

VIRGINIA:

At a regular meeting of the King George County Service Authority Board of Directors, held on Tuesday, the 1st day of March, 2022 at 5:30 p.m. in the Revercomb Building Board Room at 10459 Courthouse Drive, King George, Virginia:

PRESENT:

- James Morris, Chairman
- Allen R. Parker, Jr., Vice-Chairman
- Cathy Binder, Member
- Annie Cupka, Member
- Carrie Cleveland, Member
- Chris Miller, County Administrator/Interim General Manager
- Kelly Lackey, County Attorney

0:00:01.9 Chairman: I hereby call this regular meeting of the King George County Service Authority Board of Directors to order. We will start with an invocation by Mr. Parker followed by the Pledge of Allegiance by Mr. Miller, if you're able to stand, please do so.

0:00:20.2 [Invocation/Pledge]

0:01:00.2 Chairman: Thank you. Mr. Miller, do we have any amendments to the agenda?

0:01:04.6 Chris Miller: No, sir.

0:01:06.7 Chairman: Okay, moving on to public comments. Comments will be limited to three minutes per person, in order to afford everyone an opportunity to speak. If comments relate to a specific public hearing item, we ask that you offer those comments at the time of the public hearing. Anybody in the room wish to speak? Mr. Dines, I understand we have a caller online.

[pause]

0:02:00.5 Chairman: Ma'am, are you there?

[pause]

0:02:09.6 Chairman: Hello?

[pause]

0:02:54.0 Chairman: Okay. Mr. Dines, we're gonna move forward to the reports of the board

members, and if you get her back online, let me... Give me a high five.

0:03:05.8 Chris Dines: I will.

0:03:08.4 Chairman: Okay. Ms. Binder?

0:03:08.4 Cathy Binder: Thank you, Mr. Chair. I appreciate hearing from residents of the Shiloh district and Service Authority customers, be it answering questions or just providing a further understanding of a matter. So when I received inquiries into the amount of activity at the Perkins Corner wastewater plant, I asked for more information from staff. With the event of social media concerns going far and wide whenever there's an issue brought up, with that being said, I wanna make sure not only myself, but all of the Board of Directors receive information when there is an issue in any of our plants. It is hard to answer questions or stop an overused term that will use misinformation from flowing without a heads-up. In the future, I would like to see a few items that would be an asset to everyone, from the public to the highest authority, the Board of Directors. One would be, I would like to see monthly updates on how our financials are doing, budget versus actual. This has been requested previously. The return to reporting of the nutrient levels and how we are doing based on our permits at the wastewater plants, our former GM did this in his report. It doesn't have to be read fully, but presented on a PowerPoint, and lastly, I would love to accept Mr. Miller's offer of a tour of all five wastewater plants, this will allow a fresh and current look at each plant's operations. That's my board report. Thank you.

0:04:21.4 Chairman: Thank you, Ms. Binder. Mr. Parker?

0:04:26.0 Allen Parker: No report, sir.

0:04:27.3 Chairman: Thank you. Ms. Cupka?

0:04:30.2 Annie Cupka: Thank you, Mr. Chairman, I just wanted to report back to the board. On Sunday, February 20th, the House Appropriations Committee and The Senate Finance and Appropriations Committee advanced their budget bills out of committee. I'm pleased to report that both money committees reported the \$16 million in Arbor wastewater improvements contained in former Gov. Northam's original budget. These funds would allow us to address the decommissioning of Perkins Corner and Oakland Park wastewater treatment plants, both of which are necessary as we will be unable to meet the reliability standards and the DEQ superseding consent order. Future capacity upgrades and improvements to Dahlgren Hop Yard and Fairview Beach wastewater treatment plants, and inflow infiltration projects without taking on new debt by the authority.

I included in my board report, which I will have published online on the County website tomorrow, a link to all of the budget reports, and I have provided all members a markup of the versions that were passed subsequent to the money committees on February 20th. Last Thursday on February 24th, the floor-approved version of House Bill 30 with the markups on the drinking water, wastewater, and CSO section, as well as the SB-30, which is the Senate version, floor-approved again on February 24th, and you'll note... And I confirmed with Senator Stewart a little while ago, that nowhere did either side strike any of the funding for King George County Service Authority. So this is very good news, that it is moving forward in the House and the Senate for final consideration in the state budget going forward. That's all I have. Thank you, Mr. Chairman.

0:06:34.1 Chairman: Thank you, Ms. Cupka. Ms. Cleveland?

0:06:36.6 Carrie Cleveland: Yes, thank you. I have a few comments. So on the Perkins Corner issue, I as well heard chatter and questions about issues from a few members in my district, and it was unfortunate that I didn't have any information to provide them. I also saw a lot of comments on Facebook regarding this and the citizens asking what was going on. I do believe that anything outside of normal operation and normal operation budget should be shared with the board, and I know that Mr. Miller is gonna be making comments on this in his management report, so I'm gonna save any more comments around Perkins Corner for after that report. I do agree with Mrs. Binder's comment though that this information should be shared with all board members. I got an email on Friday after I inquired about the issues that I had heard about, but to my understanding, it started on Saturday or Sunday time frame.

There was also a lot of comments on the King George County Facebook page, in reference to the two-by-two meetings the Service Authority had on the merger with King George County. So I do also want to address that as they also shared a video of our board meeting. I wanna be clear to say that I too believe that the two-by-two meetings were not transparent. I did want a discussion with the board and a public meeting, and I escalated these concerns to Mr. Miller and the chairman before the meetings occurred, however I did confirm with the county attorney that they were legal. I always believe the more information the better, so I think that we need to understand impacts from all angles. Last week, I reached out to Mr. Miller about a chlorine odor at my personal residence. So I hear comments from my neighbors in Potomac Landing that they have chlorine odor in their water frequently. There has been times that I've smelled chlorine odor in my water, but this time it was extreme odor as I was bathing my daughter in the bathtub, and we are aware that the pipes in Fairview Beach need to be replaced. I'm happy to hear from Ms. Cupka about this grant and the consideration to give enhancements to Fairview Beach because they're definitely needed.

