

CLAYTON COUNTY WATER AUTHORITY

Regular Board Meeting
1600 Battle Creek Road
Morrow, Georgia 30260
January 7, 2016

Present at the meeting were: Chairman John Chafin, Secretary/Treasurer John Westervelt, Board Member Marie Barber, Board Member Sophia Haynes. General Manager Mike Thomas, Assistant General Manager Bernard Franks, Assistant General Manager Jim Poff, Legal Counsel Steve Fincher, Executive Coordinator Amanda LaPierre, other CCWA staff and visitors. Present via conference call were: Board Member Elizabeth G. Armstrong, Board Member Dr. Cephus Jackson.

Chairman John Chafin called the meeting to order at 1:30 p.m.

Invocation

Rodney Givens introduced Norris Howell to give the invocation.

Adoption of Agenda

UPON MOTION by John Westervelt and second by Rodney Givens, to adopt the agenda, it was unanimously

RESOLVED to approve the agenda as proposed.

Approval of Minutes

Chairman John Chafin called for any omissions or additions to the minutes of the Regular Board Meeting of December 3, 2015.

UPON MOTION by John Westervelt and second by Rodney Givens, it was unanimously

RESOLVED to approve the Regular Board Meeting Minutes of December 3, 2015.

Financial and Statistical Reports

Finance Director Allison Halron reviewed the financial information distributed to the Board for the period ending November 30, 2015.

Customers to Address Board

Senior Citizen Payment Arrangements & Late Penalties. CCWA customer Ms. Frances Brazier requested to address the Board concerning payment arrangements and late penalties for senior citizens. Ms. Brazier was not in attendance at the meeting. Information only. No action taken.

New Business

Tandem Dump Recommendation: Stormwater Program Director Kevin Osbey presented a recommendation on the purchase of a Tandem Dump Truck.

| State Contract -Vendor | State Contract | Make/Model |
|--------------------------|----------------|---|
| Peach State Freightliner | \$109,950 | 2017 Freightliner 108SD 58,000 GVW Tandem Body Dump Truck |

Recommendation: Staff recommended purchasing one new 2017 Freightliner Tandem Truck with Dump Body at a cost of \$109,950 under State Contract #99999-SPD-I0000039-0002. This Tandem Dump will be assigned to one of the existing Stormwater pipe repair crews.

UPON MOTION by Marie Barber and second by Rodney Givens, it was unanimously

RESOLVED to approve staff recommendation for the purchase of a 2017 Freightliner 108 SD 58,000 GVW Tandem Body Dump Truck to Peach State Freightliner (State Contract Vendor) for the amount of \$109,950.

Building Roof Repair and Replacement Proposal: General Services Department Manager Marshall Maddox presented a recommendation for Building Roof Repair and Replacement at the Hicks and Smith Facilities.

The Hicks and the Smith Water Production Plant roofs have been experiencing leaks at their facilities. The Hicks roof is approaching 20 years and the Smith roof is 30 years old. The roofs have been maintained over the years, but are now reaching their serviceable life to where remedial work needs to be performed. CCWA would like to utilize an existing State of Georgia contract for small construction related projects.

Below is the summary of the written proposals received from Prime Contractors, Inc. from Powder Springs, GA., one of the contractors on the State Contract list. Prime Contractors is proposing to use McKnight Roofing from Riverdale, GA as the sub-contractor. McKnight Roofing is currently a Clayton County certified SLBE and is in the process of becoming CCWA SLBE certified.

Terry R. Hicks Water Roof Repair

= \$35,307.30

| | |
|---|---------------|
| J.W. Smith WTP Pump House Roof Replacement | = \$19,816.57 |
| J. W. Smith WTP Administration Building Roof Repair | = \$14,801.34 |
| J. W. Smith WTP Chemical Building Roof Repair | = \$12,110.10 |

Recommendation: Staff recommended awarding the work to Prime Contractors for a total not to exceed \$82,035.31 for all four roofs at both water production facilities. This award is contingent upon Prime Contractors meeting CCWA insurance and bonding requirements. The award includes authorizing the CCWA General Manager to execute the contract.

UPON MOTION by John Westervelt and second by Rodney Givens, it was unanimously RESOLVED to approve staff recommendation to award roof repair/replacement at four locations to Prime Contractors for a total not to exceed \$82,035.31.

W.B. Casey Polishing Plant Design Task Order: Water Reclamation Department Manager Chris Hamilton presented a recommendation on the W. B. Casey Polishing Plant Design Task Order.

