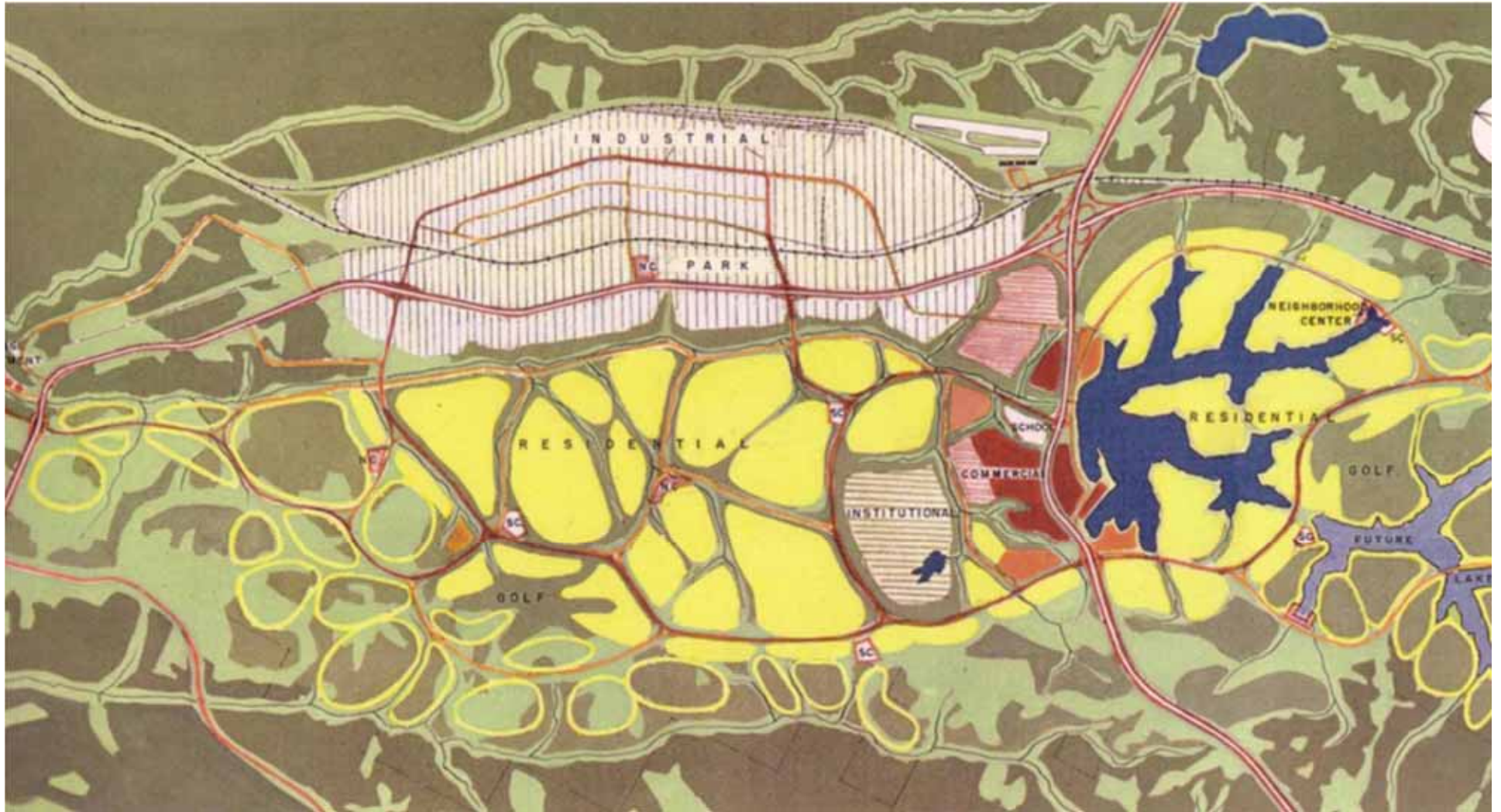


Water Franchise Agreement

City Council Meeting

November 5, 2015