Mr. Miller did follow up with me and informed me that the vat had just recently been changed, that the testing was done, and it resulted in normal levels of chlorine in the water. That the drastic changes in weather can cause a more prominent chlorine odor, but again, I will tell you that it was pretty heavy. I wanted to follow up again also on Ms. Binder's comments as it relates to financials. I had asked many times for financials to be produced that show spent versus budget on a regular basis. We get the warrants and the agenda every board meeting, but really without the perspective of comparing it to the budget, we're really not able to know as a board if we're on track with the budget or not, and also would like to know how much money we spent with the contractors, both just in general, and also with the crisis that we've seen at the Dahlgren and the Perkins Corner plant to really understand what impact that's gonna have on the long-term, being that these are unexpected expenses and how that really plays into that five-year plan. Thank you.

0:10:07.4 Chairman: Thank you, Ms. Cleveland. As for myself, I would just like to say that as chair, I was advised of some of the going on at Perkins. Some of the information was incomplete at the time, and it was my decision not to pass things on to the other board members until we had the full story. I don't believe in passing out incomplete information and I base decisions based on what I know and when data is available, just like the two-by-two meetings, that wasn't something we are looking into, that was fact finding. That is not even approved, that is nowhere near to being a done deal, it is a option, and there has to be a method to obtain information as to whether we go forward with projects or we don't go forward with projects, and some of these fact findings are not conducive to doing in a public forum. So once we get the facts, then we are charged with presenting the facts to our customers before we move on. Nothing is being hidden, nothing... I'm trying to keep everything as transparent as possible, but I believe in having all the facts before moving forward

with things. Thank you. Mr. Dines, did you get through to the caller? Ma'am, go ahead.

[pause]

0:12:30.0 Kathy Marquis: Mr. Chairman?

0:12:32.6 Morris: Yes, ma'am, go ahead.

0:12:32.7 K. Marquis: This is Kathy Marquis, and I don't really have comments at this time, I've been reviewing all the material that I got before the meeting started and haven't had a chance to review everything, but basically, the main question I had I believe has been answered, and I won't know more until I'm able to get through all the materials for the meeting, but I appreciate having them to review, and so I'm sorry if I took up time that someone else could have used. Thank you very much.

0:13:03.1 Chairman: Thank you, ma'am. We welcome any time, and also feel free to reach out to us any time with an email if you have a question. You can send it to the general manager, and he can redirect it to the appropriate person. Thank you.

0:13:22.2 K. Marquis: Thank you.

[pause]

0:13:31.3 Chairman: Okay. Let's move on to the consent agenda.

0:13:35.5 A. Parker: Motion to accept the consent agenda as written.

0:13:40.1 A. Cupka: Second.

0:13:40.6 Chairman: Motion has been made and second. Any discussion? All in favor?

0:13:43.5 C. Binder: Aye.

0:13:44.8 C. Cleveland: Aye.

0:13:45.4 A. Cupka: Aye.

0:13:46.8 A. Parker: Aye.

0:13:48.2 Chairman: Any objections? Chair votes aye. Motion carries. Let's see here. Report from the county attorney, Ms. Lackey.

0:14:00.0 K. Lackey: I don't have a report at this time. Thank you.

0:14:00.1 Chairman: Thank you, ma'am. Okay, moving on to presentations and reports. First one, the VDH Water Resource Grant status.

0:14:11.7 C. Miller: I just wanted to take the time to again reiterate that the Service Authority

received this \$5 million grant, it's art funding that the Virginia Department of Health has directed our way. As you know, we have a complete reliance on groundwater for our drinking water, and the plan that they would like to see us do is to address a number of needs associated with our groundwater, and so we have had conversations and we're working very closely with the Virginia Department of Health. This is a cost reimbursement, cost-incurred basis reimbursement-type grant, and we are developing a water CIP that would then become available as part of the new fiscal year that would begin July 1, and we're working with engineering representatives on that.

One of the things that we know that we've had discussions with the Virginia Department of Health on is that we could use some of these funds to apply to the Perkins Corner Decommissioning in the sense that you're... And of course, Perkins Corner Decommissioning is a wastewater project but the other element to the Perkins Corner wastewater decommissioning is to undertake the interconnections of water lines 'cause once you open up the ground to put in new sewer lines that would convey the waste from Perkins Corner back to Hop Yard, you might as well do water lines at the same time, and so those interconnections from Hop Yard to Perkins Corner would be also something that they would allow us to utilize some of the money on the engineering work that would be associated with that.

We also can use these resources to begin the process of looking at the surface water acquisition, and we know that that's something that they would like us to be moving towards, and that is something that we obviously are working towards, but that is a plan that they have. We've discussed with them and they are in agreement that that could work for us, but some of the focuses that will be part of this grant, a portion of these funds will go to things like upgrading the Circle Well system, upgrading the system in Fairview Beach and Potomac Landing, upgrading the Cleydael in the Dahlgren area, taking some of those wells offline and then having another plan. So this is very much a multiyear project, and I just wanted to keep this in front of you and to remind you that this is a project that is something that we are doing and working very closely. We hope to have for you a draft CIP. It may be that it will be a part of your budget in the budget considerations, it might be something that comes a little bit afterwards, but it is gonna be in line with what VDH is looking for us to do, so.

0:17:56.9 Chairman: Thank you. Any questions on that? Okay, no questions. Moving on to the next item. The status of the proposed budget allocation in the \$60 million for the wastewater.

