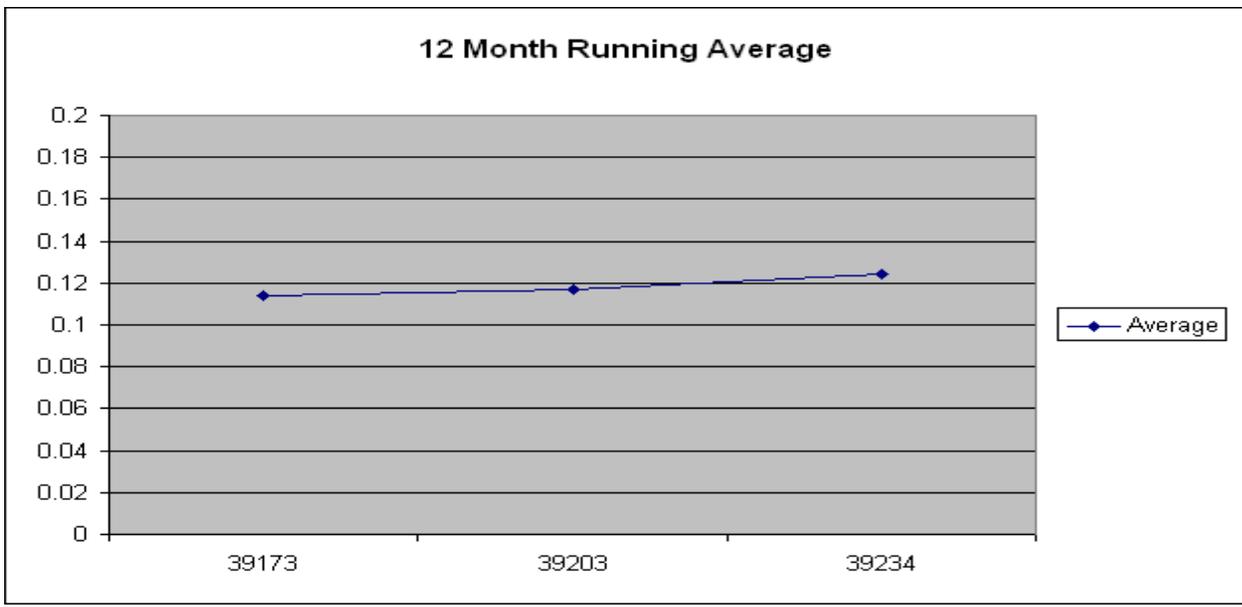
Included in this month’s Board package are copies of the proposed monthly reports for June and July 2007 denoting a “running” 12 month average for UAW losses in the CCWA system of approximately 12%. Also shown on this report are the individual monthly UAW percentages for the same month in the previous year, 2006, based upon the old method of calculation. The financial impact of UAW has also been modified to only reflect the actual operational cost to produce 1,000 gallons of water which is currently \$0.75 per 1,000 gallons.

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Finished Water Produced & Purchased for Sale
 Periods Ending June 2006 & 2007

	<u>2007</u>	<u>2006</u>
Gallons Produced	872,999,000	893,780,000
Gallons Purchased	748	0
Gallons Available	872,999,748	893,780,000
Gallons Billed	(759,459,000)	(800,964,000)
Leaks & Flushing	(3,925,000)	(5,270,500)
Gallons Unaccounted for	109,615,748	87,545,500
Dollars Unaccounted for	\$82,212	\$65,659
Average MGD Produced	29.1	29.8
12Month Running Average	12.40%	**9.79%

** Single month percentage - Not a 12 month running average

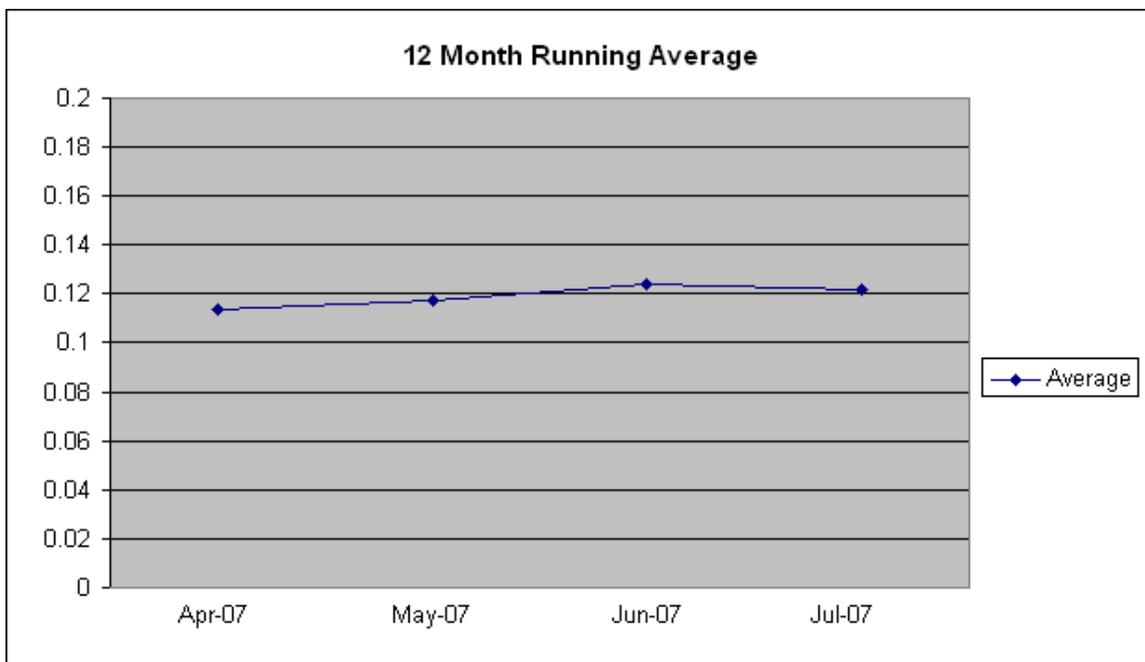


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Finished Water Produced & Purchased for Sale
 Periods Ending July 2006 & 2007