Lets Build a City-The Plan -1957

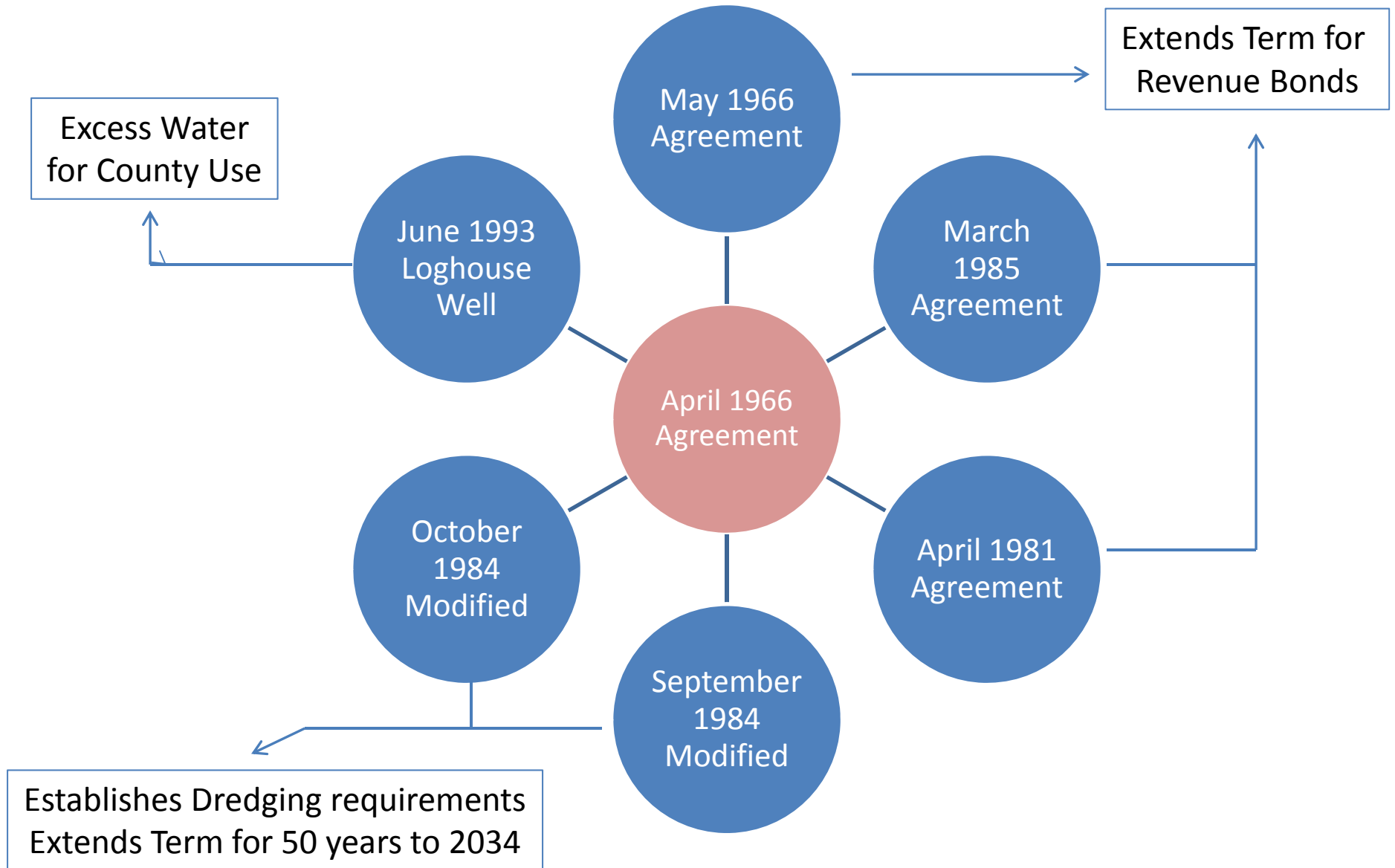


85,000 Population... 27,000 Dwelling Units...