0:18:15.8 C. Miller: Well, Ms. Cupka trumped me, but... I'm kidding you. No, actually, great news, and I think that the Service Authority in King George County in general oughta be very proud of the efforts of Senator Stuart and some of the other folks that are on our behalf, and I know that this is significant, and this would be the kinda shot in the arm that the Service Authority frankly needs. I hear you all loud and clear about the operations of the wastewater plants, and I'll have a little section here in a minute to talk about that, but I do have at your desk an outline of the projects, if you want, I can walk you through those, but these are the things that we provided information on. These are some of those, as we indicated, it's \$16 million, so we are looking at doing about \$2 million at Dahlgren, and those things are related to the work that we're doing right now, to return that plant back to its normalcy. And so there are some things there, as you can see, there's a list of about four items, but some of these are things that were already planned, but some of these are more elaborate in terms of things that we're trying to get addressed right now with the needs at Dahlgren. One element that's part of that Dahlgren, that's kind of a separate project, but it's related to Dahlgren, is about \$2.5 million in inflow and infiltration projects, and that's where we're looking at things like wastewater... Or excuse me, we're looking at the collection system, what's coming into the plant, making sure that our lines have been lined and aren't leaking significant amount... Or

allowing infiltration into them. We're also looking at the repairs and the replacements to manholes, the rehabilitation of pump stations, all these things we know were a contributing factor to the incident back in January, and so we are working and in fact, have a project underway right now, but these are gonna be some significant needs that will happen.

Fairview Beach wastewater treatment plant, \$100,000 for some process system and programmable logic controller. Perkins Corner wastewater Treatment Plant, that's the \$4.1 million roughly for the installation of a UV system replacement, but also that's the decommissioning. So we know that's a huge project, and we know that RK&K is the engineering company on that, and they're all ready to work on that. Oakland Park wastewater Treatment Plant, \$5.5 million, and that's the next one. And so what this \$16 million does, if we get it the way... If it comes in a certain way, we could do two decommissionings at the same time, and I think that's significant because I think that's what DEQ wants from us, and that's what we would be very... Be happy to be able to undertake that project. Hopyard Wastewater Treatment Plant is about \$3 million of upgrades, and so we have those as well that we'll be doing. Hopyard of course is where, as the decommissionings occur, Hopyard becomes the central plant, if you will, and it's got the capacity and we would be relocating the waste from those areas to Hopyard, from Perkins and from Oakland Park.

So just to give you a little bit more information about what that 16 million was to go to, and again, good news and we're very excited about that. I'll answer any questions about that as well.

0:22:41.3 C. Binder: Mr. Chair, I do have one question. These amounts that are on here, are they current or... I know everything's going up in value, I just don't... 'Cause I see some of these numbers I've seen for the last couple years.

0:22:53.3 C. Miller: These are numbers that are probably two weeks old, from an engineering firm that gave us those. So obviously, as we get further in, in Oakland Park, those numbers could change if it's pushed out. We know that Dahlgren improvements have to be undertaken pretty quickly, and so those numbers are gonna probably be pretty accurate, but anything that might be two or three years in the future, I think obviously, you're gonna have to adjust them.

0:23:31.1 C. Cleveland: I have a question, real quick. So you guys heard in my board report that Potomac Landing's having issues with chlorine in the water, and we know that the pipes at Fairview Beach need to be replaced. So I would like to know if we have determined how much life those pipes have left, and if we know how much it's gonna cost to fix those.

0:23:53.3 C. Miller: So the issue on the water side would have to come from water funds. I can talk to our engineering reps about the piping of the infrastructure in the ground at Fairview Beach and Potomac Landing in terms of the water side. Now, what the 16 million was gonna do, that's for sewer, so that would not go to Fairview Beach or to Potomac Landing for their improvements. So I will ask about the condition of the pipes and when we would need to start working on those.

0:24:38.6 C. Cleveland: Okay, yeah, and I know that this was for wastewater, but the reason why I ask is because it's my understanding there were some issues with it, maybe having problems before in the past, and there was some tests that were done that determined that there was no issues with it mixing together, but I thought that maybe it could be incorporated in this because of that.

0:25:01.0 C. Miller: I would have to check, but I don't believe that we would be able to, especially if this is state funding for the wastewater. I don't believe they would allow us to mix it with water-related improvements, but I can definitely check, and I will check with the BDH in terms of the... If

they would allow us to use some of that \$5 million for water line replacements and things like that. Typically, I think they're looking more at the system, the overall system, like the well system, not necessarily how the water is getting to individual residents or anything like that, but I can certainly report that back to you.

0:25:43.2 C. Cleveland: Okay, well, regardless though, I think that we do need to make sure we understand what the life is left in those pipes, how much it's gonna cost, frankly 'cause we're gonna have to add that somewhere.

0:26:00.7 A. Cupka: Mr. Chairman, may I?

0:26:01.2 Chairman: Yeah, go ahead Ms. Cupka.

0:26:02.3 A. Cupka: Thank you, Mr. Chairman. I just wanna make sure we're all on the same page here 'cause I note the slide, Mr. Miller says for fiscal year '22-'23 Commonwealth budget. So this is the biennium budget. So House Bill and Senate Bill 29 are for '22-'23. The budget in which our money is contained is House Bill and Senate Bill 30, so that is for the second year of the biennial budget, so it would be for fiscal year '23-'24. So I wanna make sure that as far as wastewater money goes... So we know, as you said, we have the \$5 million for drinking water because we've already received that on VDH letterhead, that they've made that grant available to us, that's something for water direct improvements is already available to us, but going forward, the wastewater money is for the second year of the biennium, not this first year. So it would not be available this July 1, it would be the next July 1, but that is not too far off of the proposed CIP that we previously adopted. I note that most of the spending for wastewater was scheduled out, and here for your benefit too, Mr. Chairman, in 2023 and 2024. So just so we're all mindful of, like you said, which monies we have and how it is written in, Bill 30 says, "For grants to the City of Fredericksburg and King George County Service Authority for wastewater projects." So I think you're probably correct as well, that we wouldn't necessarily be able to use it for water projects, but it is specifically written for wastewater projects, and that's all I had. Thank you, Mr. Chairman.

