

**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

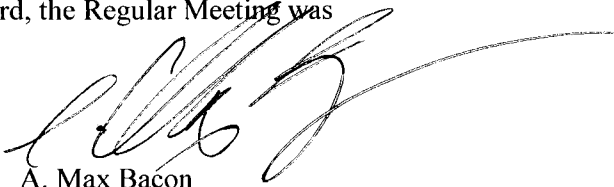
There was no need for an executive session.

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