The purpose of this task order is to provide technical services to complete the development of the design documents for the construction of a phosphorus polishing treatment process at the WB Casey WRF to enable discharge to the Flint River, and evaluate the replacement options and complete the preliminary design for the solids thickening facility.

Cost Summary

| Tasks | Cost |
|--|-----------------------|
| Task 1 Permitting | \$60,840.00 |
| Task 2 Preliminary Design | \$196,604.50 |
| Task 3 Detailed Design | \$217,962.20 |
| Task 4 Construction Document Production (CDP) | \$387,072.50 |
| Task 5 Final Contract Document Production (FCDP) | \$83,182.75 |
| Task 6 Bid Phase Services | \$20,496.00 |
| Task 7 Solids Thickening Evaluation and Preliminary Design | \$167,023.00 |
| TOTAL | \$1,133,180.95 |

Estimated SLBE Participation = 14%

| Total by Consultant | Cost | Percent |
|----------------------------|--------------|----------------|
| CH2M | \$974,901.95 | 86.0% |
| R2T-SLBE | \$124,579.00 | 11.0% |
| CERM-SLBE | \$15,000.00 | 1.3% |

| | | |
|--------------|-----------------------|-------------|
| MC2-SLBE | \$18,700.00 | 1.7% |
| Total | \$1,133,180.95 | 100% |

Recommendation: Staff recommended awarding the task order to CH2M Hill for the WB Casey WRF Polishing Treatment Process and Solids Thickening Preliminary Design & Bid Services in the amount of \$1,133,180.95.

UPON MOTION by Marie Barber and second by Rodney Givens, it was unanimously RESOLVED to approve staff recommendation to award Task Order CH-RE-15-08 for the W.B. Casey WRF Polishing Treatment Process and Solids Thickening Preliminary Design & Bid Services to CH2M in the amount of \$1,133,180.95 and to allow the General Manager to sign the Task Order.

Customer Information System Evaluation and Selection Consultation: Customer Accounts Director Teresa Worley presented a recommendation on the Customer Information System Evaluation and Selection Consultation.

CCWA issued a Request for Proposal (RFP) for the Consulting Services for CIS Evaluation and Selection. Since 2007, the Customer Information System used by CCWA is Harris Northstar. Staff contracted with Westin Engineering to perform a study to determine if the software was meeting our needs now and in the future. The study showed that staff has frequently experienced performance issues with Northstar since the implementation of the software and difficulty with integrations with other systems. These issues impact the ability to meet Customer Service's level of service metrics and staff morale. Therefore, the recommendation was to replace the CIS system.

Proposal evaluation scores before costs were as follows:

| Company Name | Qualifications | Project Understanding | References | Financial Viability | Final Scores without Costs |
|---------------------------------|----------------|-----------------------|------------|---------------------|----------------------------|
| Black & Veatch | 32.00 | 32.00 | 17.87 | 10.00 | 91.87 |
| Plante & Moran, PLLC | 25.50 | 27.75 | 19.07 | 9.00 | 81.32 |
| Schafer Consulting | 28.75 | 29.50 | 17.47 | 5.00 | 80.72 |
| Westin Engineering | 31.50 | 32.50 | 16.63 | 7.00 | 87.63 |

| | | | | | |
|------------------------------|-------|-------|-------|-------|----------|
| Excergy Corporation | 29.25 | 29.25 | 16.90 | 6.00 | 81.40 |
| KPMG | 23.00 | 25.25 | 15.87 | 10.00 | 74.12 |
| EMA, Inc. | 28.50 | 26.00 | 19.30 | 10.00 | 83.80 |
| Bevera Solutions, LLC | 16.50 | 17.00 | 17.40 | 0.00 | 50.90 |
| TMG Consulting | 31.50 | 30.50 | 18.40 | 0.00 | Withdrew |

Proposal evaluation scores with costs were as follows:

| Company Name | Qualifications / Project Understanding / References / Financial Viability | Cost Proposal | Cost Scores | Final Scores with Cost |
|---------------------------------|--|----------------------|--------------------|-------------------------------|
| Black & Veatch | 91.87 | \$485,000.00 | 24.00 | 115.87 |
| Plante & Moran, PLLC | 81.32 | \$263,200.00 | 30.00 | 111.32 |
| Schafer Consulting | 80.72 | \$294,530.00 | 28.00 | 108.72 |
| Westin Engineering | 87.63 | \$899,600.00 | 18.00 | 105.63 |
| Excergy Corporation | 81.40 | \$870,964.00 | 20.00 | 101.10 |
| KPMG | 74.12 | \$391,945.00 | 26.00 | 100.12 |
| EMA, Inc. | 83.80 | \$1,499,494.00 | 16.00 | 99.80 |
| Bevera Solutions, LLC | 50.90 | \$796,555.09 | 22.00 | 72.90 |
| TMG Consulting | Withdrew | N/A | N/A | N/A |