0:28:03.1 Chairman: Thank you for clarifying that, Ms. Cupka. Just want to throw out, Ms. Cleveland, there's a lot of technology out there now on these water lines where they don't have to necessarily replace them, they can reline them, and I'm sure the water staff could fill us in with the different options, and that would be, I would think a capital improvement project. I don't know the current numbers, but I know a few years ago, when we extended the water line down to track our supply, it was like a million dollars a mile to replace the water line. So that would fall under a CIP project, I believe.

0:28:55.3 C. Cleveland: Yeah, and we would... I'm sure that we'd be open to hearing all the different suggestions, but something needs to be done, so we need to figure out what the life is and what can be done to help that system so that we don't have water that smells like chlorine.

0:29:16.5 Chairman: Agreed, thank you. Okay, anything else? Moving on to action items, the Advanced Metering Infrastructure.

0:29:33.6 Angela Turner: Good evening, Mr. Chairman and members of the board, I'm Angela Turner, the procurement specialist. Item number SA-03-04, award of a service agreement for the King George County Service Authority Advanced Metering Infrastructure project. Authorize the

General Manager to take the following actions: Issue a notice of award to Fortiline Waterworks for the King George County Service Authority Advanced Metering Infrastructure project in the amount of \$1,755,838.64, authorize an execution of a service agreement with Fortiline Waterworks in the amount of \$1,755,838.64, subject to approval as to form by the county attorney. In July, 2021, the King George County Service Authority requested proposals for the advanced metering infrastructure project. This RFP solicited proposals from officers capable of satisfying the King George County Service Authority needs for a new cost-effective AMI system that will meet current industry performances criteria related to the communication, methodology, software, and hardware. The selected AMI solution would also provide for advanced data analysis through an effective meter data management system and options for an integrated customer portal. The operational objectives include: Improved customer service, access to real-time data that would notify abnormal water usage, improved planning capabilities, reduced water loss/non-revenue water, improved water conservation/water accountability, replacement of water meters and water boxes and meter boxes, reduce current labor effort through re-automation and system interfacing, improve customer service through an interactive customer web portal with one-line customer bill pay, improve cash flow and reduce long-term operating costs. The proposals were evaluated and the Evaluation Committee consisted of representatives from the county and Service Authority, and interviews were held with three firms in September 2021.

Following reviews of the proposals, interviews with the three shortlist firms and negotiations with the highest ranked firm, the Evaluation Committee recommended the award of a contract to Fortiline Waterworks. The project will have an 18-month deployment plan. Phase one, Dahlgren, Fairview Beach, and Potomac Landing. Phase two, Presidential Lakes, Arnold's Corner and Courthouse areas. Phase three, Oakland Park, Hop Yard, Canterbury, Ridge Road and Nine's area. The project budget for this project will be the contract amount of \$1,755,838.64, the project contingency amount of \$87,791.93 and the total project budget equals \$1,843,630.50.

At this meeting on November 9, 2021, the Board of Directors approved the King George County Service Authority Capital Improvement plan. The plan included funding for an advanced metering infrastructure project in the amount of \$2 million. At this meeting on February 15, 2022, the Board of Directors appropriated the \$2,000,000. I recommend that the Board of Directors authorize the general manager to issue a notice of awards to Fortiline Waterworks for the King George County Service Authority Advanced Metering Infrastructure project in the amount of \$1,755,838.64, and authorize the general manager to execute an agreement with Fortiline Waterworks, subject to approval of the agreement as to form by the county attorney.

0:33:47.0 Chairman: Thank you, Ms. Turner. Any questions for Ms. Turner?

0:33:50.0 C. Binder: Yes, I do, Mr. Chair, and part of the reason I'm asking this question is so that the public can understand exactly how much this cost. Ms. Turner, you might not be able to answer this, but Mr. Miller probably can. Is this the system that is going to use the towers to bounce off so that the customers can check it probably three times a day to make sure that their water is... They're not losing too much water or see what their water usage is? 'Cause I've gone over this with our former GM, this...

0:34:17.8 C. Miller: I know that this is a project that your former GM put together and you guys have been discussing and then it just got put on hold. I know that it has much more technology, so I'm assuming that it would be able to allow people to do that and they could keep track of their water use, and it really is a much... It's a big enhancement for what we're doing right now, and it's also going to reduce our labor. It's a very significant situation, which essentially knocks out two to

three people for three-week stretches, while they go and locate meters and do the reading, and so this will basically bring us up to date.

0:35:02.0 C. Binder: To the 21st century?

0:35:03.3 C. Miller: Maybe, yeah.

0:35:04.8 C. Binder: I asked that because the price is big, but when I went over it with Mr. Weakley, and he showed me both of the meters, the one we currently use and this newer one, and how important it was especially for the customers to be able to check to see if they have a water leak, and it also is more efficient and it's more real-time data, and we don't need meter readers to go out to all these locations 'cause it's bounced off of towers, so I just wanna make sure the public understood that.

0:35:34.1 Chairman: Okay, anything else? Do we have a motion?

0:35:57.1 A. Cupka: I move to authorize the general manager to issue a notice of award to Fortiline Waterworks for the King George County Service Authority Advanced Metering Infrastructure project in the amount of \$1,755,838.64 and to authorize the execution of a services agreement with Fortiline Waterworks in the amount of \$1,755,838.64, subject to approval as to form by the county attorney.

0:36:32.3 C. Binder: Second.

0:36:33.6 Chairman: Motion's been made and second, any discussion? I will do a roll call, though, Ms. Binder?

0:36:40.0 C. Binder: Aye.

0:36:41.0 Chairman: Mr. Parker?

0:36:41.7 A. Parker: Aye.

0:36:42.2 Chairman: Ms. Cupka?

0:36:43.8 A. Cupka: Aye.

0:36:44.2 Chairman: Ms. Cleveland?

0:36:45.9 C. Cleveland: Aye.

