

CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road
Morrow, Georgia 30260

Regular Board Meeting, October 6, 2005

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, Allan R. Smith and John M. Chafin. General Manager, M. Wade Brannan, Deputy Manager, Terry R. Hicks, Department Managers, Guy Pihera, Mike Thomas, Teresa Adams, Herbert Etheridge, and Jim Poff, Finance Director, Emory McHugh, Customer Accounts Director, Morris Kelly, Project Manager, Mike Buffington, Contract & Procurement Administrator, Karen Riser, Engineering Services Supervisor, Bruce Taylor, Human Resources Director, Ed Durham, Information Services Supervisor, Rodney Crowell, Network Administrator, Chris Sims, Assistant Finance Director, Renee Dumas, Public Information Officer, Suzanne Brown, Administrative Secretary, Carla Clark, and Retired Executive Secretary, Patricia Groover, Water Production Plant Operator, Henry Miller, CCTV Technician, Sean Ware. Also present were: Steve Fincher of Fincher & Hecht, L.L.C., Rick Hirsekorn of CH2M Hill, Nicole Mier of Jim Wood & Associates Public Relations.

Chairman McQueen called on Sean Ware, 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, September 1, 2005. Hearing none they were approved as received.

Financial and Statistical Report: Chairman McQueen called on Emory McHugh, Finance Director, who reviewed the financial information that was given to the Board and explained that this covered the three-month period ending August 31, 2005.

Employee Recognition: Chairman McQueen called on Guy Pihera, Manager of Water Production, who introduced Henry Miller, Water Production Plant Operator. Mr. Pihera stated that he would like to give recognition to Mr. Miller for passing his Class II Water Certification exam. Mr. Pihera gave the Board information concerning Mr. Miller's work history with the Authority and stated that Mr. Miller is an asset to the Water Production Department and the Authority.

Ms. Brown, our Public Information Officer, took a few moments to take a picture of Mr. Pihera and Mr. Miller.

Chairman McQueen stated that on behalf of the Board he would like to congratulate Mr. Miller for attaining his Class II Certifications.

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Employee Service Recognition: Chairman McQueen called on Terry Hicks, Deputy Manager, who stated that of the three employees he wanted to recognize today, only one could be here.

Mr. Hicks stated that Antonio Clay works from 12:00 p.m. midnight to 8:00 a.m. and catches night-time calls for us in Herbert's department. Mr. Hicks explained that Antonio probably would not make today's meeting, as he would have just completed his night shift.

A number of the Board members know Lonnie Philpot who is our Operations Coordinator at Natural Treatment Systems. Lonnie has twenty-five (25) years with the Authority and has done a tremendous job through the years and is very up on what it takes to operate that system.

Mr. Hicks called on a member of our management team, Herbert Etheridge, to be recognized for his thirty (30) years of service. Herbert started in Engineering in the sewer maintenance section. Currently, he is Manager of Maintenance & Construction and is a dedicated employee. Mr. Hicks congratulated Mr. Etheridge on his thirty years of service and the Board gave him a round of applause as Ms. Brown took a picture.

Mr. Etheridge stated that he owed credit for his thirty year pin to Mr. Hicks and Mr. Newman for their influence and involvement that gave him a lot of exposure not only on wastewater but on work at the plants and on water lines. Somewhere about the mid '80's, Mr. Hicks called Herbert to his office and stated that there was a new law that required flagmen who worked in roadways to be certified and that the Authority needed a couple of employees trained to be instructors and wanted Herbert to go to school. Little did he know, but Mr. Hicks wanted Herbert to go to school so that he could come back and teach our people. This schooling experience helped Mr. Etheridge to improve his speaking skills in group settings.

Chairman McQueen thanked Herbert for the good job he is doing.

Chairman McQueen asked Guy Pihera, Manager of Water Production, to give a water report and a report on the deer hunting.

Mr. Pihera stated that as of Monday, October 3rd, we were at 99% of our raw water capacity. That is the first time that we have not been full in our reservoirs since June of last year. We had a real dry September after having a real wet first part of the summer.

Mr. Pihera stated that we had our first three weekend segments in September at the Huie site. There were thirty-six (36) deer harvested, about 50/50, does and bucks. We have three more weekend hunts in November scheduled at the Huie site, and if seventy

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(70) deer are harvested, we will feel that this season has been successful. Last year we had twelve (12) weekend hunts and harvested about a hundred (100) deer. We cut back on the number of hunts because the number of deer is down. While participation is down, folks are coming in and participating this year.

Customer Information System Recommendation: Chairman McQueen called on Morris Kelly, Customer Accounts Director, who stated that his life for the last few months has been ruled by three letters, CIS. By this long, arduous process that we have gone through, we feel that the recommendation that we have for the Board today is one that best fits the Water Authority's needs. Mr. Kelly reviewed the information that was given to the Board and also showed some slides.

