

**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

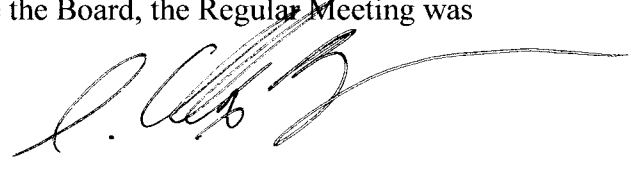
the property and a survey of such property. The Order Authorizing Condemnation attached is incorporated herein by reference. (Attachments retained by Attorney.) Mr. Smith seconded the motion; motion passed 7/0.

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