0:36:46.2 Chairman: And the chair votes aye. Motion passes unanimously. Moving on the next item, appointment of the Citizen Budget Advisory Committee member. Does any member have a name to submit?

0:37:04.3 C. Cleveland: Chairman I have an appointment I'd like to make. I'd like to appoint Jeff Bueche to the Citizen Advisory Committee, the Service Authority.

0:37:18.1 Chairman: Thank you. Any others?

0:37:19.4 A. Parker: Yeah, I'd like to nominate Jim Griffin.

0:37:23.8 Chairman: I'm sorry?

0:37:24.7 A. Parker: I'd like to appoint Jim Griffin.

0:37:26.8 Chairman: Griffith?

0:37:27.7 A. Parker: Griffin. G-R-I-F-F-I-N, Jim.

0:37:34.1 Chairman: Okay. Do we have a motion?

0:37:38.7 C. Binder: Mr. Chair, I just wanted to ask anybody in the Charlotte... Charlotte is the one district that has the least Service Authority customers, so if there's anyone interested, I've asked a couple of people, they're just not interested in serving on a committee right now. So if anybody in the audience or out in the audience on air and would like to serve, please give me a call. Thank you.

0:38:01.0 Chairman: Okay, do we have a motion on this?

0:38:05.1 C. Binder: I'll make a motion to approve Mr. Griffin, correct? And Mr. Bueche to the Citizen Advisory for the Service Authority budget committee.

0:38:13.9 A. Parker: Second.

0:38:14.9 Chairman: Motion's been made and second. Any discussion? All in favor?

0:38:18.5 C. Binder: Aye.

0:38:19.4 C. Cleveland: Aye.

0:38:20.1 A. Cupka: Aye.

0:38:20.6 A. Parker: Aye.

0:38:21.6 Chairman: Chair votes aye. Any objections? Motion carries. Okay, discussion items, moving on to the general manager's report.

0:38:42.3 C. Miller: Maybe it was there. There it is. Okay, okay, so Dahlgren update, I can report, and we have a weekly meeting with DEQ, and what I will probably also have is at the next meeting have the Inboden Environmental team come and give you, and also an update on Dahlgren but Dahlgren is back and it is in a good place. DEQ is very happy. DEQ has indicated that they are well satisfied, well pleased I think was the words that we got from one of their representatives that's been the point person on this. We continue to obviously work to address whatever daily needs that they have in terms of information, but the numbers are very well back to where they should be. I think the fact, and I will address this here in a moment, but the hauling of sludge from Perkins Corner that took place and being placed at Dahlgren is actually a good sign. It's not obviously a good sign for

Perkins, and I'll report on that here in a minute, but it is a good sign that it was able to go to Dahlgren because there was about a two-week stretch there where we were not hauling any sludge into Dahlgren, and in fact, we were bringing sludge to help recede the plant at Dahlgren, but it is back to the place that it needs to be.

We have some projects that we're gonna be working on to continue to improve that, but we have made some personnel moves and placed people that are taking off in terms of their role and their responsibility and their performance with the guidance that the Inboden team is providing for Dahlgren, but again, we work with DEQ and they're a part of everything that we're doing. I'm happy to report that DEQ is essentially pulling away from the Virginia Department of Health's concerns about the waterways, and they are satisfied that we have met some of the levels that needed to be reached, and and so it's my understanding that the Virginia Department of Health will be working to make sure that they can relieve or... Not relieve, but end the ban on shellfish harvesting that was in the waters that they identified, so that's where we are on that.

Perkins Corner, and you all obviously received my memo on that, and I certainly appreciate the comments that our chair indicated. I think we've talked about this with Dahlgren and we've talked about it with other plants, these things are... These are systems that have failures at time, these are systems that have issues that occur, and there are actions that we take during the day, there are actions that have to occur. I'm happy to report on those actions and will, if that's the desire of the board, but there are things that are done to prevent situations from happening, and what was done over the course of the last week was in answer to serious operational deficiencies that we are now addressing that involved personnel that just had been causing some concerns inadvertently by their actions.

And we got the Inboden personnel in there, the Inboden team in there, and they were able to start the process of addressing concerns, I think I identified in previous meetings that we were having concerns about the flow, these surges, these rushes of flow that come in to Perkins Corner. Perkins Corner is a plant that is fed by a pump station, so it comes in at different intervals throughout the day, and they were encountering serious flows that were causing concerns about overflow. The Inboden personnel were able to come in and start the process of re-addressing the way it ought to be run, we found that there were some issues with some valves that were stuck that the operators that were in there were not aware, the operators were under the impression that they needed to recirculate and recycle some of the water and some of the... Back into the plant, but that was actually then causing issues with surge and the flows being heavy, we found out that what's known as mixed liquors, which is your level of solids was as...

Prior to the Inboden representatives taking over the plant, the mixed liquor levels were in the 8,000 range, and you need to be in about the 3,000 range, and so they had to be involved in getting rid of that sludge, and getting rid of that sludge meant we had to haul. It's not a situation that we are in that is grave, it is a situation that you have a plant that is going to be decommissioned, and the treatment process, if it's not done right, will backfire and have issues and concerns. And as I said, I think that would be very instructive if anybody on the board would like to have a tour with Inboden personnel in there and some of our personnel that we've reassigned to some of these plants to take advantage of their skills and things like that. And as I said, I'm happy to provide you that level of detail, I think that Ms. Binder had indicated she would like things about the nutrient levels, I'm happy to provide that, I'm happy to do that if that will serve your needs.

I think the other thing that has to be kept in focus, and I believe I said this, we haul sludge on a regular basis out of every plant, and it goes to Dahlgren. We haul what's known as waste sludge, which is the stuff we don't need, and we haul it to Dahlgren where it then goes on a conveyor press... A belt press, excuse me. That belt press dries the sludge, and then that sludge is then hauled off to the landfill. So Dahlgren is the only plant that accepts sludge and can hold the sludge and dry

it and go through what's known as a dewatering process. So on a normal basis, we are in and out of Perkins one to two times a week hauling basis because you have to get rid of the sludge, and there was a build-up of a lot of sludge at Perkins that was causing these issues, and so that's what they've done. Perkins is coming back to where it needs to be, and we are working with DEQ. Whenever there is a change of any significance, whenever there's a change of any process that's outside your O&M manual, you have to report that to the DEQ.

