



Coweta County Water & Sewerage Authority

Meeting Agenda

Wednesday, November 6, 2024

Board Room

Meeting Time: 9:00 A.M.

<u>Approx Time</u>	<u>Agenda Item</u>	<u>Presenter</u>
9:00 a.m.	Call to order	Chairman Bartlett

Pledge of Allegiance
Invocation

Approval of minutes from the October 2, 2024 meeting

Business

Service Award	Jay Boren
FY24 Audit Presentation	Samuel Latimer
Proposed 2025 Board Meeting Dates	Jay Boren
Approval of Krebbs Task Order No. 24514- Exit 41 Sanitary Sewer Improvements	Jay Boren
Update on Operations	Rick Jones
Update on Human Resources/Benefit Renewal	Mandy Sledd
Update on Customer Care/Information Technology	Alan Sibley
Monthly Report	Roger Dawson

Agenda Additions:
Executive Session
Litigation / Real Estate/ Personnel

Adjournment

Next Board Meeting Thursday, December 5, 2024 at 9:00AM



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Sanitary Sewer Improvements.....Jay Boren
- Update on Operations.....Rick Jones
- Update on Human Resources/Benefit Renewal.....Mandy Sledd
- Update on Customer Care/Information TechnologyAlan Sibley
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AUDIT REPORT



PRESENTED BY: Samuel Latimer, CPA, CFE

For the year ended June 30, 2024

November 6, 2024



ACCOUNTING & BUSINESS ADVISORS | CERTIFIED PUBLIC ACCOUNTANTS

Audit Opinion

Unmodified Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Coweta County Water and Sewerage Authority as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows for the year then ended.

Coweta County Water and Sewerage Authority's Responsibilities

The financial statements are the responsibility of the Coweta County Water and Sewerage Authority's management.

Rushton's Responsibilities

As independent auditors for the Coweta County Water and Sewerage Authority, our responsibility is to express opinions on the fair presentation of the financial statements.

Auditing Standards

We audited the Authority's financial statements in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States.





Statement of Changes in Net Position

Operating Revenue

- Increased \$5,346,213 (15%)
- Water revenues increased \$2,557,788 (10%)
- Sewer revenues increased \$2,072,531 (33%)
- Tap fee revenues increased \$193,164 (12%)
- Other charges for service increased \$691,114 (24%)

Operating Expenses

- Increased \$2,713,325 (10%)
- Cost of sales increased \$949,431 (7%)
- Personal services increased \$1,224,200 (14%)
- Depreciation and amortization increased \$576,055 (9%)

Operating Income (net of operating expenses)

- Increased \$2,632,888, 33.8%
- Net operating income = \$10,437,783
- Net Operating income without depreciation and amortization = \$17,084,135

