

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

January 24, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on January 24, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members initially present were: David Austin, Max Bacon, Charlie Crowder, Don Mabry, Earl Smith and Van Pearlberg.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 12/13/10

Mr. Bacon asked for approval of the minutes of the Regular Meeting of December 13, 2010. Mr. Smith made a motion to approve the minutes. Mr. Austin seconded the motion; motion passed 6/0.

2. Financial report

Ms. Jan Fenton, Legacy Financial Services, presented the December financial report. Page 9 of the Accountant's Compilation Report for the one month ending December 31, 2010 reflects a favorable variance in net income of \$2,031,394. Page 10 of the Accountant's Compilation Report for the twelve months ending December 31, 2010 reflects a favorable variance in net income of \$7,976,070.

Mr. Lee entered at this time

Ms. Fenton also presented the Year-End Financial Highlights (copy in file) and the Quarterly Investment Summary Report for the quarter ended December 31, 2010 (copy in file).

3. Pipeline Replacement – Health Care Capital Consolidated, Inc. Development, Lower Roswell Road

Mr. Page referenced the memorandum in the Board Package and noted the location map that was distributed (copies in file). Mr. Mabry made a motion to move approximately \$750,000 of Capital Improvement funding forward from 2015 to 2011 to coordinate replacement of approximately 600 feet of 30-inch PCCP with 54-inch DIP, and approval to engage the services of PBS&J / Atkins to provide design, construction management and inspection for an estimated fee of \$47,910. Mr. Smith seconded the motion; motion passed 7/0.

4. Staff Briefing on Master Planning Effort

Mr. Tom Ginn reported the progress on CCMWA Master Planning effort. Resources are currently being focused on the Hydraulic Model Update and Calibration, with an estimated cost of \$300,000 to \$400,000.

Mr. Ginn also reported that Request for Proposals (RFP) for the Hydraulic Master Plan were sent to 22 consulting firms. At a recent meeting with potential consultants, only two firms were represented. Many firms responded that they did not have the expertise required to develop a Hydraulic Master Plan for CCMWA.

An RFP for a Facilities Master Plan is planned to be issued later in 2011.

5. Old Business

Mr. Page reported that the Intergovernmental Agreement for the Land Application Program with Macon Water Authority (MWA) d/b/a Macon Soils, Inc. has been negotiated, and that the Agreement has been approved by counsel for both authorities. MWA will execute and forward the agreements to CCMWA for the Chairman's signature.

The terms of the agreement are essentially the same as the previous contract. A Consumer Price Index adjustment of 1.6% was applied to 2010 hauling and application rates, and will be applied annually as long as the agreement is in force. The agreement also has a fuel surcharge with a benchmark based on diesel price on the date of the agreement. If diesel fuel costs fall below the benchmark, CCMWA will receive a credit.

6. General Manager's Report

Mr. Page reported the following:

Water production:

- 2010: 83.3 mgd actual vs. 80 mgd projected (4% over projected)
- December: 71 mgd actual vs. 74 mgd projected
 - December 26 was lowest production day since 1994, and the month of December was the lowest production month since 1996.

General:

- Snowstorm January 9-12: Management's greatest concerns were employee safety and potential loss of power if icing developed, as the plants have no backup power. There were no incidents reported.
- General Assembly: Mr. Haynie and Mr. Page anticipate presenting the proposed changes to the Authority's enabling legislation to the Cobb Delegation within a week.

7. New business

There was no new business to present.

8. Executive Session

Mr. Pearlberg made a motion to go into Executive Session to discuss real estate and legal business. Mr. Crowder seconded the motion; motion passed 7/0.

Mr. Mabry made a motion to return to Regular Session. Mr. Smith seconded the motion; motion passed 7/0.

9. Legal

Mr. Lee made a motion to approve a settlement between the Cobb County-Marietta Water Authority and the City of Canton with Walker's Mill, LLC and SummerWalk Homeowner's Association. The total settlement will be to purchase the property for \$400,000 (\$215,000 payable by the City of Canton and \$185,000 payable by the Water Authority) plus a gift letter supplied by the City of Canton up to the appraised value. Mr. Mabry seconded the motion; motion passed 7/0.

There being no further business to come before the Board, the Regular Meeting was adjourned.



Becky Mixon
Assistant Secretary



A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

February 21, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on February 21, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members initially present were: David Austin, Max Bacon, Charlie Crowder, Don Mabry, Earl Smith and Van Pearlberg.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 01/24/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of January 24, 2011. Mr. Austin made a motion to approve the minutes. Mr. Mabry seconded the motion; motion passed 6/0.

2. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the January financial report. Page 9 of the Accountant's Compilation Report for the one month ending January 31, 2011 reflects a favorable variance in net income of \$30,446. Ms. Dwyer reported that January sales are down 9.6% from January 2010, that the audit for 2010 is underway, and that the Georgia Environmental Loan Acquisition Corporation, Local Government Loan Securitization Bonds closed.

Mr. Lee entered at this time

3. Quarles Raw Water Pump No. 4 Refurbishment

Mr. Page referenced the memorandum in the Board Package (copy in file) and noted that this major refurbishment to Quarles Raw Water Pump No. 4 (installed in 1980) is a planned maintenance event for 2011. Staff's estimate of less than \$100,000 to repair the pump was based on observations during operation and experience on other pumps at the river pump station. An evaluation of the pump's condition by the pump service provider determined that the refurbishment was more extensive than anticipated. Mr. Smith made a motion to increase the repair budget for Quarles Raw Water Pump No. 4 to \$129,800, which includes a purchase order with Chalmers & Kubeck, Inc. of Aston, PA for \$117,617 for repairs and delivery to the Quarles Raw Water Pumping Station. Mr. Austin seconded the motion; motion passed 7/0.

4. Quarles Plant 2 Rehabilitation Project Engineering Scope Change Authorizations

Mr. Page referred to the memorandum in Board package (copy in file). Mr. Lee made a motion to increase Jacobs' current approved contract by \$306,316 to \$3,554,831. Mr. Crowder seconded the motion; motion passed 7/0.

5. Pipeline Contractor Prequalification: Brasfield & Gorrie

Mr. Page referred to the memorandum in Board package (copy in file) and noted that Brasfield & Gorrie submitted the required documentation to be prequalified to construct 54-

inch and larger ductile iron pipe projects. Staff reviewed the submittal and determined that the minimum requirements for prequalification have been met. Mr. Pearlberg made a motion to approve Brasfield and Gorrie, LLC of Birmingham, AL and Kennesaw, GA for prequalification to construct 54-inch and larger ductile iron pipe projects. Mr. Smith seconded the motion; motion passed 7/0.

6. Old Business

Mr. Page reported that the intergovernmental agreement between CCMWA and Macon Water Authority d/b/a Macon Soils, Inc. has been executed by Macon Water Authority. Mr. Haynie has reviewed and approved the document for execution by the Chair.

7. General Manager's Report

Mr. Page reported the following:

- General Assembly:
 - The required advertisement for local legislation to address the requested changes of Board terms is scheduled to be published this week. Sen. Tippins is sponsoring the bill.
 - SB 122 – Public Private Partnerships for Reservoirs – The bill was introduced March 18 and has the backing of the Metro Chamber. The Georgia Municipal Association, Association County Commissioners of Georgia and Georgia Association of Water Professionals have not stated positions as of March 21.
- The first CCMWA general work session was held on February 2 at the Wyckoff Plant. The Board members attending participated in a tour of the construction site and a discussion regarding engineering selection and costs for engineering and construction management services.
- Mr. Page will meet with the Director of Civil Works for the Corps of Engineers in Washington, DC regarding use of HLC water through Allatoona Lake on Friday, March 4.
- Oral arguments for appeal of Judge Magnuson's ruling will be held in Atlanta on March 9.
- The tour of the Hickory Log Creek Reservoir Project and joint dinner with Canton City Council is scheduled for 5 p.m. on Tuesday, March 1.