	<u>2007</u>	<u>2006</u>
Gallons Produced	871,520,000	909,539,000
Gallons Purchased	0	2,244
Gallons Available	871,520,000	909,541,244
Gallons Billed	(786,121,000)	(813,340,000)
Leaks & Flushing	(3,598,000)	(3,415,035)
Gallons Unaccounted for	81,801,000	92,786,209
Dollars Unaccounted for	\$61,351	\$69,590
Average MGD Produced	28.1	29.3
12Month Running Average	12.17%	**10.20%

**Single month percentage – Not a 12 month running average



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Water Quality Workshop Scope: Mr. Bennett stated that Guy Pihera and his Water Production staff had allocated one hundred thousand dollars (\$100,000) for a disinfection by-product control study. The Authority did not go forward with the by-product study primarily because the staff has been pro-active in sampling for the disinfection by-products even before being required to do so by law. Rather than conduct this study, the staff proposes to conduct a water quality workshop with experts provided by CH2M Hill. The proposed task order includes expert engineering support services provided by CH2M Hill to conduct a water quality workshop related to the optimization of the water treatment process at the W.J. Hooper, Terry R. Hicks, and J.W. Smith Water Production Plants. The 2 day workshop will focus on the removal of total organic carbon, control of manganese, and the minimization of disinfection by-products in the finished water.

Project Managers:
CH2M Hill, Engineers – Jay Kirk
Clayton County Water Authority – Mike Bennett

Task Order Amount:
\$ 16,000.00 (not to exceed amount)

Funding:
FY 2007 Operating Budget

TASK ORDER NO. OP-07-06

This Task Order is an attachment to the Master Services Agreement (“AGREEMENT”) between CH2M HILL, INC., (“ENGINEER”) and the CLAYTON COUNTY WATER AUTHORITY (“OWNER”) for a PROJECT generally described as Water Quality Workshop.

Background

The purpose of this Task Order is to provide engineering support for coordinating a workshop related to the optimization of the treatment processes at the W.J. Hooper Water Production Plant (WPP), Terry R. Hicks WPP, and J.W. Smith WPP. This workshop will focus on the removal of total organic carbon (TOC) under various water quality conditions, the use of chlorine dioxide for disinfection by-production formation, and the control of manganese. Specific items included in the scope of services are presented in Article 1.

ARTICLE 1- SCOPE OF SERVICES

The scope of services includes:

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Task 1- Water Quality Workshop

Task 1- Water Quality Workshop

The ENGINEER will coordinate a 2 day workshop with the OWNER's staff to discuss water quality issues related to the following treatment issues:

Removal of TOC under various raw water conditions

Use of chlorine dioxide for the reduction in formation of disinfection by-products

Control of manganese

The ENGINEER will review available water quality data provided by the OWNER prior to the workshop. The workshop will consist of hosting a series of discussions with the OWNER's operational staff on the first day of workshop to review water quality data and discuss existing treatment processes. The second day of the workshop will consist of performing bench scale testing and reviewing the test data. As part of this task, Dr. William Knocke of Virginia Polytechnic Institute and State University will provide additional consulting services. Dr. Knocke will attend one workshop with the OWNER and review the available water quality data prior to the workshop.

ENGINEER's Assumptions

The following ENGINEER's assumptions are included in Task 1:

Only one 2 day (16 hours) workshop is to be held as part of this task.

The services rendered by Dr. William Knocke of Virginia Polytechnic Institute and State University will not exceed \$6,000.

Dr. William Bellamy of the ENGINEER's Denver office will provide senior consulting services for this task and will attend the one day workshop.

There are no deliverables associated with this task.

ARTICLE 2- COMPENSATION

Compensation for the Scope of Services outlined in Article 1 shall be in accordance with the terms specified under the Master Services Agreement. Compensation shall be on a time and expense basis (per diem) with a not-to-exceed amount of \$16,000.00.

ARTICLE 3- SCHEDULE

This Task Order is based upon the PROJECT schedule as shown in Table 1

Table 1

Project schedule

Task Order OP-07-06

Task	Start Date	Duration
Task 1- Water Quality Workshop	To be coordinated with OWNER and Senior consultants	2 days

ARTICLE 4- INSURANCE

The insurance coverage required for this Task Order is shown in Exhibit A, "Insurance Requirements", which is attached hereto and made part of this AGREEMENT.

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This Task Order will become part of the referenced AGREEMENT on the effective date, which is the latest date when this Task Order has been signed, as shown below.
IN WITNESS WHEREOF, the parties execute below:

For OWNER, CLAYTON COUNTY WATER AUTHORITY

Dated this _____ day of _____, 2007

By: _____
Name Title

For ENGINEER, CH2M HILL, INC.

Dated this _____ day of _____, 2007

By: _____
Name Title

EXHIBIT A
INSURANCE REQUIREMENTS

TASK ORDER OP-07-06
Water Quality Workshop

ENGINEER's Insurance

The Engineer will maintain throughout the completion of the above and any subsequent task orders in connection with this project and after completion as required in this Exhibit A.

(a) Workers' compensation as required by the State (Statutory) where the work is performed and Employers Liability in the amount of one million (\$1,000,000) Each Per Accident, Per Disease Each Employee and Per Disease Policy Limit. ENGINEER shall also indemnify and hold OWNER harmless for any such liability that may attach to OWNER as a "statutory employer" of any of ENGINEER'S employees, agents or subcontractors. "An Alternate Employer Endorsement" naming the Owner as a protected Alternate Employer will be added to the Workers' Compensation policy.