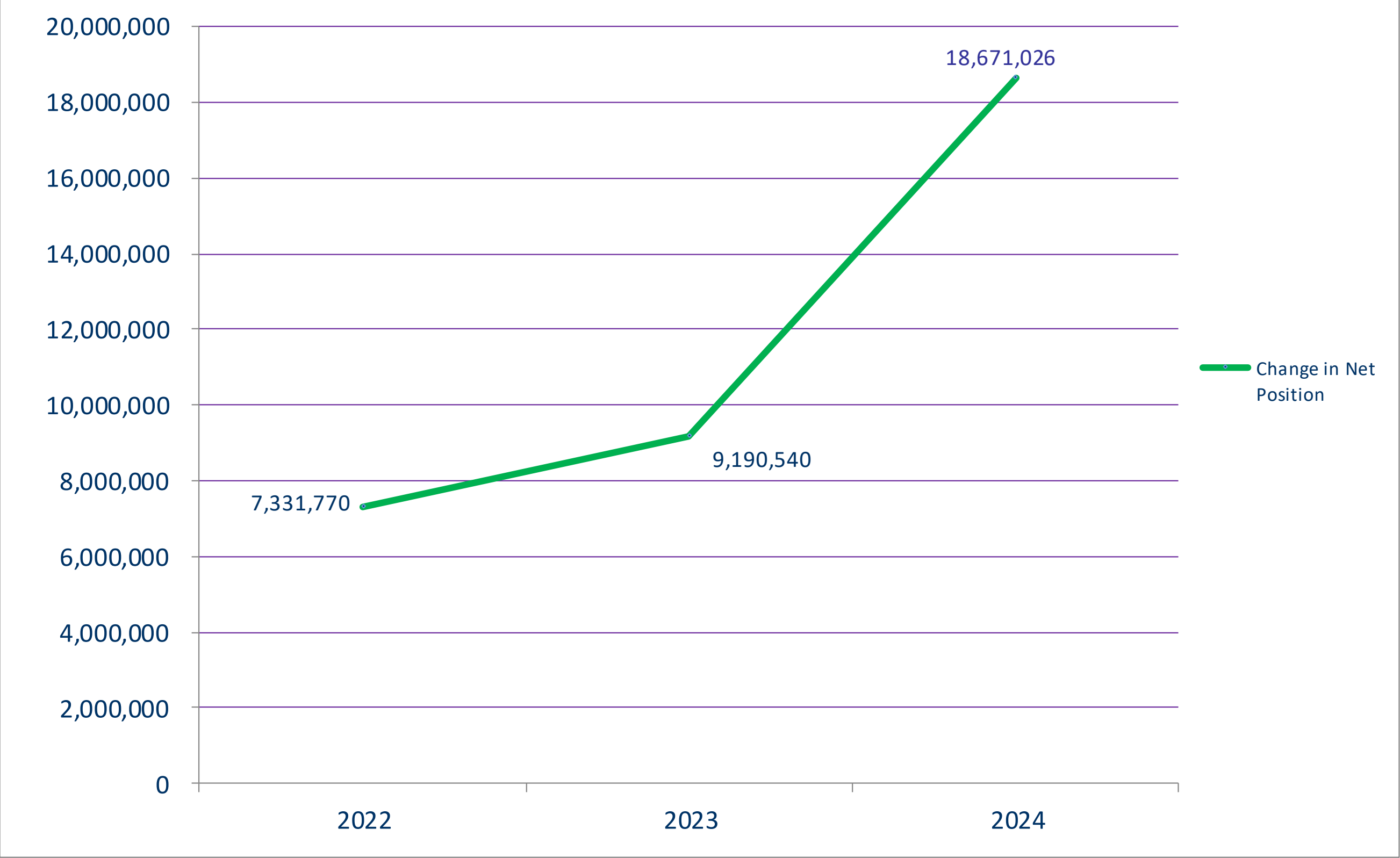
Non-operating activity

- Interest income increased \$1,289,364 (154%)
- Interest expense increased \$403,348 (12%)
- Debt issue costs totaled \$737,490

