

CLAYTON COUNTY WATER AUTHORITY
Regular Board Meeting
Zoom Meeting

Present at the meeting were: Chairman Robin Malone, Vice Chairman Marie Barber, Secretary/Treasurer Rodney Givens, Board Member John Westervelt, Board Member John Chafin, Board Member Dr. Cephus Jackson, Board Member Vivian Baldwin, General Manager Bernard Franks, Assistant General Manager Teresa Worley, Assistant General Manager Keisha Thorpe, Legal Counsel Steve Fincher, Executive Coordinator Amanda La Pierre and other CCWA staff and visitors.

Invocation

Rodney Givens introduced Accounts Receivable Analyst Tim Allen to perform the invocation.

Adoption of Agenda

UPON MOTION by John Westervelt and second by Dr. Cephus Jackson to adopt the agenda as presented, it was unanimously

RESOLVED to adopt the agenda as presented.

Approval of Minutes

Chairman Robin Malone called for any omissions or additions to the Minutes of the Regular Board Meeting held on June 4, 2020.

UPON MOTION by Dr. Cephus Jackson and second by Rodney Givens, it was unanimously

RESOLVED to approve the Minutes of the Regular Board Meeting held on June 4, 2020.

Financial and Statistical Reports

Finance Director Allison Halron reviewed the financial information distributed to the Board for the period ending May 31, 2020. Information only, no action taken.

New Business

GEFA Payment Holiday Modifications: Finance Director Allison Halron presented a recommendation on the GEFA Payment Holiday Modifications.

CW02008

At a duly called meeting of the governing body of the Borrower identified above (the "Borrower") held on the 9th day of 2020, the following resolution

dopted.

WHEREAS, the Borrower has borrowed **\$7,800,000.00** from the GEORGIA ENVIRONMENTAL FINANCE AUTHORITY (the "Lender") or the Lender's assignor, pursuant to the terms of a Loan Agreement, numbered Loan No. CW02008 (the "Loan Agreement"), between the Borrower and the Lender; and

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WHEREAS, the Borrower's obligation to repay the loan made pursuant to the Loan Agreement is evidenced by a Promissory Note, numbered Loan No. CW02008 (the "Note"), of the Borrower; and

WHEREAS, the Borrower and the Lender have determined to amend and modify the Note, pursuant to the terms of a Modification of Promissory Note (the "Modification") between the Borrower and the Lender, the form of which has been presented to this meeting;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Borrower that the form, terms, and conditions and the execution, delivery, and performance of the Modification are hereby approved and authorized.

BE IT FURTHER RESOLVED by the governing body of the Borrower that the terms of the Modification are in the best interests of the Borrower, and the governing body of the Borrower designates and authorizes the following persons to execute and deliver, and to attest, respectively, the Modification, and any related documents necessary to the consummation of the transactions contemplated by the Modification.

(Name of Person to Execute Documents)

(Title)

CW2016037

At a duly called meeting of the governing body of the Borrower identified above (the "Borrower") held on the day of 2020, the following resolution as introduced and adopted.

ed.

WHEREAS, the Borrower has borrowed \$25,000,000.00 from the GEORGIA ENVIRONMENTAL FINANCE AUTHORITY (the "Lender") or the Lender's assignor, pursuant to the terms of a Loan Agreement, numbered Loan No. CW2016037 (the "Loan Agreement"), between the Borrower and the Lender; and

WHEREAS, the Borrower's obligation to repay the loan made pursuant to the Loan Agreement is evidenced by a Promissory Note, numbered Loan No. CW2016037

(the "Note"), of the Borrower; and

WHEREAS, the Borrower and the Lender have determined to amend and modify the Note, pursuant to the terms of a Modification of Promissory Note (the "Modification")

between the Borrower and the Lender, the form of which has been presented to this meeting;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Borrower that the form, terms, and conditions and the execution, delivery, and performance of the Modification are hereby approved and authorized.

BE IT FURTHER RESOLVED by the governing body of the Borrower that the terms of the Modification are in the best interests of the Borrower, and the governing body of the Borrower designates and authorizes the following persons to execute and deliver, and to attest, respectively, the Modification, and any related documents necessary to the consummation of the transactions contemplated by the Modification.

(Name of Person to Execute Documents)

(Title)

DW00002

At a duly called meeting of the governing body of the Borrower identified above (the "Borrower") held on the day of 2020, the following resolution as introduced and adopted.

