

VIRGINIA:

At a regular meeting of the King George County Service Authority Board of Directors, held on Tuesday, the 4th day of May, 2021 at 5:30 p.m. in the Revercomb Building Board Room at 10459 Courthouse Drive, King George, Virginia:

PRESENT:

Annie Cupka, Chairman
James Morris, Vice-Chairman
Cathy Binder, Member
Carrie Cleveland, Member
Allen R. Parker, Jr., Member
Jonathon Weakley, General Manager
Travis Quesenberry, Interim County Administrator
Matt Britton, County Attorney

0:00:14.4 Madam Chair: I hereby call to order this meeting of the King George County Service Authority Board of Directors. We will start off with the invocation by Mr. Parker, followed by the Pledge of Allegiance by Mr. Weakley. Please stand as you are able.

[Inaudible]

0:01:12.7 Madam Chair: Thank you, gentlemen. Alright, Mr. Weakley, do we have any amendments to the agenda, sir?

0:01:17.2 Jonathon Weakley: No amendments, Madam Chair.

0:01:19.0 Madam Chair: Very good. Then we'll move on to public comment. 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. Do we have anyone here in the boardroom who wishes to provide public comment this evening? Seeing none. Mr. Dines, do we have anyone waiting online to provide public comment?

0:01:44.6 Chris Dines: No, Madam Chair.

0:01:46.5 Madam Chair: Thank you, Mr. Dines. We'll now close public comment and move on to reports of members of the board. Mr. Parker, would you like to start, sir?

0:01:55.1 Allen Parker: No report, ma'am.

0:01:57.1 Madam Chair: Thank you. Mr. Morris?

0:01:58.6 James Morris: No report.

0:02:00.8 Madam Chair: Thank you. Ms. Binder?

0:02:01.0 Cathy Binder: No report.

0:02:02.0 Madam Chair: Thank you. Ms. Cleveland?

0:02:04.0 Carrie Cleveland: Yes, Madam Chair. So I wanted to let Mr. Weakley and the board know that I received really positive feedback from the residents of Fairview Beach after seeing the results of the water test that was done. I think it really assured them that their quality of water was good, and it wasn't an issue with the... I guess, the fecal matter in the water.

0:02:35.2 Madam Chair: Thank you, Ms. Cleveland. And I have no report. We'll move on to consent agenda. Do I have a motion?

0:02:48.9 C. Binder: I'll make a motion to accept the consent agenda as presented.

0:02:53.4 J. Morris: Second.

0:02:56.4 Madam Chair: Any further discussion? All those in favor say "Aye".

0:02:58.7 C. Binder: Aye.

0:02:58.7 C. Cleveland: Aye.

0:02:58.7 J. Morris: Aye.

0:02:58.7 A. Parker: Aye.

0:02:58.8 Madam Chair: Any opposed? The Chair votes "Aye", motion carries. Report from the County Attorney. Mr. Britton?

0:03:05.9 Matt Britton: Yes, Madam Chair. You may recall that some time ago we filed a lawsuit. Chris Pomeroy was counsel on that regarding the WIP 3. And they were asked to file a motion to dismiss that case based on a mutual agreement that there would be a roundtable set up and that nothing would take effect, and we were gonna have a bunch of meetings beginning in December of last year, and you may recall not having any of those meetings. So we kept up with them like, "Hey, where's our meetings? We were gonna file this motion to dismiss." So counsel said, "We're not having the meetings because they're gonna propose legislation that's gonna take care of all of our concerns with the WIP 3, the timing, the nutrient discharge, the amount of the funding." Mr. Weakley is an expert in exactly what was wrong with it, but it's all also set out in the lawsuit and all of our objections. In fact, that did happen, and Chris Pomeroy sent us a copy of the legislation, of which he says, "The governor approved the WIP 3 law addressing all of our concerns, that we filed