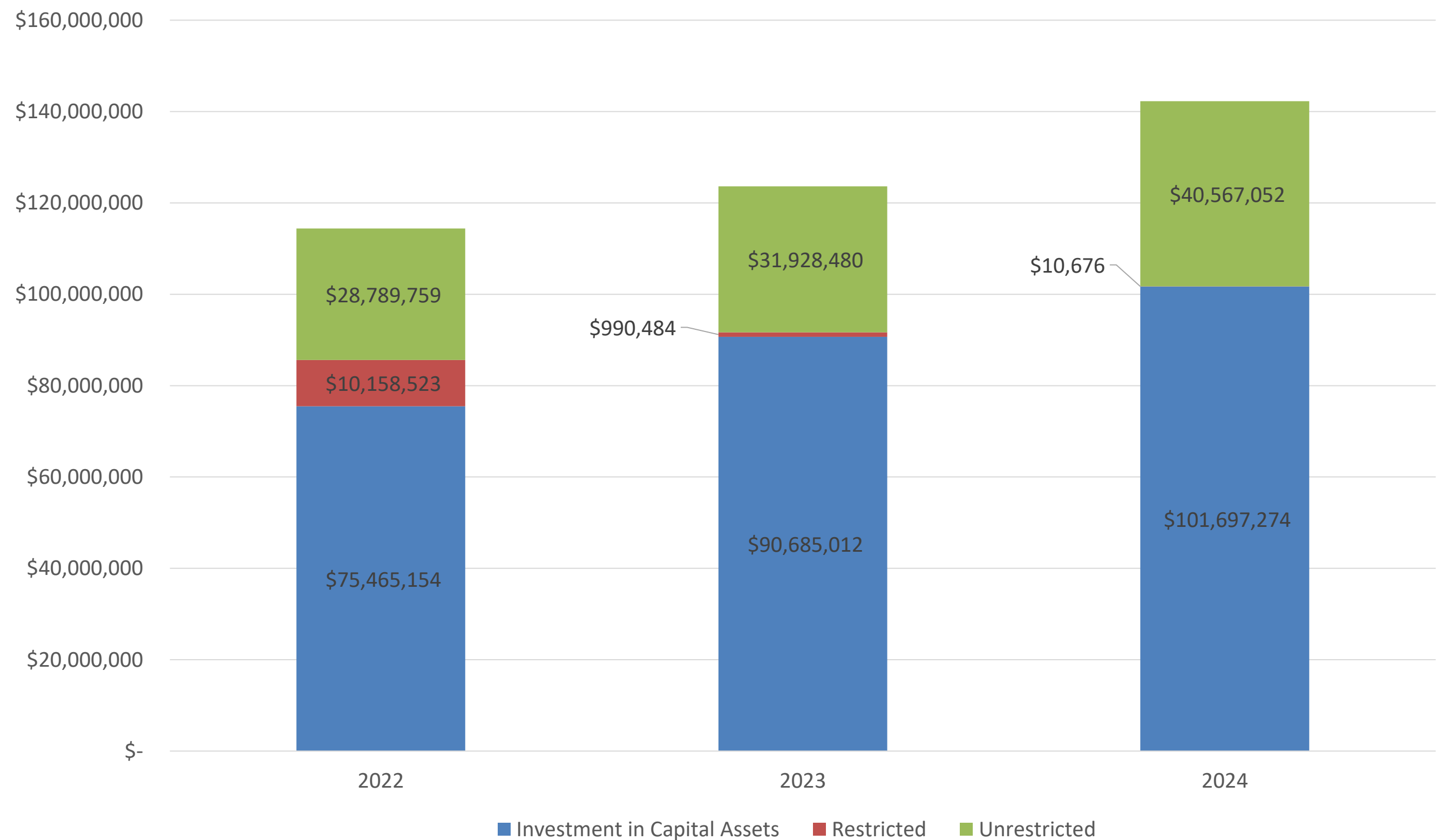
Unrestricted Net Position

- 2024, \$40,567,052, 129% of operating expenses, (15.52 months)
- 2023, \$31,928,480 112% of operating expenses, (13.39 months)