WHEREAS, the Borrower has borrowed **\$4,251,000.00** from the GEORGIA ENVIRONMENTAL FINANCE AUTHORITY (the "Lender") or the Lender's assignor, pursuant to the terms of a Loan Agreement, numbered Loan No. DW00002 (the "Loan Agreement"), between the Borrower and the Lender; and

WHEREAS, the Borrower's obligation to repay the loan made pursuant to the Loan Agreement is evidenced by a Promissory Note, numbered Loan No. DW00002 (the "Note"), of the Borrower; and

WHEREAS, the Borrower and the Lender have determined to amend and modify the Note, pursuant to the terms of a Modification of Promissory Note (the "Modification") between the Borrower and the Lender, the form of which has been presented to this meeting;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Borrower that the form, terms, and conditions and the execution, delivery, and performance of the Modification are hereby approved and authorized.

BE IT FURTHER RESOLVED by the governing body of the Borrower that the terms of the Modification are in the best interests of the Borrower, and the governing body of the Borrower designates and authorizes the following persons to execute and deliver, and to attest, respectively, the Modification, and any related documents necessary to the consummation of the transactions contemplated by the Modification.

(Name of Person to Execute Documents)	(Title)
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Recommendation:

CCWA staff recommended to approve the three GEFA Resolutions required for Loan Modifications to Loan CW 2016-014, Loan CW 02-008 and Loan DW 00-002P and to apply the debt service saved during the payment holiday to reduce principal on Loan CW 02-008 and Loan DW 00-002P.

UPON MOTION by John Chafin and second by Dr. Cephus Jackson, it was unanimously

RESOLVED to approve the three GEFA Resolutions required for Loan Modifications to Loan CW 2016-014, Loan CW 02-008 and Loan DW 00-002P.

UPON MOTION by Dr. Cephus Jackson and second by John Chafin, it was unanimously

RESOLVED to apply the debt service saved during the payment holiday to reduce principal on Loan CW 02-008 and Loan DW 00-002P.

Financial Strategy: Jason Bodwell with Jacobs Engineering presented a recommendation on Financial Strategy.

Financial Summary and Rate Increase Presentation

CCWA supplies water, wastewater, and stormwater services to over 280,000 residents in Clayton County. Stormwater fees fund the Stormwater Program and is maintained in a separate enterprise fund. Water and sewer fees fund water and sewer projects. The Water and Sewer Fund has a total FY 2020-2021 appropriated budget of \$107 million.

CCWA conducts master planning on a 10-year cycle, with "updates" completed on a 5-year cycle, to identify and prioritize key projects. The 2020 Strategic Master Plan (SMP) was recently completed and outlined the capital needs from 2020-2029. The level of investment in CCWA's water and wastewater facilities and linear assets in the next twenty years is significant. CCWA would like to ensure we are developing a funding and capital plan that is sustainable and best for CCWA's long term fiscal health

Task Order Number JA-OP-19-01A defined a scope of services to accomplish this objective in the six tasks below. This presentation is the conclusion of *Task Six*, incorporating the results from the previous tasks.

- **Task 1:** Kickoff Meeting and Data Review
- **Task 2:** Comparison of Rates and Charges

- **Task 3:** Affordability and Assistance Programs
- **Task 4:** Revenue Requirement and Rate Model
- **Task 5:** Rate Study Report
- **Task 6:** Rate and Financial Planning Workshop and Board Presentation

Three primary scenarios for funding the Strategic Master Plan were reviewed in the presentation that considered various combinations of Renewal and Extension Fund (Pay-as-you-go), rate increases as well as various forms of debt financing.

Scenario 1: R&E Fund Only	Scenario 2: R&E Fund and GEFA Loans	Scenario 3: R&E Fund, GEFA Loan and Private Placement Funding
<ul style="list-style-type: none">• No borrowing• Funding through rate increases	<ul style="list-style-type: none">• GEFA loan for Casey Solids (\$100M)• GEFA loan for large sewer rehab projects (\$30M every 5 years)• Fund remaining projects through rate increases	<ul style="list-style-type: none">• GEFA loan for Casey Solids (\$100M)• GEFA loan for large sewer rehab projects (\$30M every 5 years)• Private Placement Funding for Casey Liquids (\$108M)• Fund remaining projects through rate increases

Scenario 3 was chosen as the optimal financial plan necessary to both complete the capital improvement projects listed in the 2020 Strategic Master Plan while lessening the financial burden on the rate payers. The preferred plan incorporates rate increases that decline over the next 5 years along with low cost borrowing alternatives.