our motion to dismiss is agreed, there is no need for any roundtable negotiations or discussions any longer, and the King George County Service Authority is out of the woods without a scratch." So we got all of the things that were of concern, not just to King George County, but I think it was filed primarily in Hanover, was it? Or Henrico. In any event, so all the counties got what they had requested. I reviewed the legislation, and King George is listed and our projects are listed and the ownership regarding King George County Service Authority, Mr. Weakley has that as well. So that's why the roundtable didn't occur, that's why we filed the motion to dismiss, and that's why we waited an additional, I guess, year almost to file it because we weren't so concerned. So, that should be the end of that matter, and if anything else comes up of concern, I'm sure that counsel will let us know.

0:05:18.0 Madam Chair: So Mr. Britton, before you move on, can I just poll my directors and make sure they don't have questions on that matter before you move on to the next one? Ms. Binder?

0:05:27.3 C. Binder: Yeah. I would just ask, could you send us a copy of that?

0:05:33.5 J. Weakley: Yes, ma'am.

0:05:34.6 C. Binder: The information?

0:05:35.8 M. Britton: Yeah, I was gonna make a joke about a FOIA request, but we get too many of those.

0:05:38.0 M. Binder: It's okay, you can make it. Thank you.

0:05:41.5 M. Britton: Yes, absolutely.

0:05:43.8 Madam Chair: Very good. Ms. Cleveland, do you have any questions, ma'am?

0:05:46.0 C. Cleveland: No questions.

0:05:47.0 Madam Chair: Mr. Morris?

0:05:48.5 J. Morris: No questions.

0:05:49.5 Madam Chair: Mr. Parker?

0:05:51.0 A. Parker: The only question, and maybe you can answer me or you can't, on the new legislation, is there a carve out for King George? Is that what I was hearing? Like we've got some kind of special exceptions for this county in the legislation, or did they change some of the parameters for smaller counties?

0:06:06.8 M. Britton: It wasn't, as I read it, and I'm not an expert in it 'cause I wasn't handling the... The lawsuit itself. But as I read it, no, all of the localities that had their concerns that were represented by AquaLaw and Chris Pomeroy, had similar... There may have been some one-off objections with similar objections to it, and the legislation that I will forward to you all without the FOIA request...I will forward to you all, has a laundry list of localities and what they own, bases,

military bases, projects, what the timing is on it, what the regulations are, the nutrient discharges, and the funding, minimum funding for those projects through grants and other things, 35% for various projects. We fall under the 35%. Changes the timing of the... To I think, 2026, for the nutrient discharges, and then follows up and says, "And if the discharge levels are not what the Commonwealth expects, then there'll be further action." So, Mr. Weakley may be able to know exactly the in and outs of what and how the discharge levels, the timing, and the funding affect the facilities listed. I think there are three of them by King George County Service Authority.

0:07:30.5 J. Weakley: Thank you, Matt. So basically, we don't have to have upgrades to meet the 2026 deadline, a lot of those are Hampton Roads, I think the closest... I apologize for the feedback. The closest, I believe is like Spotsylvania, there's a merger between Fredericksburg and then they're gonna close the facility, so that's a conveyance which is... We talk about de-commission, it's the same thing, the EQ calls it conveyance. There is a... Funding, as Matt talked about, it's a floor basically, they set at 35%, so funding will not go below that for any of these projects. So if and when we go to apply for conveyance, we could take an opportunity of that. So that was something, I think a couple of years ago, the general assembly considered in their WQIF funding, they just put that language into this bill and I just forwarded it to you all. So it is good news, I appreciate Matt staying with it as well as Chris. The value we get out of Vanwall is just fabulous, so it's good news all the way around.

0:08:35.9 Madam Chair: Alright, then I don't have any questions, sir. Carry on, Mr Britton.