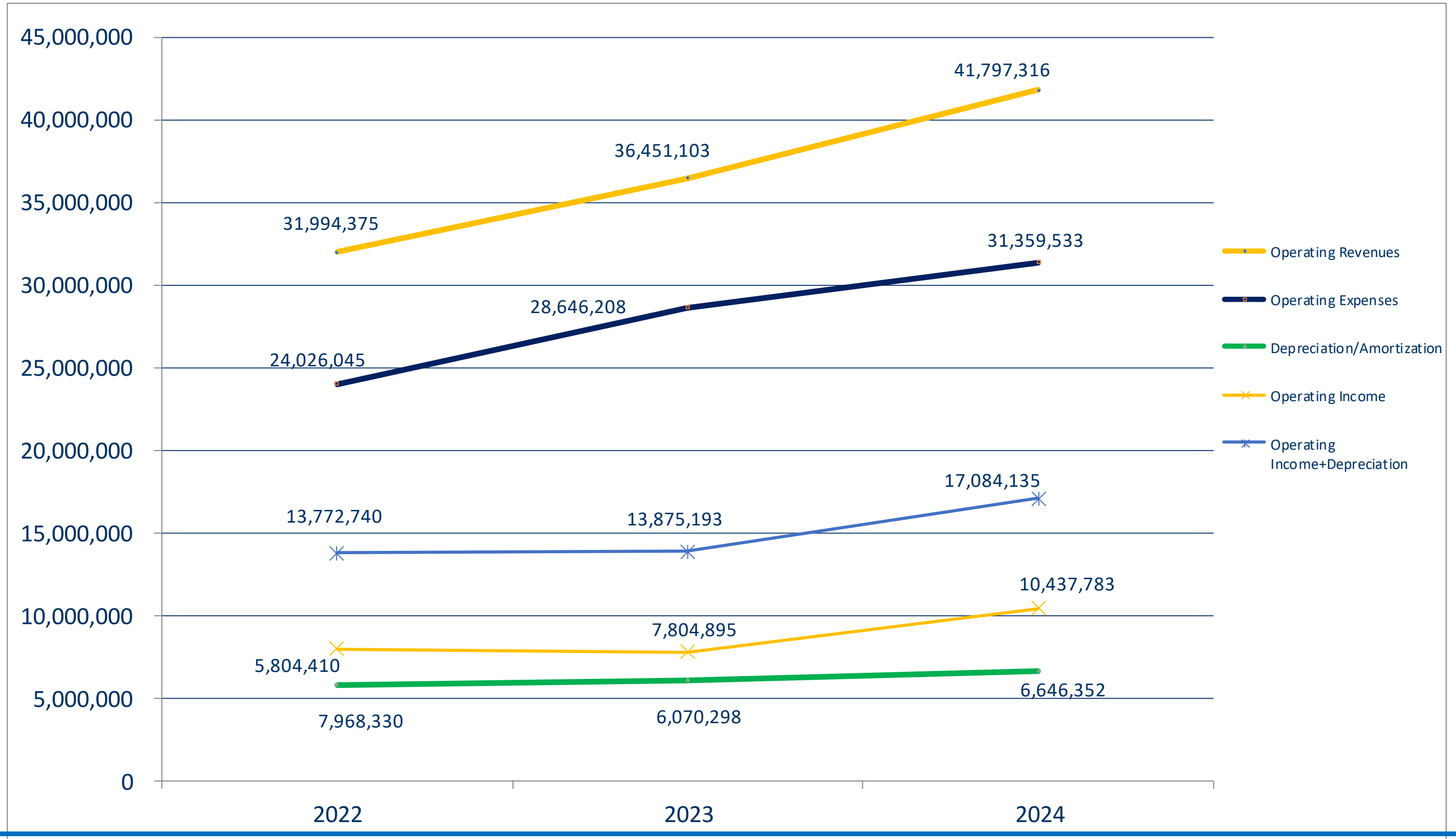
Change in Net Position – Last 3 Years



Net Position - Last 3 Fiscal Years



Operating Revenue and Expenses- Last 3 Years



Report on Internal Control and Other Matters

In accordance with *Government Auditing Standards*, we have issued our report on our consideration of the Coweta County Water and Sewerage Authority's internal controls and our tests of compliance.

This report describes the scope of our testing of internal control and compliance, and the results of that testing, but is not intended to provide an opinion on the internal control or compliance.

No material weakness or significant deficiencies were noted in the internal controls of the Coweta County Water and Sewerage Authority.

No instances of material noncompliance or other matters that are required to be reported were noted.

This report can be found on pages 36-37.



Report on Compliance and Internal Controls over Major Programs

In accordance with *Uniform Guidance*, we have issued our report on our consideration of the Coweta County Water and Sewerage Authority's compliance with requirements applicable to each major program and on internal control over compliance.

This report describes the scope of our testing of compliance requirements and internal controls over major programs, and the results of that testing. We are required to express an opinion on the Authority's compliance with requirements; our opinion is unmodified. This report is not intended to provide an opinion on the internal control.

This report can be found on pages 38-40.



Required Communications

Auditor's Responsibilities

- To plan and perform the audit to obtain reasonable, rather than absolute, assurance that the financial statements are free of material misstatements
- To examine, on a test basis, evidence supporting the amounts and disclosures in the financial statements
- To assess the accounting principles used and significant estimates made by management, as well as evaluate the overall financial statement presentation

We believe our audit accomplishes these objectives



Required Communications

Accounting Policies

- The significant accounting policies are described in Note 2 to the financial statements.
- Implemented GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62* during the current year.
- No transactions with a lack of authoritative guidance or consensus.
- All significant transactions recognized in the financial statements in the proper period.

Accounting Estimates

- Estimates are an integral part of financial statement preparation by management. We consider the most sensitive estimates to be:
 - Life expectancy of capital assets for depreciation and amortization on intangible capital assets
 - Allowance for doubtful account on service receivables
 - Present value of lease receivable



Required Communications

Corrected Audit Adjustments

- Audit adjustments were discussed and approved by management
- Adjustments were provided to and recorded by management

Uncorrected Audit Adjustments (None in current year)

- Schedule of uncorrected adjustments were provided to and approved by management
- The adjustments were evaluated and determined to be quantitatively and qualitatively immaterial, both individually and in the aggregate, to the financial statements



Required Communications

Disagreements with Management

- We are pleased to report no disagreements with management arose during the course of our audit

Difficulties Encountered in Performing the Audit

- We encountered no difficulties in dealing with management in performing and completing our audit

Management Representations

- We have requested and received written representations from management relating to the completeness and accuracy of the information included in the financial statements and other information requested by us during the audit

Management Consultations with Other Independent Accountants

- We are not aware of any consultations management had with other accountants about accounting or auditing matters



Required Communications

Other Audit Findings or Issues

- We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to the retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.



Future Reporting Changes



GASB 101

The Governmental Accounting Standards Board (GASB) has issued Statement No. 101, *Compensated Absences*. Effective for the Authority for fiscal year ending June 30, 2025.