8. New business

Mr. Page reminded the Board that travel for any members must be approved before that travel is taken. Mr. Mabry made a motion to approve registration and travel expenses for any Board members planning to attend the AWWA Annual Conference in Washington June 12-16 and to approve the AWWA registration fee for Mr. Haynie. Mr. Smith seconded the motion; motion passed 7/0.

Mr. Page updated the Board regarding selection of the consultant for the Update of Hydraulic Model and Energy Optimization Study. Staff received two proposals for the project – CH2M HILL/Derceto/R2T and PBS&J/Atkins/Halcrow/GL. The Selection Committee, consisting of engineering and operations staff plus Mr. Tim Steenhoek of Cobb

County Water System and Mr. Michael Carter of Paulding County, is recommending moving forward with negotiating with the PBS&J/Atkins team. Their proposal submitted was for approximately \$470,000. CH2M HILL's team proposed approximately \$497,000. The Board directed staff to proceed with negotiating the contract with PBS&J/Atkins and to present the final contract to the Board for approval.

9. Executive Session

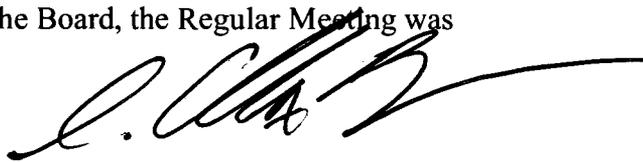
There was no request for an Executive Session.

10. Legal

Mr. Smith made a motion to approve the Agreement for River/Lake Information Management Services with the Atlanta Regional Commission (copy in file). Mr. Austin seconded the motion; motion passed 7/0.

There being no further business to come before the Board, the Regular Meeting was adjourned.


Becky Mixon
Assistant Secretary


A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

March 21, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on March 21, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members initially present were: Max Bacon, Charlie Crowder, Tim Lee, Don Mabry, Earl Smith and Van Pearlberg.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 02/21/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of February 21, 2011. Mr. Smith made a motion to approve the minutes. Mr. Lee seconded the motion; motion passed 6/0.

Mr. Austin entered at this time.

2. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the February financial report. Page 9 of the Accountant's Compilation Report for the one month ending February 28, 2011 reflects a favorable variance in net income of \$315,983. Page 10 of the Accountant's Compilation Report for the two months ending February 28, 2011 reflects a favorable variance in net income of \$346,429. Ms. Dwyer reported that the 2010 Audit will be presented at the April meeting.

3. Pension Committee report

Mr. Page referenced the report that had been distributed (copy in file). Mr. Page reported that two beneficiaries from the 1992 plan receive an annual cost of living adjustment that must be approved each year by the Committee and the Board. The Pension Committee recommended Board approval of a 1.60% cost of living adjustment to the retirement benefits of Roland A. Castellanos and Waurgia Simmons, in the monthly amounts of \$7.89 and \$52.89, respectively. Mr. Smith made a motion to approve the Pension Committee recommendation. The motion was seconded by Mr. Austin; motion passed 7/0.

4. Engineering Services for Water System Hydraulic Model Update and Energy Optimization Study

Mr. Page referenced the memorandum in the Board package. At the February meeting, the Board directed staff to negotiate with Atkins to finalize the project scope and cost. Atkins proposed to add a surge analysis of a portion of the system for \$30,000, which staff determined would bring additional value to the project. The addition of this effort increased the project total slightly over the budgeted amount of \$500,000; staff proposes to use \$12,000 from the Miscellaneous Engineering line item to fund the difference.

Mr. Lee made a motion to enter into a contract with Atkins to provide engineering services for the Water System Hydraulic Model Update and Energy Optimization Study for the proposed sum of \$512,016. Mr. Austin seconded the motion; motion passed 7/0.

5. Old Business

Mr. Page distributed a Summary of Design Changes and Construction Cost Impacts for the Wyckoff Regulatory and Operational Improvements Project (copy in file).

6. General Manager's Report

Mr. Page reported the following:

- March production to date is 67.7 mgd, 7% below the 73 mgd projection for the month. Staff will be meeting with Cobb County Water System to look at water use by sector since December to better evaluate the downward trends in water use.
- Projects:
 - Woodlawn Drive Extension Pipeline Replacement Project - Bids will be received on April 5, with an anticipated recommendation of award at the April meeting.
 - Administration & Engineering Office Building - Bids will be received on April 12, with an anticipated recommendation of award at the April meeting.
 - Hickory Log Creek:
 - A meeting is to be scheduled regarding the release water temperature control requirements and need for a control system.
 - The Board of Managers has identified a possible property substitution for the Shoal Creek mitigation area. The substitution could save as much as \$500,000, depending on jury award to property owners.
 - Mr. Page, along with attorneys from King & Spalding, met with Mr. Steve Stockton, U. S. Army Corps of Engineers Director of Civil Works, on March 4 to discuss CCMWA's proposal to comply with Special Condition 15 of the Hickory Log Creek Reservoir 404 Permit.
- ACT/ACF
 - The Appeals Hearing on March 9 appeared to be favorable for Georgia. A ruling is expected within 60 – 90 days.
 - The Governor's Water Supply Task Force, primarily composed of state agency directors, met March 21. The Task Force will advise GEFA on implementing the Governor's Water Supply Program.
- General Assembly: Staff is tracking the following proposed legislation:
 - HB 131 – DOT "Right to Pollute" bill
 - HB 174 – could impose rules on local water rates
 - SB 122 – Public/Private Partnership for water projects
 - Various Inter Basin Transfer and Tennessee River bills and resolutions
 - SB 254 – CCMWA membership changes

- Awards:
 - o Wyckoff WTP SCADA System Improvements – Honor Award for Engineering Excellence by the Georgia Engineering Alliance to Malcolm Pirnie.
 - o Rain Barrel of Fun promotion (part of CCMWA’s waterSmart conservation program) – Phoenix Award for Creative Tactics for Duffey Communications. In this program, CCMWA partners with CCWS and Cobb County School System to educate elementary school students about conservation. Five schools participated in 2009, 7 in 2010, and 13 in 2011.
 - o Brian Smith, Class I Operator at the Wyckoff Plant, was selected as the Georgia Association of Water Professionals District 3 Top Operator for this year.

Mr. Lee inquired about the status of the pipe replacement through the HCCCI assisted living facility project on Lower Roswell Road. Mr. Page reported that staff had concerns about the timeline for bidding the project and the necessary lead-time in ordering the pipe. Mr. Austin made a motion to approve staff pre-ordering the pipe, depending on HCCCI confirming the timeline. Mr. Lee seconded the motion; motion passed 7/0.

7. New business

There was no new business to present.

8. Executive Session

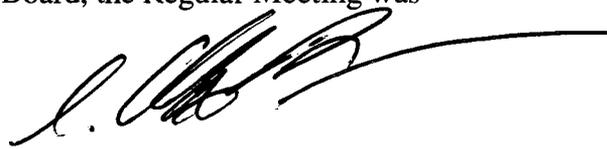
There was no request for an Executive Session.

9. Legal

Mr. Mabry made a motion to approve the Amendment to Right of Way and Easement with AT&T subject to the final approval of the General Manager and the Board attorney (copy in file). Mr. Pearlberg seconded the motion; motion passed 7/0.

There being no further business to come before the Board, the Regular Meeting was adjourned.


Becky Nixon
Assistant Secretary


A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

April 18, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on April 18, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members initially present were: David Austin, Max Bacon, Charlie Crowder, Don Mabry, Earl Smith and Van Pearlberg.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 03/21/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of March 21, 2011. Mr. Austin made a motion to approve the minutes. Mr. Smith seconded the motion; motion passed 6/0.

Mr. Lee entered at this time.

2. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the March financial report. Page 9 of the Accountant's Compilation Report for the one month ending March 31, 2011 reflects an unfavorable variance in net income of \$96,958. Page 10 of the Accountant's Compilation Report for the three months ending March 31, 2011 reflects a favorable variance in net income of \$366,027.

Ms. Dwyer reported that the Quarterly Investment Summary was included in the board's financial package (copy in file).

3. Presentation of 2010 Audit

Mr. Adam Fraley, Mauldin & Jenkins, presented the 2010 Annual Audit (copy in file). Ms. Dwyer commented that Legacy Financial Services, LLC's response to the management letter was included in the Board's financial package (copy in file).

4. Bid Results – Administrative and Engineering Offices

Mr. Page referenced the memorandum in the Board package (copy in file). Mr. Page reported that prior to receiving bids, staff reached an agreement with the former owner (and current tenant) of the 1170 Building, GeoSurvey, to have GeoSurvey to relocate before construction to eliminate the required phased construction of the building to save construction dollars. The resulting agreement was to allow an interruption of the lease-free period for GeoSurvey for the time period they are not occupying one of the Authority's buildings. In addition, the lease-free period will be extended by 3 months in consideration for GeoSurvey having to move twice.

Mr. Smith made a motion to approve staff's recommendation to award the project to Benchmark Tuscany, Inc., and to include Alternates 1, 2 and 4 for a total bid price of \$1.394.378.40. Mr. Mabry seconded the motion. After discussion, Mr. Smith made a

substitute motion to include Alternate 3, which would raise the bid to \$1,405,529.40. Mr. Mabry seconded the motion; motion passed 7/0.

5. Bid Results – Woodlawn Drive 36-Inch Pipe Replacement

Mr. Page referenced the memo in the Board package (copy in file). Mr. Austin made a motion to award the Woodlawn Drive 36-Inch Water Main Replacement project to Unity Construction Company, Inc. of Powder Springs, GA for the low bid price of \$992,729.36. Mr. Mabry seconded the motion; motion passed 7/0.

6. Old business

Lower Roswell Road @ Cove Road Pipe Replacement: Mr. Page notified the board that staff proceeded with the pre-purchase of the pipe as approved at the March board meeting. The board authorized the General Manager to negotiate financial participation with the developer, HCCCI, not to exceed \$30,000.

Sharp Mountain Creek: Mr. Page referenced the map provided to the board members (copy in file), and added the following information:

Acres owned – 1,124; surplus acres – 323; land area needed for reservoir – 1212 acres. Negotiations to purchase Worley tract (56 acres) and Greene tracts (29 acres) are no longer active. Negotiations to exchange 141 surplus acres with Forestar are on hold until plans for the project are more firm.

Governor’s Water Supply Task Force: Mr. Page commented that he has information available that was developed with other water managers. Mr. Page will meet with any board members that are interested to discuss the information.

7. General Manager’s Report

Mr. Page reported that staff had met with Cobb County Water System to analyze the reduced water demand. The greatest decrease is primarily in the commercial and multi-family sectors and appears to be economy-driven.

Mr. Page provided a brief status on the following projects:

- Canton Hwy - GA DOT project - CCMWA facilities are in easements, so work will be reimbursable through a Georgia DOT force account.
- West Side Connector Replacement - A second leak that was discovered last week on this project has been repaired, and disinfection is scheduled to resume April 19.
- Austell-West Side Connector Project (along Anderson Mill) construction should begin next week.
- Lower Roswell Road @ Cove Road Pipe Replacement (HCCCI development) - Pipe is on order; pre-bid conference is April 19; project to bid May 3.
- Hickory Log Creek Reservoir - Canton is considering a consolidation of services with Cherokee County Water and Sewerage Authority (CCWSA).

Census effect on laboratory sampling – as a result of the 2010 census, CCMWA is required to sample 70 additional sites per month. Additional staff is not expected to be necessary, but cost of testing materials and fuel will increase. Staff is concerned that customers will have difficulty providing CCMWA accessible locations that meet sampling criteria; staff will be coordinating with the customers to comply.

Mr. Page recognized staff from the Wyckoff Plant and announced that the Wyckoff Plant received the Best Operated Water Plant (Large Plant Category) from the Georgia Association of Water Professionals. Mr. Page also recognized Bob Kenyon and Ricky Bennett, who have received the AWWA Life Member Awards.

8. New business

There was no new business to present.

9. Executive Session

Mr. Mabry made a motion to go into Executive Session to discuss real estate and legal. Mr. Pearlberg seconded the motion; motion pass 6/0

Mr. Smith left at this time.

Mr. Mabry made a motion to return to Regular Session. Mr. Lee seconded the motion; motion passed 5/0.

10. Legal

Mr. Crowder made a motion to approve purchase of rights in substitute mitigation property substituting property in Dawson County along Shoal Creek. Final approval for this item will be contingent upon: (a) final approval from the Chair, General Manager and Attorney; and (b) final approval from necessary governmental agencies. Mr. Pearlberg seconded the motion; motion passed 5/0.

Mr. Mabry made a motion to approve the Actual Cost Utility agreement to adjust CCMWA facilities for the Canton Road and Railroad Bridges Project with the Georgia Department of Transportation, which includes a Standard Utility Agreement and an Easement Limited Agreement, and to authorize execution of contract related documents. Mr. Crowder seconded the motion; motion passed 5/0.

There being no further business to come before the Board, the Regular Meeting was adjourned.



Becky Mixon
Assistant Secretary



A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

May 16, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on May 16, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members present were: David Austin, Max Bacon, Charlie Crowder, Tim, Lee, Don Mabry, Earl Smith and Van Pearlberg.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 04/18/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of April 18, 2011. Mr. Austin made a motion to approve the minutes. Mr. Pearlberg seconded the motion; motion passed 7/0.

2. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the April financial report. Page 9 of the Accountant's Compilation Report for the one month ending April 30, 2011 reflects a favorable variance in net income of \$325,168. Page 10 of the Accountant's Compilation Report for the four months ending April 30, 2011 reflects a favorable variance in net income of \$691,195.

Mr. Smith, Finance Committee Chair, made a motion to approve First Landmark Bank and Fifth Third Bank to provide investment services and become designated qualified bidders on CCMWA investments. Mr. Mabry seconded the motion. Mr. Pearlberg disclosed that Mr. Ron Francis, President of First Landmark Bank, is his campaign treasurer and that Mr. Pearlberg's campaign account is held at First Landmark Bank. The motion passed 7/0.

Mr. Page reported that he has discussed with Mr. Smith and Mr. Haynie hiring a consultant to assist CCMWA in recovering any sales taxes that have been paid to the State of Georgia for equipment that may be exempt from sales tax. Mr. Page reported that Mr. Smith directed staff to move forward with this effort.

3. Sole Source Equipment Request – Liquid Lime System

Mr. Page referred to the memorandum in the Board package (copy in file). Mr. Smith made a motion to approve sole-source procurement of a complete liquid lime feed system, installed, from Burnett Lime Company, Inc. of Campobello, SC, for the quoted price of \$258,700, plus any applicable taxes. Mr. Austin seconded the motion; motion passed 7/0.

4. Bid Results – Lower Roswell Road at Cove Drive 54-Inch Water Main Replacement

Mr. Page reported that per Board direction at the April meeting, staff negotiated an agreement with the developer regarding the cost of the 30-inch butterfly valve installed to accommodate this project: HCCCI will pay 50% of cost of valve installation, up to maximum of \$15k. Staff is awaiting receipt of all of the invoices to bill the developer.

Mr. Page referred to the memorandum in the Board package (copy in file). Mr. Mabry made a motion to award the construction contract for the Lower Roswell Road at Cove Drive 54-inch Water Main Replacement project to Ruby-Collins, Inc. of Smyrna, Georgia, for the low bid price of \$822,145.00. Staff and the Financial Advisor also request authorization to shift another \$200,000 within the Capital Improvement Program from the East Cobb Reinforcement project beginning in 2015 to fully fund this project. Mr. Smith seconded the motion; motion passed 7/0.