0:08:39.3 M. Britton: There was one other matter, the Dominion Power broadband easements. It's got a fancy name, but, basically, Dominion has easements over county and service authority property, and that's obviously so that they can run power. In addition to that, they are allowed under their current easements to run broadband, but they can only use the internet at their own facilities. So they would be their own end user and they're not selling it to themselves commercially. And that's what the easements allow right now. In order to enhance the rural broadband initiative, and this is quite complex, there's a lawyer... Yup, where he is. But he's an expert in this area, I did speak with him when this came up in front of the county, and I think the board should know the county has already gotten these easements and endorsed them, and I did a full report as well there. But, basically, it's extremely complex, I did dive into it, I reviewed it all, and I also spoke with Dominion Power. They did a presentation in front of the Board of Supervisors showing the heat map of where the facilities are, what the county will be getting out of it, who the third party provider is, and where that broadband will go, and the guarantees in place. So stepping backwards, they can only... Dominion can only provide internet to their own facilities. They can't sell it, they can't be a middle mile provider is what it's called. By law, a power company cannot be an end provider, they can't sell it to your home, but they can be a middle mile provider to a last mile provider, which would be an internet company. And so, they have in place, we reviewed the contract, a contract with the last mile provider, and they have this contract in other localities, in other regions as well. Dominion assured us that they would enforce that, and make sure that the last mile provider was in fact providing internet services over the Dominion easements to the places that they said they would provide it, and the last mile provider has every incentive to do that or else Dominion will stop letting them use Dominion's easements throughout Virginia. So it's a good deal, really for the county, we don't pay for it, we don't get paid for it, it's an easement expansion. So it allows Dominion to run the internet that they already have, and become a middle mile provider, and get a contract with a last mile provider to provide broadband through King George County and then into the northern neck. And so, this requires a public hearing because it is a... On the board of

Supervisor's side, because it is a disposition of real property. It... Whether or not you all want to hold a public hearing is certainly up to you. Typically, we have held public hearing for the disposition of real property for the Service Authority. And so I would suggest that you advertise for a public hearing for the disposition of real property through an easement, expanding the easement previously granted to Dominion so that they can become a middle mile provider and run fiber optic or other cable on their currently existing easements to a last mile provider.

0:12:16.0 Madam Chair: Do I have questions from Directors? Mr. Parker?

0:12:19.7 A. Parker: Yeah, I guess the only question, when you talked about expansion, you're not talking about the size, you were just talking about changing the language of what they're allowed to have in the easement that they currently have, or are you talking about the physical size of it?

0:12:29.8 M. Britton: No, the first.

0:12:30.9 A. Parker: Okay.

0:12:31.4 M. Britton: This is just a cable in a...

0:12:34.0 A. Parker: Yeah, you're just allowing in a... Add something into an easement that already exists.

0:12:38.3 M. Britton: Allowing them actually to use something that already exists, yes. No, it's no expansion of the footprint, no expansion of the land, no expansion of the easement. And that's why really, you're only changing the use, the scope of the easement, you're not actually disposing of real property any differently than it is now, so it's a... It's a little bit of a grey area whether it even requires public hearing. However, if you did have a public hearing, I'm sure that Dominion would be perfectly happy to come and give you their visual presentation. It was good, it wasn't super long and incredibly detailed. And it did give you information about where these easements are, and what it would be served. And I thought it was... Just me, I thought it was a good presentation, and that would allow that, and also any objection from the public saying, "You know, I don't think this should happen." I can't imagine anyone not wanting better internet in King George, but in case you felt that was an issue. But to your point, you probably don't need a public hearing. That is in safest course for any later challenge.

0:13:44.1 Madam Chair: Okay. Mr. Morris?

0:13:45.9 J. Morris: This property that's in the package, it's the only one that affects Service Authority, correct?

0:13:52.5 M. Britton: To my knowledge, yes. Yes. There's a whole bunch I can say of county property, and I'm sure it would be the same presentation, where they were just highlight it with a different color of the Service Authority property, and show you why that's necessary or critical, or what would happen if you said, "No."