Recommendation: After evaluation of each team's proposal, Black & Veatch was the highest rated firm. Staff did not believe that short listing and presentations were necessary due to the high score Black & Veatch had under Qualifications/Project Understanding/References/ Financial Viability. Staff recommended that this project be awarded to Black & Veatch for the lump sum cost of \$485,000. Additionally, staff recommended entering into a Master Services Agreement for future projects that may

arise throughout the CIS Replacement project. Therefore, staff is requested to negotiate rates for an additional \$75,000 for other project needs.

UPON MOTION by Rodney Givens and second by John Westervelt, it was

RESOLVED to approve staff recommendation to award the Customer Information System Evaluation and Selection Consultation Services to Black & Veatch for the lump sum cost of \$485,000 along with entering into a Master Services Agreement for future projects that may arise throughout the project for an additional \$75,000 contingent on approval of insurance and to allow the General Manager to sign the contract. In favor: John Chafin, Rodney Givens, John Westervelt, Marie Barber, Sophia Haynes and Dr. Cephus Jackson. Opposed: Elizabeth G. Armstrong.

Enterprise-Wide Communication Strategy Consulting Services Recommendation:
Assistant General Manager Jim Poff presented a recommendation for Enterprise-Wide Communication Strategy Consulting Services.

CCWA issued a Request For Proposals (RFP) for the development of an Enterprise-Wide Communication Strategy/Plan. Forthcoming plan will be developed for customers and key stakeholders that will address areas identified for improvement in the 2014 Customer Satisfaction Survey (presence and involvement in the community, water taste and quality, customer understanding of infrastructure responsibility). The overall mission of the project is to tell our audiences what we do and the value of services we provide. The strategy should focus on three components: public education, public involvement and public relations.

The top four rated firms were then invited to deliver presentations to a committee of CCWA staff and Board members resulting in the final scoring tabulation below.

| Company Name | Qualifications / Project Understanding / References / SLBE | Cost Proposal | Cost Scores | Presentations | Final Scores with Cost |
|--|--|---------------|-------------|---------------|------------------------|
| Full Circle Communications/Burns McDonnell | 100.82 | \$83,200.00 | 27.94 | 15.00 | 115.82 |
| Jones Worley Design, Inc. | 92.83 | \$100,000.00 | 23.25 | 11.50 | 104.33 |

| | | | | | |
|-----------------------------|-------|-------------|-------|-------|--------|
| The Collaborative Firm, LLC | 94.72 | \$88,500.00 | 26.27 | 7.50 | 102.22 |
| Twenty-Twenty Visionary | 91.05 | \$97,600.00 | 23.82 | 18.67 | 109.72 |

Recommendation: After evaluation of each team’s proposal and presentation, staff and Board committee recommended that this project be awarded to 20/20 Visionary Entertainment, LLC for the lump sum cost of \$97,600. This is a Clayton County firm that is a CCWA certified SLBE and made a great impression on the committee based on their focus of going from good to great and taking an “out of the box” approach rather than the typical utility public messaging.

UPON MOTION by Rodney Givens and second by Marie Barber, it was unanimously

RESOLVED to approve staff recommendation to award the Enterprise-Wide Communication Strategy Consulting Services project to 20/20 Visionary Entertainment, LLC. for the lump sum cost of \$97,600 contingent on approval of insurance and to allow the General Manager to sign the contract.

On-Demand Engineering Services – Small Firms Recommendation: Program Management and Engineering Department Manager Kelly Taylor presented a recommendation for On Demand Engineering Services – Small Firms.

In September, a Request for Qualifications (RFQ) for “On-Demand Engineering Services – Small Firms,” was advertised. While CCWA currently utilizes the services of two national environmental consulting firms for On-Demand Engineering Services, CCWA would also like to have master service agreements with multiple “small” firms to support implementation of the Strategic Master Plan (SMP) as well as other needs. Under this procurement, “small” was defined as a firm with less than 100 employees, including full time contract employees. The initial term of the contract is three years and may be extended on a year to year basis for a total of two additional years.

