

**Peachtree City Water & Sewerage Authority
Regular Meeting
Agenda
Monday, December 2, 2019
6:30 p.m.**

- I. Pledge of Allegiance
- II. Public Comment
- III. Minutes
 - November 4, 2019 - Regular Meeting Minutes
 - November 22, 2019 – Special Called Meeting Minutes
- IV. Reports
 - A. Authority Members
 - B. General Manager
- V. Agreement with Mauldin and Jenkins
- VI. Executive Session – Real Estate, Personnel, Potential Litigation
- VII. Adjourn

**** Location of meeting is Peachtree City Water & Sewerage Authority at 1127 Hwy. 74, South ****

NOTE: This agenda is subject to change up to twenty-four hours prior to the scheduled meeting.

A quorum of City Council will be in attendance.

Peachtree City Water and Sewerage Authority

November 4, 2019

The Peachtree City Water and Sewerage Authority held its monthly meeting on Monday, November 4, 2019, in the conference room of the John W. Gronner Administrative Center. The following individuals were present: Chairman Vanessa Fleisch, Vice-Chairman Mike King, Treasurer/Secretary Terry Ernst, Board Member Kevin Madden, Board Member Phil Prebor, Ms. Melissa Griffis (attorney with Rosenzweig, Jones, Horne & Griffis), Mr. Dan Davis (ISE), Ms. Leslie Baer (ISE), Ms. Millie Shah (WASA), Mr. Larry McNeil (WASA), and Mr. Todd Browning (J. Smith Lanier & Co.).

Ms. Fleisch called the meeting to order at 6:30 pm, and began with the Pledge of Allegiance.

Ms. Fleisch opened the meeting up for public comment. There were no public comments.

Ms. Fleisch asked for a motion to approve the October 7, 2019 regular meeting minutes. Mr. King made the motion, seconded by Mr. Madden. Motion carried.

There were no reports from the Authority members. As a General Manager report, Mr. Dan Davis asked that the Board keep Mr. Michael Cole in their thoughts and prayers as his brother passed away in a motorcycle accident. Mr. Dan Davis discussed the team's plan for establishing a new file structure for server data and archiving historical data. Mr. Dan Davis discussed the historical expenses on pumps and chemicals. Mr. Dan Davis stated the team is working on reducing the chemical expenses. Mr. Dan Davis stated pump expenses for previous years: 2017 - \$635,127, 2018 - \$210,183, 2019 - \$191,831; this year WASA has spent \$40,000 on pumps. The Authority utilizes three companies for pump repair/rebuild services (Southern Rewind, Goforth Williamson, and Pro Pump) but primarily utilizing Southern Rewind and Goforth Williamson. Mr. Dan Davis stated there are a variety of things that can cause a problem with pumps – rags, rocks, etc. Mr. Dan Davis stated WASA is utilizing software, SEMS, to track the life span and maintenance of the pumps; some of the pumps have reached the end of their life. Mr. Madden asked what is the typical lifespan of a pump. Mr. Dan Davis responded the typical lifespan is 15 years for a pump, because of the caustic environment. Ms. Fleisch asked regarding the last time all pumps were evaluated. Mr. Dan Davis stated all the pumps have not been evaluated; the team is trying to work through the chemicals and then the pump situation. Mr. Dan Davis stated the chemicals are for odor and corrosion control. The chemicals were cut to pump station 13 by one half, and there may be complaints regarding odor as a result. Mr. Prebor asked what WASA is doing to keep rocks and rags out of the system. Mr. Dan Davis stated the idea of some type of basket to catch items; Mr. McNeil stated it would not be practical – although the impellers are capable of passing items, but you could use a bar screen. Mr. King stated the idea is good to put something in the system to catch large items. Mr. Dan Davis stated pump station 31 had a failure in both pumps because of a control failure. Mr. Dan Davis stated the team has had about half the controllers replaced so far. Mr. Dan Davis stated the team has cut cost in a lot of areas and created efficiency, now the focus will be on chemicals and pumps. Mr. Dan Davis discussed FOG (fats oils and grease) – there is stuff that makes its way into the system from grease traps; the Authority has not had a standard for the frequency of grease trap inspections per year. Mr. Dan Davis stated the team will now inspect all 300 grease traps four times a year, as well as update the sewer use ordinance to add grease trap requirements and inspections. Mr. Dan Davis stated Mr. McNeil found that other utilities charge per year for FOG inspections – about \$150 per year. Mr. Dan Davis stated this charge could be included on the Fayette County bill. Mr. Dan Davis estimated this type fee could generate approximately \$45,000 per year. Mr. Dan Davis stated the finance files in the work room

have been scanned, and the large format documents remain. Ms. Baer will be evaluating a wide format scanner. Ms. Shah stated three out of four vehicles listed have been sold (2006 truck at \$5,300, 2014 truck at \$13,000, and car at \$8,210), with money received for two. Ms. Shah stated she will do the bidding process again for the one truck that has not sold, but it will have a reserve.

