

## PCWASA receives fifth consecutive clean audit opinion

According to the most recent independent annual audit of the financial statements of the Peachtree City Water and Sewerage Authority (PCWASA), the utility received a clean audit opinion with no findings – errors or oversights by omission or commission – for fiscal year (FY) 2013. This marks the fifth consecutive year the Authority has received a clean opinion.

Miller Edwards, from the Certified Public Accounting firm of Mauldin & Jenkins, presented the PCWASA independent annual audit at the March Authority Board Meeting.

The clean audit opinion from Mauldin & Jenkins reflects the firm's professional assessment that the financial statements of PCWASA present fairly, in all material respects, the financial position of the Authority, as a component unit of Peachtree City, Georgia, as of the end of this past fiscal year (FY 2013). Thus, the changes in financial position and cash flows for the year therein ended in conformity with accounting principles generally accepted in the United States.

In lay terms, a clean audit opinion shows that the financial statements of PCWASA are free of material misstatement.

Highlights of the independent annual audit of FY 2013 included the Authority's net operating income of approximately \$3.3 million, which was up nearly \$200,000 when compared to the previous fiscal year. The total net position of the utility increased by approximately \$1.78 million during FY 2013 as well.

Management's analysis of the audit noted that the Authority's financial condition is stable. The Authority's current debt service coverage ratio is at a record high 2.05 to 1, which is well within requirements of bond covenants. As for long-term financing of operations and capital improvements, the Authority has not incurred increased debt in almost 10 years, since the issuance of the Series 2005 Bonds.

Due to near record-low interest rates for municipal bonds last year, the Authority refinanced the Series 2005 Bonds in the form of the Series 2013 A and 2013 B bond issues, resulting in savings of more than \$2.8 million (net present value) over the remaining 10-year life of the bonds. These savings will be used to

fund much-needed rehabilitation projects within the PCWASA system over the next few years.



The PCWASA Board gathers for the presentation of the annual audit for FY 2013.

## PCWASA Budget for FY 2015 set for adoption

The Peachtree City Water and Sewerage Authority (PCWASA) Board of Directors, following extensive preparation and recommendations of staff, is set to adopt the utility's Fiscal Year (FY) 2015 Budget at its September meeting. The PCWASA Fiscal Year runs from Oct. 1 to Sept. 30.

The highlights of the upcoming FY 2015 budget include projected revenues of just over \$9 million. The Authority anticipates slight increases in both rate and fee revenues, the former due to increase demand or customer use, while the latter due to new connections to the system when two developments come online.

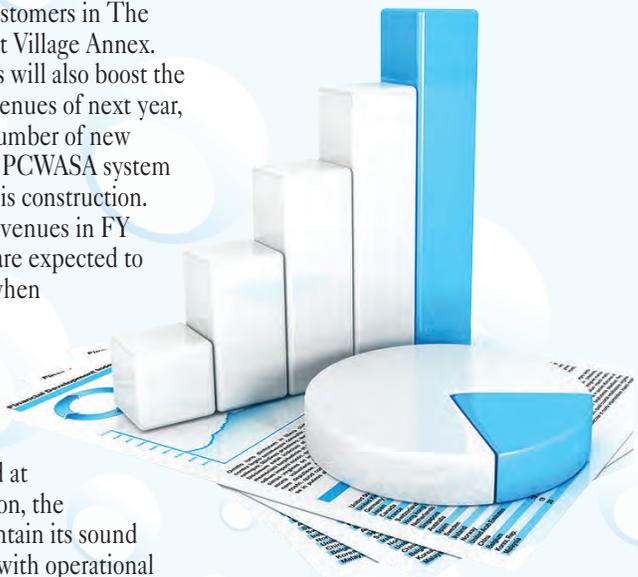
Rate revenue is expected to increase by approximately 3.1% over last year's figures, thanks to increase usage from new customers in The Gates and the West Village Annex. These two projects will also boost the anticipated fee revenues of next year, as a result of the number of new connections to the PCWASA system originating from this construction. Altogether, total revenues in FY 2015 at PCWASA are expected to increase by 4.5% when compared to total revenues of the utility from the previous year.

With total revenues projected at more than \$9 million, the Authority will maintain its sound financial position, with operational

expenses projected at slightly more than \$4.7 million. The debt service on the long-term financing provided by the 2013 Series A and B bond issues is just over \$3 million for next year.

As a result, the Authority will be able to invest approximately \$1.6 million of the FY 2015 Budget in its Renewal and Extension Fund, which covers the costs of system improvements and enhancements to operations. This budget also calls for another \$304,000 to be appropriated for capital projects.

The best news of the proposed FY 2015 PCWASA budget is that utility customers will not have to absorb a rate increase during the year.



## Lift Station construction reflects economic growth and progress at PCWASA

As the Peachtree City Water and Sewerage Authority (PCWASA) marked the one-year anniversary of the opening of the Meade Field Pump Station #36, the utility was making plans to construct another lift station to accommodate new development and subsequent customers coming online.



PCWASA added Lift Station #36 at Meade Field (shown above) in the fall of 2013, and the utility has plans to add Lift Station #37 this year.