Recommendation: Based on a combination of scores, firm strengths in work categories, and SLBE status, the staff recommended awarding to the following firms:

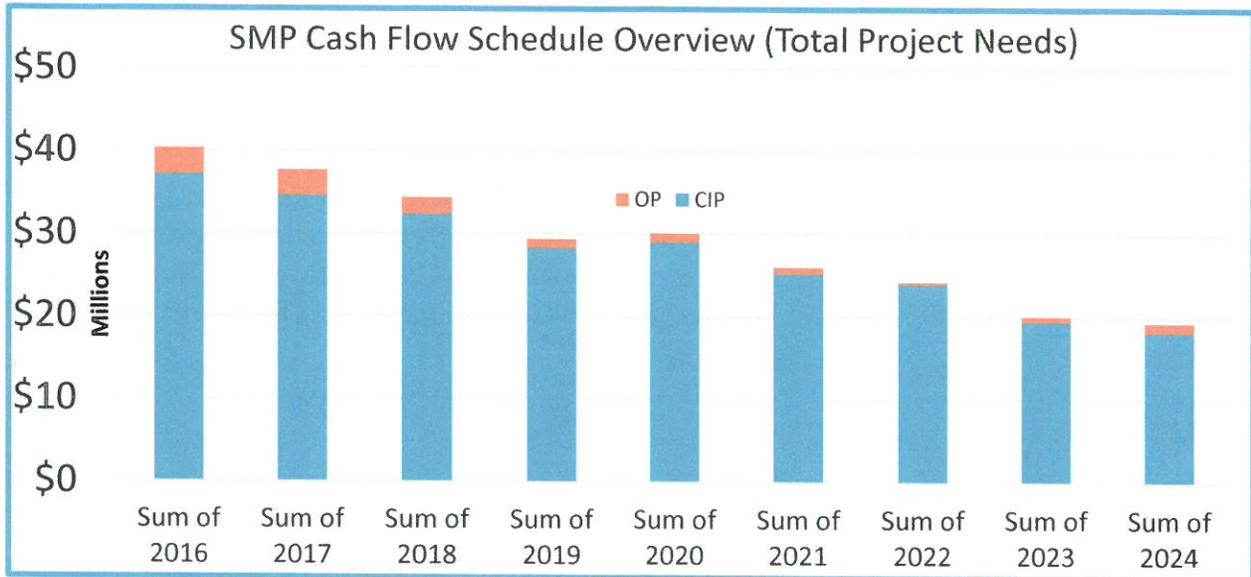
- R2T, Inc
- Engineering Strategies, Inc.
- Benchmark Management, LLC.
- Integrated Science and Engineering Inc.

UPON MOTION by John Westervelt and second by Marie Barber, it was unanimously RESOLVED to approve staff recommendation to award On-Demand Engineering Services to R2T, Inc., Engineering Strategies, Inc., Benchmark Management LLC., and Integrated Science and Engineering, Inc. contingent on approval of insurance and to allow the General Manager to sign the contract.

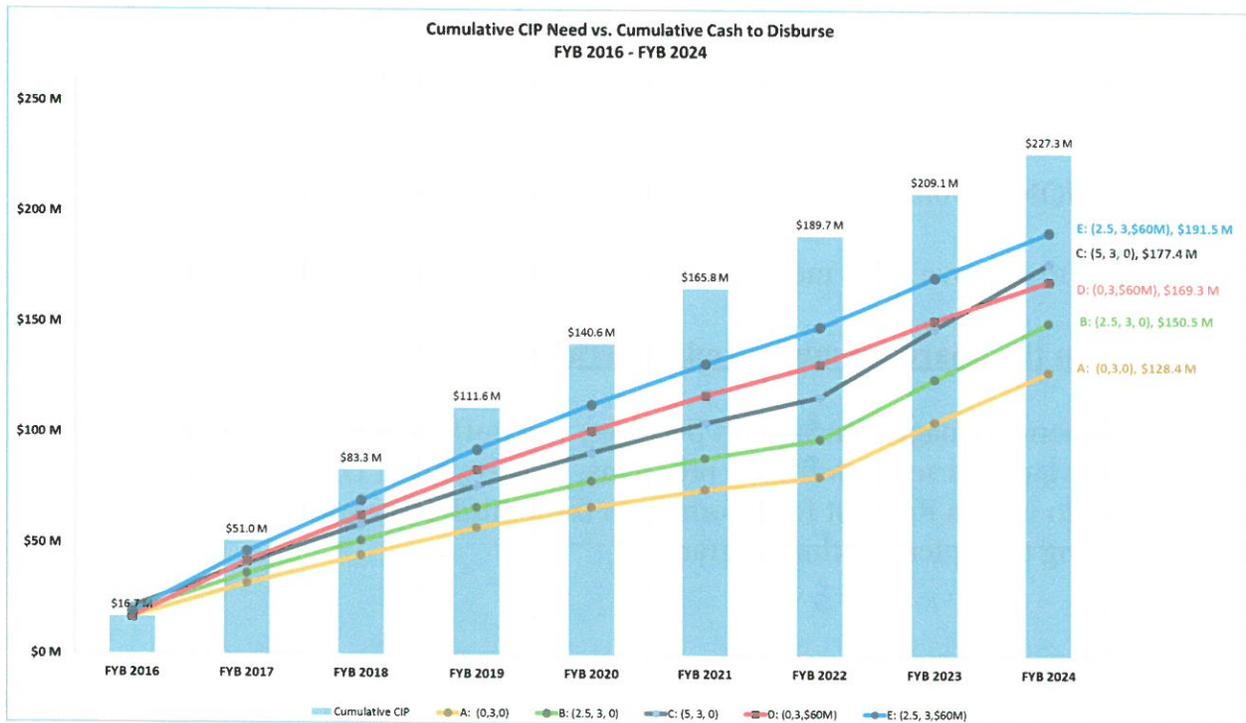
Rate Adjustment Recommendation: General Manager Mike Thomas presented a recommendation on a Rate Adjustment.