The statement replaces GASB Statement No. 16, *Accounting for Compensated Absences*. The goal of the standard is to create a more consistent model for accounting for compensated absences that can be applied to all types of compensated absence arrangements. The new standard also removes the current requirement to disclose both the gross additions and deductions to the liability.

Future Reporting Changes



GASB 102

The Governmental Accounting Standards Board (GASB) has issued Statement No. 102, *Certain Risk Disclosures*. Effective for the Authority for fiscal year ending June 30, 2025.

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Statement requires disclosure in the notes to the financial statements to describe:

- The concentration or constraint
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

Future Reporting Changes



GASB 103

The Governmental Accounting Standards Board (GASB) has issued Statement No. 103, *Financial Reporting Model Improvements*. Effective for the Authority for fiscal year ending June 30, 2026.

This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions.

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

Contact Information



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Address: 726 South Enota Drive,
Suite A Gainesville, GA 30501



Draft for 2025 Board Meetings

January 1 (proposed to move to Jan 8)

February 5

March 5

April 2

May 7 (proposed to move to April 30)

June 4

July 2 (proposed to move to June 25)

August 6

September 3

October 1

November 5

December 3

*All meetings are held at 9:00AM in the Board Room at 545 Corinth Road, unless otherwise specified. Board Meeting dates are subject to change and changes will be communicated as needed.

Task Order No. 24514
Dated the 29st day of October 2024

**Coweta County Water & Sewerage Authority – Exit 41 Sanitary
Sewer Improvements**

This Task Order shall become part of the General Services Agreement between Coweta County Water & Sewerage Authority (Client”) and Krebs Engineering, Inc. (“Krebs”) dated March 3, 2021.

SECTION 1 - PROJECT DESCRIPTION

CCWSA desires to complete sanitary sewer improvements for the Exit 41 area to provide sufficient capacity to serve existing and proposed developments in the area. It is our understanding that the proposed improvements will generally consist of the following, as shown in the attached Figure 1:

- 7,200 linear feet of 18-inch diameter gravity sewer from the intersection of Highway 16 at Newnan Crossing Bypass to the existing Turkey Creek sanitary sewer pump station.
- 7,600 feet of 24-inch diameter gravity sewer from the existing Turkey Creek sanitary sewer pump station to a new sanitary sewer pump station located between Turkey Creek Road and Reese Lake.
- Bored crossings include six (6) bored creek crossings, seven (7) bored roadway/driveway crossings, one (1) I-85 crossing, and one (1) railroad crossing.
- New sanitary sewer pump station with two submersible pumps (approximately 90 HP) and a pre-cast concrete wetwell. It is our understanding that the electrical equipment will be housed in a freestanding enclosure(s) (no electrical building), and a jib crane and odor control facilities will not be provided at the site.
- 8,700 linear feet of 14-inch diameter force main from the new sanitary sewer pump station to the existing Shenandoah WWTP trunk sewer along Poplar Road.
- Decommission the existing Turkey Creek sanitary sewer pump station.

The proposed Scope of Engineering Services is described below.

SECTION 2 - SCOPE OF SERVICES

The Scope of Services to be provided by Krebs shall include the following items:

Section 2.1 - Preliminary Engineering Services (30%)

1. Conduct a kickoff meeting to confirm the basis of design (pipeline routes, pump station location, pump and piping sizes/capacities, and SCADA components.)
2. Site visits to the Turkey Creek pump station, the new pump station site, and pipeline routes.
3. Krebs will provide property acquisition assistance, as requested. Assistance to include, but not be limited to, figures, legal descriptions, coordination meetings, and site visits.
4. Preparation of preliminary engineering design documents for coordination with property owners to determine the sewer line routing and obtain the necessary easements.
5. Translation of survey maps into working preliminary drawings to include pipeline plans and a preliminary site plan for the new pump station.
6. Environmental delineation along the proposed sewer alignment (40 feet width) of wetlands and Waters of the U.S. potentially jurisdictional to the United States Army Corps of Engineers (USACE), and Waters of the State potentially jurisdictional to the State of Georgia (EPD). It

is anticipated that the proposed project alignment will not require environmental permitting. If it is determined that permitting is required, this can be completed as additional services to this Task Order.

7. Determination of permitting requirements for bored creek crossings.
8. Permitting document preparation through GDOT for the I-85 crossing.
9. Permitting document preparation for railroad crossings.
10. Coordination and Consultation with CCWSA.
11. Develop preliminary project schedule and cost estimate.
12. Develop a preliminary point list for SCADA improvements.
13. Identify preliminary electrical design requirements for the new pump station.