5. Old business

a. Wyckoff Regulatory and Refurbishment Update

Mr. Patrick Pherson, Project Manager, presented a brief Power Point update of the Wyckoff Regulatory and Refurbishment Project.

Mr. Page reported that Staff is currently negotiating a change in scope with CH2M HILL to provide all requested construction engineering and construction management services through the end of the construction period. Once the scope is fully understood, staff may request a meeting of the Planning Committee to allow a detailed presentation to be made.

6. General Manager's Report

Mr. Page provided a brief status on the following projects:

- West Side Connector Replacement: Additional engineering costs due to additional inspection requirements during delayed construction. Project is substantially complete; construction under budget.
- Administration & Engineering Building: Contractor has begun demolition. Project schedule shows completion within 120 days.
- Hickory Log Creek discussions with Canton and CCWSA: Last week, staff met with Canton's City Manager and CFO. They indicated that an agreement that would include Cherokee County Water & Sewerage Authority is not expected, but that the City might be willing to sell its shares of the reservoir to CCMWA, as long as they could recover all of their costs. The City Manager has asked Mr. Page to be prepared to discuss a value of their shares of the reservoir, and he is reviewing cost and yield data. At this point, discussions between CCMWA and Canton are informal; however, Mr. Bacon appointed an ad hoc committee of Mr. Page, Mr. Smith, Mr. Crowder and himself to meet with Canton's Exploratory Committee should it request a meeting.

7. New business

There was no new business to present.

8. Executive Session

Mr. Pearlberg made a motion to go into Executive Session to discuss legal. Mr. Austin seconded the motion; motion pass 7/0

Mr. Smith made a motion to return to Regular Session. Mr. Pearlberg seconded the motion; motion passed 7/0.

9. Legal

Mr. Austin made a motion to not accept the proposed settlement with Waffle House, Inc. for \$75,000 and to maintain the current offer of \$60,000. Mr. Smith seconded the motion; motion passed 7/0.

Mr. Smith made a motion to adopt the resolution with Cherokee County to accept abandoned right-of-way that is adjacent to Fate Conn Road right-of-way (copy in file). Mr. Mabry seconded the motion; motion passed 7/0.

There being no further business to come before the Board, the Regular Meeting was adjourned.



Becky Nixon
Assistant Secretary



A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

June 20, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on June 20, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members present were: David Austin, Max Bacon, Charlie Crowder, Tim, Lee, Don Mabry, Earl Smith and Van Pearlberg.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 05/16/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of May 16, 2011. Mr. Pearlberg made a motion to approve the minutes. Mr. Crowder seconded the motion; motion passed 7/0.

2. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the May financial report. Page 9 of the Accountant's Compilation Report for the one month ending May 31, 2011 reflects a favorable variance in net income of \$1,051,640. Page 10 of the Accountant's Compilation Report for the five months ending May 31, 2011 reflects a favorable variance in net income of \$1,742,836.

3. Pension Committee Report

Mr. Page referred to the report that was distributed prior to the meeting (copy in file). Actions taken by the Pension Committee included: 1) extending the contract for Actuarial Services with BHA Consulting, LLC through 2013; 2) voting to not recommend a cost of living adjustment for pensioners retiring after 1992; and 3) upon request of SunTrust, voting to recommend Board authorization for Mr. Page, Ms. McClung and Ms. Buckner to release or transfer funds from the Retirement Trust Fund for various purposes.

4. Sole source equipment request – Settled Solids Pumps at Quarles 2

Mr. Page referenced the memorandum in the Board package (copy in file). Mr. Page noted that the Discflo Pumps are similar to those installed at Wyckoff through sole-source procurement and meet the uniqueness criteria required for direct purchase without competition. Mr. Smith made a motion to approve sole-source procurement of two Discflo Pumps with associated controls from Gerber Pumps International of Longwood, Florida for the quoted price of \$139,420. Mr. Austin seconded the motion; motion passed 7/0.

5. Bid results – Air Conditioning Replacement at Quarles 2

Mr. Page referred to the memorandum in the Board package (copy in file). Mr. Page reported that this item was brought before the Board because it exceeds the budget line item for the work, and because it exceeds the \$100,000 threshold for General Manager approval. Mr. Mabry made a motion to award the Air Conditioning Replacement at Quarles 2 to Dale Sims, Inc. of Atlanta for the low bid price of \$132,740. Mr. Lee seconded the motion; motion passed 7/0.

6. Engineering contract for Macland Road

Mr. Page referred to the memorandum in the Board package (copy in file). Refer to memorandum in Board package. Mr. Page reported that the Macland Road Project is a pipe relocation project associated with planned improvements by GDOT for Macland Road scheduled to begin in 2015. The project is planned to replace approximately 15,000 feet of 20-inch pipe installed in 1980 with 36-inch ductile iron pipe, but smaller pipe may be determined sufficient pursuant to Master Plan evaluation. The approved CIP contains approximately \$11.5 million for this project. CCMWA construction must be completed prior to GDOT construction beginning; therefore, design must begin in the near future to meet the schedule.

Mr. Lee made a motion to award the engineering contract for Macland Road to Engineering Strategies, Inc., of Marietta for \$569,008. Mr. Crowder seconded the motion; motion passed 6/0/1 with Mr. Mabry abstaining.

7. Old Business

There was no old business to present.

8. General Manager's Report

Mr. Page provided the following updates:

- Woodlawn Drive Replacement Project has commenced, with good production. Some minor PR issues related to dust and garbage collection have been addressed.
- On May 24, Mr. Page approved Unity Construction to perform approximately \$80,000 worth of work associated with the GDOT project to replace the Canton Road bridge over U.S. Hwy. 41.
- Proposals are schedule to be received for the Emergency and Maintenance Pipeline Contract on July 26, with anticipated recommendation of award at August meeting. Because of the criticality of this contract to maintaining operations of the Water Authority, staff, along with consultant Ron Harris and Mr. Haynie, are using a method approved by the General Assembly that incorporates contractor qualifications, experience, and ability to respond, along with price, in the selection process.
- Fluoridation: Georgia Rural Water Association made its annual visit to review fluoridation records, and verbally directed operations to maintain fluoride levels at a range of 0.7-1.0, with a target of 0.8-0.85.

9. New business

Mr. Page requested a work session on June 30 for the Board to discuss the extension of the Engineering Contract with CH2M HILL for the Wyckoff Regulatory and Refurbishment Project. Staff will contact the Board Members regarding their availability.

10. Executive Session

Mr. Smith made a motion to go into Executive Session to discuss litigation. Mr. Austin seconded the motion; motion pass 7/0

Mr. Pearlberg made a motion to return to Regular Session. Mr. Mabry seconded the motion; motion passed 7/0.

11. Legal

Mr. Haynie reported that negotiations with Waffle House obtained a real estate appraiser's estimate of \$161,404; but would accept \$75,000. Mr. Haynie stated that in the event of a trial, CCMWA would likely pay significantly more than its current offer of \$60,000. Mr. Lee made a motion to accept Waffle House's offer of \$75,000 in settlement of the condemnation. Mr. Smith seconded the motion; motion passed 6/1 with Mr. Bacon opposed.

Mr. Smith made a motion to approve a Resolution of the Cobb County-Marietta Water Authority which approves loan documents from the Cobb County-Marietta Water Authority to the Georgia Environmental Facilities Authority including authorization for the officers of the Cobb County Marietta Water Authority to execute any and all documents related thereto (copy in file). Mr. Crowder seconded the motion; motion passed 7/0.