Customer Information System (CIS)
Project Recommendation
October 6, 2005

I. Why we need a new CIS

- **Existing system developed in 1987**
 - Does not meet the demands of our customers for ability to obtain self help.
 - Outlived its design lifespan
 - Many patches – cumbersome and difficult to work with
- **Need for IVR (Interactive Voice Response)**
 - Reduce dropped calls
 - Improve customer service (faster customer account information – 24/7)
- **Storm Water Utility**
 - Current system would require significant programming to handle additional services
- **Improve communications**
 - Wireless computers for field personnel
 - Improved information access for customer service reps and customers
- **Improve Functional Flexibility**
 - Existing system is difficult to modify/add new services
 - More flexible bill scheduling (bill partial routes and cycles)
 - Improve reporting and database querying
 - Enhanced customer information: customer usage graphs, maps

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II. Selection Process

- Comprehensive, six-month review
 - Selection team based on broad range of CCWA functional areas: Customer Service, Billing, Collections, Finance, Program Management, Information Technologies, Engineering
 - CH2M Hill r
 - eviewed the evaluation process, gave recommendations, and qualified with a Technical Memorandum.
- Four-Tier Review
 - Proposals (seven original proposals – short listed to three finalists)
 - Phone Interviews – two hour interviews with three customers of each vendor – Total of nine interviews
 - On-Site Demos – Two day demo with scripts developed by CCWA team.
 - Site Visits – CCWA team chose one customer per vendor
- Objective Process
 - Every evaluation step included comprehensive rating system
 - Multiple reference calls to similar organizations (size, services, interfaces)

III. Vendor Comparison

Scoring based on a broad range of criteria to ensure the best overall solution for CCWA.

1. Technical environment solutions
2. Mandatory system requirements
3. Functional system requirements
4. Cost
5. Vendor financial stability
6. Documentation
7. Maintenance program
8. Implementation support and training
9. Contract terms and conditions
10. Quality and clarity of proposal presentation
11. References

IV. Scoring Summary

	Harris	ASI	Alliance
Phone Interviews	204.5	172.4	186.0667
On-Site Demos	419.9	285.4	298
Site Visits	165.7	113	156.1
	790	570	640

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V. Cost Summary

These costs are costs estimated by vendors in their proposal, plus estimated hardware, wages and benefits for CCWA personnel dedicated to implementation, travel and expenses for vendor and CCWA, and third party software vendors needed for interfaces.

Grand Total	\$1,454,904	\$909,735	\$3,122,875
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VI. Recommendation

Recommend approval to proceed with contract negotiations and implementation of the Harris Computer Utility Billing and Customer Information System with Interactive Voice Response System for a cost not to exceed \$1,454,904.

Funding will come from \$1,000,000 budgeted in Fiscal Year 2005 in Budget Unit 132 and \$454,904 from R & E Fund.

Upon Motion by Wes Greene and seconded by Allan Smith it was unanimously

RESOLVED: to accept staff's recommendation to proceed with contract negotiations and implementation of the Harris Computer Utility Billing and Customer Information System with Interactive Voice Response System for a not-to-exceed cost of one million four hundred fifty-four thousand nine hundred four dollars \$1,454,904, contingent upon approval of bonds and insurance as required by the specifications and to authorize the General Manager to sign the contract documents.

Mr. Kelly updated the Board on the credit card implementation and added that he is hoping that the system will be up and running by Thanksgiving.

Ms. Barber asked Mr. Kelly who is on his team.

Mr. Kelly introduced Renee' Dumas, representing Finance, Bruce Taylor from Engineering, Karen Riser from Contract Procurement, Rodney Crowell, IT, and three from Customer Accounts, Jay Maxwell, Collection Supervisor, Wendy Brown, Customer Service Supervisor and Jenny Morris, Billing Supervisor and Angie Nalley, Program Analyst, who works for Rodney. We had a good team, with a lot of good thought put into the process.

Mowing Tractor Recommendation: Chairman McQueen called on Teresa Adams, Manger of General Services, who stated that staff is recommending the purchase of one new seventy-two (72") inch Mid-Mount Mower Tractor to replace the 1995 model that is inoperable and is in need of replacing. Staff recommends that we purchase this tractor from Fayette Tractor & Equipment, Incorporated, who had the lowest quote, at twenty-three thousand eight hundred ninety dollars (\$23,890).

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Clayton County Water Authority
 Purchase One New 72" Mid-Mounted
 Mower Tractor
 October 2005

Vendor	Total Amount of Quotation
Fayette Tractor & Equipment, Inc. Fayetteville, GA 30214	\$23,890.00 John Deere Model 4520
Mid-GA Tractor Co. McDonough, GA 30253	\$24,168.50 John Deere Model 4520
Mid-GA Tractor Co. Barnesville, GA 30204	\$26,490.00 John Deere Model 4520

Staff recommends that this contract be awarded to Fayette Tractor & Equipment, Inc. in the \$23,890.00. Funding Source: 2005 Contingency Funds

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

RESOLVED: to approve the purchase of a John Deere Mower Tractor Model 4520 from Fayette Tractor & Equipment, Incorporated, for the low quote amount of twenty three thousand eight hundred ninety dollars (\$23,890).

Waste Disposal Contract Recommendation: Ms. Adams continued with the recommendation for Waste and Trash Removal Services price increase. Ms. Adams explained that United Waste Service is our current provider and they are requesting a five (5%) percent increase due to their increase in fuel and landfill costs, effective December 2005. The price increase equates to an annual increase of one thousand seven hundred sixty-four dollars and sixty cents (\$1,764.60). These rates are still under our 2003 rates that we paid to United Waste and also Waste Management. Staff recommends that we approve the five (5%) percent increase that United Waste has requested.