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(b) Automobile Liability insurance covering claims for injuries to persons and/or property arising from the use of motor vehicles, including onsite and offsite operations, owned, non-owned or hired vehicles, with \$1,000,000 Combined Single Limit.

(c) Commercial General Liability, Occurrence Form, including Contractual Liability, per Project General Aggregate Limit of Liability, losses caused by explosion, collapse and underground (X,C,U perils). The Owner is added as an Additional Insured using ISO Form CG 20-10 extended to include Products/Completed Operations, or an equivalent Additional Insured endorsement, either form must be acceptable to the Owner. The coverage is primary as to the work of the ENGINEER for the Owner and includes separation of insureds (cross liability). Additional Insured status will be certified to the Owner for a period of five (5) years following completion of the project. The General Liability shall cover claims for injuries to persons or damage to property arising out of any covered negligent act or omission of ENGINEER or of any of its employees, agents, or subcontractors.

The limits of coverage shall be:

\$ 1,000,000	Per Occurrence
\$ 1,000,000	Personal or Advertising Injury
\$ 1,000,000	Fire Damage
\$ 5,000	Medical Payments
\$ 1,000,000	General Aggregate
\$ 1,000,000	Products/Completed Operations Occurrence and Aggregate

In the alternative, the ENGINEER may substitute a claims made policy in the same amounts and for the same coverages, provided that it has full prior acts coverage and a five (5) year Extended Reporting Period included in the current policy.

(d) Professional liability insurance to include coverage for the Owner and all Subs, Engineers and Design Consultants, with a minimum limit of \$10,000,000 per claim and in the aggregate. The OWNER may increase the limit requirements where in the opinion of the OWNER such increase is desired. The policy shall contain an eight (8) year Extended Reporting Period or the Engineer will furnish the Owner evidence of continuing coverage for that same period of time after completion. The Retro-active date under the policy will predate any work for the Owner. Sixty (60) days prior written notice of cancellation or non-renewal shall be given to the OWNER in the event of termination or non-renewal.

The Owner may elect to obtain a PROJECT policy on a primary or excess basis. The Engineer will amend their PRACTICE policy to provide primary or excess coverage to

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increase the combined limits of coverage. Deductibles included in the policies will be the responsibility of the Engineer.

(e) An Umbrella policy, including Excess following form, will be provided with a minimum limit of \$10,000,000 Per Occurrence and Aggregate (Per Project) and will apply over underlying policies for Automobile Liability, Commercial General Liability and Employers Liability. The Umbrella policy limits may be combined with the underlying limits to obtain the total limits required.

(f) The ENGINEER will furnish a Certificate of Insurance to the Owner for coverages (a) Workers' Compensation/Employers Liability; (b) Automobile Liability; (c) Commercial General liability; (d) Professional Liability; and (e) Umbrella Liability. The certificates will include a copy of the endorsement on each policy, which requires written notice to the Owner in, the event, of termination or non-renewal, of at least sixty (60) days. The certificates for the Commercial General Liability will also include a copy of the endorsement naming the Owner as an Additional Insured, providing primary coverage for Products/Completed Operations. Occurrence and Aggregate.

Waiver of Subrogation – ENGINEER waives subrogation against Owner as to Workers' Compensation including Employment Practices Liability, Automobile and Commercial General Liability Policies.

(g) Each and every policy required by this contract shall be with a company that is rated by Best as A- or better. Further, the OWNER shall not be responsible for any deductibles established by such policies.

Mr. Bennett recommended approval of the Water Quality Workshop Task Order with CH2M Hill in the not-to-exceed amount of sixteen thousand dollars (\$16,000.00).

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

RESOLVED: to approve staff's recommendation of the Water Quality Workshop Task Order with CH2M Hill in the not-to-exceed amount of sixteen thousand dollars (\$16,000.00).

Sludge Pelletizing Scope: Mr. Bennett stated that this task order is to develop preliminary design concepts and cost estimates for the rehabilitation of the existing pelletizing facility. Mr. Bennett recommends approval of this Task Order with CH2M Hill in the not-to-exceed amount of fifty-two thousand four hundred dollars (\$52,400.00).

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This task order includes engineering and preliminary design support services, provided by CH2M Hill, to develop preliminary design concepts and cost estimates for the rehabilitation of the existing pelletizing facility.

The task order includes review of the existing solids handling process to optimize operations and maintenance cost based upon current and future sludge flow projections. The task order also includes a detailed review and scheduling of recommended improvements identified in the 2007 Biosolids Master Plan.

Project Managers:
CH2M Hill, Engineers – Jay Kirk
Clayton County Water Authority – Mike Bennett

Task Order Amount:
\$ 52,400.00 (not to exceed amount)

Funding:
R&E Fund

TASK ORDER NO. RE-07-03

This Task Order is an attachment to the Master Services Agreement (“AGREEMENT”) between CH2M HILL, INC., (“ENGINEER”) and CLAYTON COUNTY WATER AUTHORITY (“OWNER”) for a PROJECT generally described as Preliminary Design and Engineering Support for the WB Casey Water Reclamation Facility (WRF) Pelletization Facility.

Background

The purpose of this Task Order is to provide engineering and preliminary design support for future improvements at the OWNER’s W.B. Casey WRF. The engineering and preliminary design support included in this task order will supplement the work conducted in the 2007 Biosolids Master Plan (BMP), where the ENGINEER will develop preliminary design concepts for the rehabilitation of the existing pelletization facility.

