

COMMITTEE AMENDMENT FORM

DATE: 2/26/08

COMMITTEE CITY UTILITIES PAGE NUM. (S)

ORDINANCE I. D. #08-O- SECTION (S)

RESOLUTION I. D. #08-R-0352 PARA.

AMENDS THE LEGISLATION BY DOING THE FOLLOWING:

IN THE 15TH WHEREAS ADD A FOURTH BULLET POINT RATE STRUCTURE

ALSO AMENDS THE 1ST RESOLVE CLAUSE BY DELETING FIVE AND REPLACE IT WITH NINE, FURTHER AMENDS THIS CLAUSE BY INSERTING "WITH ONE OF THE MEMBERS BEING AN ATLANTA RATE PAYER"

AND FINALLY AMENDS THE 2ND RESOLVE CLAUSE BY DELETING CFO, THE PRESIDENT OF COUNCIL AND THE FINANCE/EXECUTIVE COMMITTEE.

AMENDMENT DONE BY COUNCIL STAFF 2/26/08

**CITY COUNCIL
ATLANTA, GEORGIA**

08-R-0352

A RESOLUTION

BY COUNCILMEMBER HOWARD SHOOK

AS AMENDED BY CITY UTILITIES COMMITTEE

A RESOLUTION TO REQUEST AND AUTHORIZE THE MAYOR TO ESTABLISH AND FUND A TECHNICAL REVIEW COMMITTEE FOR THE PURPOSE OF CONDUCTING A PEER REVIEW AUDIT OF THE CITY OF ATLANTA DEPARTMENT OF WATERSHED MANAGEMENT'S OPERATING, CAPITAL AND FINANCE PROGRAMS: AND FOR OTHER PURPOSES.

WHEREAS, in response to the current drought the Department of Watershed Management has instituted outdoor watering restrictions and conservation requirements throughout FY 2008; and

WHEREAS, in September 2007 the Georgia Environmental Protection Division declared Drought Response Level 4 and water use restrictions for a wide area of north Georgia including the Metro Atlanta area; and

WHEREAS, holders of water withdrawal permits and public water supply systems with operating permits, including the City of Atlanta (City), have been required to reduce water use by ten percent (10%) beginning November 1, 2007 due to the recent drought; and

WHEREAS, the State drought response requirements and the water conservation requirements and actions have resulted in a significant reduction in water and sewer fund revenues for FY 2008; and

WHEREAS, the City is subject to two Consent Decrees which require massive capital projects and investments to improve the City's infrastructure; and

WHEREAS, the City has issued significant bond debt in order to finance the necessary infrastructure capital improvements; and

WHEREAS, the City has raised water and sewer rates significantly over the last five years in order to service the debt and fund the operations of the Department of Watershed management; and

WHEREAS, additional rate increases will be required to fund the necessary capital and operational budgets; and

WHEREAS, the Department of Watershed Management has now existed for five years; and

WHEREAS, the Department of Watershed Management has reclaimed the drinking water utility from private operation, constructed several large capital projects, maintained compliance with the Consent Decrees and initiated efforts to address significant infrastructure and operational issues; and

WHEREAS, the Mayor and City Council desire that the City utilize best practices in the operation, management, planning and fiscal management of the drinking water and wastewater utility; and

WHEREAS, there are a number of national utility organizations and associations with experienced utility executives and managers that have both the knowledge of and experience in current best practices; and

WHEREAS, these organizations and managers have participated in various programs and studies that identify and evaluate attributes and practices of effectively managed utilities; and

WHEREAS, the Mayor and City Council desire to establish a Peer Review Committee for the purpose of evaluating current practices of the Department of Watershed Management and the rate and direction of change over the last five years; and

WHEREAS, the Mayor and City Council desire that the members of the proposed Peer Review Committee have management and operational experience in drinking water and/or wastewater utilities of similar size and complexity including:

- Operation and maintenance of treatment plants and distribution/collection systems
- Capital programs to construct new and/or repair existing infrastructure
- Financial management including budgeting, cost control and revenue production
- Rate Structure

NOW THEREFORE THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY RESOLVES, and requests that the Mayor direct the Commissioner of the Department of Watershed Management to work with the following Utility Organizations and Associations to form a Peer Review Committee and evaluate the current operational, maintenance, capital programs and financial management practices of the Department of Watershed Management and the rate and direction of change of those practices over the last five years.