Mr. Mabry made a motion to approve the following on behalf of SunTrust Bank: 1) Addendum for a legal entity; and 2) Wealth and Investment Disbursement/Wire Transfer Agreement – Addendum for Wire Transfers. Said motion includes the authorization of the Chair and the General Manager to execute the appropriate documents consistent with this motion (copy in file). Mr. Lee seconded the motion; motion passed 7/0.

There being no further business to come before the Board, the Regular Meeting was adjourned.


Becky Nixon
Assistant Secretary


A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

July 18, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on July 18, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members initially present were: David Austin, Max Bacon, Charlie Crowder, Tim Lee, Don Mabry and Earl Smith.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 06/20/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of June 20, 2011. Mr. Mabry requested a change for clarification in the General Manager's report. Mr. Smith made a motion to approve the minutes as amended. Mr. Crowder seconded the motion; motion passed 6/0.

2. Approval of Minutes of Work Session 06/30/11

Mr. Bacon asked for approval of the minutes of the Work Session of June 30, 2011. Mr. Mabry made a motion to approve the minutes. Mr. Crowder seconded the motion; motion passed 6/0.

3. Financial report

Mr. Smith, Finance Committee Chair, reported that CCMWA's current auditor, Mauldin & Jenkins, LLC (MJ) submitted a three-year and a five-year proposal for continued auditing services to the Finance Committee. Mr. Smith made a motion to approve the three-year proposal. Mr. Austin seconded the motion; motion passed 6/0.

Ms. Joanne Dwyer, Legacy Financial Services, presented the June financial report. Page 9 of the Accountant's Compilation Report for the one month ending June 30, 2011 reflects a favorable variance in net income of \$1,503,181. Page 10 of the Accountant's Compilation Report for the six months ending June 30, 2011 reflects a favorable variance in net income of \$3,246,017.

Ms. Dwyer also presented the Mid-Year Financial Report Highlights and the Quarterly Investment Summary Report (copies in file).

Ms. Dwyer also reported that, after discussions with Gordon Morton and Tom Owens of Morgan Keegan, the impact on CCMWA's AAA bond rating is virtually none if Moody's does downgrade the United States' bond rating.

Mr. Pearlberg arrived at this time.

4. Bid Results – Wyckoff High Service Pump No. 2 Upgrade

Mr. Kenyon referred to the memorandum that was included in the Board Package (copy in file). Mr. Kenyon reported that the Engineer's Estimate did not include possible additional work that the bidders included in their bids. Mr. Mabry made a motion to approve the award of the Wyckoff Water Treatment Plant high Service Pump No. 2 Upgrade project to Lanier Contracting Company, Inc. of Suwanee for the low bid price of \$413,040. Mr. Austin seconded the motion; motion passed 7/0.

5. Old business

There was no old business to present.

6. General Manager's report

Mr. Kenyon reported that the Woodlawn Drive pipe replacement project is ahead of schedule and that the Pine Mountain tank painting project is nearing completion.

Mr. Parsons reported that the Hydraulic Master Plan project is beginning its field work, which will take about three weeks. Mr. Parsons also reported that staff has begun work on the Capital Improvement Plan update.

7. New business

There was no new business to present.

8. Executive Session

There was no need for an executive session.

9. Legal

There were no legal items to present.

There being no further business to come before the Board, the Regular Meeting was adjourned.



Becky Nixon
Assistant Secretary



A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

August 15, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on August 15, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members present were: David Austin, Max Bacon, Charlie Crowder, Don Mabry, Van Pearlberg and Earl Smith. Mr. Lee had notified staff that he would be unable to attend.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 07/18/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of July 18, 2011. Mr. Smith made a motion to approve the minutes as presented. Mr. Crowder seconded the motion; motion passed 6/0.

2. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the July financial report. Page 9 of the Accountant's Compilation Report for the one month ending July 31, 2011 reflects a favorable variance in net income of \$554,661. Page 10 of the Accountant's Compilation Report for the seven months ending July 31, 2011 reflects a favorable variance in net income of \$3,800,678.

Mr. Page reported that on July 29, CCMWA received a notice from Moody's that its Aaa rating was not impacted by the recent rating action on the U.S. government.

Mr. Page also reported that CCMWA planned to discontinue its participation in the North Georgia Metropolitan Water Planning District's lobbying effort to seek federal funding for calendar year 2012

3. Appointment of Nominating Committee for Board Officers

The CCMWA's By-Laws require that the Board elect officers each year at the September meeting. Mr. Bacon appointed Mr. Smith, Mr. Crowder and Mr. Mabry to the Nominating Committee, which will provide a slate of officers to be voted upon at the September 19 meeting.

4. Proposal results – Emergency and On-Call Construction Services

Mr. Page referred to the memorandum in the Board package. Mr. Mabry made a motion to award a one-year Emergency and On-Call Construction Contract, based on the unit prices received on July 26, 2011, to Unity Construction Co., Inc. of Powder Springs. This contract can be extended in one-year increments, by mutual consent, according to the terms of the contract. Mr. Austin seconded the motion; motion passed 6/0.

5. Old business

There was no old business to present.

6. General Manager's report

Mr. Page provided the following updates:

Construction:

Several projects affecting system operation have been completed:

- Woodlawn Drive Extension was placed in service on July 23.
- Pine Mountain Steel Tank Painting is substantially complete, and was returned to service on July 29.
- Two major pipeline tie-ins were made at Wyckoff.
- Electrical Improvements at the Wyckoff Raw Water Pump Station pumps and 2 new Variable Frequency Drive motors are operational.
- Basins 5 and 6 at Wyckoff are back in service following launder and sludge collector work.

System Operations:

- Quarles 1, Basin 12: Structural failures of weir supports and wall occurred when staff drained the basin for routine cleaning. Repair work has been started by Engineered Restorations.
- Quarles Raw Water reservoir: A leak has been discovered on the 30" drain line. A repair strategy is being developed by staff.

Hydraulic Master Plan

- Fluoride tracer study for Master Planning work is ongoing.

Hickory Log Creek Reservoir:

- Detailed design is underway for the Reservoir Management Office. Anticipated cost is \$420,000.
- Recent inspection of the dam indicated a need for grouting. The Board of Managers is budgeting \$200,000, but further evaluation is needed to provide a detailed estimate. Schnabel indicates that this type of major maintenance can be expected from time to time because of the size and weight of the structure.
- The Board of Managers approved the 2012 project budget at its July meeting.

ACF:

On August 11 and 12, petitions were filed by SeFPC, Alabama and Florida for an *en banc* reconsideration of the 11th Circuit Court of Appeals' decision regarding the issues in the ACF litigation.

ACT:

Status conference with Judge Bowdre in Alabama is scheduled on August 17.

Mr. Page announced that the Legacy Award Luncheon honoring employees who have been with the Water Authority for 25 years will be held on September 29. Mr. Page extended an invitation to all Board Members to attend.

7. New business

Mr. Page requested a meeting of the Planning Committee to review the updated Capital Improvement Plan (CIP). Staff would like to have the CIP reviewed and a recommendation ready to present to the Board in September.

Mr. Page briefed the Board on easement encroachments and staff's approach to resolve them.

8. Executive Session

There was no need for an executive session.

9. Legal

There were no legal items to present.

There being no further business to come before the Board, the Regular Meeting was adjourned.



Becky Mixon
Assistant Secretary



A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

September 19, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on September 19, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members present were: David Austin, Max Bacon, Charlie Crowder, Tim Lee, Don Mabry, Van Pearlberg and Earl Smith.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 08/15/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of August 15, 2011. Mr. Smith made a motion to approve the minutes as amended. Mr. Crowder seconded the motion; motion passed 7/0.

2. Election of officers

Mr. Crowder, Nominating Committee Chair, recommended the following slate of officers: Chair – Max Bacon, Vice Chair – David Austin, Secretary – Van Pearlberg and Assistant Secretary – Becky Mixon. Mr. Mabry made a motion to elect the slate as presented. Mr. Smith seconded the motion; motion passed 7/0.

