

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

December 19, 2016

The regular meeting of the Cobb County-Marietta Water Authority was held on December 19, 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. Invocation and Pledge of Allegiance

Mr. John Lamica offered the invocation and led the Pledge of Allegiance.

2. Approval of Minutes of Regular Meeting of November 21, 2016

Mr. Chalfant asked for approval of the minutes of the Regular Meeting of November 21, 2016. Mr. Scott made a motion to approve the minutes as presented. Mr. Buyers seconded the motion; motion passed 7/0.

3. Approval of Minutes of Executive Session Of November 21, 2016

Mr. Chalfant asked for approval of the minutes of the Executive Session of November 21, 2016. Mr. Buyers made a motion to approve the minutes as presented. Mr. Scott seconded the motion; motion passed 6/0/1 with Mr. Bacon abstaining.

4. Financial report

Mr. Cole Blackwell, Director of Finance, presented a summary of the November 30, 2016 Financial Statement (copy in file). Net income for November was \$3,637,362, which exceeded expectations by \$1,256,671. Operating income for November was \$4,210,690, which exceeded expectations by \$1,710,268.

Year-to-date net income of \$40,919,284, inclusive of fair market valuation adjustments, exceeded budget expectations by \$11,228,899. Year-to-date operating income of \$41,491,952 exceeded budget expectations by \$10,483,951.

5. Qualification of Bank of the Ozarks

Mr. Blackwell referred to the memorandum in the Board package (copy in file). Mr. Austin made a motion to accept Bank of the Ozarks as a qualified bank and remove Community and Southern Bank from the qualified bank list. Mr. Buyers seconded the motion; motion passed 7/0.

6. Qualification of Cetera Investment Services, LLC / Region Investments

Mr. Blackwell referred to the memorandum in the Board package (copy in file). Mr. Scott made a motion to accept Cetera Investment Services, LLC / Regions Investments as a qualified broker/dealer. Mr. Buyers seconded the motion; motion passed 7/0.

7. Pension Committee report

Mr. Page referred to the committee report that was placed at the Board members' seats (copy in file). Mr. Page reported that the Pension Committee approved the retirement benefits for George R. Nakutis, Jr. beginning December 1, 2016.

8. Second reading of Proposed 2017 Operations and Capital Improvement Plan Budgets

Mr. Blackwell referred to the memorandum in the Board package (copy in file). Mr. Blackwell presented the second reading of the Proposed 2017 Operations Budget and Mr. Kaffeziakis presented the Proposed 2017 Capital Improvement Plan Budget. Mr. Scott made a motion to approve the proposed 2017 Operations and Capital Improvement Plan budgets. Mr. Crowder seconded the motion; motion passed 7/0.

9. Consideration of Construction Change Order – Southwest Connector 54-Inch Water Main, East Cobb Phase

Mr. Page referred to the memorandum in the Board package (copy in file). Mr. Lee made a motion to approve Change Order No. 1 to the Construction Contract with Layne Heavy Civil, Inc. for the Southwest Connector 54-Inch Water Main, East Cobb Phase Project, increasing the contract value by \$2,958,804 to \$44,914,479, with no change to the contract completion date. Mr. Crowder seconded the motion; motion passed 4/3 with Mr. Austin, Mr. Bacon and Mr. Chalfant opposed.

10. Engineering Services Contract – Mableton Parkway 36-Inch Water Main Replacement

Mr. Page made reference to the memorandum in the Board package (copy in file). Mr. Austin made a motion to approve a Task Authorization valued at \$267,997 under the Engineering Demand Services Contract with Engineering Strategies, Inc. of Marietta, Georgia to provide Engineering and Construction Management Services for the Mableton Parkway 36-Inch Water Main Replacement Project. Mr. Lee seconded the motion; motion passed 7/0.

11. Reschedule the January 16, 2017 meeting to January 23, 2017 due to Martin Luther King, Jr. holiday

Mr. Page noted that January 16, 2017 is the Martin Luther King, Jr. Holiday. Mr. Buyers made a motion to reschedule the January meeting to January 23, 2017. Mr. Crowder 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 reported the following updates:

The final Water Control Manual and Environmental Impact Statement for the ACF Basin was released on December 16. Following a 30-day review period, the Assistant Secretary of the Army is expected to sign the Record of Decision in early 2017.

The Corps of Engineers published its long-awaited Notice of Proposed Rulemaking regarding Use of U.S. Army Corps of Engineers Reservoir Projects for Domestic, Municipal & Industrial Water Supply in the Federal Register on December 16. Staff is reviewing, and will be meeting with the National Water Supply Alliance in early January to develop a set of comments to submit during the 60-day comment period. This rule has the potential of clarifying CCMWA's use of both return flows and made inflows from Hickory Log Creek in its use of storage in Allatoona Lake.

14. New business

Mr. Chalfant presented plaques to Mr. David Austin and Mr. Tim Lee and expressed the Authority's appreciation for their years of service and leadership on the Board.

15. Executive Session

Mr. Austin made a motion to go into Executive Session to discuss potential litigation. Mr. Lee seconded the motion; motion passed 7/0.


Mr. Buyers and Mr. Lee left at this time.

Mr. Austin made a motion to go return to Regular Session. Mr. Scott seconded the motion; motion passed 5/0.

16. Legal

Mr. Austin made a motion to authorize the attorneys for the Cobb County-Marietta Water Authority to institute and pursue litigation to enforce the right of the Cobb County-Marietta Water Authority contained in the contract between the Cobb County-Marietta Water Authority and the United States Army Corps of Engineers, as amended, which address, among other things, storage in Allatoona Lake. This motion is subject to the final approval of the Chair, the General Manager and the Board Attorney. Mr. Scott seconded the motion; motion passed 5/0.

There being no further business, the meeting was adjourned.


Becky A. Mixon
Assistant Secretary


Griffin L. Chalfant, Jr.
Chair