

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

March 20, 2017

The regular meeting of the Cobb County-Marietta Water Authority was held on March 20, 2017 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, Max Bacon, James Balli, Mike Boyce and James Scott.

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

1. Invocation and Pledge of Allegiance

Mr. Brandon Smith offered the invocation and led the Pledge of Allegiance.

2. Approval of Minutes of Regular Meeting of February 20, 2017

Mr. Chalfant asked for approval of the minutes of the Regular Meeting of February 20, 2017. Mr. Buyers made a motion to approve the minutes as presented. Mr. Crowder seconded the motion; motion passed 6/0/1 with Mr. Bacon abstaining.

3. Financial report

Mr. Cole Blackwell, Director of Finance, presented a summary of the February 20, 2017 Financial Statement (copy in file). Net income for February was \$2,559,720, which exceeded expectations by \$439,689. Operating income for February was \$2,611,677, which exceeded expectations by \$401,133.

4. Pension Committee report

Mr. Stan Brinkley presented the minutes of the February 20, 2017 Pension Committee meeting (copy in file). Mr. Page reported that at the Special Called Meeting that was held prior to the Board meeting, the Pension Committee approved a death benefit for Rick Orton and a retirement benefit for Babs Hansard.

Mr. Balli made a motion to update actuarial assumptions to a more current mortality rate, a reduced number of early retirements, a reduced rate of return on investments and a reduced annual salary increase. Mr. Boyce seconded the motion; motion passed 7/0.

Mr. Balli made a motion to appoint the following as authorized signers for CCMWA's Pension Plan as administered by SunTrust – Glenn M. Page (full authority), Cole E. Blackwell (limited authority) and Patrick L. Henley (limited authority). Mr. Buyers seconded the motion; motion passed 7/0.

5. Old business

There were no old business items to present.

6. General Manager's report

Mr. Page reported that demands are tracking slightly ahead of projections for the year and for the current month.

Mr. Page reported that he met with EPD Director Rick Dunn on March 20, 2017 with several other metro water managers. The water managers requested that the Director consider increasing the upper Chattahoochee basin to Level 3 Drought Response out of concern of a multi-year drought's effect on Lake Lanier, which is currently 9 feet below full pool.

Mr. Page reported that several engineering and administrative staff visited the Richland Creek Reservoir site and the construction site for the Paulding County Water Treatment Plant on February 23. In addition to the site visit, a meeting was held to discuss anticipated demands from Paulding beyond commissioning of the reservoir and plant, and steps that will need to be made by both CCMWA and Paulding to ensure consistently good water quality. At the meeting, Paulding indicated the possibility that they could be producing water in mid-2019, about a year earlier than previously stated. Mr. Page reported that Mr. Blackwell and Ms. Clements have updated the financial model with this accelerated schedule, and that the model predicts that CCMWA can absorb the earlier reduction in revenue from Paulding without dropping cash balances below targets and without affecting the currently programmed 3% annual rate increase.

Mr. Page reported that staff is continuing its negotiation of a new contract with Douglasville/Douglas County Water and Sewer Authority (DDCWSA) staff. Mr. Haynie and Mr. Page are working on contract language, and discussions are ongoing with DDCWSA regarding how much capacity they desire to reserve, and how the rates will be allocated between fixed and variable costs.

Mr. Page reported that the U. S. Supreme Court met on March 17 to discuss the FL vs. GA case. The Court has received the Special Master's report, set a schedule for briefs, and is expected to take up the case in its October 2017 session.

7. New business

There were no new business items to present.

8. Executive Session

There was no need for an Executive Session

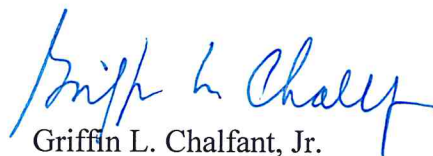
9. Legal

Mr. Buyers made a motion to approve a Consent to Assignment from Layne Heavy Civil, Inc., et al. to Reycon Partners, LLC regarding the project known as the East Cobb Pipeline Project (Southwest Connector, Phase 1), subject to the final approval of the language in the Consent to Assignment by the General Manager and Board Attorney. Mr. Scott seconded the motion; motion passed 7/0.

There being no further business, the meeting was adjourned.



Becky A. Mixon
Assistant Secretary



Griffin L. Chalfant, Jr.
Chair