So the DEQ has been a part of this whole thing, and I assure you that we're getting the plant back to where it needs to be. We've made some changes. If I can take a moment... Well, I'll do... I have an actual report on that here in a second, but that's where we are on Perkins, and like I said, I'll be happy to set up individual meetings. I do think it needs to be individual, or if you have concerns about two-by-two meetings, I don't wanna certainly do that, but that I can't have more than... I can't have three members there or that's an open meeting. So I think that if you wanna learn and you want the information, then it would be something I'd wanna set up individually or at most, two members at a time, and see and hear from experts on how these systems operate and to understand the delicate balance that has to be in place, and if it gets out of balance, then it can cause so many issues to trigger that like a chain reaction of events, and I think that's one of the things that we're able to do.

And I guess let me skip down to number four, because that's something that I think needs to be understood, is that your wastewater plants are extremely important assets to this community. I don't think anybody could say otherwise. Also extremely regulated, and their operations are heavily watched by DEQ, the Virginia Department of Health, not to mention our teams obviously, and so when there are things that happen, there are things that go out of balance in terms of operations, they can have a serious impact on things down the road, and that's what's happening. And through the decision that Mr. Weakley made to hire Inboden as your operator in responsible charge was a very valuable decision, and he is to be commended for that, but there were decisions and there were actions that have occurred that led up to actually probably several years in the making where personnel were put in places that they really were operating below the level of competency that we needed, and those things are being identified, those things are being found out, and unfortunately, they're found out through crises, and that's what we're trying to do.

I will tell you that the Wastewater Services, and I don't mean this to say that there isn't issues in the water service in terms of pay or in terms of how we compensate, it's across the board. It's in the county, it's everywhere we know. Everybody's strained in terms of their lifestyles and what they get paid and things like that, but in the Wastewater Services, we know that we've got to address some of the pay ranges for some of our entry-level and some of our operators and our high-level managers in that department, and so we're gonna work on that, and if I have something that has to come back to the board on, I will bring that back to the board and ask for your authority to make those kinda changes. I do believe that Mr. Weakley talked about that in his previous tenure with you as well, that there is a need to look at the pay ranges for people.

We definitely have had difficulty with the management, the wastewater manager position particularly. We have a water manager, we have a maintenance manager, a utilities maintenance manager, we don't have a wastewater manager because we have been looking for the last year. It is a difficult position because it requires a class one operator. You have the benefit of your last general manager being a class one operator at the same time he was a general manager, and that was a good situation, but it's not a requirement. It's not something that you go looking for with your search for general managers or any person in an executive level like that. You just happened to have the benefit of his services in that role.

So I think that what needs to be looked at is a long-term management relationship, and what I would like to do is go forward with putting together an RFP that looks at having a wastewater

manager on a contract basis. I think the time has come. Now, does that mean that we can't develop within? Yes, we can develop within, but I think you're probably two or three years away from somebody having that capacity to do that, and we do not have that kinda time right now. So that's something that we'll be bringing to you. It would be something that would be an action that you would have to take. Your current relationship with Inboden as your operator and responsible charge is on a month-to-month basis, and that contract cannot continue beyond August. It would have to be redone and you would have to do another procurement about that. So that's something that we're dealing with as well, and so that's why we need to look at that.

And I think that it's very important for me to note that, and I'll take full responsibility. I don't know that we've done a good enough job, and perhaps maybe Mr. Weakley didn't do a good enough job of explaining to you the challenges and the difficulty of running wastewater plants, it's not something like... It's not your water system, and not to put anything in a disparaging role to the water because I think Ms. Cleveland has a good point about the water in Potomac Landing and the water in Fairview Beach, and so very important, very important to the citizens that receive those services, but we need to do a better job of presenting those challenges about wastewater to you to understand what's going on.

And I think that the last thing I would say about Wastewater Services is, thank goodness for the help that the state may deliver to us because that's the kinda shot in the arm that this organization needs, you need to look aggressively at financial options and the \$16 million, that could go a long way in dealing with a lot of the current issues that the Wastewater Services or part of the organization is encountering.

And I think the most important thing too though, is we'll continue to look. There's grants, there's other ways of financing some things, and obviously we have to do things in a way that is very rate conscious, that does not impact the ratepayers, so things like \$16 million from the state, those aren't gonna impact the ratepayers, in fact, it could help out the ratepayers, so I think we should be very thankful for those kinda situations.

Now, the other last two items I do have on there is... One is a joint work session with the Board of Supervisors, I'm proposing the Board of Supervisors is engaged in their budget right now, and they're taking up their Wednesday nights, so my thought would be, we could have a... We could have it on the 15th, start it at 5 o'clock, let the Board of Directors of the Service Authority do some of their initial business and then go into the discussion about this merger. And I would agree wholeheartedly with what Mr. Morris, our chair, indicated. The two-by-two's as something that I presented to you. It wasn't ever an effort to try to keep anything from the public. You have a great county attorney who understands, and there was no effort, and if she felt that the two-by-two's were somehow a way to not be transparent or to not provide people the opportunity to learn things, she would have told me and she would have advised you as board members, so I think that that needs to be understood, but two-by-two's have been used by this organization, I believe when you conducted tours of the facilities, also two-by-two's have been used by the Board of Supervisors in the past. So it's an instructive way, and Mr. Laux with Davenport had indicated that this would be a good way 'cause they have used it with their organizations that they represent to discuss things, dealing with the intricacies of financing, ultimately everything is going to be your decision as a board and the Board of Supervisors as a board, taking some kind of an action at which it'll be a public meeting where there will be the opportunities to have people participate in that discussion and also have people air their grievances or concerns or show their support.