Historical Overview

- 1966-Water Franchise Agreement
 - Exclusive Franchise rights to withdraw water from Lake Peachtree.
 - Must Maintain Dam, Spillway, lake bottom, etc.

Various Agreements



Timeline

- Lake is in Early 2014 for Seawall and Dock Maintenance
- Cracks discovered in 50 year old spillway
- March 2014-United Consulting utilizes Ground Penetrating Radar to determine significant voids exist in various locations under the spillway.

Timeline

- April 2014-Piedmont Geotechnical
 - “Investigation bores” establishes significant voids in spillway.
 - Recommendation: “pressure grout voids” to get water back in lake, but spillway ultimately needs to be replaced.
 - Temporary repair requires EPD-Safe Dams approval because as a water reservoir could be potential Category 1

Timeline

- April 2014- Site evaluation of spillway is conducted by Fayette County Water, City Engineer, Piedmont Geotech, and Georgia Safe Dams.
- April 2014- Safe Dams requests
 - **Hydraulic capacity of existing spillway (to be provided by City Engineer)**
 - **Final Report from Piedmont Geotech, all pictures and videos (to be provided by City Engineer and County)**
 - **Time frame for getting professional engineering firm to design permanent spillway replacement (to be provided by County)**
 - **Approximate cost for completing temporary repair (provided by County)**

Timeline

- May 13, 2014- Meeting at EPD-Georgia Safe Dams does not approve of “temporary fix” citing downstream “Health and Human Safety Concern” and Category 1 Classification.
- Category 2 is not regulated by Safe Dams
- County may not need Lake Peachtree as a Water Source
- June 18, 2014- EPD issues Category 1 Dam classification letter.