Specific items included in the scope of services are presented in Article 1.

ARTICLE 1- SCOPE OF SERVICES

The scope of services includes:

Task 1- Review of the W.B. Casey WRF solids process to optimize operations and maintenance costs based on existing and future flow projections

Task 2- Preliminary Design Report to address selected capital improvements to the Pelletization Facility

Task 1- Review of the Casey WRF solids process to optimize operations and maintenance costs based on existing and future flow projections

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The BMP that was conducted as part of Task Order RE-06-03 identified that the preferred alternative for future biosolids management at the W.B. Casey WRF would involve a rehabilitation of the existing pelletization facility. Under Task 1, ENGINEER proposes to revisit the existing thermal drying process with OWNER in a workshop session to determine whether improvements to the existing process can be identified that would help reduce operations or maintenance costs.

Specific potential process improvements that the OWNER has requested that the ENGINEER review include:

Whether the recirculation of the dryer exhaust back into the inlet of the dryer will reduce the amount of natural gas consumption

Whether separating the primary solids from the process and dewatering the primary solids separately will provide enough solids reduction to prevent the need for a third thermal drying train to meet future solids projections based on projected future flows at the W.B. Casey WRF. ENGINEER will discuss with OWNER during the proposed workshop and will recommend timing/sequencing based on projected flows.

ENGINEER will revisit the equipment list of improvements provided in the recent BMP (2007) and will revise the list based on improvements that the OWNER has already implemented or plans to implement in the immediate future. ENGINEER proposes to develop a revised equipment list during the Task 1 workshop with OWNER to prioritize to develop a framework for the preliminary design task (Task 2).

ENGINEER's Assumptions

The following ENGINEER's assumptions are included in Task 1:

ENGINEER will provide a heat drying expert to attend the Task 1 workshop;

ENGINEER will be compensated for travel expenses of the expert.

ENGINEER to provide data request list prior to workshop and assumes OWNER will provide requested information in a timely manner.

A formal kick-off meeting is not required.

Deliverables

The following proposed deliverables are included in Task 1:

Workshop meeting summary, capturing the major agenda items discussed during the workshop

Draft technical memorandum providing a summary of recommended process improvements that have been considered as part of Task 1 along with supporting calculations and cost information (at an American Association of Cost Engineers [AACE] Class 5 level cost estimate).

Final Technical Memorandum to be implemented into Task 2- Preliminary Design Report
Task 2- Preliminary Design Report to address selected capital improvements to Pelletization Facility

Upon completion of Task 1, ENGINEER will develop a preliminary design report to provide the framework for future improvements to the W.B. Casey WRF solids handling

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process. The preliminary design report will provide schematic level design concepts and will include:

Updated mass balance

Process Flow Diagram

Recommendations on unit process equipment

AACE Class 5 level cost estimate

Schedule to illustrate construction sequencing

Under Task 2, ENGI NEER proposes one workshop to develop the preliminary design concepts with OWNER.

ENGINEER's Assumptions

The following ENGINEER's assumptions are included in Task 2:

Preliminary Design Report is not intended to meet Georgia Department of Natural Resources, Environmental Protection Division (EPD) Design Development Report (DDR) requirements, but can be used to supplement the future DDR

Permitting support is not included

Task 2 does not include travel costs for ENGINEER to provide heat drying expert to attend the proposed workshop

Up to 40 hours of CAD time is included under Task 2

Deliverables

The following proposed deliverables are included in Task 2:

Written workshop meeting summary, capturing the major agenda items discussed during the workshop

Draft Preliminary Design Report submitted electronically to OWNER for review

Final Preliminary Design Report submitted electronically to OWNER in addition to six hard copies of Final Report

ARTICLE 2- COMPENSATION

Compensation for the Scope of Services outlined in Article 1 shall be in accordance with the terms specified under the Master Services Agreement. Compensation shall be on a time and expense basis (per diem) with a not-to-exceed amount of \$52,400.00.

ARTICLE 3- SCHEDULE

This Task Order is based upon the PROJECT schedule as shown in Table 1.

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Table 1
 Project schedule
 Task Order RE-07-03

Task	Start Date	Duration
Task 1- Review of the Casey WRF solids process to optimize operations and maintenance costs based on existing and future flow projections	14 days after owner issues NTP	30 Calendar Days
Task 2- Preliminary Design Report to address selected capital improvements to Pelletization Facility	To be coordinated with OWNER, after completion of Task 1	60 Calendar Days

NTP = Notice to Proceed

ARTICLE 4- INSURANCE

The insurance coverage required for this Task Order is shown in Exhibit A, "Insurance Requirements", which is attached hereto and made part of this Agreement. This Task Order will become part of the referenced AGREEMENT on the effective date, which is the latest date when this Task Order has been signed, as shown below. IN WITNESS WHEREOF, the parties execute below:

For OWNER, CLAYTON COUNTY WATER AUTHORITY

Dated this _____ day of _____, 2007

By: _____
 Name Title

For ENGINEER, CH2M HILL, INC.

Dated this _____ day of _____, 2007

By: _____
 Name Title

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EXHIBIT A
 INSURANCE REQUIREMENTS
 TASK ORDER RE-07-03

Preliminary Design and Engineering Support for the WB Casey Water Reclamation Facility (WRF) Pelletization Facility

ENGINEER's Insurance

The Engineer will maintain throughout the completion of the above and any subsequent task orders in connection with this project and after completion as required in this Exhibit A.

(a) Workers' compensation as required by the State (Statutory) where the work is performed and Employers Liability in the amount of one million (\$1,000,000) Each Per Accident, Per Disease Each Employee and Per Disease Policy Limit. ENGINEER shall also indemnify and hold OWNER harmless for any such liability that may attach to OWNER as a "statutory employer" of any of ENGINEER'S employees, agents or subcontractors. "An Alternate Employer Endorsement" naming the Owner as a protected Alternate Employer will be added to the Workers' Compensation policy.