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Clayton County Water Authority
 Recommendation of Price Increase
 Waste and Trash Removal Services – Annual Contract
 October 2005

Vendor	2004 Waste Removal Bid Amount	2004 Trash Removal Bid Amount	2004 Total Bid Amount
United Waste Service Austell, GA	\$ 22,164.00	\$13,128.00	\$35,292.00
	<u>2005</u> 5% Price Increase \$23,272.20	<u>2005</u> 5% Price Increase \$13,784.40	<u>2005</u> 5% Price Increase \$37,056.60

Recommendation: Staff recommends approval of 5% price increase of annual contract for waste and trash removal services awarded to United Waste Service in October 2004. Increase requested by United Waste is to cover increases in their fuel and landfill costs, effective December 2005.

This contract term will be for year 2 and may be extended for year 3 by mutual consent by both parties, with no changes to terms or conditions. Funding Source: 2005 Operating Budget

There was discussion in regard to this increase on a contract that originally was for three years with no change in terms or conditions. Mr. Brannan stated that the Authority has the option of renewing this annual contract, or renew this annual contract with the five percent (5%) increase or put this contract out for re-bid. The re-bid process may cause the Authority more money.

UPON Motion by Lloyd Joiner and seconded by Wes Greene it was unanimously

RESOLVED: to accept the recommendation of staff to approve a five percent (5%) price increase of the annual contract awarded to United Waste Services in October 2004 for the removal of waste and trash, this contract term will be for two years, contingent upon approval by the Authority's attorney after looking into the Authority's purchasing policy to determine the legality of adding this 5% price increase to the existing contract document.

Chairman McQueen called on Mr. Brannan who introduced Patricia Groover, former Executive Secretary, who was gracious enough to fill in for Janet, who fell and

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injured herself. The Board appreciates Patricia filling in on such short notice and also having to do all the preparation of the information for today's Board meeting.

Televising Sanitary Sewer Line Recommendation: Chairman McQueen called on Herbert Etheridge, Manger of Maintenance and Construction, who stated that part of our duties is to abide by Georgia law regarding utility locates. A lot of our older subdivisions, such as off Riverdale Road near I-285, do not have the locate information available. This week Atlanta Gas replaced all the gas lines in that area and although we do not have a record of their location, we have to locate all the taps. We have bid on an annual contract with a sewer televising contractor to supplement our CCWA staff to locate the sewer taps as we are on such short notice. Mr. Etheridge added that the Authority does spend a little money each year going proactively in the subdivisions that we do not have any records on and gather information to develop records of the sewer taps.

Staff recommends that this annual contract be awarded to Paul Jones & Co, Inc, as they are the low bidder. We also request authorization to contract with All Pipeline TV, and Southeast Pipe Survey in the event that the low bidder cannot meet our risk management or scheduling requirements. We will always attempt to use the lowest bidder and will use other vendors only in the event that the low bidder cannot meet our schedule/needs. This contract 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.

Clayton Count Water Authority
 Annual Contract – Sewer Line Televising
 Tab Sheet-September 2005

Vendor	Bid
Paul Jones & Co Hampton, GA	\$14,500.00
All Pipeline TV Hampton, GA.	\$30,000.00
Southeast Pipe Survey Patterson, GA	\$58,500.00
T.V. Testing & Rerounding Macon, GA.	No Bid
Cross and Sons Douglasville, GA	No Bid
American Pipeline Cleaning & Inspection Lake City, GA	No Bid
Drain-O-Might Hampton, GA	No Bid
Roland Pugh Construction Alpharetta, GA	No Bid
Proven Plumbing Atlanta, GA	No Bid

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This contract will be used on an as-needed/when-needed basis. In most cases we will use this contractor for locating sewer laterals in a large area (where location records do not exist) to comply with Georgia Laws pertaining to Utility Locate Requests. We will also assign work to this contractor (as budgeted) to map locations of sewer laterals to update our GIS mapping.

We recommend that this annual contract be awarded to Paul Jones & Co, Inc, as they are the low bidder. We also request authorization to contract with All Pipeline TV, and Southeast Pipe Survey in the event that the low bidder cannot meet our risk management or scheduling requirements. We will always attempt to use the lowest bidder and will use other vendors only in the event that the low bidder cannot meet our schedule/needs.

This annual contract is renewable for a second and third year at no changes in terms or conditions.

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

RESOLVED: to accept the recommendation of staff that the annual contract for sewer line televising, locating sewer laterals in large area where location records do not exist and to map locations of sewer laterals to update the Authority's GIS mapping be awarded to Paul Jones & Co, Inc, at a low bid amount of fourteen thousand five hundred dollars (\$14,500.) on an as needed/when needed basis, this annual contract is renewable for a second and third year at no changes in terms or conditions and that the request for the Authority to contract with the next two bidder All Pipeline TV, and Southeast Pipe Survey in the event that the low bidder cannot meet the Authority's risk management or scheduling requirements be approved, contingent upon approval of bonds and insurance as required by the specification and authorize the General Manager to sign the contract documents. .

Huie Site Timber Consultant Recommendation: Chairman McQueen called on Jim Poff, Manager of Water Reclamation, who gave a slide presentation to the Board showing the site of Phase III constructed wetlands. Phase I was put in operation on September 9th with approval of EPD. We are currently working on Phase II and it should be ready for planting in spring of next year. The timber on Phase III, which consists of about one hundred thirty (130) acres, should be cleared before we go out for bid in February of 2006.