During the August PCWASA Meeting, the Authority Board authorized \$272,000 from the utility's Renewal and Extension Fund to invest in the Lift Station #37 project. The new lift station will be located along Highway 54 North, across from the Publix shopping center. It will serve a proposed development of Southtree Properties, who will share the costs of construction according to a proposed developer's agreement with the Authority. The new lift station also will accommodate any future growth in the area.

Last fall, Authority contractors from Willow Construction completed the work on Lift Station #36 for the low bid of approximately \$525,000. This lift station primarily serves two new residential developments along Highway 74 – The Gates and Somerby at Peachtree City – while enhancing the availability of sewer for other potential customers in this area.

## RedZone Robotics Project facilitates PCWASA system improvements

With the first phase of data collection of the RedZone Robotics Project now complete, the Peachtree City Water and Sewerage Authority (PCWASA) is progressing nicely into Phase II of data analysis and evaluation of the



During Phase I of the RedZone project, the robots (shown above) gathered data on the condition of PCWASA pipes and manholes.

information gathered thanks to this new technology.

The \$1.2 million RedZone Project, which will span over three years, consists of conditional assessment and evaluation of the entire PCWASA sewer system. Phase I entailed the collection of field data on the Authority's infrastructure consisting of 200 miles of pipes and more than 4,000 manholes. Currently, the Authority is almost half-way through the evaluation of this data collected during Phase I, with the expectation that the analysis will be completed by early 2015.

When the evaluation of all the data is complete, the Authority will finalize its master plan of capital improvements and system rehabilitation. However, enough data has been analyzed thus far to allow for progress on some capital projects already. A few system improvements classified as high priority "hot spots" have been completed, while three others are currently in

progress. By the end of Phase II data analysis, many other projects are sure to be added to the long-range master plan.

The first capital project completed as a result of the RedZone data collection and evaluation is the rehabilitation, via pipe bursting, of more than 1,100 feet of 8-inch high density polyethylene (HDPE) pipe along Meadow Road and Meadow Court in Peachtree City. A second project also finished earlier this summer was the rehabilitation, through the trenchless cured-in-place piping (CIPP) method, of approximately 715 feet of sewer main adjacent to Kedron Drive.

The three other projects in the works include the rehabilitation of 2,500 feet of



The CIPP method is an effective and non-invasive form of sewer line rehabilitation.

HDPE pipe in the Westpark Basin, the replacement of an 8-inch line along Golfview Drive, and the structural restoration of 18-inch and 24-inch sewer mains along Briarwood Court and Sierra Drive in the Hip Pocket Basin.

In addition, the Authority has cleaned 4,500 feet of sewer main leading to the Rockaway Wastewater Treatment Facility and cleared root intrusion into sewer lines at critical points of the system within the Planterra Ridge and Hip Pocket Basins.

## PCWASA Staff Superlatives

The management and staff of the Peachtree City Water and Sewerage Authority (PCWASA) have been active in industry associations, including service in leadership capacities and participation in conferences and special events.

During the recent Annual Meeting of the Georgia Association of Water Professionals (GAWP), General Manager Stephen Hogan took part in an invaluable information exchange and review of industry trends at the conference's Utility Executive Forum.

Hogan also serves as a volunteer liaison during the annual Model Water Tower Competition, sponsored by the Georgia Section of the American Water Works Association (GAWWA), which will be held this fall at Woodland Middle School in McDonough. PCWASA Division Manager of Technical Services Keisha Lisbon Thorpe is the event's

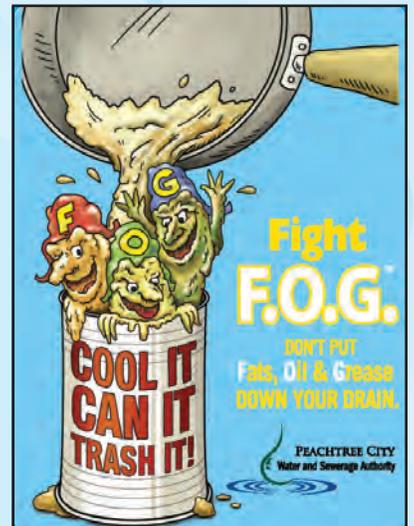


Keisha Lisbon Thorpe (right) chairs the Georgia Model Water Tower Competition annual event with the help of Stephen Hogan (left) as a volunteer liaison.

chairperson, while also serving as Vice Chair for GAWWA.

Nathan Brooks, Construction Manager for PCWASA, continues his public service as the Chairman of the GAWP Safety Committee, while also remaining active in Georgia 811, which is celebrating its 40th anniversary this year with an annual meeting on Oct. 2. Georgia 811 is a nonprofit corporation dedicated to public safety and the prevention of damage to Georgia's underground utilities.

Finally, Xavier Davis, GIS Specialist and FOG Program Coordinator for PCWASA, is serving as the Co-chairperson of the Georgia F.O.G. Alliance this year. PCWASA won the FOG Program of the Year Award in the small utility category in 2013. The Georgia F.O.G. Alliance is a nonprofit organization whose mission is educating and helping promote a cleaner environment through the control of fats, oils, and grease.



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