

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

January 25, 2016

The regular meeting of the Cobb County-Marietta Water Authority was held on January 25, 2016 at 3:30 p.m., in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members present were: Grif Chalfant, Charlie Crowder, Dan Buyers, David Austin, Max Bacon, Tim Lee and James Scott.

The meeting was called to order at 3:30 p.m. by Chair Grif Chalfant.

1. Approval of Minutes of Regular Meeting of December 21, 2015

Mr. Chalfant asked for approval of the minutes of the Regular Meeting of December 21, 2015. Mr. Buyers made a motion to approve the minutes as presented. Mr. Crowder seconded the motion; motion passed 7/0.

2. Financial report

Mr. Cole Blackwell presented a summary of the December 2015 Financial Statement (copy in file). Operating income for December was \$2,408,699, which exceeded expectations by \$123,152. Net income for December was \$2,167,015 which exceeded expectations by \$290,331.

Year-to-date operating income of \$36,532,770 exceeded budget expectations by \$3,615,870. Year-to-date net income of \$33,989,039 inclusive of fair market valuation adjustments, exceeded budget expectations by \$5,792,399 due to higher than budgeted operating income and other income.

3. Year-End Investment Summary

Mr. Courtney Rogers, Davenport & Company, provided the Year-End Investment Summary (copy in file).

4. Finance Committee report

Mr. Scott, Finance Committee Chair, referred to the report that was previously placed at the members' seats and reported that the Committee voted to recommend for Board approval the proposed Investment and Procurement Policy updates (copy in file). Mr. Scott made a motion on behalf of the Finance Committee to approve the proposed Investment Policy updates. Mr. Buyers seconded the motion; motion passed 7/0.

Mr. Scott made a motion on behalf of the Finance Committee to approve the proposed Procurement Policy updates. Mr. Buyers seconded the motion; motion passed 7/0.

5. Pension Committee report

Ms. Shelia Buckner, Pension Committee Chair, reported that the Pension Committee met prior to the Board meeting and recommends Board approval of a

Restatement of the Retirement Plan and submission of the Plan to the Internal Revenue Service for a Determination Letter (copy of memorandum in file). Mr. Lee made a motion to approve the Restatement of the Retirement Plan and submission of the Plan for a Determination Letter. Mr. Buyers seconded the motion; motion passed 7/0.

6. Rates and Contracts Committee report

Mr. Scott, Rates and Contracts Committee Chair, reported that the Committee met January 20 and heard a presentation from Burton and Associates regarding the review of CCMWA's rate structure. Mr. Scott also reported that the Committee agreed to recommend notification to the Paulding County Commission of the rate study (draft letter placed at Board members' seats – copy in file). On behalf of the Rates and Contracts Committee, Mr. Scott made a motion to notify the Paulding County Commission of the rate study that is underway. Mr. Buyers seconded the motion; motion passed 5/2 with Mr. Austin and Mr. Bacon opposed.

7. Contract Modification for Engineering Services – Wyckoff Filter Building Rehabilitation and Electrical Improvements Project

Mr. Lee stated for the record that he has an employee whose spouse works for CH2M HILL. The Board attorney advised that Mr. Lee was eligible to vote on the matter

Mr. Page referred to the memorandum in the Board package. Mr. Buyers made a motion to approve the Contract Modification valued at \$685,050 to the Engineering Services Contract with CH2M HILL Engineers, Inc. for the Wyckoff Filter Building Rehabilitation and Electrical Improvements Project, bringing the total contract value to \$2,773,750, and extending the Engineering Contract period through December 31, 2017. Mr. Lee seconded the motion; motion passed 5/2 with Mr. Austin and Mr. Bacon opposed.

8. Old business

There were no old business items to present.

9. Operations report

Mr. Kenyon, Director of Operations, reported that the heavy rains earlier in the year presented challenges in treatment because of water quality and caused damage to the grounds of the Hickory Log Creek Reservoir pump station. Mr. Kenyon also reported that CCMWA received the highest overall scores it has ever received on the EPD Sanitary Survey, with an "outstanding performance" description.

10. Engineering report

Mr. Kaffezakis, Director of Engineering, reported that Chris Dillard and Jacob Wilson have received the Project Manager Professional certification.

11. General Manager's report

Mr. Page notified the Board that he had authorized sole-source procurement of services to refurbish High Service Pump No. 1 at the Quarles Plant. Services will be provided by Goforth Williamson, Inc., which is the factory authorized service center for Patterson Pumps (HS Pump No. 1 is a Patterson Pump). The quote received for Pump No. 1 refurbishment was for \$20,248. The AR&R budget for this work is \$50,000 for Pumps No. 1 and No. 5. Pump No. 5 will be refurbished after Pump No. 1 is placed back in service.

Mr. Page reported that he also authorized Task Authorization No. 5 under the Engineering Demand Services Agreement with Brown & Caldwell for \$23,514 to update the CCMWA Drought Contingency Plan which is required under the terms of the operating permit with Georgia EPD.

12. New business

Mr. Chalfant directed staff to place block advertisements for all Board and Committee meetings, as well as rate adjustments, in the Marietta Daily Journal.

13. Executive Session

There was no need for an Executive Session.

14. Legal

Mr. Lee made a motion to approve a Standard Utility Agreement/Easement Limited Agreement with the Department of Transportation, an agency of the State of Georgia, regarding water distribution facilities regarding the reconstruction of State Route 360 from New Macland Road in Cobb County to State Route 120 in Paulding County, Georgia. Mr. Scott 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



Griffin L. Chalfant, Jr.
Chair