Section 2.2 - Survey Services

1. Conduct a boundary and topographic survey of the new pump station site (approximately 0.25 acres)
2. Conduct a 50 feet width topographic survey of the pipeline alignment (gravity mains and force main), including railroad, creek, and roadway crossings.
3. Marked underground utilities along roadways only (SUE Level "B").
4. Easement description/exhibit preparation (as requested, \$1,500 per easement).

Section 2.3 - Detailed Design Phase Engineering Services (60%)

1. Develop detailed design for new sanitary sewer pump station, including design drawings (site plans, wetwell plan and section, valve vault, and details) and specifications.
2. Develop plans for decommissioning of the existing Turkey Creek pump station.
3. Develop detailed design for gravity sewers and force mains, including design drawings (plan, profile, and details) and specifications.
4. Develop bid documents/frontend specifications to include bid forms, construction contract agreement, general conditions, etc.
5. Hold detailed design reviews and coordination meetings with the design team.
6. Perform internal QA/QC reviews of the detailed design drawings and specifications.
7. Update construction cost estimates and project schedule.
8. Hold two (2) design review and coordination meetings with CCWSA.
9. Submittal of plans and specifications to GA EPD.

Section 2.4 - Engineering Services – Construction Documents (100%)

1. Incorporate CCWSA comments from 60% review meeting(s) into the drawings and specifications.
2. Incorporate EPD comments into the drawings and specifications.
3. Hold final design review and coordination meetings with the design team.
4. Perform internal QA/QC reviews of the final design drawings and specifications.
5. Update construction cost estimates and project schedule.
6. Hold a final design review and coordination meeting with CCWSA.

Section 2.3 –Construction Review Services

Construction Review Services begin upon the date of the Advertisement for Bids.

2.3.1 - Bid Period Services

1. Mail copies of the "Advertisement for Bids" to those contractors engaged in the type of construction work contemplated in order to maximize development of interest in the

- project (the Client shall pay the direct cost of inserting the "Advertisement for Bids" in newspapers, construction journals, etc.).
2. Issue Plans and Specifications to those contractors requesting such Plans and Specifications.
 3. Furnish a representative for attendance at the pre-bid conference.
 4. Furnish a representative for attendance at the opening of bids.
 5. Tabulate, evaluate, and certify the bids received.
 6. Communicate to the Client the lowest bid tabulations for the Client's determination of the lowest responsive and responsible bidder and project award.
 7. Assist the Client with its preparation of construction contract documents for execution by the Client and the Contractor to whom the award is made.
 8. Review all sets of executed documents for completeness of forms and required attachments.
 9. Furnish a representative for attendance at the pre-construction conference.

2.3.2 - Construction Review Services (as requested)

1. Provide the location of horizontal and vertical control (reference points and benchmarks) for use by the Contractor in his layout of the work.
2. General review of the work through a licensed professional, who will make periodic reviews at the site of the work as construction of the project progresses. Krebs does not anticipate having a full-time field inspector for this project. Our engineering staff will perform a field review to include staff from our local office. It is anticipated the site visits will be conducted weekly on average and will include periods when critical work is being performed. Krebs can provide more frequent field inspection if desired by CCWSA.
3. Review and forward to the Client a copy of each reviewed shop drawing, equipment drawing, material specification, working, laboratory test report, and shop and mill test report submitted by the Contractor.
4. Note and report to the Client any observed deviations from the intent of the Plans and Specifications, and recommend to the Client any appropriate action to be taken by the Client.
5. Review and present to the Client for payment the Contractor's periodic and final estimates of work performed on the project.
6. Upon completion of the work, prepare a "punch list" of items of work, if any, to be corrected by the Contractor.
7. Coordinate with the Contractor the correction of any items of work required to complete the project in substantial accordance with the intent of the Plans and Specifications.
8. Preparation of Record Drawings, if requested.