(b) Automobile Liability insurance covering claims for injuries to persons and/or property arising from the use of motor vehicles, including onsite and offsite operations, owned, non-owned or hired vehicles, with \$1,000,000 Combined Single Limit.

(c) Commercial General Liability, Occurrence Form, including Contractual Liability, per Project General Aggregate Limit of Liability, losses caused by explosion, collapse and underground (X,C,U perils). The Owner is added as an Additional Insured using ISO Form CG 20-10 extended to include Products/Completed Operations, or an equivalent Additional Insured endorsement, either form must be acceptable to the Owner. The coverage is primary as to the work of the ENGINEER for the Owner and includes separation of insureds (cross liability). Additional Insured status will be certified to the Owner for a period of five (5) years following completion of the project. The General Liability shall cover claims for injuries to persons or damage to property arising out of any covered negligent act or omission of ENGINEER or of any of its employees, agents, or subcontractors.

The limits of coverage shall be:

\$ 1,000,000 Per Occurrence
 \$ 1,000,000 Personal or Advertising Injury
 \$ 1,000,000 Fire Damage

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\$ 5,000 Medical Payments
 \$ 1,000,000 General Aggregate
 \$ 1,000,000 Products/Completed Operations Occurrence and Aggregate

In the alternative, the ENGINEER may substitute a claims made policy in the same amounts and for the same coverages, provided that it has full prior acts coverage and a five (5) year Extended Reporting Period included in the current policy.

(d) Professional liability insurance to include coverage for the Owner and all Subs, Engineers and Design Consultants, with a minimum limit of \$10,000,000 per claim and in the aggregate. The OWNER may increase the limit requirements where in the opinion of the OWNER such increase is desired. The policy shall contain an eight (8) year Extended Reporting Period or the Engineer will furnish the Owner evidence of continuing coverage for that same period of time after completion. The Retro-active date under the policy will predate any work for the Owner. Sixty (60) days prior written notice of cancellation or non-renewal shall be given to the OWNER in the event of termination or non-renewal.

The Owner may elect to obtain a PROJECT policy on a primary or excess basis. The Engineer will amend their PRACTICE policy to provide primary or excess coverage to increase the combined limits of coverage. Deductibles included in the policies will be the responsibility of the Engineer.

(e) An Umbrella policy, including Excess following form, will be provided with a minimum limit of \$10,000,000 Per Occurrence and Aggregate (Per Project) and will apply over underlying policies for Automobile Liability, Commercial General Liability and Employers Liability. The Umbrella policy limits may be combined with the underlying limits to obtain the total limits required.

(f) The ENGINEER will furnish a Certificate of Insurance to the Owner for coverages (a) Workers' Compensation/Employers Liability; (b) Automobile Liability; (c) Commercial General liability; (d) Professional Liability; and (e) Umbrella Liability. The certificates will include a copy of the endorsement on each policy, which requires written notice to the Owner in, the event, of termination or non-renewal, of at least sixty (60) days. The certificates for the Commercial General Liability will also include a copy of the endorsement naming the Owner as an Additional Insured, providing primary coverage for Products/Completed Operations. Occurrence and Aggregate.

Waiver of Subrogation – ENGINEER waives subrogation against Owner as to Workers' Compensation including Employment Practices Liability, Automobile and Commercial General Liability Policies.

(g) Each and every policy required by this contract shall be with a company that is rated by Best as A- or better. Further, the OWNER shall not be responsible for any deductibles established by such policies.

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

RESOLVED: To approve staff's recommendation for the Preliminary Design Support Task Order with CH2M Hill for the WB Casey Water Reclamation Pelletizing Facility in the not-to-exceed amount of fifty-two thousand four hundred dollars (\$52,400.00).

Hooper Residual Solids Hauling: Chairman McQueen called on Guy Pihera, Manager of Water Production, who stated that our water production plants produce solids as a by-product. At the Hooper Plant, we take the solids or sludge and dewater it with the belt press. The Clayton County landfill takes the dewatered solids from us free of charge and uses it as cover for the landfill. For the last three years, the Authority has been paying a company to haul that solid material from the Hooper Plant. That contract period had expired and we have rebid the contract. We received two (2) bids and are recommending using Republic Services of Georgia (United Waste) at one hundred thirty-two dollars and fifty cents (\$132.50) per load with a net ton charge of eleven dollars and four cents (\$11.04) for Residual Solids Management-Transporting & Disposal at the Hooper Water Production Facility.

Clayton County Water Authority
Residual Solids Management – Transporting & Disposal
Wm. J. Hooper Water Production Facility
August 2007

Vendor	Transportation & Disposal Minimum per Load	Transportation & Disposal per Net Ton (up to 12 tons)
Republic Services of Georgia (United Waste) Austell, GA	\$132.50 / load	\$11.04 / net ton
Waste Pro Norcross, GA	\$135.00 / load	N/A
Allied Waste Atlanta, GA	No Bid	No Bid
C & C Disposal Fayetteville, GA	No Bid	No Bid
Advance Disposal Jackson, GA	No Bid	No Bid

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Vendor	Transportation & Disposal Minimum per Load	Transportation & Disposal per Net Ton (up to 12 tons)
Earth Products, LLC Peachtree City, GA	No Bid	No Bid
Southern States Environmental Mauk, GA	No Bid	No Bid
Waste Management Alpharetta, GA	No Bid	No Bid
Synagro Southeast Cartersville, GA	No Bid	No Bid
C & J Carriers Lovejoy, GA	No Bid	No Bid
FTX Environmental Services Lilburn, GA	No Bid	No Bid

Staff recommends that this contract be awarded to Republic Services of Georgia - United Waste. This contract is for one year and may be extended for a second and third year by mutual consent by both parties, with no changes to terms or conditions.