0:14:11.1 J. Morris: Okay, thank you.

0:14:11.8 Madam Chair: Ms. Binder?

0:14:12.5 J. Weakley: Madam Chair, may I?

0:14:14.5 Madam Chair: Go ahead, Mr. Weakley.

0:14:15.4 J. Weakley: Mr. Morris, we have two well lots out there. One has the elevated tank, the other is just the well lot. This is the well lot without the tank, just... I don't think I've ever taken you on a tour, but this is a well lot, is what's there.

0:14:28.0 Madam Chair: Ms. Binder?

0:14:29.0 C. Binder: I don't have any questions.

0:14:31.5 Madam Chair: Mrs. Cleveland?

0:14:32.8 C. Cleveland: I don't have any questions.

0:14:33.9 Madam Chair: I have no questions. So with that, is there a preference to go ahead and move forward with the County Attorney's recommendation to advertise a public hearing? So can I have a motion to that effect, please?

0:14:47.5 C. Binder: I will make a motion to advertise a public hearing about the disposition of...

0:14:52.8 M. Britton: The expansion of the Dominion Power easements to provide middle mile broadband.

0:15:00.5 C. Binder: What Mr. Britton just said.

0:15:04.1 J. Morris: I second.

0:15:05.6 Madam Chair: Any further discussion? All those in favor say, "Aye."

0:15:09.0 C. Binder: Aye.

0:15:09.2 C. Cleveland: Aye.

0:15:09.5 J. Morris: Aye.

0:15:09.8 A. Parker: Aye.

0:15:10.8 Madam Chair: Any opposed? Chair votes, "Aye." Motion carries. Thank you, Mr. Britton.

0:15:14.9 M. Britton: Thank you. That's all, Madam Chair.

0:15:17.0 Madam Chair: Very good then, we will move on to Action Items. I'm sorry, yet, we don't have any presentations and reports, correct, Mr. Weakley? So we can go ahead and move on to Action Items. We have a drinking water week proclamation. Would you like to read it, Mr.

Weakley? Or would you like me to go ahead and read it?

0:15:36.0 J. Weakley: Your preference, Madam Chair.

0:15:36.9 Madam Chair: You'll wanna provide some background for first, please.

0:15:39.0 J. Weakley: Yes.

0:15:39.0 Madam Chair: Thank you.

0:15:39.3 J. Weakley: So last year was the first year I brought this to the board, it's just, it's a boilerplate proclamation that American Water Works Association puts out, but it fits us because we have a water conservation and management plan, and there's conservation language in here. So there are things in our conservation plan that they like to see us do, as well as post things on our website. So we're educating the public, we're educating the board, we're educating KG staff. So this is just recognizing the importance and the value and the very scarce resource of drinking water, and how important it is for, not only for cooking, for consumption, for... I mean, definitely through all this COVID situation we've been dealing with. So, this is really, I don't wanna belittle it by saying, "Check in the box," but it would help bring awareness to the quality and the importance of drinking water. Also staying committed to our water conservation management plan. And then, of course, just as last year, if the board approves, we'll put this on the website, and we'll notify DEQ when we go through any annual reviews, "Hey, this is one of the things we did to bring awareness."

0:16:57.8 Madam Chair: Thank you. Do we have any questions for Mr. Weakley before I read the resolution? No? Very good, then I'll go ahead and read the resolution. "King George County Service Authority Board of Directors Proclamation of Drinking Water Week: 'Whereas water is our most valuable natural resource. And Whereas only tap water delivers public health protection, fire protection, support for our economy, and the quality of life we enjoy. And Whereas any measure of a successful society, low mortality rates, economic growth and diversity, productivity, and public safety are in some way related to access to safe water. And Whereas we are all stewards of the water infrastructure upon which future generations depend. And Whereas each citizen of our county is called upon to help protect our source waters from pollution, to practice water conservation, and to get involved in local water issues by getting to know their water. Now therefore, be it resolved that by virtue of the authority vested in me as Chairman of the King George County Service Authority Board of Directors, I do hereby proclaim, May 2nd through 8th, 2021 as Drinking Water Week.'" Do I have a motion?