Problem Statement

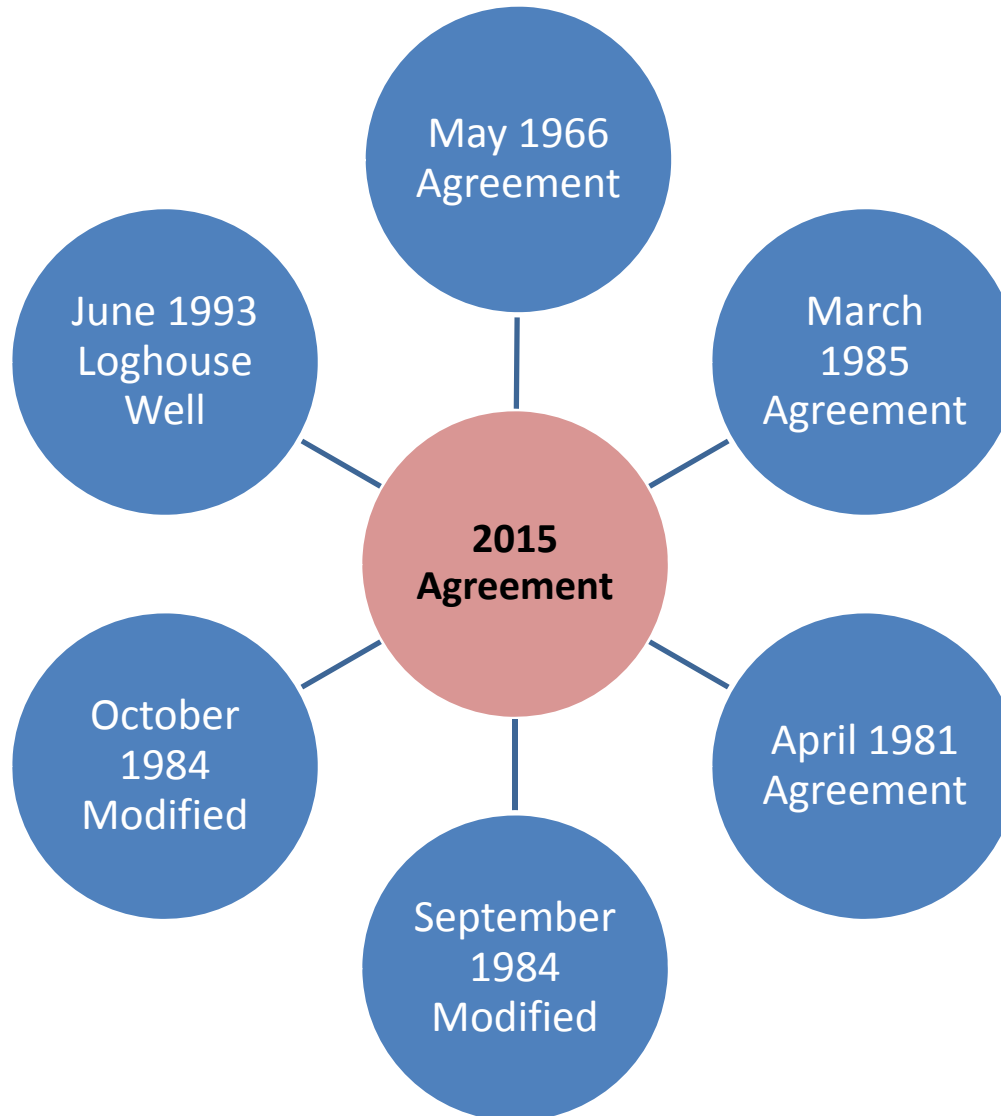
50 year old-Spillway needs replacement

Questions

- Spillway- What is Maintain?
- Does maintenance include replacement?
- Should the design meet Category 1 standards or 1966 Standards? (What 1966 Standard)
- Is Lake Peachtree needed as a water source?
- Who is going to pay to replace Spillway?
- What does Category 1 Dam and Spillway Cost?
- June/July 2014-Negotiations between County and City begin for purpose of answering questions regarding category classification appeal, spillway repair/replacement and dredging

Water Franchise Agreements February/March 2015

4



Process

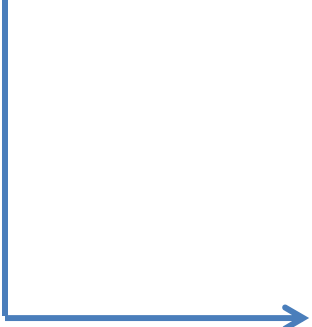
County Negotiation Team

City Negotiation Team

Executive Session Review



Fayette Water/Engineers/Public Works/City-County Managers



WATER FRANCHISE AGREEMENT

WHEREAS, the City of Peachtree City, a municipal corporation of the State of Georgia (hereinafter the "City") owns certain property, easements and right of ways within the corporate limits of Peachtree City, Georgia, including but not limited to Lake Peachtree (hereinafter the "Lake"); and

WHEREAS, through a series of intergovernmental agreements beginning in 1966, and amendments thereto, between the City (or Georgia Utilities Company) and Fayette County,

9 pages
Public Review
November 5, 2015 Agenda

rights and responsibilities were set out between the City and the County pertaining to the treatment of water from the Loghouse Well; and

WHEREAS, the City and County (hereinafter collectively the "Parties" or individually a "Party") wish to enter into a new agreement which replaces and supersedes all of the following previous agreements: 04/01/1966, 05/23/1966, 04/21/1981, 09/17/1984, 10/18/1984, 03/29/1985 and extends their partnership through the end of the calendar year 2035, and terminates that agreement known as and referred to as the "Loghouse Well Agreement" entered into as of June 10, 1993;

Key Points

1.3 The agreement entitled the “Loghouse Well Agreement” which was entered into by the City and the County as of June 10, 1993 with an expiration date of October 11, 2034 is terminated completely as of the effective date of this Agreement. The County shall provide water to the City at the commercial wholesale water rate in exchange for terminating the "Loghouse Well Agreement." The City will assume the maintenance and operation of the well, once the County has brought the well up to full operational condition.