So I think that's important to note that, but March 15th is what I'm proposing. If that doesn't work, then we'd have to come up with another day, but like I said, there is some limitations to the Board of Supervisors' schedules 'cause they are dealing with budgets, and so I'll leave that to you guys what you wanna do.

Budget calendar. So Ms. Hahn and I have talked and we are gonna start the process of doing the work internally on the budget, then what we would do is come to you all in some kind of a work session-type format. I would think that this could be done in a way where you could review it all in a day or two meeting and then you can vote on it. We're not under the same restrictions obviously that the Board of Supervisors is under in terms of having to have set things by a certain time frame, the tax rates and things like that. So we do have some more flexibility, I would hope that maybe we could do some things in April and set aside that time frame to go through a lot of this, so I'm not asking for any direction or any... Just putting it on your calendar, if you will.

0:58:33.0 Chairman: Okay, thank you. Any questions for Mr. Miller?

0:58:35.9 C. Binder: Yes, Mr. Chair. Mr. Miller, just for the work session, for any materials, can we make sure we get them a little prior to the meeting so we can look through them?

0:58:46.8 C. Miller: Absolutely, we would... It would be the information that you received at those two-by-two meetings.

0:58:52.1 C. Binder: Okay, thank you.

0:58:52.8 C. Miller: I don't think I... There's nothing else to add.

0:58:56.9 Chairman: Anything else?

0:58:58.0 C. Cleveland: I have some questions.

0:59:00.5 Chairman: Okay.

0:59:00.7 C. Cleveland: Okay, so you had mentioned at Perkins Corner two different issues. So you had mentioned operator personnel causing concerns, but also concerns about the overflow and addressing the equipment at that location. So can you expand on that a little bit? Is it the operators or is it the equipment failing?

0:59:25.3 C. Miller: I think it would be fair to classify it as both. What was happening is that we believe that operations-wise, they were not wasting their solids. They were not getting rid of the bad waste, if you will, the bad solids, and one factor was that they were recycling, if you will, waste and water, and they were pumping that out, and so they were never really emptying what are known as your tanks, your surge tank. And they were always at a high level, so it'd be like at a bathtub, adding water constantly to a bathtub. Maybe it drains out a little bit, but it never... It always starts at, say, six inches, you're knocked down, and then all of a sudden you have a surge, it's gonna overflow or it's gonna be potentially an overflow, and through Inboden's work, in about a day and a half, they were able to figure out that operationally, they were making some errors, where they weren't starting the process of wasting early, and so therefore it always kept it at a high level, so that was one of the reasons, and that's where they then indicated that they needed to haul out waste, the bad waste because that way it could drop it. They also found that the... What are known as the clarifier tanks, which are basically big vats where the waste comes through, there was an accumulation of grit and stone and rags and... I mean I could get very detailed, but... That were in the bottom of those that were causing those to not operate effectively. And so these are things that have just built up, and I don't believe... I mean, I will say this with

certainty, that the operators were not... It was not a deliberate or an intentional decision that they were making. I think they inadvertently thought they were doing the right thing, but they were always caught in a crisis. They were always caught in a, "Oh my gosh, we're getting overflowed. We're gonna get an overflow. We're gonna do this. We're gonna do that. We need to respond to this immediately." And it wasn't allowing them to get ahead of the situation. So what we did is, we pulled those personnel out and we brought in Inboden to run the plants for basically all last week, and they were able to identify the problem, and it's one of those things where I think the operator just wasn't making the right choices.

And I think the equipment side of it, it's an older plant, it has a lot of issues, and those are things that I don't know the reason for why things, from a capital standpoint, maybe weren't invested back into that plant. I think the first thing would be, this has been on the list of being decommissioned for like 20 years. DEQ has said to us, "Oh, well, you guys have been talking about decommissioning that Perkins Corner." And I don't know if maybe unintentionally there was a desire to put a lot of money into the plant. It was like, "Well, we're gonna decommission this, so let's not make that capital investment," and I think that's what may be contributing to some of the issues.

1:03:04.0 C. Cleveland: So I think what's really important, and this is why I wanted you to clarify that, is because the operators are doing their job correctly. It's just the systems are not operating at the way that they should operate, and so they're in crisis mode. So that's what I'm hearing now, I just wanna make sure, because at what point do we say, maybe the operators are not... Or who is accountable for it, right? So we have failing systems, we have operators that may not know how to work them, but we do have this contractor that's probably getting paid a lot of money. So at what point do we hold them accountable for this? Furthermore, and so... And you can just think about that. Furthermore, I'm sure this is outside of normal budget, so how much does it cost? Do we know how much it cost? I'm sure it probably costs a lot, and I think that's important for the public to know as well. You had mentioned in your management report that you think... Do you think that we should consider long-term management with Inboden? I have...

1:04:03.8 C. Miller: I didn't say Inboden. I said that you should consider a long-term contract with a contractor to manage your wastewater plant.

1:04:11.7 C. Cleveland: Yeah, okay, I'm sorry.

1:04:12.6 C. Miller: And it would be under the auspices of a request for a proposal, so it would be considered as professional services.

1:04:20.2 C. Cleveland: Yeah, belay that because that was wrong, but long-term management. And here's something that I have a question about, and that is, we know that the pay is not attractive to get a wastewater manager here, which is the reason why we can't get one here. Wouldn't it make more sense to pay somebody more money, get a really good manager here to oversee this organization versus paying a contractor, which I'm sure is a lot of money? To me, it would be more appropriate to consider that, and I just throw out that we have a contractor and we've had a contractor for the last, I think eight months. So it's not like they just came on last week.