0:18:20.8 C. Binder: I'll make a motion to accept the resolution as just presented.

0:18:25.0 J. Morris: Second.

0:18:27.0 Madam Chair: Any further discussion? All those in favor say, "Aye."

0:18:29.9 C. Binder: Aye.

0:18:30.4 C. Cleveland: Aye.

0:18:30.6 J. Morris: Aye.

0:18:30.7 A. Parker: Aye.

0:18:30.9 Madam Chair: Any opposed? Chair votes aye, motion carries. Thank you, Mr. Weakley.

0:18:34.4 J. Weakley: Thank you very much. And I would say Madam Chair, regulatory bodies work a calendar week from Sunday to Saturday, so if you see the 2nd to the 8th, if we went back and double-checked, but that's the why it starts on the Sunday.

0:18:47.9 Madam Chair: Alright, then we'll move on to the next action item, Budget and Rates. Mr. Weakley?

0:18:52.9 J. Weakley: Thank you very much. So at the last meeting, we covered budget, but there are obviously things that have to go in effect to... Means if we're increasing revenue or however we're projecting revenue, we need to show that, and the way we receive revenue obviously is through our rates. And anytime there's a rate adjustment that would be a decrease or an increase, that is covered by an amendment to our policy, and only the board of directors can do that. So just like last year, Matt and I worked on the edits within section 30, that's where we deal with general rate, policy and rate schedule. So I didn't give you everything on page 30, I just did highlights for the packet so you can see what was changed. It's really just the rates, or the part of the five-year plan. So Mr. Dines, if you can go... Yup, start right there. Thank you, sir. So just on the cover page, it's just gonna reflect, assuming the action the board takes here tonight, I am prepared to ask the board to authorize for advertisement, and Mr. Morris has that motion if and when we get to that moment. So the cover page is just assuming when the rates will be passed. I'm gonna ask for a public hearing for June the 1st, and then the board look to go through all... Adopting and passing, be a resolution. Ms. Hahn will be before you that night, and/or Ms. Cobb to present those resolutions. So June 15th recognizes when you could, most likely approve the budget, which would approve the rates.

Next slide, please. So this covers the wastewater debt fees, or the water and wastewater service debt fees. Those are fixed fees. So this page and the next page, so the rates will go into effect July 1st, and then the customer actually won't see that until their September bill because we bill bi-monthly. So this reflects the increase to the fee this first tier is a consumption fee. I do wanna point out that we took advantage to address some of the language. We had different tiers in the past, and I mentioned five-eighths meters and other meters, and it just kind of, it just wasn't clear. So with advice of Matt and Patty and myself, we went through and cleaned a lot of that up. So basically, you have consumption up to 10,000 gallons, your rate of water will be \$5.39 per 1000, for the wastewater side, per 1000 up to 10,000 will be \$12.58. And then tier two, that measure consumption deals with rates above 10,000. So let's say you had 11,000 gallons, your first 10,000 would be at that rate, the tier one we talked about, that next 1000 and beyond would be at the tier two rate, and that's what we try to convey and cleared up, got rid of some of the meter sizing. So for the tier two meter consumption above 10,000 gallons for the water, they'll be assessed at \$6.15 cents per 1000 gallons. The wastewater would be assessed at \$13.67 per 1000 gallons for use again over 10,000. The bi-monthly rate, the debt fees, so depending on if you're a water or sewer customer or both, these are fixed fees. The flat water debt fee will be \$38.86. For the flat sewer debt fee, that rate is at \$63.43. And the last fixed cost that you see on your bill is a capital reserve fee. I wanna say this goes back maybe 2016, the board of directors passed that, and basically it's a good structure to start putting money towards capital plans. I know it's a lower fee out of everything we have on the bill for FY-22, that's in the regulations, we have it at \$2.38 for a five-year plan, but at least it's a start to put towards capital. But those reflect the rates for the upcoming FY-22 year. So

those were the only three pages that had any reference. Can you please zoom in? That's the only thing about an ad, it's small print. So any questions on the changes to the section 30 amendments before I get into the advertisement?