Section 2.4 - Deliverables

Krebs will provide the following Deliverables to the CCWSA:

1. Periodic project status reports upon request by CCWSA.
2. One (1) hard copy of Construction Drawings and Technical Specifications.
3. Electronic set of Construction Drawings and Technical Specifications in PDF format.
4. One (1) hard copy of the boundary survey drawing
5. One (1) certified bid tabulation
6. One (1) recommendation letter regarding the award of the construction contract
7. Four (4) sets of construction contract documents for execution
8. One (1) "Punch List" of items of work, if any, to be corrected by the contractor
9. One (1) set of Specifications complete with all Addenda

10. One (1) complete electronic set of Record Documents in PDF format, if requested

Section 2.5 – Engineering Services and Other Professional Services Not Included in the Scope of Services

Engineering services and other professional services not included in the Scope of Services are, but are not limited to, those enumerated herein below:

1. **Geotechnical Investigations:** Geotechnical investigations include, but are not limited to: Soils or rock sampling and borings, geological or geotechnical studies, laboratory tests or analyses concerning soils or geotechnical conditions, and establishing acceptable soil bearing pressures. Geotechnical investigations and studies will be contracted directly between the Client and the geotechnical consultants.
2. **Materials Testing:** Materials testing services include, but are not limited to: Mill, shop, and laboratory testing for metallurgical, chemical, and physical characteristics of materials, coatings, welds, and manufactured/fabricated articles or equipment.
3. **Miscellaneous Surveys, Assessments, and Studies:** Miscellaneous surveys, assessments, and studies include, but are not limited to: surveys/assessments/studies for cultural or historical artifacts or remains, endangered animal or vegetative species, population or economic status, traffic volumes, environmental conditions, or preparation of environmental impact statements.
4. **Stream Buffer Variance:** It is anticipated that no stream buffer variance will be required as a portion of this work, therefore no stream buffer variance studies and/or permit preparation is included. If it is determined that a variance is required, this can be completed as additional services to this Task Order.
5. **United States Army Corps of Engineers (USACE) Permitting:** It is anticipated that no USACE permitting will be required as a portion of this work, therefore permit/notification preparation is not included. If it is determined that USACE permitting is required, this can be completed as additional services to this Task Order.
6. **Property Surveying:** Title records research, field surveys of property/boundary lines, field surveys of existing or proposed easements, preparation of property or easement plats, and preparation of property or easement descriptions. Easement description/exhibit preparation will be completed as requested at \$1,500 per easement.
7. **Litigation Services:** Litigation services include, but are not limited to: Preparation for or appearances before courts or boards on litigation related to the work, except when related to negligent errors and/or omissions by Krebs.
8. **Full time field representative on site during the construction phase of the project.**

SECTION 3 - COMPENSATION

Compensation paid to Krebs for completing the scope of services included in this Task Order will be as follows:

Section 3.1 - Lump Sum Fee

A lump sum fee of Four Hundred Seventy-Five Thousand Dollars (\$475,000.00) will be paid to Krebs as compensation for:

1. Preliminary Engineering Services (30%)
2. Survey Services
3. Detailed Design Phase Engineering Services (60%)
4. Engineering Services – Construction Documents (100%)

Section 3.2 – Time Charge Fee

Fees determined on a time-and-materials basis plus direct job expenses and subconsultant expenses will be paid to Krebs as compensation for:

1. Easement Document Preparation (Per Easement) - \$1,500
2. Bid Period Services
3. Construction Review Services

The work described in Section 3.2 will be performed on a time charges plus direct job expense basis (using Krebs the current standard hourly rates). Anticipated Construction Review schedule is based on a three month Bid Period and eighteen month Construction Period. Krebs will invoice only for actual time and expenses spent in performance of the work. A copy of Krebs's current standard hourly rates is attached.

SECTION 4 - DESIGNATED REPRESENTATIVES

Section 4.1 - Client Representative

Rick Jones
545 Corinth Road
Newnan, GA 30263
Office Phone: 770-254-3710
Email: rjones@cowetawater.com

Section 4.2 - Krebs Representative

Jarred Jackson
15 LaGrange Street
Newnan, GA 30263
Office: 470-724-5050
Cell: 404-431-9525
Email: Jarred.Jackson@KrebsEng.com

SECTION 5 - EXECUTION

This Task Order, including all attachments and addenda, constitutes the entire Task Order between the Client and Krebs, and supersedes all prior written or oral understandings. The Client and Krebs have caused their duly authorized representatives to execute and attest this Task Order effective on the date first written above.