HUIE SITE TIMBER CONSULTANT RECOMMENDATION
October 6, 2005

Huie Phase 3 Wetland Construction is scheduled to go out to bid in February 2006. The timber from this approximately 130 acres of land must be removed before construction.

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Clayton County Water Authority contracted with a Timber Consultant for the timber harvest from the Phase 2 site, which is now under construction.

DESCRIPTION OF SERVICES: Timber Consultant shall act as the Authority's agent in procuring a contractor to purchase timber located on the Property, in conducting the closing of said purchase, and in supervising the harvesting and sale of timber located on the Property by the successful contractor. Services provided under this Agreement shall include:

- Producing a list of potential buyers in the area.
- Defining volumes, values and species of timber to be sold.
- Distributing invitations to bid to potential buyers in the area and soliciting bids.
- Showing timber stands on the Property to potential buyers.
- Ensure a competitive bid process in which CCWA will receive at a minimum at least three competitive bids from various vendors.
- Consulting with the Authority regarding awarding a contract for sale of timber to include negotiation of terms as approved by the Authority.
- Drafting the contract for sale of timber or reviewing and providing comments on any proposed contract for sale of timber, subject to the Authority's review.
- Marking timber to be cut as specified, inspected, and approved by the Authority.
- Supervising and inspecting all harvesting operations of the successful contractor at the Property to their conclusion in order to ensure proper performance by the successful contractor.
- Ensuring that harvesting of timber on the Property complies with all applicable Federal, State and local provisions and requirements.
- Timber Consultant shall ensure all timbers are removed no later than February 15, 2006.
- Timber Consultant shall inspect all harvesting areas at least twice each week.

COSTS: The Authority shall pay the Timber Consultant for the above described services seven percent (7%) of all fees paid to the Authority for timber located on the Property that is harvested pursuant to this Agreement. Fees are to be paid to Timber Consultant at the closing of the timber sale.

CCWA staff recommends that we use Joel Vinson and Associates, Inc. as our Timber Consultant for the Huie Phase 3 Timber Harvest. Joel Vinson and Associates was the Timber Consultant on the Huie Phase 2 job and demonstrated excellent professionalism and skills to see that project to a successful completion. This contract is contingent upon approval of insurance as required by the specifications and to authorize the General Manager to sign the contract documents.

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Board member, Wes Greene, asked Mr. Poff what the estimate would be for the Phase III timber sale.

Mr. Poff replied that Phase III is very similar to Phase II in size and it brought in around one hundred thirty-four thousand dollars (\$134,000) in timber. Actually, with the shortage of timber we could get more revenue now than before.

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

RESOLVED: to accept the recommendation of staff that the contract for the Authority's Timber Consultant be awarded to Joel Vinson and Associates for the Huie Phase 3 Timber Harvest at a cost of seven percent (7%) of the monies paid to the Authority for timber located and harvested from this site, contingent upon approval of insurance as required by the specifications and to authorize the General Manager to sign the contract documents. These fees are to be paid to the Timber Consultant at the closing of the timber sale.

Hooper Transmission Line Phase III Recommendation: Chairman McQueen called on Mike Thomas, Program Manager & Engineering, who stated that he would like to talk to the Board about the bids that the Authority received on the Hooper Water Line Replacement Phase III.

Hooper Water Line Replacement – Phase III Bids for Installation Labor

The 2000 Master Plan identified the need to replace an aging steel water line that carries water from the Hooper WPP into the north part of Clayton County. This 16-inch water line is becoming a maintenance issue because of corrosion and frequent breaks. We are also providing for future capacity increases by upsizing this line to 24-inches while replacing it. Over 30,000 feet of line will be replaced in up to four phases. Phase I was completed in 2002 and Phase Two was completed in 2004. Phase Three will consist of the installation of 11,898 feet of 24-inch ductile iron pipe from the intersection of East Atlanta and Duval Road to the intersection of Valley Hill Road and Hwy 42 in Henry County. This project is funded by the 2001 Bond Series.

Project Estimate	
Materials Cost:	\$ 543,000
Easements & Permitting:	\$ 60,000
Labor:	\$ <u>1,049,000</u>
Total Project Estimate:	\$ 1,652,000

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CCWA has also applied for an EPA Special Appropriations Grant that was obtained through the Metro North Georgia Water Planning District of \$395,960 to offset some of the cost of this project.

Bids for installation labor for this project were taken on September 22, 2005.

Clayton County Water Authority
 Hooper Water Line Replacement - Phase 3
 Tab Sheet
 September 22, 2005

Vendor	Bid
D&J Pipeline Company	\$755,184.00
Tom Davidson & Sons, Inc.	\$1,184,490.80
Site Engineering, Inc.	\$1,552,287.20
Desmear Systems, Inc.	\$1,692,378.30
Thrasher Contracting	\$1,745,098.91
W.L. Hailey & Company	No Bid
John D. Stephens, Inc.	No Bid
Mid-South Builders, Inc.	No Bid
Griffin Pipe Products Co.	No Bid
Pipe Construction, Inc.	No Bid
Reed Construction Data	No Bid
Lewis Trucking and Grading	No Bid
Gary's Grading & Pipeline Co., Inc.	No Bid
Reynolds, Inc.	No Bid
MacBa Sewer & Pipeline, Inc.	No Bid
Mike Blackburn Contractors, Inc.	No Bid

CCWA staff is reviewing the qualifications of the low bidder, D&J Pipeline Company and will make a recommendation at the Board Meeting.