The financial recommendations include:

- Water and sewer base and volumetric rate increases will be evaluated and presented to the Board.
- Annual review of rates along with the financial plan to accommodate capital project funding requirements and economic changes
- Utilization of low-cost borrowing for large capital projects to both lessen financial burden on rate payers as well as to promote intergenerational equity between current and future customer bases
- Enhance and expand affordability program components
- Public outreach and education of customers on rate adjustments

Recommendation:

CCWA staff recommended to approve a 10% base and volumetric rate increase on water and sewer fees which will become effective on January 1, 2021.

UPON MOTION by Dr. Cephus Jackson and second by John Chafin, it was

RESOLVED to approve a 10% base and volumetric rate increase on water and sewer fees which will become effective on January 1, 2021. In favor: Robin Malone, Rodney Givens, John Westervelt, John Chafin and Dr. Cephus Jackson. Opposed: Marie Barber and Vivian Baldwin. Motion passes.

Ductile Iron Pipe Bid Recommendation: Distribution and Conveyance Director Jeff Jones presented a recommendation on the Ductile Iron Pipe Bid.

Vendor	Primary Item
Ferguson Waterworks	\$1,615,181.70
Electrosteel USA	Nonresponsive
US Pipe & Foundry	\$1,550,410.46

DUCTILE IRON PIPE

Regular Board Meeting
July 9, 2020

FINAL BID TABULATION

5811

BID OPENING Tuesday, June 16, 2020 at 2:00 pm

Item #	ITEM	Estimated Quantity	UOM	Ferguson Waterworks		
				ADD Foot	DEDUCT Foot	EXTENDED
1	6" DIP – S CLASS 51	15,000	Feet	15.12		226,800.00
2	6" DIP – P CLASS 350				0.19	0.00
3	6" RESTRAINED JOINT	100	Feet	5.58		558.00
4	8" DIP – S CLASS 50	5,000	Feet	19.79		98,950.00
5	8" DIP – P CLASS 350				0.34	0.00
6	8" RESTRAINED JOINT	100	Feet	7.23		723.00
7	10" DIP – S CLASS 50	1000	Feet	24.82		24,820.00
8	10" DIP – P CLASS 350				2.44	0.00
9	10" RESTRAINED JOINT	100	Feet	8.89		889.00
10	12" DIP – S CLASS 50	10,000	Feet	33.04		330,400.00
11	12" DIP – P CLASS 350				2.93	0.00
12	12" RESTRAINED JOINT	100	Feet	11.69		1,169.00
13	16" DIP – S CLASS 50	1,000	Feet	46.09		46,090.00
14	16" DIP – P CLASS 250				5.12	0.00
15	16" RESTRAINED JOINT	100	Feet	20.67		2,067.00
16	18" DIP – S CLASS 50	100	Feet	52.89		5,289.00
17	18" DIP – P CLASS 250				5.70	0.00
18	18" RESTRAINED JOINT	50	Feet	28.85		1,442.50
19	20" DIP – S CLASS 50	100	Feet	60.52		6,052.00
20	20" DIP – P CLASS 250				4.71	0.00
21	20" RESTRAINED JOINT	50	Feet	28.85		1,442.50
22	24" DIP – S CLASS 50	10,000	Feet	77.31		773,100.00
23	24" DIP – P CLASS 200				9.52	0.00
24	24" DIP – P CLASS 250				1.85	0.00
25	24" RESTRAINED JOINT	100	Feet	40.01		4,001.00

United States Pipe and Foundry Company LLC		
ADD Foot	DEDUCT Foot	EXTENDED
14.24		213,600.00
	1.17	0.00
5.58		558.00
18.84		94,200.00
	1.60	0.00
7.23		723.00
24.38		24,380.00
	2.38	0.00
8.89		889.00
31.07		310,700.00
	2.81	0.00
11.69		1,169.00
45.74		45,740.00
	5.18	0.00
20.67		2,067.00
52.64		5,264.00
	5.61	0.00
28.85		1,442.50
60.19		6,019.00
	4.53	0.00
28.85		1,442.50
76.15		761,500.00
	9.27	0.00
	1.72	0.00
40.01		4,001.00