- Old
 - City Received 15% reductions in water bill based on amount of water produced by well: Average Annual Bill= **\$27K**
 - County took Well Off-Line this past year-To eliminate maintenance and chemical treatment costs
 - Zero Production = Zero Reduction
- New
 - City Receives water at wholesale rate-Estimated Annual Bill= **\$21K** or about \$6K per year savings
 - County insures well pump is operational
 - County and City transfer permits to City. City converts well to irrigation only for Ball Fields=Less water running through a meter: **\$\$\$\$\$**

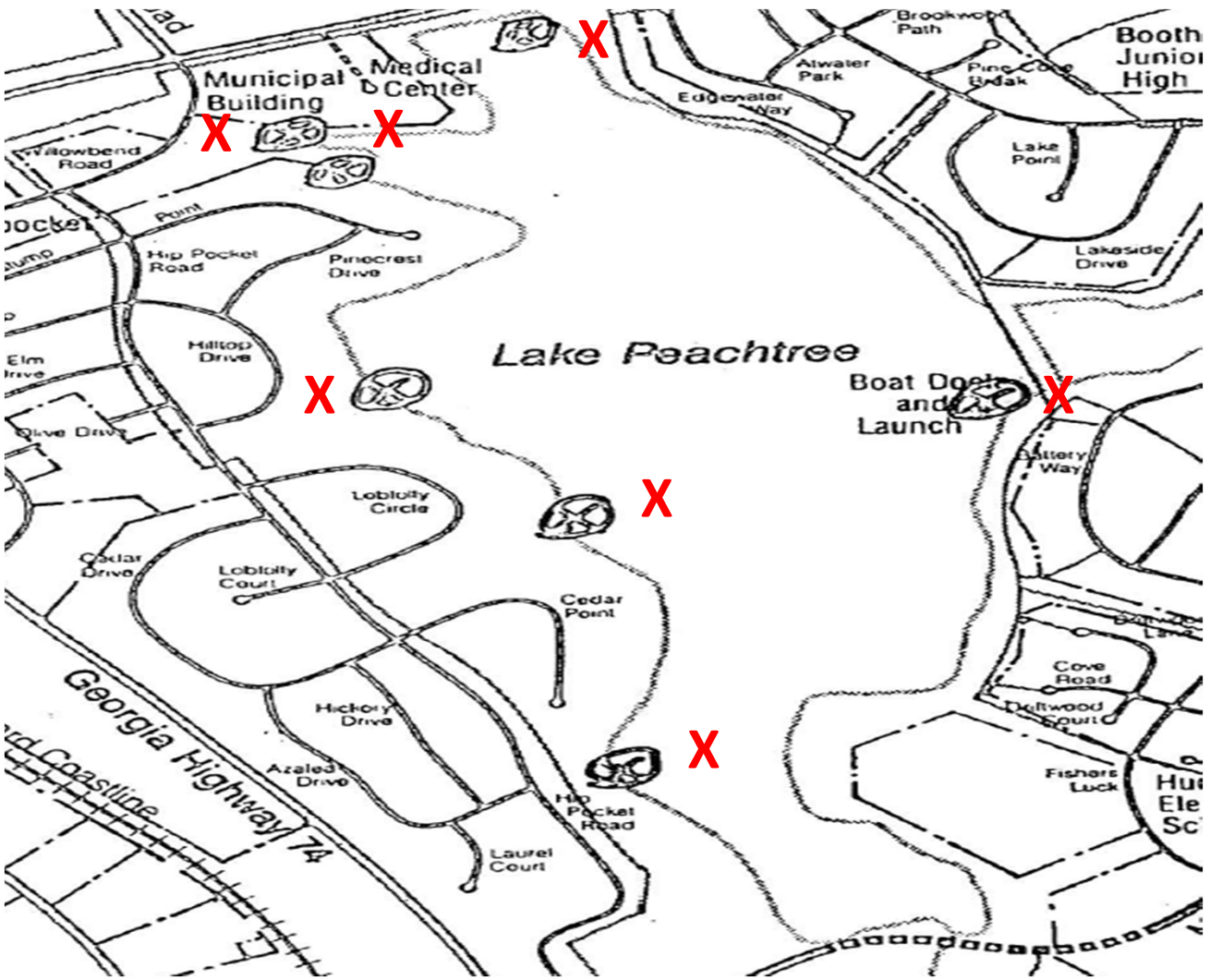
2.2 Maintenance of Dam and Spillway

- County Personnel operates dam and spillway using best management practices.
- County to remove trees based upon recommended actions of Safe Dams
- Any “extra” trees removed as mutually agreed with the purpose of maintaining integrity of dam.

2.3 Water Level

- Best efforts to maintain Lake Peachtree water level at minimum pool level of 784.4 feet. Best efforts considers dredging/maintenance/ drought conditions.
- The water level in previous agreements was defined as the water level in 1966 by pulling Lake Kedron down to siltation level.
- Permit maintenance and transfer language
 - Exhibit A
 - Lake Peachtree at .5 MGD
 - Lake Kedron at 4.0MGD

Official Dredging Map-X Marks the Spot



2.6 Dredging Methodology

- Old
 - 8-10 year cycle based upon joint inspection between city and county to determine if **“any”** dredging is required:
- New
 - County conducts “Baseline Bathymetric Survey” in 2016 to determine “Official Topography” of Lake Bottom
 - City/County(50% cost Share) conducts Bathymetric Survey in 2030 to determine if and where dredging may be needed

2.7 Dredging

- City to commence dredging within Zone 1- (Exhibit B) within 12 months of Bathymetric Survey

Zone 1



2.7 Dredging

- Past Dredges