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

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RESOLVED: to accept the recommendation of staff that the contract for Hooper Water Line Replacement Phase 3 to install 11,898 feet of 24-inch ductile iron pipe from the intersection of East Atlanta and Duval Road to the intersection of Valley Hill Road and Hwy 42 in Henry County be awarded to D&J Pipeline Company for the low bid amount of seven hundred fifty five thousand one hundred eighty four dollars (\$755,184), contingent upon approval of bonds and insurance as required by the specifications and to authorize the General Manager to sign the contract documents.

Reeves Creek Pump Station and Force Main Summary: Chairman McQueen asked Mr. Thomas to continue. Mr. Thomas stated that he has a summary review of the Reeves Creek Pump Station and Force Main that has just been completed.

Reeves Creek Lift Station & Forcemain Project Summary

The 2000 Master Plan identified the need to upgrade the Reeves Creek Lift Station because it was reaching its practical pumping capacity. This lift station pumps sewer flows from the Reeves Creek basin to the Northeast WRF which was also reaching its flow capacity. CCWA staff determined that by upgrading the lift station in a manner that would allow us to pump flows to Northeast or the Casey WRF would provide flexibility and capacity relief for the Northeast WRF.

This project involved not only increasing pumping capacity but a new lift station building to remove the station from the floodplain. The project also included 24,078 feet of 16 inch forcemain to carry flows to the Rum Creek Lift Station that can then pump it to the Casey WRF.

Lift Station – The Lift Station has been in operation since August and although some punch list items are still being addressed, the final cost has been determined and all work should be complete by mid-October. The operation of the pump station to pump flows to the Casey plant provided significant relief to the Northeast WRF which had begun to exceed flow limits on a routine basis.

Construction Estimate	\$1,600,000.00
Low Bidder, P.F. Moon Construction	\$1,767,000.00
Final Cost	\$1,750,775.00

Forcemain – The forcemain was constructed along Speer Road and Walt Stephens Road down to the Rum Creek forcemain at Roberts Middle School. The first portion along Speer Road and several thousand feet along Walt Stephens are in Henry County. Our costs exceeded the bid amount because of an additional road bore required by Henry County, significant amounts of solid rock and more extensive driveway repairs than anticipated.

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Construction Estimate	\$1,506,000.00
Low Bid for Labor, Gordy Pipeline Const.	\$914,686.70
Final Cost	\$988,318.75
Materials	\$585,782.02
<u>Total Forcemain Cost</u>	<u>\$1,574,100.77</u>
Total Project Cost	\$3,324,875.77

Mr. Thomas stated that the lift station and force main have given us increased flexibility in handling our sewer flows and managing our plant capacity. Before this went online, the Northeast Plant was over its flow permit limit. This immediately dropped us back down below our flow permit limit and really helped with the construction that is going on at Northeast by getting some of the wastewater off of them. The timing worked out well. We moved that lift station out of the floodplain and we upgraded and gave ourselves more capacity.

Uninterrupted Power Supply Recommendation: Chairman McQueen called on Wade Brannan, General Manager, who stated that this item is for the computer system.

Uninterrupted Power Supply (UPS) for Power Management

In March of 2005, we began monitoring a developing situation with the primary uninterrupted power supply (a 7.5kVA UPS unit) located in the basement that supports the Legacy iSeries server, numerous pieces of computer equipment in the server room and several orange outlets in the HQ building. This system was purchased in 1990, and while the current load requirements of this system are marginally more today than they were when it was purchased, the internals of the system are showing signs of failing due to age. When we place a service call on this unit, it takes upwards of a week to get a technician on site. Maintenance on this system is about to expire and because of service experience, renewing the maintenance on this system is not in the best protected interest of the Water Authority.

As new technology has been added, additional dedicated UPS units have been added to the Authority's power management solution. Given the nature and size of the technology growth experienced over the past fifteen years, this was the best cost affected path at the time. These units have had to be added directly in the server room. Almost all current UPS units in service are beginning to fail either due to age or to the power load pull required by them. During the past three years, we have been actively updating the UPS batteries in these UPS units in the server room that support the network servers. Due to constant growth requirements in this area, which includes the pending hardware for the Customer Information System (CIS) project, we are not getting the standard three years of life out of the batteries on these systems. There is no maintenance program for these UPS units as they are considered throw-away items and we are beginning to experience

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thermal issues (high heat levels) in the server room due to the number of UPS units located in that room. Because of these collective reasons, we need to replace all current UPS units in service. Given our growth history and the thermal considerations for the server room, a new direction for growth needs to be implemented.

Growth History of UPS Power Requirements

1990	Original purchase	7.5kVA to run AS/400
1994	Moved to 1600 Battle Creek Rd building	Added demand of orange outlets in building
1998	Growth in number of PC's	Added demands on central UPS
1999	Growth in number of PC's	Added demands on central UPS
2000	Campus area network added servers	Three 3kVA units added for 7
		Second system printer added
2001	JDEdwards implementation server	4.5kVA units added for Enterprise server
	Network server growth	Three 3kVA units added for 3 servers
2002	Upgraded core switch & WAN	One 3kVA units added for 1 server and other equipment
2003	Citrix farm & general server growth	No units added for 6 servers
2004	CityWorks (CMMS) implementation	One 3.4kVA unit added 7 servers
2005	Network server growth	No units added for 5 servers

We have completed a load requirement study on current power loads of all existing UPS units supporting equipment in the server room. The current power load of this equipment is 36.4kVA. The existing unit located in the basement will require \$3,702.00 to renew the maintenance contract this year. The unit in the server room that supports the Enterprise server, which is coming off warranty, will require \$2,800.00 to go on maintenance this year.