Mr. Dan Davis discussed the medical insurance renewal, stating Mr. Todd Browning shopped the major medical plans (gold and platinum). Mr. Dan Davis stated the recommendation will be to renew the same program as last year (the base gold plan and an option allowing employees to buy-up to the platinum plan) and include a FSA (flexible spending arrangement) program. Mr. Dan Davis stated the renewal is within the budgeted amount. Mr. Prebor asked if the employee loses money set aside in the FSA if they don't spend it by the end of the year. Mr. Browning stated up to \$500 can roll over to the next year; anything above \$500 will be lost. Mr. Browning discussed the renewal details, stating it was a pretty good renewal. The Authority is under ACA metal level plans for small groups. The platinum plan premium cost increased by 8.25% and the gold plan premium cost increased by 6.93%. Mr. Browning stated by comparison, several other plans with other clients have increased 40% this year. Mr. Browning stated the ACA plans are rated on area factor and age only, with age basis being predominant. The renewal shows that United Healthcare (the current provider) is comfortable with how the underlying rate table is structured. Mr. Browning stated we will hold an open enrollment meeting next week with the staff explaining that they worked with management to shop coverage and offer the best plan for the group that the market will allow. Ms. Fleisch asked what is the maximum amount allowed in the FSA. Mr. Browning stated that maximum amount is established by the IRS, estimated at \$2,750. Mr. Browning discussed the remaining insurance plans:

- Dental - no increase in premium
- Vision - no increase in premium
- Life - 5.1% increase in premium (equating to a total increase of approximately \$460 per year)
- Long-term Disability - no increase in premium
- Short-term Disability - no increase in premium
- Accidental Death and Dismemberment - no increase in premium

Ms. Baer stated the FSA will cost about \$1,200 per year to administer. The Board thanked Mr. Browning for his presentation and he was dismissed from the meeting. Mr. Ernst made a motion to approve the medical insurance as recommended by Mr. Dan Davis, Ms. Baer, and Mr. Browning (including offering the gold plan and allowing employees to buy-up to the platinum plan if they elect), along with the ancillary plans discussed. The motion was seconded by Mr. King. Motion carried. Mr. Ernst made a motion to begin a FSA for the Authority and allow Ms. Fleisch to execute documents necessary to create the FSA plan. The motion was seconded by Mr. King. Motion carried.

Mr. Dan Davis discussed the credit cards; stating they are up for renewal. Mr. King made a motion to approve adding Mr. McNeil and Ms. Shah as authorized users to the accounts and removing any other previous employees, seconded by Mr. Ernst. Motion carried.

Mr. Dan Davis discussed the safety plan proposal. Mr. Dan Davis stated there has not been a safety program in the recent past. Mr. Dan Davis stated WASA needs a vigorous safety plan which includes training. Mr. Dan Davis stated the program needs to be conducted by an outside firm so that they can do surprise inspections. Mr. Dan Davis stated he has known the Principal of the proposed firm, Mr. Billy Padgett, for many years and they are the only organization in this area doing this type of program; they are close and will dedicate themselves to performing this function for to the Authority. Ms. Griffis stated she removed provisions from the contract that the Authority cannot agree to and verified that the

company has liability insurance. Mr. Ernst asked if the contract needed to go through the RFP process. Ms. Griffis stated it did not because the cost is under the threshold to require an RFP. Mr. King stated previously safety was looked at internally; it is time to have another set of external eyes and ears. Ms. Griffis stated there is a 30-day termination clause in the contract. Mr. Madden asked Mr. McNeil regarding the safety process at his previous employer. Mr. McNeil stated safety was initially performed by an in-house group, but then it moved to the managers to maintain. Mr. Prebor asked if the cost proposed is typical. Mr. Prebor stated that it was brought to his attention that the proposed company is related to Mr. Marty Harbin; would this be a conflict of interest. Ms. Griffis stated she was not aware of any conflict, and that WASA negotiated a contract that would benefit WASA. Mr. Prebor stated he would feel more comfortable knowing that the cost is the going rate. Mr. King stated the Authority has not had a safety evaluation, and it needs to be completed as soon as possible. Ms. Griffis stated it would be appropriate initially for an outside company to provide the service/program. Mr. Prebor asked if it would be appropriate to approve something and have a stipulation to find something to compare the program with. Mr. Ernst stated the Authority needs the program; there are definitely some safety issues. Mr. Madden confirmed that the cost is \$5,000 initial cost with a recurring cost of \$3,400 per month. Mr. Prebor made a motion to approve the agreement with Padgett Risk Consultants, LLC with the understanding staff would continue searching for other options, and if other options become available he would like those presented to the Board at that time and the Board will review the two contracts, seconded by Mr. Ernst. Motion carried.

Mr. Dan Davis discussed the Industrial Pre-Treatment Program; WASA is delegated that authority by the EPD. Mr. Dan Davis stated WASA regulates and enforces the program for industrial waste. Mr. Dan Davis stated ISE has completed these services for WASA for many years; except for in 2016 when the staff tried to run the program in-house. Mr. Dan Davis stated the program includes sampling at five facilities. Mr. Dan Davis stated it is renewal time for the contract, which is above and beyond our interim management role. Ms. Griffis stated she removed some language in the terms and conditions that the Authority cannot agree to. Mr. King made a motion to approve the Work Authorization for the Industrial Pre-Treatment Program, covering July 2019 to June 2020, seconded by Mr. Madden. Motion carried.