Mr. Bacon announced that the standing committees would remain the same:

- Planning Committee – Mr. Mabry, Chair, Mr. Lee and Mr. Pearlberg
- Finance Committee – Mr. Smith, Chair, Mr. Crowder and Mr. Austin
- Personnel Committee – Mr. Pearlberg, Chair, Mr. Mabry and Mr. Crowder
- Pension Committee – Ms. Buckner, Chair, Mr. Austin, Mr. Smith, Mr. Page, Ms. McClung, Mr. Brinkley, Mr. Bennett

3. Recognition of AWWA Life Members

Mr. Page presented Ricky Bennett and Bob Kenyon with AWWA Life Member Plaques and pins recognizing their 30-year membership in AWWA.

Mr. Page noted that AWWA National presented Becky Mixon a Certificate of Achievement for 17 years of service as the Georgia Section Secretary-Treasurer.

4. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the August financial report. Page 9 of the Accountant's Compilation Report for the one month ending August 31, 2011 reflects a favorable variance in net income of \$1,217,523. Page 10 of the Accountant's Compilation Report for the eight months ending August 31, 2011 reflects a favorable variance in net income of \$5,018,201.

5. Pension Committee report

Mr. Page referred to the report that was in the Board packet (copy in file). Subsequent to the Pension Committee Meeting of August 15, the Committee Chair received from the pension counsel a favorable determination letter from the IRS for the restated

pension plan that includes the most recent amendment (2008). Mr. Smith made a motion to approve the restated Cobb County-Marietta Water Authority Retirement Plan, as adopted by the Board on the 19th day of September 2011, and to authorize the Chair to sign same. Mr. Austin seconded the motion; motion passed 7/0.

6. Discussion of Memorandum of Understanding from City of Canton

Mr. Page referenced the memorandum in the Board package (copy in file). Mr. Haynie provided the following options for the Board's consideration: 1) approve the Memorandum of Understanding (MOU); 2) not approve the MOU; 3) take the MOU under advisement; and 4) take no action. Mr. Mabry made a motion to acknowledge receipt of the MOU and advise the City of Canton and Cherokee Water and Sewerage Authority that the Board will take the matter under advisement. Mr. Smith seconded the motion; motion passed 7/0.

7. Bid Results – Demolition of Blackjack Mountain Prestressed Concrete Tank

Mr. Page referenced the memorandum in the Board package (copy in file). Mr. Austin made a motion to award the demolition of the Blackjack Mountain Prestressed Concrete Tank project to Tristar of America, Inc. for the low bid price of \$159,000. Mr. Mabry seconded the motion; motion passed 7/0.

Mr. Lee requested that the contractor be made aware of and observe the weight load restrictions of the road.

8. Presentation of Capital Improvement Plan for 2012 - 2016

Mr. Page referenced the memorandum in the Board package (copy in file). Mr. Mabry made a motion to approve the proposed Capital Improvement Plan for 2012 – 2016 as presented. Mr. Lee seconded the motion; motion passed 7/0.

Mr. Page will notify the wholesale customers that the current rate program, which calls for an 8% rate increase January 1, 2012 will remain in effect.

9. Old business

There was no old business to present.

10. General Manager's report

Mr. Page provided the following updates:

- The 11th Circuit Court of Appeals denied the petition for reconsideration from AL, FL and SeFPC. The only appeals option remaining is the U.S. Supreme Court.
- Chubb Insurance, CCMWA's Boiler & Machinery carrier, performed an inspection of the boiler at Wyckoff on August 15, and recommended immediate replacement. Wyckoff staff has been directed to begin the procurement process. This work was anticipated, but had been delayed until after the current plant construction. The anticipated budget is under \$100,000, and will be paid for out of the AR&R Fund.

- The U. S. Army Corps of Engineers has agreed to meet with staff to continue discussion of Special Condition 15 in the Hickory Log Creek 404 Permit.

11. New business

There was no new business to present

12. Executive Session

There was no need for an executive session.

13. Legal

Mr. Lee made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. Tyler Nelson Crafton, et al. in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion. Mr. Pearlberg seconded the motion; motion passed 7/0.

Mr. Lee made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. Gary P. Hite in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion. Mr. Pearlberg seconded the motion; motion passed 7/0.

Mr. Mabry made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. William S. Turner, et al. in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion. Mt. Lee seconded the motion; motion passed 7/0.

Mr. Smith made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. Ligon Family, LLP in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion. Mr. Lee seconded the motion; motion passed 7/0.

Mr. Crowder made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. TCAM Partners. L.P. in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion. Mr. Lee seconded the motion; motion passed 7/0.

Mr. Austin made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. Temple In-Land Land and Timber, LLC in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion. Mr. Lee seconded the motion; motion passed 7/0.

Mr. Pearlberg made a motion to approve an Easement Encroachment Agreement between Cobb County-Marietta Water Authority and Cobb County Department of Transportation regarding encroachments on parcel along Casteel Road in Kennesaw. Mr. Crowder seconded the motion; motion passed 7/0.

Mr. Pearlberg made a motion to approve an Easement Encroachment Agreement between Cobb County-Marietta Water Authority and Cobb County Department of Transportation regarding encroachments along Jiles Road in Kennesaw. (Fourteen separate parcels.) Mr. Lee seconded the motion; motion passed 7/0.

Mr. Pearlberg made a motion to authorize the Authority attorney to send a written letter to the City of Canton requiring that all deeds, title policies and other documents for all prior closings related to Hickory Log Creek and associated property be forwarded to the Cobb County-Marietta Water Authority and to further authorize the attorney to take any and all such action in the event that same are not received within a reasonable amount of time. Mr. Smith seconded the motion; motion passed 7/0.

Mr. Haynie requested that the Board complete and sign the previously distributed Conflict of Interest Statement as required by the By-Laws.

There being no further business to come before the Board, the Regular Meeting was adjourned.



Becky Mixon
Assistant Secretary



A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

October 17, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on October 17, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members present were: David Austin, Max Bacon, Charlie Crowder, Tim Lee, Don Mabry, Van Pearlberg and Earl Smith.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 09/17/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of September 17, 2011. Mr. Lee made a motion to approve the minutes as presented. Mr. Crowder seconded the motion; motion passed 7/0.

2. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the September financial report. Page 9 of the Accountant's Compilation Report for the one month ending September 30, 2011 reflects a favorable variance in net income of \$1,128,093. Page 10 of the Accountant's Compilation Report for the nine months ending September 30, 2011 reflects a favorable variance in net income of \$6,146,294.

Ms. Dwyer reported that the Finance Committee had met and discussed the request from the Bank of North Georgia to extend their original proposal an additional year. Mr. Austin made a motion to approve a one year extension for banking services to the Bank of North Georgia. Mr. Lee seconded the motion; motion passed 7/0.

Ms. Dwyer also presented the Quarterly Investment Summary Report (copy in file).

3. Personnel Committee report

Mr. Pearlberg, Personnel Committee Chair reported that the committee met to consider the recommendation of the Bottoms Group for CCMWA's insurance benefit package for 2012. Open enrollment begins on November 1, with an effective date for the plan of December 1. Mr. Page provided the following information.

The Personnel Committee voted to recommend Board approval of the following:

- 1) Offering essentially the same three options for health insurance coverage through CIGNA as currently provided through BCBS, at approximately 1 percent less than total premiums in 2011.
- 2) Authorizing a new category of employee contribution to the total premium for employees who have used tobacco products in the last 6 months immediately prior to the beginning of the plan year. These employees will be charged a premium contribution \$25 higher per bi-weekly than non-tobacco users.
- 3) For dental insurance, bind coverage with SunLife at a 9% increase over the existing rates.

- 4) For Short Term and Long Term Disability, bind coverage with SunLife at existing rates.
- 5) For Life Insurance, bind coverage with SunLife at existing rates.