We have examined available options from a number of providers and given the impending Customer Information System implementation and server room thermal issues, I am recommending a 65kVA solution that would replace all existing UPS units and would be located outside the server room. This solution has a base cost of \$51,172.00 and would require additional in-house expenses of \$6,466.34 (\$3,754.58 for miscellaneous parts required to rewire the electrical room for housing the system and \$2,711.76 for estimated in-house labor costs) for a total cost of \$57,638.34. This solution will allow for at least forty-five minutes of reserve run time for our servers, provide power conditioning and allow for at least three years of growth. The recommended vendor would give us a trade-in value on applicable equipment and dispose of any surplus at no additional cost. This is a Liebert Systems that would be purchased from Alpine Power Systems.

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Funding source: Budget Unit 101 Contingency Funds

Quote summary:	Liebert from Alpine Power Systems	\$ 51,172.00
	APC	84,209.00
	Eaton from Unitek	97,987.00

Recommending: Liebert from Alpine Power Systems

Mr. Brannan stated that we received three quotes with the lowest quote of fifty-one thousand one hundred seventy two dollars (\$51,172) plus in house labor and materials costs of six thousand four hundred sixty six dollars and thirty four cents (\$6,466.34) for a total cost of fifty seven thousand six hundred thirty eight dollars and thirty four cents (\$57,638.34). Staff recommends a not-to-exceed amount of fifty-eight thousand dollars (\$58,000) to purchase and install a new UPS system downstairs.

Upon Motion by Lloyd Joiner and seconded by Wes Greene it was unanimously

RESOLVED: to approve the purchase of the Uninterrupted Power Supply (UPS) for Power Management with the not-to-exceed amount of fifty-eight thousand dollars (\$58,000).

Recommendation on 2006 Rate Adjustment: Mr. Brannan continued with the 2006 Rate Adjustment recommendation. Mr. Brannan stated that he and Emory basically looked at the items in the budget that they thought would have increases based on past history. Hopefully, some of the fuel issues will stabilize. To continue to cover our increase in cost of operation and to cover our 1.5 times coverage bond requirement, staff recommends that we adjust our rates five percent (5%) effective with use starting in January 2006, which will be billed on the February 2006 water bills.

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PROJECTION OF FY 2006-2007 EXPENSES
 CURRENT BUDGET AMOUNTS ADJUSTED BY CERTAIN ECONOMIC ASSUMPTIONS
 AUGUST 2005 RATE ADJUSTMENT ESTIMATE

	BUDGETED EXPENSES FY 2005 - 2006	PROJECTED EXPENSES FY 2006 - 2007	PROJECTED CHANGE	
			AMOUNT	PERCENT
50100 PERSONAL SERVICES	\$16,129,757	\$16,855,596	\$725,839	4.50%
50200 OVERTIME PAY	804,297	764,082	(40,215)	-5.00%
50300 F.I.C.A.	1,278,834	1,332,135	53,301	4.17%
50400 PENSION	2,044,216	2,141,756	97,540	4.77%
51100 OPERATING MATERIALS & SUPPLIES	4,944,936	5,142,733	197,797	4.00%
51200 VEHICLE SUPPLIES	314,476	361,647	47,171	15.00%
51300 ADMINISTRATIVE SUPPLIES	233,769	243,120	9,351	4.00%
51400 SAFETY SUPPLIES	42,673	44,380	1,707	4.00%
53100 SPECIAL PURCHASES	1,030,000	1,030,000	-	0.00%
54100 UTILITIES	5,677,671	6,426,556	748,885	13.19%
54200 RENTALS	22,726	23,635	909	4.00%
55100 MAINTENANCE & REPAIRS	825,779	949,646	123,867	15.00%
56100 OUTSIDE SERVICES	6,607,832	6,872,145	264,313	4.00%
57100 INTEREST	895,238	150,042	(745,196)	-83.24%
58100 EMPLOYEE BENEFITS	2,760,218	2,967,234	207,016	7.50%
58200 RETIREE EMPLOYEE BENEFITS	300,000	360,000	60,000	20.00%
59100 GENERAL EXPENSES	1,448,654	1,506,600	57,946	4.00%
59200 ACCOUNTING CHARGES	921,973	1,521,255	599,282	65.00%
59800 CAPITAL FINANCING	828,460	808,577	(19,883)	-2.40%
59900 CAPITAL EXPENDITURES	<u>1,737,950</u>	<u>1,737,950</u>	-	<u>0.00%</u>
TOTAL EXPENSES (CASH ITEMS)	<u>\$48,849,459</u>	<u>\$51,239,089</u>	<u>\$2,389,630</u>	<u>4.89%</u>

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

RESOLVED: to approve a rate adjustment of five percent (5%) effective with use starting in January 2006 and billed on the February 2006 water bills.