 - 20,000 + or- Cubic Yards (.5% Lake Capacity in 2002 Mallet 13 Years ago)
 - 64,000 Cubic Yards (1.5% Capacity in 2015 understood to be 3X as much as past wet dredging)
 - 2030 Dredge is anticipated to be less than current with an engineering assumption of 40,000 Cubic Yards
 - Bathymetric determines amount removed/costs depends on market at time of bid process
 - Includes 10% overage for dredging total

2.7 Dredging

- 2030 Dredge Calculated Cost
\$3,000,000 Assumed Costs (Split 50%/50%)
 - 1,500,000 (City Share)
 - 1,000,000 (County Credit)
 - \$500,000** (City Cost for 2030 Dredging)
- 50/50 Split on Road Repairs

2.8 Spillway Replacement

- \$2,000,000 County Contribution for Spillway Replacement once City enters into construction contract
- City to refund \$1,000,000 if not constructed within four(4) years
- Engaged Schnabel/ISE Engineers to develop work plan to begin construction in September 2017 and complete by Spring 2018 to minimize vegetation growth
- Design modeled on ½ PMP(Probable Maximum Participation of 18” in 24 Hours) Columbia, SC = 11.6 “ in 24 Hours and was referred to as 1000 year storm.
- **Yes- We are planning for the eventual reclassification to Cat. 1**

2.9 Intake Structure

- County can remove intake structure from Lake Peachtree and Install in Lake Kedron
- What If?

4.5 Purchase Water System Components

- City can purchase Water System Components excluding Crosstown Water Treatment Plant, The Distribution Plant, and all other components which distributes water to outside the city limits.
- But only if the County has the right to sale based upon Revenue Bond provisions.

Summary

- After many months and hours of discussion with State Governments, City and County Governments, Engineers, etc.
 - Push out from Executive Sessions for disclosure and public preview.
 - Ratify language in agreement for Fayette County Board of Commissioners Consideration.

- Questions