BE IT FURTHER RESOLVED, that the Peer Review Committee shall not exceed nine members and shall be constituted from some or all of the following organizations or national utility organizations of similar stature with one of the members being an Atlanta rate payer:

- Association of Metropolitan Water Agencies (AMWA)
- National Association of Clean Water Agencies (NACWA)
- American Water Works Association
- Water Environment Federation
- American Public Works Association

BE IT FURTHER RESOLVED, that the credentials of the members of the Peer Review Committee will be submitted to the City Utilities Committee for approval.

AND FINALLY BE IT RESOLVED, that this committee shall prepare a report to be delivered to the Mayor and City Council consisting of an evaluation of the operational, maintenance, capital programs and financial management practices of the Department of Watershed Management, as well as any recommendations for change, by August 31, 2008.

CITY COUNCIL
ATLANTA, GEORGIA

A RESOLUTION

BY: COUNCILMEMBER HOWARD SHOOK

A RESOLUTION TO REQUEST AND AUTHORIZE THE MAYOR TO ESTABLISH AND FUND A TECHNICAL REVIEW COMMITTEE FOR THE PURPOSE OF CONDUCTING A PEER REVIEW AUDIT OF THE CITY OF ATLANTA DEPARTMENT OF WATERSHED MANAGEMENT'S OPERATING, CAPITAL AND FINANCE PROGRAMS: AND FOR OTHER PURPOSES.

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WHEREAS, the State drought response requirements and the water conservation requirements and actions have resulted in a significant reduction in water and sewer fund revenues for FY 2008; and

WHEREAS, the City is subject to two Consent Decrees which require massive capital projects and investments to improve the City's infrastructure; and

WHEREAS, the City has issued significant bond debt in order to finance the necessary infrastructure capital improvements; and

WHEREAS, the City has raised water and sewer rates significantly over the last five years in order to service the debt and fund the operations of the Department of Watershed management; and

WHEREAS, additional rate increases will be required to fund the necessary capital and operational budgets; and

WHEREAS, the Department of Watershed Management has now existed for five years; and

WHEREAS, the Department of Watershed Management has reclaimed the drinking water utility from private operation, constructed several large capital projects, maintained compliance with the Consent Decrees and initiated efforts to address significant infrastructure and operational issues; and

WHEREAS, the Mayor and City Council desire that the City utilize best practices in the operation, management, planning and fiscal management of the drinking water and wastewater utility; and

WHEREAS, there are a number of national utility organizations and associations with experienced utility executives and managers that have both the knowledge of and experience in current best practices; and

WHEREAS, these organizations and managers have participated in various programs and studies that identify and evaluate attributes and practices of effectively managed utilities; and

WHEREAS, the Mayor and City Council desire to establish a Peer Review Committee for the purpose of evaluating current practices of the Department of Watershed Management and the rate and direction of change over the last five years; and

WHEREAS, the Mayor and City Council desire that the members of the proposed Peer Review Committee have management and operational experience in drinking water and/or wastewater utilities of similar size and complexity including:

- Operation and maintenance of treatment plants and distribution/collection systems
- Capital programs to construct new and/or repair existing infrastructure
- Financial management including budgeting, cost control and revenue production

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BE IT FURTHER RESOLVED, that the Peer Review Committee shall not exceed five members and shall be constituted from some or all of the following organizations or national utility organizations of similar stature:

- Association of Metropolitan Water Agencies (AMWA)
- National Association of Clean Water Agencies (NACWA)
- American Water Works Association
- Water Environment Federation
- American Public Works Association

BE IT FURTHER RESOLVED, that the credentials of the members of the Peer review Committee will be submitted to the Chief Operating Officer, The President of City Council and the Chairs of The City Utility and Executive/Finance Committees for approval.

BE IT FINALLY RESOLVED, that this committee shall prepare a report to be delivered to the Mayor and City Council consisting of an evaluation of the operational, maintenance, capital programs and financial management practices of the Department of Watershed Management, as well as any recommendations for change, by August 31, 2008.