Mr. Brannan recognized Bruce Taylor, our Engineering Services Supervisor, who has recently been notified by URISA, a national organization of GIS professionals, that Clayton County Water Authority's GIS program has been recognized as one of the outstanding programs in the United States. Mr. Brannan acknowledged that we know that Bruce is special, but now he will be recognized nationally for his work in our GIS program. The organization is even paying for Bruce's ticket to attend the award ceremony in Kansas City on October 10th. The Board gave Bruce a round of applause.

Chairman McQueen congratulated Bruce for this award and thanked him for the hard work he has done with our GIS program and also acknowledged that the City of Morrow had already recognized Bruce for his help.

Chairman McQueen asked Mr. Brannan if the trip to Washington D. C. had been set.

Mr. Brannan stated that all the details are set and the Board will receive a mail out of information from Ms. Matthews. The Board will be leaving on Saturday, October 29th and returning on Tuesday, November 1st. Transportation will be available from the Authority to the airport. Ms. Matthews will follow up with the Board on the time to leave the Authority and will have a packet of information for each Board member.

Mr. Brannan mentioned that this Saturday from 11:00 a. m. to 2:00 p.m. at the Shamrock CUB the Authority will be having the employee appreciation day. This event will be catered by the Varsity and Mr. Brannan invited all the Board members to attend if they could.

Upon Motion by Wes Greene and seconded by Lloyd Joiner was unanimously

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

Mr. Brannan wanted to update the Board on our natural gas pricing. We have not locked in a natural gas price since the hurricanes because the price of natural gas has gone so high. We have talked to our gas suppliers and they have advised us not to lock in prices now, but to wait.

Mr. Brannan updated the Board on unleaded and diesel fuel for our vehicles and equipment. We have run low on a couple of occasions, but we received a supply this

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morning and have about two or three days of diesel fuel. We have plenty of unleaded fuel currently and continue to closely monitor the fuel supply daily.

Mr. Hicks stated that the Authority has two above-ground tanks with a capacity of six thousand gallons each, one unleaded and one diesel and we also have two ten-thousand gallon tanks out back, one diesel and one unleaded. They are not currently full.

Mr. Brannan added that in the future our contract documents may have to include a fuel escalation clause.

Mr. Brannan stated that the Authority has quarterly meetings with the City of Atlanta who is under court order to make improvements to their sewer system. The City of Atlanta has to do work on the South River plant and they have estimated that our total portion of that work, which they are not doing at one time, is about a million one hundred thousand dollars (\$1,100,000). They will be sending us a bill as they do some of that work and we should be receiving a bill before the end of this year. The staff will be bringing those invoices to the Board as we receive them. In the Master Plan process the Board will see that we have addressed this by looking at some way to get out of their facilities.

Last month, the Board wanted to make sure that we had wording in the Stormwater agreement that we signed with the County that would allow us to be reimbursed for money that we were spending above and beyond the one million two hundred thousand dollars (\$1,200,000) on that contract. That wording is there and basically states that "the Authority will be reimbursed in the first two years pending availability of money in the Stormwater Utility". The Utility should bring in about eight million dollars (\$8,000,000) a year based off the recommendation of about a three dollar (\$3.00) basic stormwater fee.

Mr. Brannan stated that surcharge rates at the Wastewater plants are based on the strength of the material that is put in our system by the various industries. We adjust those rates annually based off what they actually do during the year and our costs per the audit. These rates have been adjusted.

There was a question last month about what the Authority was paying Blalock Oil for gas versus what we normally pay. The average cost of the fuel from Blalock was two dollars and ninety cents (\$2.90) per gallon, whereas we buy it at two dollars and twenty-two cents (\$2.22). Diesel at Blalock was two dollars and fifty-five cents (\$2.55) versus two dollars and nine cents (\$2.09) normally.

Last month there was a question of whether other counties participate in sanitary sewer extensions for developers. Mr. Brannan called Henry, Douglas, Gwinnett and

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Cobb counties and none of those counties participate at any level. If a developer wants a sewer line extension for their development, they pay all costs as part of their development. Whatever is in our interest, we pay for, but whatever the developer needs, he is going to pay for.

Chairman McQueen asked that Mr. Fincher, our legal counsel, to review our policy and get back to the Board.

Mr. Fincher added that if the Board wanted to act today you could make a motion that effective today there is a moratorium on accepting any application for the Authority to participate in sanitary sewer line extensions until the Board has an opportunity to review the policy now in effect.

Upon Motion by John Chafin and seconded by John Westervelt was unanimously

RESOLVED: to authorize a moratorium effective today on accepting any sanitary sewer line extension application with the Authority having any participation until such time that legal counsel can review our current policy and advise the Board.

Mr. Brannan stated that since Sprint wants to renegotiate the existing contract for their antenna on the water tank in Riverdale the Authority wants Sprint to give us a cancellation clause in the existing contract. This discussion is still on going. If this issue can not be resolved, then the contract will be left as is or cancelled. The rental was seventeen hundred fifty dollars (\$1,750) and they wanted to reduce that to twelve hundred fifty (\$1,250).

Mr. Brannan stated that the Authority had a truck stolen this morning. One of our meter readers was down in the Bonanza area and got out to read the meters and put the keys over the visor. Apparently, someone was watching him. As he was reading the meters, they stole the truck. The police were notified and the employee will face disciplinary action.

Some of the old equipment that has been replaced with new will be taken to auction on the fifteen of November.