26	30" DIP – S CLASS 50	90	Feet	105.18		9,466.20	104.65		9,418.50
27	30" DIP – P CLASS 150				12.51	0.00		12.45	0.00
28	30" DIP – P CLASS 200				2.32	0.00		2.31	0.00
29	30" RESTRAINED JOINT	36	Feet	50.33		1,811.88	50.33		1,811.88
30	36" DIP – S CLASS 50	90	Feet	138.99		12,509.10	138.30		12,447.00
31	36" DIP – P CLASS 150				15.06	0.00		14.98	0.00
32	36" DIP – P CLASS 200				3.02	0.00		3.00	0.00
33	36" RESTRAINED JOINT	36	Feet	67.64		2,435.04	67.64		2,435.04
34	42" DIP – S CLASS 50	90	Feet	213.97		19,257.30	173.86		15,647.40
35	42" DIP – P CLASS 150				24.37	0.00		18.85	0.00
36	42" DIP – P CLASS 200				0.00	0.00		0.00	0.00
37	42" RESTRAINED JOINT	36	Feet	86.78		3,124.08	90.86		3,270.96
38	Removed as part of Addendum No.1					Removed as part of Addendum No.1	Removed as part of Addendum No.1		
39	60" DIP – P CLASS 150	90	Feet	414.03		37,262.70	298.10		26,829.00
40	60" DIP – P CLASS 200			45.83		0.00	30.46		0.00
41	60" RESTRAINED JOINT	36	Feet	153.40		5,522.40	134.88		4,855.68

TOTAL BID AMOUNT

\$ 1,615,181.70

\$1,550,410.46

Recommendation:

CCWA staff recommended that the Ductile Iron Pipe Bid annual contract be awarded to US Pipe & Foundry based on the unit prices as bid.

UPON MOTION by Dr. Cephus Jackson and second by John Chafin, it was unanimously

RESOLVED to award the Ductile Iron Pipe Bid to US Pipe & Foundry based on the unit bid pricing provided; with an option to renew for a second and third year with the same terms and conditions, contingent upon approval of bonds and insurance as required along with authorizing the General Manager to sign the contract.

Annual Chemical Request for Bid Sodium Silica Fluoride Award Rescind & New Award Recommendation: Water Production Director Coty McDaniel presented a recommendation on the Bid Sodium Fluoride Award Rescind & New Award.

On March 4, 2020 CCWA board of Directors approved annual chemical bid recommendations. Univar was awarded the bid as the lowest responsive responsible bidder for Sodium Silica Fluoride at \$0.64 per pound. CCWA's bid specified a requirement that we could not accept WEGO product. The first product shipment after award was delivered to the W.J. Hooper WTP and was WEGO product. On June 22, 2020 Univar informed CCWA they could not provide any other product other than WEGO until after the new year. This was due to the product coming from China and COVID-19 restrictions.

Recommendation:

CCWA staff recommended rescinding the award to Univar for Sodium Silica Fluoride, along with awarding the bid for Sodium Silica Fluoride to Specialty Chemical Company, the next lowest responsive responsible bidder at a rate of \$0.65/LB. Due to the ongoing issues with this product, this award is contingent on a low quantity sample performance test. If this product does not perform to standards, then the next lowest responsive responsible bidder will be contacted to provide the chemical.

UPON MOTION by Dr. Cephus Jackson and second by John Chafin, it was unanimously

RESOLVED to rescind the Sodium Silica Fluoride Bid to Univar and to award the Sodium Silica Fluoride Bid to Specialty Chemical Company as the next lowest responsive responsible bidder at the unit bid pricing provided; contingent on a low quantity sample performance test along with authorizing the General Manager to sign the contract.

Stormwater Guidebook Update: Stormwater Director Kevin Osbey presented a recommendation on the Stormwater Guidebook Update.

The Clayton County Water Authority's (CCWA) Stormwater Utility (Utility) was fully implemented May of 2007. Prior to full implementation of the program, CCWA, Clayton County and the cities of Forest Park, Jonesboro, Lake City, Lovejoy, Morrow, and Riverdale had worked since 2004 in developing the Stormwater Utility. This culminated in the creation of the Stormwater Utility Guidebook (Guidebook), that was finalized in February of 2006.

The Guidebook serves as the operational "means and methods" for the Utility. After 14 years of being in place, there was a need to review and update the Guidebook to ensure processes are still applicable. Although some sections of the Guidebook only required minor updates (e.g., background on Utility Development, Utility Ordinance Summary), other sections required more substantial updates (e.g., Financial, Customer Service and Billing, Operations & Maintenance, and Capital Improvement Planning).