Funding Source: Operating Budget

UPON Motion by Lloyd Joiner and seconded by John Westervelt it was unanimously

RESOLVED: To approve staff's recommendation to award the contract for Transporting & Disposal of Residual Solids from the Hooper Water Production Facility to Republic Services of Georgia-United Waste at one hundred thirty-two dollars and fifty cents (\$132.50) per load with a net ton charge of eleven dollars and four cents (\$11.04) contingent upon approval of bonds and insurance as required by the specifications and to authorize the General Manager to sign the contract documents.

Hooper Chlorine Dioxide System Proposal: Mr. Pihera stated that Chlorine Dioxide is a chemical that we use to remove manganese and dissolve organic matter from raw water. We do not just buy chlorine dioxide delivered in bulk. We have to make it through a chemical process at the plant. We are proposing that we only change the current method we use at the Hooper Plant, to a method called "Purate" process. This change in process will result in approximately a ninety dollar (\$90) a day chemical

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savings. Our staff has done research with other areas that are currently using this system and their system is operating flawlessly with the Purate process. Staff recommends that the Authority enter into an agreement with Water Solutions to purchase 450,000 pounds (lbs.) of Purate treatment chemical over a three (3) year period. Mr. Thomas added that staff wanted to bring this to the Board next month, but Mr. Phera has had some problems with the current system.

Clayton County Water Authority
 Purate Treatment Chemical Proposal
 Wm. J. Hooper Water Production Facility
 September 2007

Vendor	Purate treatment chemical	Quantity to satisfy agreement
Water Solutions Marietta, GA	\$0.468 / lb	450,000 lb
Siemens Water Technologies Sarasota FL	\$0.56 / lb	550,000 lb
Purline Treatment Systems Irvine, CA	\$0.61 / lb	450,000 lb
Thorton, Musso, Bellemain Inc. Baton Rouge, LA	No quote	No quote

Staff recommends that we enter into an agreement with Water Solutions to purchase 450,000 lbs over a 3 year period (approx \$70,000 / year)

Water Solutions will provide and service feed equipment. Ownership of equipment will be transferred to CCWA after purchase of agreed quantity of Purate.

Purate is a proprietary product which is distributed competitively.

Funding Source:

Operating Budget (\$500,000 annual chemical budget at the Hooper Plant)

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

RESOLVED: to approve staff's recommendation to enter into an agreement with Water Solutions to purchase 450,000 pounds (lbs.) of Purate treatment chemical over a

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three (3) year period. Water Solutions will provide and service feed equipment. Ownership of equipment will be transferred to CCWA after purchase of agreed quantity of Purate and the agreement will be contingent upon approval of bonds and insurance as required by the specifications and to authorize the General Manager to sign the contract documents.

Headquarters (HQ) Building Cleaning & Sealing: Chairman McQueen called on Teresa Adams, Manager of General Services, who stated that the Authority advertised for the cleaning and sealing of the exterior of the Headquarters building. Staff recommends awarding this contract to A&D Painting, Incorporated in the amount of thirty-six thousand two hundred dollars (\$36,200).

Clayton County Water Authority
Headquarters (HQ) Building Cleaning & Sealing
September 2007

Vendor	Pressure Wash/Block Sealer	Window Cleaning/ Re-caulking	Paint Window Lintels	Total Bid Amount
A & D Painting, Inc. Tucker, GA	\$19,500	\$14,200	\$2,500	\$36,200
Apogee Cleaning Technologies, LLC Snellville, GA	\$29,900	\$11,000	\$3,000	\$43,900
AAA National Maintenance, Inc. Atlanta, GA	\$25,000	\$25,000	\$4,000	\$54,000
Edwards Painting & Contracting Lithonia, GA	\$42,000	\$31,000	\$6,250	\$79,250
Mechanical Jobbers Lithonia, GA	\$38,830	\$14,500	(did not provide)	(did not provide)
G. S. E. Facility Services, LLC Atlanta, GA	-	-	-	No Bid
Gardner Lawn Care & Pressure Washing Services College Park, GA	-	-	-	No Bid

If A & D Painting, Inc. is unable to meet all of the Authority's contractual requirements, staff recommends this contract be awarded to Apogee Cleaning Technologies, LLC in the amount of \$43,900.00.

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Funding Source: \$46,000 was included in the 2007 Operating Budget

UPON Motion by Lloyd Joiner and seconded by John Westervelt it was unanimously

RESOLVED: to approve staff's recommendation to award the contract for the cleaning and sealing of the Headquarters building to A&D Painting Incorporated, in the amount of thirty-six thousand two hundred dollars (\$36,200.00) contingent upon approval of bonds and insurance as required by the specifications and to authorize the General Manager to sign the contract documents. If A & D Painting, Inc. is unable to meet all of the Authority's contractual requirements, staff recommends this contract be awarded to Apogee Cleaning Technologies, LLC in the amount of forty-three thousand nine hundred dollars (\$43,900.00).

Sewer Use Ordinance Revisions: Chairman McQueen called on Jim Poff, Manager of Water Reclamation, who stated that every five (5) years the Authority is required by Georgia EPD to review our local limits or limitations on pollutants that can be discharged to all of our treatment plants. We had to change our ordinance due to all the construction in the last five (5) years. A lot of our wastewater conditions have changed which changes the number in the formulas that we use to calculate our local limits. Mr. Poff added that what staff is recommending are ten (10) different changes to the ordinance to update the document. These changes have also been reviewed by the Authority's legal counsel.