COWETA COUNTY WATER
& SEWERAGE AUTHORITY
BY:

ATTESTED
BY:

KREBS ENGINEERING, INC.
BY:


Jarred M. Jackson, Senior Associate

ATTESTED
BY:

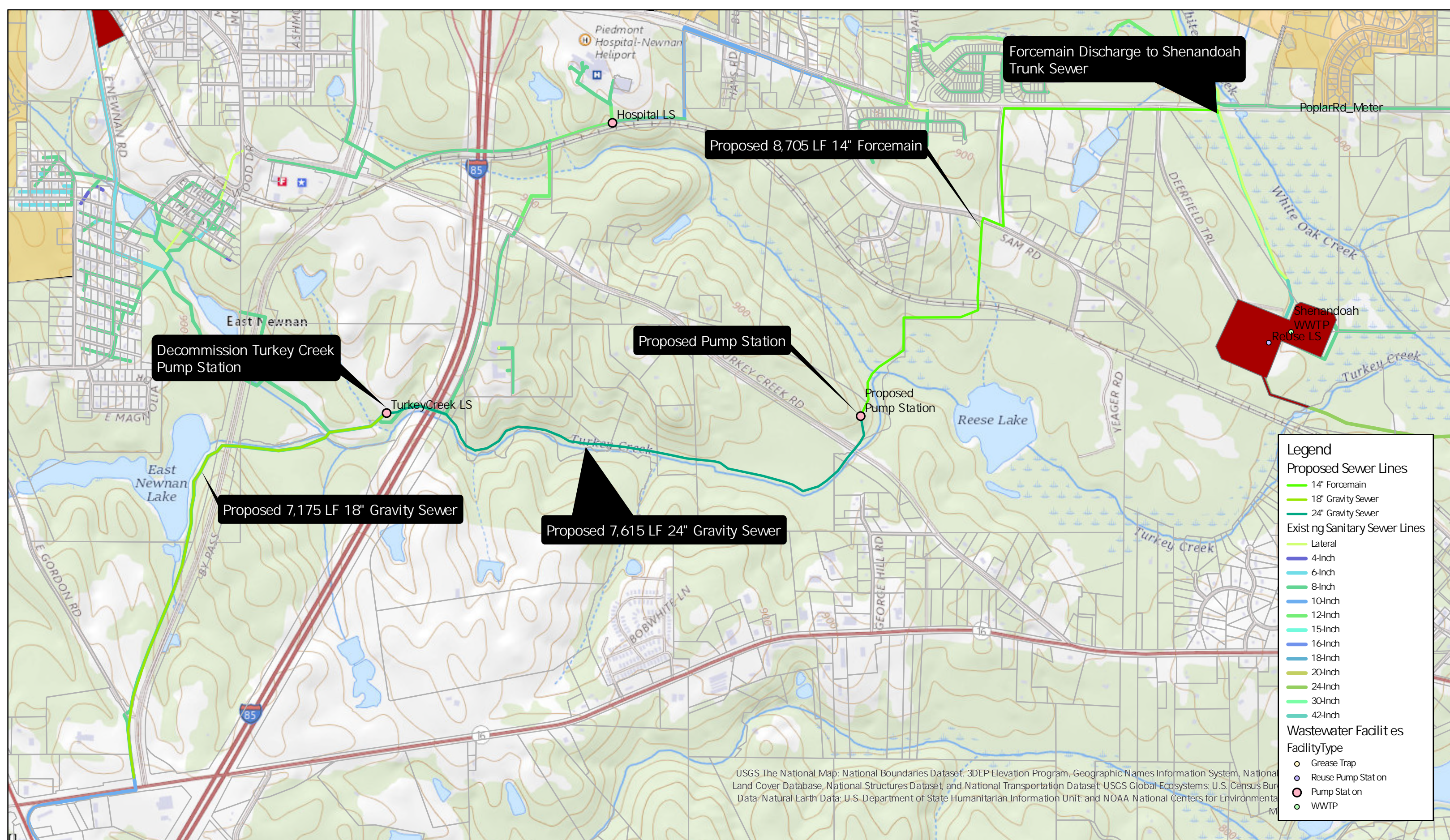

Mark A. Smith, President



Standard Hourly Billing Rates Effective July 2024	
Classification	Hourly Rate
Senior Associate	\$220
Associate	\$210
Senior Project Engineer	\$170
Project Engineer	\$160
Engineer	\$140
Engineering Intern	\$75
Field Representative I	\$120
Field Representative II	\$130
Senior CAD Designer	\$150
CAD Designer	\$130
Administrative	\$85
Mileage	\$0.67/mile

Notes:

1. Hourly rates do not include reimbursable items.
2. Reimbursable items will be billed at cost x 1.15. Examples of reimbursable items include, but are not limited to, sub-consultant expenses, copying/printing, state/city/county fees, shipping/mailling costs, travel expenses, etc.
3. Hourly rates apply to work time, travel time, and time spent at public meetings and hearings.



Coweta County Water and Sewerage Authority Exit 41 Gravity Sewer Option