Ms. Fleisch asked for a motion to adjourn into Executive Session for the purpose of Real Estate, Personnel, and Potential Litigation. The motion was made by Mr. King and seconded by Mr. Madden. Motion carried. The meeting was adjourned into Executive Session at 7:20 pm.

The meeting was reconvened at 8:13 pm.

Ms. Fleisch asked for a motion to adjourn. The motion was made by Mr. Madden and seconded by Mr. Prebor. Motion carried. The meeting was adjourned at 8:13 pm.

Chairman - Vanessa Fleisch

Treasurer/Secretary - Terry Ernst

Peachtree City Water and Sewerage Authority

November 22, 2019

SPECIAL CALLED MEETING

The Peachtree City Water and Sewerage Authority held a Special Called Meeting on Friday, November 22, 2019, in the conference room of the John W. Gronner Administrative Center. The following individuals were present: Chairman Vanessa Fleisch, Vice-Chairman Mike King, Treasurer/Secretary Terry Ernst, Board Member Kevin Madden, Board Member Phil Prebor (absent until executive session), Ms. Melissa Griffis (attorney with Rosenzweig, Jones, Horne & Griffis), Mr. Dan Davis (ISE), Ms. Leslie Baer (ISE), and Mr. Larry McNeil (WASA).

Ms. Fleisch called the meeting to order at 3:30 pm, and began with the Pledge of Allegiance.

Ms. Fleisch asked for a motion regarding the Intergovernmental Agreement. Mr. Madden made a motion to accept the Intergovernmental Agreement between the City of Peachtree City and the Peachtree City Water & Sewerage Authority, seconded by Mr. Ernst. Motion carried. Mr. Prebor was absent during said Motion.

Ms. Fleisch asked for a motion to adjourn into Executive Session for the purpose of Potential Litigation. The motion was made by Mr. Madden and seconded by Mr. King. Motion carried. The meeting was adjourned into Executive Session at 3:31 pm. Mr. Prebor arrived to meeting.

The meeting was reconvened at 4:19 pm.

Ms. Fleisch asked for a motion to adjourn. The motion was made by Mr. King and seconded by Mr. Ernst. Motion carried (Mr. Madden was absent during the motion). The meeting was adjourned at 4:19 pm.

Chairman - Vanessa Fleisch

Treasurer/Secretary - Terry Ernst



November 1, 2019

Members of the Board of Directors
Peachtree City Water and Sewerage Authority
Attn: Millie Shah, Controller
1127 Highway 74 South
Peachtree City, Georgia 30269

We are pleased to confirm our understanding of the services we are to provide the Peachtree City Water and Sewerage Authority (the "Authority"), a component unit of the City of Peachtree City, Georgia, for the year ended September 30, 2019. We will audit the basic financial statements of the Authority, including the related notes to the financial statements, as of and for the year then ended. Accounting standards generally accepted in the United States of America provide for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A"), to supplement the Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis (MD&A).

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Authority and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Authority's financial statements. Our report will be addressed to the Board of Directors of the Peachtree City Water and Sewerage Authority. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance, and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose.

If, during our audit, we become aware that the Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein.

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving: 1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

With regard to an exempt offering document with which Mauldin & Jenkins is not involved, you agree to clearly indicate in the exempt offering document that Mauldin & Jenkins is not involved with the contents of such offering document.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. You agree to oversee the non-audit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial

statements are free of material misstatement, whether from: 1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of the Authority in conformity with U.S. generally accepted accounting principles based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform these services in accordance with applicable professional standards. The other services are limited to the financial statements and related notes services previously defined. We, in our sole professional judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Audit Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Authority; however, management is responsible for distribution of the reports and financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Mauldin & Jenkins and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Mauldin & Jenkins personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by a regulatory body. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately January 6, 2020 and to issue our reports no later than March 31, 2020. David Irwin is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be \$13,000 for the year ended September 30, 2019. Our hourly rates vary according to the

degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable upon presentation. The above fees are based on anticipated cooperation from your personnel (including complete and timely receipt by us of the information on the respective client participation listings to be prepared annually) and the assumption that unexpected circumstances (including scope changes) will not be encountered during the audit. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate before we incur the additional costs.

As a result of our prior or future services to you, we might be requested or required to provide information or documents to you or a third party in a legal, administrative, arbitration, or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to you as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests we will observe the confidentiality requirements of our profession and will notify you promptly of the request.

We appreciate the opportunity to be of service to the Peachtree City Water and Sewerage Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

MAULDIN & JENKINS, LLC



David Irwin

DI: djb
Enclosure

RESPONSE:

This letter correctly sets forth the understanding of the Peachtree City Water and Sewerage Authority

By: _____

Title: _____

Date: _____