Mr. Pearlberg made a motion to approve the Personnel Committee's recommendation for CCMWA's insurance benefit package for 2012. Mr. Smith seconded the motion; motion passed 7/0.

4. Contract Modification No. 4 for Engineering Services Agreement for the West Side Connector Water Main Replacement (Perkerson Mill Road to Powder Springs Road)

Mr. Page referenced the memorandum in the Board package (copy in file). Mr. Mabry made a motion to approve Modification No. 4 to the engineering services contract with ATKINS for the West Side Connector Water Main Project in the amount of \$199,434.00 bringing the total contract value to \$672,971.61. Mr. Austin seconded the motion; motion passed 7/0.

5. Disposal of Real Property – Midway Road

Mr. Page referred to the memorandum in the Board package (copy in file). The subject property was purchased in 1999, and the well drilled is not sufficient for ongoing water supply. However, CCMWA's hydrogeologist has recommended retaining access to the well for emergency supply - a best practice as part of an emergency response plan. It is anticipated that a 50' square area owned in fee simple would be needed to protect the "control zone" under the wellhead protection rules in Georgia, and that septic tank drain fields would need to be prohibited in the immediate zone (250' radius). In addition, an easement will be needed for ingress & egress and utilities to and from the well site from Midway Road. CCMWA will need to have some surveying completed to define the fee simple and easement areas needed within the entire tract.

Steps towards disposal of this property from CCMWA's owned assets are defined in the memorandum. Staff requests approval by the Board to dispose of the Midway Road property using the process described in the memorandum. Mr. Smith made a motion to authorize the public sale of certain property owned by the Cobb County-Marietta Water Authority located on Midway Road in Land Lot 336 of the 20th District, 2nd Section. The property shall be sold in compliance with all laws to the highest bidder for cash with the provision that the Water Authority to reject all bids. The General Manager is hereby authorized to provide for the time, date and place of the sale, as well as any and all requirements for the sale. Mr. Mabry seconded the motion; motion passed 7/0.

6. Update on Administration & Engineering Office

Mr. Page referenced the memorandum in the Board package, and reported that staff will be moving into the new building on November 4.

7. Old Business

There was no old business to present.

8. General Manager's report

Mr. Page provided the following information:

- The graph of Lake Lanier that was distributed (copy in file) reflects that the lake is currently less than 4 feet higher than October 2007, the beginning of the drought of record. The forecast is for precipitation amounts to be "normal" from now through 2012, and for temperatures to be above normal through spring and summer of 2012. This combination could lead to a repeat of the conditions of the 2007-2008 drought. Staff will monitor the State's guidelines, and will communicate with our customers as necessary.
- The Administration and Engineering Office move is planned for November 4.
- Douglasville/Douglas County Water and Sewer Authority is restored to service and has ceased purchasing water from CCMWA on a daily basis. Mike Patton, DDCWSA Director of Operations, wished to convey his appreciation to the Authority staff and the Board for being able to meet their water demand during outage of their raw water main.
- A meeting with the Corps of Engineers in Washington, DC to discuss Special Condition 15 of the 404 Permit for Hickory Log Creek Reservoir is anticipated the second week in November.
- Meetings will be coordinated with Personnel and Finance Committees prior to the November Board meeting.

9. New business

There was no new business to present

10. Executive Session

There was no need for an executive session.

11. Legal

1) Mr. Pearlberg made a motion to approve an Easement Limited Agreement between the Cobb County-Marietta Water Authority and the Department of Transportation of the State of Georgia. The General Manager is authorized to execute the appropriate agreement relative to the Project BRMLB-9004-00(008), P.I. 752630 (copy in file). Mr. Lee seconded the motion; motion passed 7/0.

2) Mr. Lee made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. Tyler Nelson Crafton, et al. in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion including amending the pleadings or filing a new petition. Attached hereto are the legal description of the property and a survey of such property. The Order Authorizing Condemnation attached is incorporated herein by reference. (Attachments retained by Attorney.) Mr. Mabry seconded the motion; motion passed 7/0.

3) Mr. Lee made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. Gary P. Hite in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion including amending the pleadings or filing a new petition. Attached hereto are the legal description of the property and a survey of such property. The Order Authorizing Condemnation attached is incorporated herein by reference. (Attachments retained by Attorney.) Mr. Smith seconded the motion; motion passed 7/0.

4) Mr. Lee made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. William S. Turner, et al. in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion including amending the pleadings or filing a new petition. Attached hereto are the legal description of the property and a survey of such property. The Order Authorizing Condemnation attached is incorporated herein by reference. (Attachments retained by Attorney.) Mr. Smith seconded the motion; motion passed 7/0.

5) Mr. Lee made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. Ligon Family, LLP in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion including amending the pleadings or filing a new petition. Attached hereto are the legal description of the property and a survey of such property. The Order Authorizing Condemnation attached is incorporated herein by reference. (Attachments retained by Attorney.) Mr. Smith seconded the motion; motion passed 7/0.

6) Mr. Lee made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. TCAM Partners, L.P. in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion including amending the pleadings or filing a new petition. Attached hereto are the legal description of the property and a survey of such property. The Order Authorizing Condemnation attached is incorporated herein by reference. (Attachments retained by Attorney.) Mr. Smith seconded the motion; motion passed 7/0.

7) Mr. Lee made a motion to authorize and direct the attorney for the Authority to amend the pleadings in the case of The City of Canton, Georgia and the Cobb County-Marietta Water Authority v. Temple Inland Land and Timber, LLC in order to acquire the property which is the subject matter of the litigation in fee simple. This motion includes the authority to take any action necessary or appropriate to carry out this motion including amending the pleadings or filing a new petition. Attached hereto are the legal description of

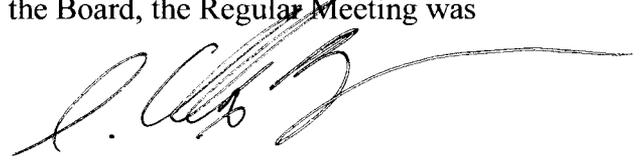
the property and a survey of such property. The Order Authorizing Condemnation attached is incorporated herein by reference. (Attachments retained by Attorney.) Mr. Smith seconded the motion; motion passed 7/0.

8) Mr. Haynie provided an update on the purchase of Shoal Creek mitigation property in Dawson and Lumpkin Counties for the Hickory Log Creek Reservoir project (copy in file).

9) Mr. Haynie also updated that Board on the receipt of deeds, title policies and other documents for all prior closings related to Hickory Log Creek and associated property forwarded to the Cobb County-Marietta Water Authority.

There being no further business to come before the Board, the Regular Meeting was adjourned.


Becky Mixon
Assistant Secretary


A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

November 21, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on November 21, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members initially present were: David Austin, Max Bacon, Charlie Crowder, Don Mabry, Van Pearlberg and Earl Smith.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 10/17/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of October 17, 2011. Mr. Smith made a motion to approve the minutes as presented. Mr. Crowder seconded the motion; motion passed 6/0.

2. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the October financial report. Page 9 of the Accountant's Compilation Report for the one month ending October 31, 2011 reflects a favorable variance in net income of \$204,044. Page 10 of the Accountant's Compilation Report for the ten months ending October 31, 2011 reflects a favorable variance in net income of \$6,350,338.

3. Bid Results – Chemicals for 2012

Mr. Page referred to the memorandum in the Board package (copy in file) and reported that based on bids received and the quantities anticipated in 2012, the chemical budget is expected to be about 1% higher in 2012 than in 2011.

Mr. Mabry made a motion to approve award of the 2012 Process Chemical Contracts to the vendors listed in the memorandum at the verified low responsive bid prices also listed in the memorandum. Mr. Austin seconded the motion; motion passed 6/0.

Mr. Lee arrived at this time.