Upon development of the new Guidebook, it was determined that efficiencies could be created by combining components, thus reducing the amount of Guidebook sections from eight (8) to six (6). The updated Guidebook contains the following Sections:

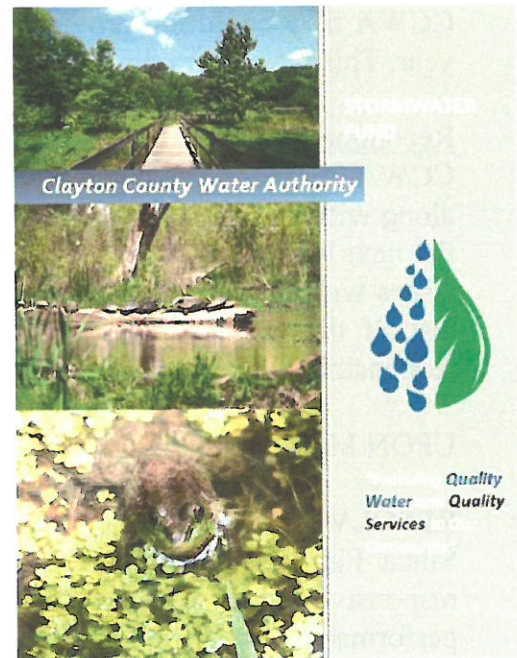
- **Section 1. Introduction**
- **Section 2. Stormwater Management Services**
- **Section 3. Organization and Financial Planning**
- **Section 4. Administration and Customer Service**
- **Section 5. Capital Improvement Program**
- **Section 6. Operations and Maintenance Plan**

As part of this Guidebook update, Resolution 2020-08 has been drafted to allow the CCWA Board of Directors to formally amend the original 2006 Stormwater Utility Guidebook. Staff recommends this update of the Stormwater Utility Guidebook.

Recommendation:

CCWA staff recommended to approve Resolution 2020-08 implementing the Stormwater Guidebook Update as presented.

UPON MOTION by John Westervelt and second by Dr. Cephus Jackson, it was unanimously



Stormwater Utility Guidebook

June 2020
JACOBS

RESOLVED to approve Resolution 2020-08 implementing the Stormwater Guidebook Update as presented.

Casey Polishing SDC Amendment Recommendation: Program Management and Engineering Director Kelly Taylor presented a recommendation on the Casey Polishing SDC Amendment.

The purpose of Amendment #2 to Task Order CH-RE-17-02 is to provide additional budget for construction management and engineering services for the W.B. Casey WRF Polishing Plant and WAS Thickening Facility project as necessitated by the Contractor's currently anticipated Final Completion date. The Polishing Facility will help manage high flow situations at the plant and allow for discharge up to 6.6 MGD into the Flint River. This will enable CH2M to continue and increase efforts for construction management, office engineering, and service during construction (SDC) support for the remainder of construction activities and facility start-up services through September 25, 2020.

Recommendation:

CCWA staff recommended awarding the amended task order to CH2M (JACOBS) for the continued support and increase effort required for the completion of the remaining items and activities pertaining to the W.B. Casey Water Reclamation Facility Polishing Plant currently in progress with an estimated completion date of September 25, 2020. This request includes authorizing the General Manager to execute the task order amendment. UPON MOTION by Dr. Cephus Jackson and second by John Westervelt, it was

RESOLVED to approve Casey Polishing SDC Amendment #2 at a total cost of \$142,604.00 along with authorizing the General Manager to execute the task order amendment. In favor: Robin Malone, Marie Barber, John Westervelt, John Chafin, Dr. Cephus Jackson and Vivian Baldwin. Abstain: Rodney Givens. Motion passes.

Updates from the Board Members and General Manager

Purchasing Manager Marcia Jones provided an update to the SLBE (Small Local Business Enterprise Program). Information only, no action taken.

Assistant General Manager Teresa Worley and Assistant General Manager Keisha Thorpe provided an update on the COVID 19 situation and its impact on operations at CCWA. Information only, no action taken.

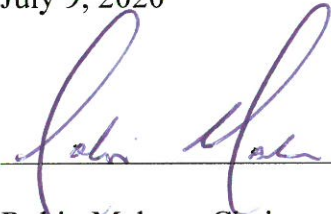
Adjourn

UPON MOTION by Rodney Givens and second by Dr. Cephus Jackson, it was unanimously

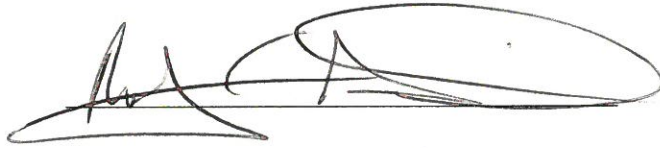
RESOLVED to adjourn the Board Meeting at 4:31 p.m., there being no further business to come before the Board of Directors.

Regular Board Meeting
July 9, 2020

5816



Robin Malone, Chairman



Rodney Givens, Secretary/Treasurer