

COBB COUNTY-MARIETTA WATER AUTHORITY
Minutes of Regular Meeting

Monday, December 18, 2017 --- 3:30 p.m.

The regular meeting of the Cobb County-Marietta Water Authority was held on December 18, 2017 at 3:30 p.m. in the Cobb County-Marietta Water Authority's Board Room. Water Authority Board members present were: James Scott, Dan Buyers, Charlie Crowder, Max Bacon, James Balli, Mike Boyce and Grif Chalfant.

The meeting was called to order at 3:30 p.m. by Chair James Scott.

1. Invocation and Pledge of Allegiance

Mr. Terry Wilson offered the invocation and led the Pledge of Allegiance.

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

Mr. Scott asked for approval of the minutes of the Regular Meeting of November 20, 2017. Mr. Buyers made a motion to approve the minutes as amended. Mr. Boyce seconded the motion; motion passed 7/0.

3. Approval of Minutes of Executive Session of November 20, 2017

Mr. Scott asked for approval of the minutes of the Executive Session of November 20, 2017. Mr. Boyce made a motion to approve the minutes as presented. Mr. Crowder seconded the motion; motion passed 7/0.

4. Financial report

Ms. Allison Clements, Director of Finance, presented a summary of the November 30, 2017 Financial Statement (copy in file). Operating income for November was \$3,370,888, which exceeded expectations by \$1,255,625. Net income for November was \$3,088,628, which exceeded expectations by \$1,045,324.

Mr. Page congratulated Ms. Clements on achieving her Master of Accountancy degree.

5. Pension Committee report

Mr. Page stated the total fund value as of September 30, 2017 was \$35,671,162. The total portfolio outperformed the plan's blended benchmark: 3.70% vs. 3.30% for the third quarter and 12.22% vs. 10.62% year-to-date. The Committee approved a single life annuity for Becky Mixon commencing January 1, 2018.

6. 2018 Consolidated Budget and 2018-2022 Capital Improvement Plan

Mr. Scott asked for approval of the 2018 Consolidated Budget and 2018-2022 Capital Improvement Plan. Mr. Boyce made a motion to approve the 2018 Consolidated Budget and 2018-2022 Capital Improvement Plan. Mr. Balli seconded the motion; motion passed 7/0.

7. Rates and Contracts Committee Report

Mr. Page stated that the committee had approved two motions to bring to the Board, to be discussed in the next two agenda items.

8. Non-Sole-Source Customer Rate

Mr. Page reported that the Rates & Contracts Committee had voted to approve and recommend to the Board the new rate category for Non-Sole-Source Customers (copy in file). Mr. Scott asked for approval of the new rate category to be applied to Non-Sole-Source Customers of the Authority when new contracts are executed with those customers. Mr. Buyers made a motion to approve the new Non-Sole-Source Customer Rate Category. Mr. Crowder seconded the motion; motion passed 7/0.

9. Water Supply Contract with Douglasville-Douglas County Water and Sewer Authority

- a. Mr. Page reported that the Rates and Contracts Committee had voted to approve and recommend to the Board the Water Supply Contract with Douglasville-Douglas County Water and Sewer Authority (copy in file). Mr. Scott asked for approval of the new 50-Year Water Supply Contract with Douglasville-Douglas County Water and Sewer Authority to commence on or about January 1, 2018 to be based on the Non-Sole-Source Customer Rate with an initial request of 3 million gallons per day allocation. Mr. Crowder made a motion to approve the contract as presented. Mr. Buyers seconded the motion; motion passed 7/0.
- b. Mr. Page reported that the Rates and Contracts Committee had voted to approve and recommend to the Board an amendment to the Water Supply Contract with Douglasville-Douglas County Water and Sewer Authority. Mr. Scott asked for approval of an amendment to the Water Supply Contract between Cobb County-Marietta Water Authority and Douglasville-Douglas County Water and Sewer Authority to clarify the effective date to January 1, 2018 in the introductory paragraph of the document, and also to modify

Section 4(b) on Page 9 of the Contract by deleting the last four words of 4(b) and inserting in lieu thereof “capital improvement projects.” Mr. Buyers made a motion to approve the amendment. Mr. Crowder seconded the motion; motion passed 7/0.

10. Emergency and On-Call Contract Extension

Mr. Page referred to the memorandum in the Board package (copy in file). Mr. Scott asked for approval of extending the Emergency and On-Call Contract with Unity Construction. Mr. Chalfant made a motion to approve one-year extension of the Emergency and On-Call Construction Contract with Unity Construction Company, Inc. of Powder Springs, with a contract-based increase of 3.23% over current labor and equipment rates. Mr. Boyce seconded the motion; motion passed 7/0.

11. 2018 Board Meeting Schedule

Mr. Page referred to the attachment in the Board package (copy in file). Mr. Scott asked for approval of the 2018 Board Meeting Schedule. Mr. Buyers made a motion to approve the meeting schedule as presented. Mr. Boyce seconded the motion; motion passed 7/0.

12. Old business

There were no old business items to present.

13. General Manager’s report

Mr. Page provided the following updates to the published General Manager’s report (copy in file):

The City of Woodstock recently placed most of its recently-developed wells into service, resulting in a reduction in their purchases of approximately 200,000 to 300,000 gallons per day. Staff plans to meet with Woodstock staff in early 2018 to discuss regulatory impacts of their blended system and propose conversion to the new Non-Sole-Source Rate. After discussion, the Chairman directed Mr. Haynie and Mr. Balli to draft a letter to the City of Woodstock expressing concern about their ground-water program. The Chairman further requested that this letter be placed on the January Board Meeting Agenda for approval.

A map requested by Mr. Crowder was distributed that shows property currently owned by CCMWA and additional property that would be needed for a future water supply reservoir on Sharp Mountain Creek in Cherokee and Pickens

County. CCMWA owns 75-80% of the required land for the reservoir (but nothing for any mitigation requirements).

A calendar was distributed depicting the artwork of the winning entries in the 8th Annual waterSmart waterArt competition for Cobb County Middle School students, sponsored by CCMWA and Cobb County Water System.

Crowder Construction received the Certificate of Occupancy from Cobb County on Friday for the Filter Building at Wyckoff. Office spaces, conference room, training room, break room, restrooms and other spaces are now available for staff use.

Mr. Blackwell has followed up with Water Solutions and Nalco related to the 29% increase in the cost of Purate in the 2018 Chemical budget. Nalco states the cost is related to relocation of its production facility to Louisiana as part of an acquisition of the Purate technology from Akzo-Nobel, and reflects the increase in production costs at its new facility and increased transportation costs from Louisiana instead of Mississippi. CCMWA will continue to press the issue. Mr. Blackwell is currently identifying other water utilities in Georgia that use Purate to see if greater pressure can be applied by a group of clients.

Lease negotiations are ongoing with a potential tenant for the 1190 Atlanta Industrial Drive building.

Jacob Wilson has earned his Professional Engineer License.

14. New business

Mr. Page reported that the Rates & Contracts Committee had voted to approve and recommend to the Board the appointment of Grif Chalfant as Chair of the Rates and Contracts Committee. Mr. Boyce made a motion for approval. Mr. Buyers seconded the motion; motion passed 7/0.

15. Recognition of Service of Becky Mixon

Mr. Scott presented Ms. Mixon with a plaque commemorating her 26 years of service as Assistant Secretary to the Board.

16. Executive Session

There was no need for an Executive Session.

17. Legal

There were no legal items to present.

There being no further business, the meeting was adjourned.



Pat Tibbitts
Assistant Secretary



James C. Scott, Jr.
Chair