4. Removal of Contractor from Approved Pipeline Contractors List

Mr. Page referenced the memorandum in the Board package (copy in file).

Mr. Page stated the following: at the October meeting, the Board was advised of problems on two projects, one completed and one still under construction, by Gary's Grading and Pipeline Co., Inc. of Monroe, GA. Staff and project engineer ATKINS have been dissatisfied with work on these two projects, particularly with project management and the inability to meet schedules. In both projects, delays have increased construction engineering costs, and have prevented completion of the projects according to schedules coordinated with Cobb DOT and adjacent property owners.

Mr. Pearlberg made a motion to remove Gary's Grading and Pipeline Co., Inc. from the Approved Pipeline Contractors List effective immediately. Mr. Mabry seconded the motion; motion passed 7/0.

5. Old business

There was no old business to present.

6. General Manager's report

Mr. Page provided the following information and updates:

- Drought concerns - There is growing concern over drought throughout the ACF basin. Although conditions recently improved in the upper basin from "extraordinary" to

"extreme", streamflows are below historic record lows in the lower part of the basin, depth to groundwater is near historic record levels in the lower part of the basin and very little precipitation is expected over the next several weeks. Should the drought worsen state imposed water restrictions may be issued which could affect projected water sales and revenue for 2012.

- Blackjack Mountain Concrete Tank demolition - Mobilization is scheduled for the week of November 28.
- HLC Reservoir Management and Operations office - 95% plans are being reviewed. Architect's estimate is \$550,000, which is about \$100,000 over the amount budgeted. Staff believes the estimate is too high, and has engaged two local contractors to review.
- On November 18, about 8 p.m., staff was notified of a pipe leak on Shallowford Road between Hwy. 5 and Trickum Road. Staff and Unity Construction responded, the leak was isolated by 3 a.m., and the pipeline was repaired and returned to service around 9 p.m. on Saturday. The leak resulted from failed saddle straps on an 8-inch outlet, which is a recurring issue that staff has been studying for several years. Shallowford Road remained open with flagged traffic. There was some private property damage, and coordination with Little & Smith is ongoing to address repairs through CCMWA's insurer.
- ACT Litigation. Judge Bowdre set the schedule for Georgia's reply on the motion to dismiss counts I through IX. She granted the request, which was unopposed. The State's reply is now due on December 21.
- Staff met with the U.S. Army Corps of Engineers in Washington, DC regarding Hickory Log Creek on November 10. The Corps indicated that they have determined that they have no policy that would prohibit them from approving the proposed operating and accounting scheme in concept, but that they have limited resources to review the details of the proposal at this time. The Corps committed to providing CCMWA a letter to this effect in mid-December, with an anticipated schedule for their review of the details.
- waterSmart waterArt awards were held on November 17, with remarks made by Cobb County Water System, Chairman Lee, and staff. The art competition is an annual event among middle schools in Cobb and Paulding counties promoting water conservation.

7. **New business**

There was no new business to present

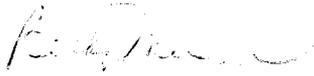
8. **Executive Session**

There was no need for an executive session.

9. **Legal**

There were no legal items to present.

There being no further business to come before the Board, the Regular Meeting was adjourned.


Becky Mixon
Assistant Secretary


A. Max Bacon
Chair

**Cobb County-Marietta Water Authority
Minutes of Regular Meeting**

December 19, 2011

The regular meeting of the Cobb County-Marietta Water Authority was held on December 19, 2011 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board present were: David Austin, Max Bacon, Charlie Crowder, Don Mabry, Van Pearlberg and Earl Smith. Mr. Lee's office had notified staff that he would be unable to attend.

The meeting was called to order at 3:30 p.m. by Chair Max Bacon.

1. Approval of Minutes of Regular Meeting 11/21/11

Mr. Bacon asked for approval of the minutes of the Regular Meeting of November 21, 2011. Mr. Smith made a motion to approve the minutes as presented. Mr. Austin seconded the motion; motion passed 6/0.

2. Financial report

Ms. Joanne Dwyer, Legacy Financial Services, presented the November financial report. Page 9 of the Accountant's Compilation Report for the one month ending November 30, 2011 reflects a favorable variance in net income of \$51,161. Page 10 of the Accountant's Compilation Report for the eleven months ending November 30, 2011 reflects a favorable variance in net income of \$6,401,500.

Ms. Dwyer also presented the annual review of the CCMWA Investment Policy and Procedures (copy in file). Mr. Smith made a motion to approve the amended policy. Mr. Crowder seconded the motion; motion passed 6/0.

Mr. Smith made a motion to approve and authorize the establishment of Debt Service Accounts on behalf of the Water Authority and the Bank of North Georgia and to authorize execution of the appropriate resolutions for the establishment and maintenance of said accounts. Mr. Austin seconded the motion; motion passed 6/0.

3. Pension Committee report

Ms. Shelia Buckner, Pension Committee Chair, presented the Pension Committee report (copy in file).

4. Reschedule January 2012 meeting to January 23, 2012 due to Martin Luther King, Jr. Holiday

Mr. Mabry made a motion to reschedule the January 2012 meeting from January 16 to January 23 due to the Martin Luther King, Jr. Holiday. Mr. Crowder seconded the motion; motion passed 6/0.

5. Proposed 2012 Operating Budget

Mr. Page referred to the memorandum and the draft budget that was included in the Board's Financial Package (copy in file). Mr. Smith made a motion to approve the proposed 2012 Operating Budget. Mr. Pearlberg seconded the motion; motion passed 6/0.

6. Old business

There was no old business to present.

7. General Manager's report

Mr. Page provided the following information and updates:

- Production through 12/18: 73.8 mgd vs. projected 74 mgd; however, this includes a water loss of between 50 and 55 million gallons from 12/11-12/14 from failures of two blowoff outlet saddles. Repairs of the saddles have been completed, and a credit of approximately \$115,000 to \$120,000 will be issued to Cobb County Water System for the loss.
- The Corps of Engineers has modified the operation of Buford Dam to reduce the minimum Chattahoochee flow from 750 cfs to 650 cfs at the Peachtree Creek gauge. This is projected to keep Lake Lanier from entering operational Zone 4, at least until mid-January.
- The letter from the Corps of Engineers regarding coordination related to Special Condition 15 under the Hickory Log Creek 404 Permit had not yet been received.

8. New business

There was no new business to present

9. Executive Session

Mr. Smith made a motion to go into Executive Session to discuss personnel. Mr. Mabry seconded the motion; motion passed 6/0.

Mr. Pearlberg made a motion to return to Regular Session. Mr. Crowder seconded the motion; motion passed 6/0.

10. Legal

Mr. Smith made a motion to approve an amendment to Easement Agreement between the Cobb County-Marietta Water Authority and East Cobb Senior Living, LLC (copy in file). Mr. Mabry seconded the motion; motion passed 6/0.

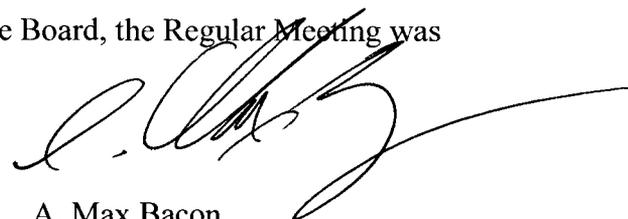
Mr. Haynie reported that the closing on Shoal Creek Mitigation Property was successfully completed. The property is a Preservation Easement in perpetuity across approximately 80 acres in Dawson County and Lumpkin County.

Mr. Austin made a motion to approve the extension of the General Manager's Employment Agreement pursuant to the recommendation of the Personnel Committee (copy in file). Mr. Mabry seconded the motion; motion passed 6/0.

There being no further business to come before the Board, the Regular Meeting was adjourned.



Becky Nixon
Assistant Secretary



A. Max Bacon
Chair