

**VIRGINIA:**

At a regular meeting of the King George County Service Authority Board of Directors, held on Tuesday, the 5<sup>th</sup> day of June 2007, at 6:00 p.m. in the King George County Courthouse, Court Room #2, 9483 Kings Highway, King George, Virginia:

**PRESENT:** Dale W. Sisson, Jr., Chairman  
Cedell Brooks, Jr., Vice-Chairman  
Joseph W. Grzeika, Member  
James B. Howard, Member  
C. Stephen Wolfe II, Member  
R. Bryan David, County Administrator  
Matthew J. Britton, County Attorney

The Chairman, Mr. Sisson, called the meeting to order.

Mr. Grzeika provided the Invocation.

Mr. Howard led the Pledge of Allegiance.

**Public Comment:**

The Chairman opened the floor for public comment. There being none, the Chairman closed that portion of the meeting.

**Reports of Members of the Board:**

There were no reports by Board members.

**SA-06-01--Consent Agenda:**

On a motion by Mr. Wolfe, seconded by Mr. Howard, and carried unanimously, each member voting as follows: Mr. Sisson Aye; Mr. Brooks Aye; Mr. Grzeika Aye; Mr. Howard Aye; and Mr. Wolfe Aye, the King George County Service Authority Board of Directors approved the Consent Agenda, as presented, which included the following:

Authorized the issuance of warrants against the FY06-07 KGCSA Operating Fund in the total amount of \$27,783.65

Authorized the issuance of warrants against the FY06-07 KGCSA Capital Reserve Projects Fund in the total amount of \$15,250.00

**SA-06-02—Approval of Warrant to the Journal Press, Inc.**

On a motion by Mr. Howard, seconded by Mr. Grzeika and carried by 4-0-1 vote, each member voting as follows: Mr. Sisson Aye; Mr. Brooks Aye; Mr. Grzeika Aye; and Mr. Howard Aye, the King George County Service Authority Board of Directors authorized the issuance of warrant number 1110742 to the Journal Press, Inc., against the FY06-07 KGCSA Operating Fund in the total amount of \$51.90. Prior to the vote, Mr. Wolfe disqualified himself on the basis of family interest.

**Discussion Items:**

**SA-06-03—Distribution of Additional FY08 KGCSA Operating Budget Information**

During the May 22, 2007 work session, the Board requested additional budget information regarding a possible water and sewer connection fee increase that is comparable to neighboring counties and a request to amend the proposed personnel salaries and over time figures to account for an increase in Operator salaries to provide for competition with neighboring Counties.

Mr. Thomas explained that approximately half of the 175 projected FY 08 connections (88 new connections) would generate the additional revenue resulting from any connection fee increase. In order to be consistent with the proposed user rate increase, the Service Authority started with a rate increase that was based on the Consumer Price Index of 4.1%. This would result in approximately \$46,900 of additional FY 08 projected revenue. If approved, this would raise the current connection fee for both water and sewer from \$13,000 to approximately \$13,533. The fees for Spotsylvania, Stafford, and Caroline are \$12,730, \$12,650, and \$13,500, respectively. The Service Authority has contacted these agencies and verified that Stafford and Caroline do not expect an increase in the FY 08 budget year. However, the Spotsylvania County connection fee is scheduled to increase to \$13,240 on July 1, 2007 and to \$13,680 on July 1, 2008.

Mr. Thomas also computed the additional revenue generated by a connection fee increase of \$1,000, \$1,500 and \$2,000. The additional revenue projections based on those increases would be \$88,000, \$132,000, and \$176,000, respectively.

Mr. Thomas recommend that, if connection fees are increased, the additional Equivalent Residential Connection (ERC) charges for meters larger than ¾", (i.e. commercial facilities) should increase at the same percentage as the connection fees and also recommended an increase for the bulk water rate by the same 4.1% Consumer Price Index.

Mr. David reminded the board that any rate, user fee, or connection fee increase requires a 60 day notification and public hearing. The budget proposal assumed an effective date of the rate increase of September 1, 2007. This would require the public hearing to be held no later than the August 21, 2007 Board meeting. He also noted that the KGCSA budget requires adoption by June 30, 2007. The June 26, 2007 Board Meeting was to be for approving bills only, however, the Board may consider adopting the KGCSA budget at this meeting.

On a motion by Mr. Grzeika, seconded by Mr. Wolfe, and carried unanimously, each member voting as follows: Mr. Sisson Aye; Mr. Brooks Aye; Mr. Grzeika Aye; Mr. Howard Aye; and Mr. Wolfe Aye, the King George County Service Authority Board of Directors authorized advertising for public hearing for August 21, 2007 on the proposed rate increase of 4.1%, a \$500 increase in the connection fee, as well as the new rates for bulk water storage and ERC's, as presented.

**General Manager's Report**

Mr. Thomas informed the Board of several items of interest:

- The Service Authority completed the flushing of the Fairview Beach water system on May 21, 2007, and will conduct routine flushing operations at least twice a year. Cost estimates are being prepared for purchase of equipment to rebuild the filters at the Fairview II well facility.

- A request has been sent to DEQ to forward Biological Nutrient Removal (WGIF) grant applications for both Dahlgren and Fairview Beach Wastewater Treatment Plants.
- The Service Authority has prepared a draft response for the recent DEQ enforcement referral for the Perkins Corner WWTP zinc excursions. The response will be to continue with the March 1, 2007 corrective action plan.
- The Service Authority has completed the construction of the Supplemental Environmental Project (SEP) for connecting the Administration Building, Courthouse and Library to public sewer. This project was completed ahead of schedule and should result in compliance with the consent order by the end of the summer.
- The proposal by Draper Aden regarding the County's water supply plan is still under review by the Service Authority and the County Engineer.

**Closed Session:**

On a motion by Mr. Brooks, seconded by Mr. Grzeika, and carried unanimously, each member voting as follows: Mr. Sisson Aye; Mr. Brooks Aye; Mr. Grzeika Aye; Mr. Howard Aye; and Mr. Wolfe Aye, the King George County Service Authority Board of Directors went into closed session pursuant to State Code Section 2.2-3711(A)1 for the purpose of discussing the annual performance evaluation of the General Manager.

On a motion by Mr. Brooks, seconded by Mr. Grzeika, and carried unanimously, each member voting as follows: Mr. Sisson Aye; Mr. Brooks Aye; Mr. Grzeika Aye; Mr. Howard Aye; and Mr. Wolfe Aye, the King George County Service Authority Board of Directors returned to public session and certified that only public business matters lawfully exempt from open meeting requirements by Virginia law, and only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered.

There being no further business to come before the Board, the Chairman adjourned the meeting to the 26<sup>th</sup> day of June 2007 at 6:00 p.m. in the Board Room of the Revercomb Building, on a motion by Mr. Brooks, seconded by Mr. Wolfe, and carried unanimously.