UPON Motion by John Westervelt seconded by Doug Bonner it was unanimously

RESOLVED: to approve the changes to the Clayton County Sewer Use Ordinance NO. 2002-51 Revisions and to send them to the Clayton County Commissioners for approval and adoption.

Huie Wetlands Phase 4 Part 2 Construction Bids: Chairman McQueen called on Mike Buffington, Program Management Engineer, who stated that this is a continuation of our Huie Wetlands project. Phases 1, 2, and 3 are completed and operational. Phase 4 is being constructed with two separate packages. Package 1 including distribution piping and Site A stabilization is under construction. Package 2 includes Site A constructed wetlands, access roads, structures, wetland plantings, electrical, and SCADA. Combined treatment capacity of the Huie CTW site after completion of the Phase 4 project will be 17.53 MGD.

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Package 2

Project Managers:
 CH2M Hill, Engineers – Wayne Murphy
 Clayton County Water Authority – Mike Buffington

Bid Opening:
 Bids for construction of Huie Constructed Wetlands Phase 4 (Part 2) project were received and opened at 2:00 PM, Local Time, August 21, 2007. The following bids were received:

Gary's Grading & Pipeline, Inc.	\$ 10,138,170.00
Eagle Excavation, Inc.	\$ 10,918,711.02
Strack, Inc.	\$ 13,850,000.00

Estimate:
 Final Engineers Estimate \$ 14,585,000

Funding:
 The project will be funded by R&E Funds.

Recommendation:
 CCWA staff and CH2M Hill recommend award to the low bidder, Gary's Grading & Pipeline

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

RESOLVED: to award the Huie Constructed Wetlands Phase 4 Part 2 project to the low bidder Gary's Grading & Pipeline, Incorporated in the amount of ten million one hundred thirty-eight thousand one hundred seventy dollars (\$10,138,170.00).

Norman Drive Right-of-Way & Easement: Mr. Thomas stated that the Clayton County Transportation & Development is constructing a center turn lane on Norman Drive in the northwest part of the County. The Water Authority owns property on Norman Drive where our Crystal Lake Tank is located. The County is requesting approximately 16 feet of permanent right-of-way along the frontage of this tract and up to 15 feet of temporary construction easement. The right-of-way and temporary construction easement will not conflict with any CCWA facilities or future plans. CCWA staff recommends donating this right-of-way and temporary easement to the County.

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UPON Motion by Lloyd Joiner and seconded by John Westervelt it was unanimously

RESOLVED: to approve the donating of the Norman Drive Right-of-Way and temporary easement to Clayton County Transportation & Development.

Timber Sale on Huie Site: Mr. Thomas stated that now that we have done such a good job with our wetland construction, we need less and less irrigation. Jim Poff, Water Reclamation Manager, and his staff have developed a forest management plan by working with a timber consultant.

We have worked with Joel Vinson and Associates on marketing these timber sales in the past and staff recommends we continue this relationship. Vinson & Associates would estimate timber value, assist CCWA in the marketing and sale of the timber and management of the harvesting operation. Vinson & Associates would receive seven percent (7%) of any timber sale revenue.

We are currently proposing three blocks on the Huie site for timber harvesting that total two hundred sixteen (216) acres with an estimated timber value of just over five hundred sixty-five thousand dollars (\$565,000). As part of an overall land management strategy, we plan to follow-up on these timber harvesting operations with site preparation and replanting.

UPON Motion by John Chafin and seconded by Doug Bonner it was unanimously

RESOLVED: to approve the timber harvesting that totals 216 acres on the proposed three blocks on the Huie site with an estimated timber value of just over five hundred sixty-five thousand dollars (\$565,000).

UPON Motion by Lloyd Joiner and seconded by Marie Barber 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.

Chairman McQueen stated that an employee has asked that in the Employee Appeal Process that the employee, after appearing before the Hearing Officer, have an opportunity to appear before the Board to make a three to five (3 to 5) minute statement. After some discussion by the Board a motion was made.

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

RESOLVED: to change the Authority's policy, Section 5, Item 3, in regard to the Employee Appeal Process, effective with today's date on any forward action allowing the employee only to appear before the Board of Directors after evidence is presented by the Hearing Officer. The employee must make a request in writing at least three (3) days prior to the scheduled meeting. The employee may make a statement of no more than five (5) minutes and this may be done in Executive Session.

Mr. Thomas stated that the Board had approved a condemnation on Hooper Phase 5 water line on Highway 42. All the property owners supported this condemnation and the Authority obtained all the necessary easements except one. The property owner was not able legally to get this done. Staff's recommendation is to do a declaration of taking to obtain this last easement.

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

RESOLVED: to approve a declaration of taking to obtain this last easement for the Hooper Phase 5 water line on Highway 42.

Mr. Thomas stated that there is a corner of College Park that is located in Clayton County and the Authority receives flow from College Park in a couple of areas. The Authority also has some facilities that flow into their lines, then at the flow monitoring point, we split it back off and then they send us back our flow and then they pump their flow to the City of Atlanta. College Park is experiencing the same frustrations with the City of Atlanta that we have.

College Park's Public Works Director approached us and asked if we would consider receiving sewer from College Park rather than them sending it to the City of Atlanta. Our legal counsel stated that the City of College Park probably has some contractual obligations that would make that difficult to do. College Park has asked us for help to do a feasibility study, at their expense, to provide for receiving that sewer flow. Mr. Thomas just wanted to inform the Board of their request and stated that he would accommodate their request as best he can because we have the capacity at the plant.