1:05:07.2 C. Miller: Well, if you're asking me a question, I can provide you an answer, I believe that what I have explained in the past is that the Inboden contract has been gradually ramped up, I think you received an update on that, we gradually ramped them up over time because we were beginning to feel that the existing personnel were in need of a greater amount of training than we

had time to do, and so obviously we really accelerated their role back in January when we had the issue that happened at Dahlgren. These are things that their contract did not involve them, their initial contract was to come in and do reports utilizing their class one status, their class one operator status, to give you a report every two weeks, that was then... Which is required of DEQ, and that's all that they did. They were then... Because at the time, I believe that Mr. Weakley was leaving, and Mr. Weakley had to all confidence that the organization would be able to get a wastewater manager with a class one license, well, the process has been since mid-March, so we've not had the ability to do that.

And so what happened is, we then ramped up beginning probably in November on a technical basis the services that Inboden provided, then what we did is we started having them more interactive with our operators, our lead operators, and then the situation in January happened at Dahlgren, and then they have been more involved in Perkins Corner, as things happen, they have assumed more authority because that was what I gave them. And yes, I do believe that a contract would be the best thing. Now, you could look at it two ways, you could have a contract that they take over and they handle all the personnel and it's their personnel, or you could have a contract that's managed by them, but yet it's our personnel, and we've assigned them to work under Inboden. So there's different ways to do that, and it's certainly not something that's set in stone, it would be something that we would do an RFP, we'd come back to you all with the normal procurement process that we have and you would make a decision on somebody, you'd probably interview some firms and do it like that.

I do think that what... And this is a policy decision, but the idea of selling your system, that's a policy decision that this board would have to make, and the Board of Supervisors, I think would have to make, but I do say that if I had any input, I would suggest that that's a decision that might be somewhat careless because of your status as a growth community, and you would lose your control over the delivery of water and sewer services to future development, and also, I don't know how much level of input citizens would have in a privatized system with concerns about rates, so that's why I think this is something that... But that's a policy question, and those are things that are above my pay grade.

1:09:03.7 Chairman: Thank you, Mr. Miller. Ms. Cleveland, one thing that came to light in these teleconferences with VDH, DEQ, us, Inboden, regarding the Dahlgren, a class one operator, wastewater operator, finding available candidates is a industry-wide problem. The state is aware of it, it's like so many other things, we don't have people going into these fields and getting their certifications and working their way up, just like plumbers and electricians and auto mechanics and a lot of these trade jobs, a class one operator is becoming very difficult to find, so I think alternative options are gonna need to have to be researched unless we can convince a bunch of young people to go to get their training as class one operators.

1:10:20.1 C. Cleveland: I'm aware of that, and I actually agree, and I'm not debating the need to have a contractor, I'm just stating the fact that we do have a contractor right now and things aren't going so well, furthermore, we're probably paying a lot of money for it.

1:10:37.3 Chairman: Anything else? Moving on to information items.

1:10:50.7 A. Parker: I move that the King George Service Authority Board of Directors convene an enclosed meeting pursuant to Virginia Code Section 2.2-371185 and 86 to discuss raw water requirements related to a perspective business or industry where there is no previous announcement of a business or industry locating or expanding in the community, and discussion or consideration

of the investment of public funds where competition or bargaining is involved, where if made public initially, the financial interests of the governmental unit would be adversely affected. I invite the interim general manager, county attorney, county engineer, and engineering consultant because they are deemed necessary and/or their presence will reasonably aid the board in its consideration of the topics to be discussed pursuant to Virginia Code Section 2.2-3712F.

1:11:44.0 Chairman: Motion has been made, do I have a second?

1:11:45.9 A. Cupka: Second.

1:11:47.2 Chairman: Any discussion? All in favor?

1:11:48.6 C. Binder: Aye.

1:11:49.2 C. Cleveland: Aye.

1:11:50.1 A. Cupka: Aye.

1:11:51.8 A. Parker: Aye.

1:11:52.1 Chairman: Any objections? Motion carries. We're in closed session.

[Pause]

1:11:53.0 A. Parker: I move that the King George County Service Authority Board of Directors return to public meeting and certified by vote that only public business matters lawfully exempted from open meeting requirements by Virginia Law and only such public business matters as were identified in the motion convening in the closed meeting were heard, discussed, or considered during the closed meeting.

1:12:13.3 A. Cupka: Second.

1:12:14.6 Chairman: Motion has been made and seconded. I need each member to so certify

1:23:21.0 C. Binder: So certify.

1:23:22.0 A. Parker: So certify.

1:23:24.6 A. Cupka: So certify.

1:23:26.7 C. Cleveland: So certify.

1:23:29.8 Chairman: James Morris, I so certify. We're back in open session. Motion to adjourn.

1:23:35.9 C. Cleveland: Mr. Chairman, can I just make a comment real quick? So the proposed meeting for the joint Board of Supervisors and King George County Service Authority for March 15th, that's actually the King George County Schools' spring break and I am not going to be able to make that meeting.

1:23:48.9 Chairman: Okay.

1:23:50.2 C. Miller: Mr. Chairman, I know that that's something on my County Administrator's report to ask the Board of Supervisors, "What's a good time?", so we can convey that to them, and we can try to come up with an alternative cause that is a good point that Ms. Cleveland has. I'm sure that there's other folks that may not want to meet that week so I understand. The Board has a meeting on the 15th so that's set, but we could try to come up with an alternative.

1:24:04.2 Chairman: Yeah. Why don't we do that.

1:24:07.8 C. Miller: Okay.

1:24:09.3 A. Parker: So then I guess we are going to adjourn to March 15th, 2022 at 5:30 PM in the Board Room.

1:24:15.6 A. Cupka: Second.

1:24:17.4 Chairman: Motion has been made and second. Any Discussion? All in favor?

1:24:20.8 C. Binder: Aye.

1:24:21.9 C. Cleveland: Aye.

1:25:22.5 A. Cupka: Aye.

1:25:23.7 A. Parker: Aye.

1:25:24.9 Chairman: Any objections? Chair votes aye. We are adjourned until March 15th, 2022 at 5:30 PM here in the Board Room.