0:23:45.2 Madam Chair: Questions from directors? Go ahead, Ms. Cleveland.

0:23:49.6 C. Cleveland: Just for clarity, this is reflecting that 4% with the restructure?

0:23:54.8 J. Weakley: Yes, ma'am.

0:23:55.4 C. Cleveland: Okay, thanks.

0:23:56.2 J. Weakley: Yes ma'am.

0:23:58.3 Madam Chair: Anyone else? No? Alright, carry on, Mr. Weakley.

0:24:02.7 J. Weakley: Alright. And I apologize for the small font, that's the best we can do when things get prepared for the ad. Really the only thing that's gonna change unless you ask for a change tonight, the logo will go up top and the advertisement, Lawanda does a fabulous job taking care of that. This year, and I appreciate counsel's comment, I know we had discussions in our Agenda meeting, in the past, we really haven't shown our budget we've gone over to the work sessions, but to really have it broke out so the public can see the revenues of how we receive those. So the stream of revenues mentioned there is your charge for services, we have at \$6,907,959. The non-revenue receipts is \$82,118 for a total revenue for FY-22 of \$6,990,077. On the expenditure side, roughly a year ago, the board of directors advised Finance Department and myself to condense from four budget categories to two, and you really see that reflected more on the expenditure side. And again, these numbers haven't changed since our last budget work session, but I wanted to take the time since we're talking about authorizing me for advertising, I explain what you have before you. So the two categories is: Water Department and Sewer Department, and of course, we have pledges to our reserve fund balance, capital projects, the debt service that goes with it. So for our Water Department, the expenditures, budget for FY-22 is \$1,776,352. Sewer by nature, a lot more facilities, a lot of aging facilities, the expenditures are \$363,221. The reserve fund balance, if you remember last year which is the budget we're in now was the first year, we started programming monies towards our reserve fund balance to build that up, and basically the restructuring that occurred for some of our debt service, so over five years, it's roughly \$800,000 a year, so it's about \$4 million when Davenport came and gave the presentation. It's about \$4 million over five years, total, \$4 million, what they call freed-up cash. You can build up reserve funds, you can possibly, if the board of directors want to cash fund some projects, pay down some debt, whatever, that's the board's prerogative. So this year, we have budget in that reserve fund balance of \$379,859. For capital projects funds, that is at \$71,472. I believe that comes over from the county. There's always a small portion until it's paid off, the industrial park pump station upgrade, the county thankfully put monies towards that. So there is a transfer of county funds, but we have to show that on our side. The capital projects fund, the debt service, that's truly our debt payment, our annual debt payment. I think we pay it twice a year. But this is the total of that debt payment is just under \$1.4 million. So that brings the total expenditures of \$6,990,077, which does give you Madam Chair and members of the board, a balanced budget for FY-22.

Below the budget is what you would normally see in our advertisement. So the rates that were reflected and the amendments for Section 30 show up here in the advertisement. We didn't cut out