The Authority will have flu shots available on Tuesday, the 25th of October, in the break room from 7:30 a. m. to 10:30 a. m. The shots will be free to Board members, but will cost twenty-one (\$21) dollars for any spouse who may want one.

Mr. Brannan commented that Mr. Greene last month asked about the ninety-day (90) invoices and stated that the staff has gotten all of those off except Legacy Communities and we are working with them. The list that you have is from August 31st.

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Mr. Brannan explained that this year we have had two (2) vacancies in the IT shop that handles JD Edwards's type programming and therefore some work had gotten behind. We also had another employee that was in a car accident and was out for some time. To bridge some of the gap, we had to hire a consultant. We had two salaries of two individuals and I told staff to find a consultant that knows security and CNC type programming. Our staff went out and obtained hourly quotes with the low quote at one hundred thirty dollars (\$130) per hour. They found one who has done thirty-seven thousand dollars (\$37,000) worth of work and they have another sixty-seven thousand dollars (\$67,000) worth of work for him to do. The Authority is not going to fill those two positions, but use that money to pay the consultant to do that programming.

Mr. Brannan stated that St. Paul has settled with the Piercy's today on their claim on their home for the sewer backup.

We have had some evacuees out of New Orleans coming in for water service and only had a limited amount of assistance, so the Authority has waived the deposit fee for sixty (60) days.

Mr. Brannan stated that the Authority had a pump that went down that had to be rebuilt. The cost was twenty-five thousand dollars (\$25,000). Mr. Brannan gave the approval for staff to proceed with the work and wanted the Board to know that he had to make that decision in order to have the work done as quickly as possible to get the pump back in operation.

Mr. Brannan stated that about four thousand (4,000) feet of sewer line put in by the developer off Panhandle Road in a new subdivision had problems. The manufacturer of the sewer pipe certifies that the product meets certain specifications. The contractor installed the material and our staff televised this material and discovered some deflection in some of the pipe. Some of the joints were not good and it looked like the pipe was defective. We met with them and cut three pieces out and compared those with other pipe that was stamped with the same specifications. Because of problems with the pipe the developer and contractor were asked to come up with a solution. They suggested lining the pipe. A section was lined and the developer then had a third party engineering firm inspect the work and certify that it would meet our specifications. Once that certification was received the developer was allowed to install this lining in the remainder of the pipe. This was an additional cost to the manufacturer of the pipe of about one hundred fifty thousand dollars (\$150,000). We have letters on file explaining this situation.

Mr. Brannan stated that as part of our permit to operate the Water system, the Metropolitan North Georgia Planning District and the EPD is requiring the Authority to make available to our customers low flow retrofit kits such as shower heads, screens in

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the faucets to reduce the amount of water coming out. These kits cost around five or six dollars (\$5 or \$6) a piece. This is part of our water conservation plan.

Mr. Brannan stated that next year he is anticipating retiring and sent his request to the County to figure his retirement. When they were figuring his retirement there is an IRS code section 415 that caps the amount of benefits paid by defined benefit plans based on certain criteria. Mr. Brannan stated that under normal circumstances if you work thirty-two (32) years then you could get eighty (80) percent of your salary in retirement. That is what he figured his retirement would be. The IRS rule 415 states a fixed dollar, per age, for a defined benefit plan. When you apply that to his retirement it cuts his retirement benefit by thirty-nine (39%) percent. The same IRS 415 rule also has a provision that states that employees that are affected by this portion of the 415 rule can be made whole by the employer if a separate plan is established and funded. Mr. Brannan is going to ask that the retirement program apply the other rule to get him back up to the eighty percent (80%) benefit that all the other employees in that retirement system make.

Mr. Brannan got caught up in this because he is fifty-two (52) years of age, makes a high salary, started young, and has long years of service.

Ms. Barber asked Terry if he would be caught by this.

Mr. Hicks stated that if he takes the straight eighty percent (80%) he probably would, but if he chooses one of the joint and survivor options, which allows us to provide our spouse, in case of our death, either fifty percent (50%), seventy-five percent (75%) or one hundred percent (100%) of our retirement, then he might not based on which option is chosen. The more you choose for your survivor, the lower your benefit will be. If Mr. Hicks chooses one hundred percent (100%), it drops him below the limit. If he chooses 75%, 50% he would probably not get caught.

Chairman McQueen added that this is a very important issue.

Mr. Brannan explained that the Commissioners are the ones that operate the system. Mr. Brannan will have to make the request to the Pension Board and then the Commissioners will have to pass and implement it. If the rule is put back in the plan, then the cost will roll back to the Authority.

Mr. Hicks stated that he has been on the pension board for a number of years and this is the first case of this type. If the Commissioners elect to implement this plan, there will be some additional financial burden.

Mr. Fincher stated that after reviewing the Authority's purchasing policies, unless the purchase of the mowing tractor acted upon earlier in the agenda was an emergency,

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the unit should be bid unless the staff recommends something different. Mr. Brannan stated that the Authority only has quotes on the tractor.

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

RESOLVED: to reconsider the award of the mowing tractor.

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

RESOLVED: to reject the quotes and seek sealed bids for the mowing tractor.

Upon Motion by Wes Greene and seconded by Lloyd Joiner it was unanimously

RESOLVED: that the regular session board meeting be adjourned.

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

Pete McQueen, Chairman

Walter Marie Barber, Secretary/Treasurer