CCWA completed a mid-term update to our Strategic Master Plan in May of 2015. The Master Plan provides a road map for the future to insure we are able to continue to provide quality water and quality service to our community. A key part of the Master Plan is a ten year capital plan. The tables below provide a summary of project costs by category and total capital cost by year.

| Functional Area | Number of Projects | Total Project Cost | Percent of Overall SMP Cost |
|-----------------------------|--------------------|--------------------|-----------------------------|
| Utility-wide | 17 | \$32,005,000 | 9% |
| Water Production | 16 | \$27,525,000 | 8% |
| Distribution and Conveyance | 19 | \$188,725,000 | 51% |
| Water Reclamation | 12 | \$51,050,000 | 14% |
| Stormwater and Watersheds | 10 | \$41,175,000 | 11% |
| Information Technology | 13 | \$8,650,000 | 2% |
| General Services | 8 | \$17,960,000 | 5% |
| Total Projects | 95 | \$367,090,000 | 100% |



The following chart represents a projection of available capital improvement funds based on a variety of rate adjustments and debt issuance. The chart demonstrates the need for periodic rate adjustments to fund the necessary capital improvements and continue to support operating needs.



Recommendation: Staff recommended a 2% increase in the water base charge and volumetric charges and a 3% increase in the sewer base charge and volumetric rates as a conservative approach to addressing our capital improvement and operating needs. This rate adjustment is expected to generate an additional \$2,200,000 in revenue per year.

CCWA staff recommends that this adjustment become effective on May 1, 2016 to coincide with the beginning of our budget year.

UPON MOTION by John Westervelt and second by Rodney Givens, it was

RESOLVED to approve staff recommendation for a 2% increase in the water base charge and volumetric charges along with a 3% increase in the sewer base charge and volumetric rates to become effective on May 1, 2016. In favor: John Chafin, Rodney Givens, John Westervelt, Marie Barber, Sophia Haynes and Dr. Cephus Jackson. Opposed: Elizabeth G. Armstrong.

Executive Session

UPON MOTION by Marie Barber, second by John Westervelt it was unanimously

RESOLVED to enter Executive Session to discuss legal and personnel matters.

Approval of Executive Session Minutes

UPON MOTION by Marie Barber, second by Rodney Givens it was unanimously

RESOLVED to approve the Executive Session minutes of January 7, 2016.

UPON MOTION by John Westervelt, second by Rodney Givens it was

RESOLVED to approve a 2% merit increase for General Manager Mike Thomas.

Updates from the Board Members and General Manager

Assistant General Manager for Support Services, Jim Poff, provided the Board an overview of water and sewer warranty programs. The Board of Directors directed CCWA staff to issue a Request for Information from third-party warranty companies before deciding to implement this program.

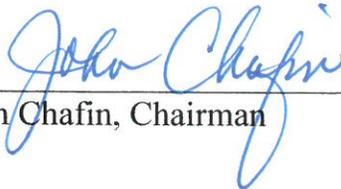
Adjourn

UPON MOTION by Rodney Givens and second by Marie Barber it was unanimously

RESOLVED to adjourn the Board Meeting at 4:51 p.m., there being no further business to come before the Board of Directors.

Regular Board Meeting
January 7, 2016

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John Chafin, Chairman



John Westervelt, Secretary/Treasurer