certain things, and I'll take direction from the board here tonight if there are things you like to see us just to cut this advertisement a little more. For example, connection fees, they are a source of revenues, but there were no... We're gonna keep the prevailing rates, there's no new increase, and we just communicated that there. The other fees we just talked about are under the usage fees, which are also covered in the regulation amendments. Bulk water sales, no increase there, but we do list that because there are folks that haul water. We do fairly well. We're not breaking any records, but we do, I think between 9000 to 12,000 a year on bulk water sales, we have to be careful to make sure we don't violate any groundwater withdrawal, but those are our rates for any of the bulk water haulers. Unusual wastewater fee, we really don't get into that, but if we were accepting that type of material at a wastewater plant, that's the fee. Septic disposal fee, same thing, we're not active in that program yet. I've said over the last couple of years, once we get our solids handling a real handle, I guess not to play off that word, but in the feasibility study and in our joint meeting in March, I talked about an additional solids handling facility possibly in the future. So when we feel like we have our solids managed where we can take septic, by all means, we'll do so because it's a revenue source as well, and we wanna take advantage of that. There's a lot of trucks go every day down to Little Falls. No offense to our Stafford County neighbors here tonight, but we like to take advantage of that. I know...and other that are in this county could take advantage of that.

Account deposits and tampering fees, they all stay the same, and we don't expect people tampering. We've got good customers. The bi-monthly bill, that again is rolled up into the rate, so it depends if you're a minimum use customer which is up to 3000 gallons or you're an average customer. So those rates, again, spelled out in five-year plans, spelled out in the edit.

This is the advertisement that we plan on publishing if the board sees fit. I'm basically asking for authorization to advertise the FY-22 budget and regulation amendments. Mr. Morris has that motion in front of you tonight, if you choose to consider so.

0:30:51.4 Madam Chair: Thank you, Mr. Weakley. Questions from directors? Mr. Parker? No, Mr. Morris, any questions, sir? Ms. Binder? No? We're good? Yes? Okay. Alright, I don't have any questions. Is there a motion?

0:31:08.8 J. Morris: I move that the King George County Service Authority Board of Directors authorize the advertisement and public hearings in order to consider and to adopt the fiscal year 2021-2022 budget, and to set, fix and classify the fiscal year 2021-2022 water and sewer rates, fees and charges as set forth in the schedule, adopted into five-year rate plan in 2019, and to make associated amendments to the King George County Public Service Authority regulations, all as presented and as required by law.

0:31:54.2 J. Weakley: Madam Chair, I apologize. Mr. Britton, will it be okay if we add... We need to put the public hearing date in there. Can we add June 1st, 5:30 PM in the Revercomb Building please?

0:32:04.0 Madam Chair: Go ahead and amend your motion, sir.

0:32:08.1 J. Morris: I'd like to amend the motion and add that we will have a public hearing on June 5th?

0:32:18.7 J. Weakley: 1st.

0:32:18.8 J. Morris: June 1st at 5:30 at the Revercomb Building.

0:32:23.9 C. Binder: Second.

0:32:25.4 Madam Chair: Any further discussion? All those in favor, say "Aye".

0:32:31.6 C. Binder: Aye.

0:32:31.6 J. Morris: Aye.

0:32:31.6 A. Parker: Aye.

0:32:31.7 C: Any opposed? Chair votes "Aye", motion carries. Thank you, Mr. Weakley. I'm sorry. Oh, I'm sorry, I did not hear you.

0:32:41.9 C. Cleveland: Nay.

0:32:42.8 Madam Chair: Okay, so let the record show, Ms. Binder, you're the clerk, so we'll record four to one.

0:32:48.9 C. Binder: Ms. Cleveland voted "Nay".

0:32:50.6 Madam Chair: Thank you very much. Alright then. Mr. Weakley, do you have anything else?

0:32:56.5 J. Weakley: Nothing under discussions, ma'am, just the general manager report, when you're ready for that.

0:33:03.9 Madam Chair: Okay, go right ahead.