Mr. Thomas stated that the Authority provides reclaimed water for Rivers Edge Golf Course at a very good rate. When the contract was first conceived in the 1980's, the

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Authority had a need to dispose of wastewater. Now we have more than adequate capacity in the wetlands. We maintain a small separate treatment system that the wastewater goes through before we send it to the golf course. This is about a twenty-five (25) year old system that is in dire need of maintenance.

Mr. Brannan had contacted Mr. Hamilton, the previous owner, in writing to terminate the contract. Staff believes that the golf course has not met the contract requirements, and we can terminate the contract. The golf course was sold and is now Fayetteville Golf Club. We met with the new golf course ownership and explained the situation and told them that we wanted out of the arrangement. They are actively seeking ways to find another water source. If they continue the arrangement, the Authority would need to do significant capital improvements just to keep the system operating. Right now they are paying us half of what it is costing us to operate. Our first choice would be to terminate the contract. Our second choice would be for them to pay what it costs us, including capital costs, to provide them water.

Chairman McQueen and the Board recommended that Mr. Thomas continue working with the owners of the golf course and to keep the Board informed.

Mr. Thomas stated that Emory and his staff have completed our Comprehensive Annual Financial Report (CAFR) and we have a copy for each Board member today.

Mr. Thomas wanted the Board to know that the IRS is auditing one of our Bond series. Emory will be working with Mr. Fincher in answering their inquiry.

Mr. Thomas stated that we will be reviewing our take home vehicle policy. Clayton County is currently reevaluating the County's policy also. A meeting will be scheduled with our employees to fine tune our policy.

Mr. Thomas stated that the Board has approved additional Customer Service positions that had been requested. One of those was an accountant position dealing with the reconciling issues that go along with the audit. In the process of advertising for that position, Morris Kelly expressed an interest in the position. Morris has been working with us since his retirement, on a consultant basis, on the software implementation. Morris has a wealth of knowledge and has transitioned well. Mr. Thomas informed the Board he will bring Morris on as a contractor, at a reduced rate, paying no benefits, to fill the Customer Service Accountant position.

Mr. Thomas stated that with the City of Atlanta sewer contract we had taken our first credit when we received our last monthly bill. We are still debating with them on what the final credit will be. Marshall Mitchell helped the Authority to identify this

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credit due to us. Mr. Mitchell had been working for the City of Atlanta and billing the County. When Mr. Mitchell left the City of Atlanta, he brought the knowledge of things that were not being billed correctly. Originally, he signed a contract with the Water Authority for ten percent (10%) of the savings, up to fifty thousand dollars (\$50,000). The Authority went a couple of years without being able to specifically get Atlanta or anybody to identify any particular savings. Mr. Mitchell had not been receiving any payment for his services, so he and Mr. Brannan started to negotiate on paying Mr. Mitchell for services rendered.

Mr. Mitchell signed a contract with the Authority to be paid a total of thirty thousand dollars (\$30,000) for his services. Now that the City of Atlanta has specifically acknowledged a credit of at least four hundred twenty thousand dollars (\$420,000), Mr. Mitchell requested that his contract be renegotiated. Mr. Thomas stated that he felt Mr. Mitchell had been fairly compensated for his services and would not renegotiate the contract.

Mr. Thomas stated that U. S. Pipe is our pipe vendor and is offering a discount for a six (6) month renewal because scrap prices are down.

Mr. Thomas stated that at the last meeting the Board had discussed impact fees for Clayton State University. The Board asked Mr. Thomas and Mr. Fincher to determine and understand what organization was asking for an exemption on the impact fees.

Mr. Fincher proposed the following policy to address the request made by the Clayton State Foundation.

The Authority, upon request and subsequent review, will consider waiving water and sewer impact fees, in appropriate circumstances, for projects by any 501(c) (3) entity, organized for the purpose of providing for the finance and construction of facilities, if such facilities:

- 1) are expressly designed to be used solely for collegiate level student, administration and/or faculty users;
- 2) are to be leased to a state entity for such use(s); and
- 3) shall have title thereto shall pass from the 501 (c)(3) entity to a state or other governmental entity at the termination of the lease term.

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

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RESOLVED: to adopt the proposed policy as stated by legal counsel for the waiving of water and sewer impact fees as related to any 501 (c) (3) entity, organized for the purpose of providing for the finance and construction of facilities.

This policy would apply to the Clayton State project.

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

RESOLVED: to approve the request from Clayton State College Foundation to waive the water and sewer impact fees for this project only.

Mr. Thomas wanted the Board to know that the District Attorney's Office has called to schedule a Grand Jury tour on September 26th at 1:30 p.m.

Mr. Thomas stated that Ms. Barber and Mr. Rhodenizer, who is the County Chair for the United Way campaign, met with him to discuss ways to meet the County's goal of three hundred fifty thousand dollars (\$350,000). One potential idea was to do a bill "round up". Mr. Thomas added that initially he thought that this would cost the Authority some money, but the new software that we now have could accommodate this, but would cost some staff time. If implemented, this would apply to everyone's bill and the customer would have to let us know if they do not want to participate.

The Board asked that we table this request for now.

Mr. Thomas stated that Terry Hicks has been working on the Policy Manual and has completed a draft, after reviewing all the minutes back to 1955 when the Authority was created. Chapter 1, which has been reviewed by Mr. Fincher, is complete and there are some things that conflict. Mr. Thomas passed out Chapter 1 and asked that the Board review this and note the format that we are proposing. In the future, staff would bring to the Board each month a couple of chapters for their review.

Mr. Thomas would like to take the Board on a tour of the Huie Constructed wetlands on Thursday, October 4th, meeting here at the Authority at 10:30 a.m. Please let Ms. Matthews know if you will be able to attend.

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

RESOLVED: to adjourn the regular session board meeting.

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

Pete McQueen, Chairman

Walter Marie Barber, Secretary/Treasurer