0:33:04.9 J. Weakley: Alright. So a little bit of water information, so some of our groundwater withdrawal permits have variety of requirements. This is the next one that's scheduled in our timeline. We've got a draft aquifer test plan, will be submitted to DEQ to review. Basically, they put well loggers to check depth during pump-down to see if there's any, not only impact to that well, but they look at wells around that area. We've had multiple discussions with DEQ trying to narrow down the requirements. They feel like they have plenty of data. At Fairview Beach, that would have been the easiest for us and the least costly. So we believe we've had a good understanding in that they will approve Canterbury as the site. What we're asking for in addition too, is to remove the requirement for circle since it's in close proximity, 'cause these aquifer test plants generally will cover three, four, five miles out, beyond. So we'll see if DEQ likes the plan once it's submitted, but it's almost in final form to submit. And Draper, their geologist has worked on that and we had some site visits to narrow down what that would look like. We don't anticipate any public disruption, but we'll most likely put a KG Alert out, especially if we get into any trucking of water. Our plan, if approved, is we would keep one well online, or basically allow us to fill... There may be some that goes over and overflow, so it does look like wasted water and it'll go to a ditch, but we're not taking that well offline, we can actually keep it up. So we don't anticipate any customer outages but we will put a KG Alert out, 'cause anytime you see water running down a ditch, you think you got a water leak. So we will communicate that. I've been working with Legacy Engineering and Mr. Taylor who owns the property. It's around the

82, 84 lots, we've talked about it in the past, Potomac Landing, but it's... The Potomac Landing, Fairview Beach area is served by the same water and sewer. And as you may recall in the past, I brought a path forward to the board, one of those was getting an approval of the water conservation management plan, which gives us a 10% increase in our permit with our withdrawal limits to allow us to even serve the water. We have that approval from DEQ now, so we continue on.

So the next step, Thursday, myself, Draper, and Legacy Engineering who represents Mr. Taylor, along with VDH and DEQ, we're gonna talk about next steps so we can continue to move along. It could eventually work toward our service agreement, so undoubtedly, I'll be working with Travis and Matt from the staff side, and then push that up to the board. They're talking about committing to drilling a new well, adding storage tanks out there, which will go beyond, I believe even with projected flow demands that they need for their development. We've had one of our three wells that has been inactive for some time, it's the Potomac Well, Potomac Landing Well lot, the one that had some clean-up recently done, and some seed and straw, just happened, that has been offline, so we're left with Fairview Beach Two and Fairview Beach Three. Number three is an older well, it may be fine, but anytime they're requiring an additional drawdown testing, older wells concern me. So the play would be, if the board and everything aligns, we would ask DEQ, VDH to allow this well to be drilled and go online before doing any pump testing of the older well of Fairview Beach Three. I don't want to have... I'm not saying something would happen, but if it were you're left with one well, and I don't... [chuckle] I don't like that, that keeps me up at night. So we're moving along and everyone's on the same page. We'll just see where it goes. There are no guarantees, but that's where we're at in the process.

Then meet with the Mueller rep, that's another meter provider. So we talked with Borderline in the past, who provides our existing meters, the Kamstrup meter, which also has an AMI platform. Basically we give them the same parameters, "This is the amount of customers, this is the size of service. Tell us what you can do for us." So it gets us a little closer, at least from a knowledge standpoint, to where we can eventually hopefully kick this out with board approval for an RFP. I do wanna take a look at Halifax, is a similar county to us, similar size, rural nature, to look at their RFP, and we can put eyes on it to see if it really meets our criteria, and look to bring it forward to the board. I believe there's annual revenue we're not collecting, so it's not only a revenue source. You don't wanna have auto-artificial inflation of your rates if you're not collecting everything that's due. New meters do bring new water bills, so I am sensitive to that. It is possible to that customers and commercial customers, both residential and commercial, the bill may go up. The good part of the AMI is that you're capturing that usage, but you also have the service that backs it up, meaning you can give a print-out, or if there's a customer portal, that they can view their usage. So it's not us just saying, "This is what you used, let's go talk about it." And you really educate your users. You may not know that you're getting your yard causes this, or, "You know what? You know, I had two aunt and uncles and kids that came over and it was that time period." So it is a good education tool, but it helps us on our water audit. There's at least a couple of systems that I wanna say we're in the 40% range in water loss. The rest of them are below 20. That's good. If you're below 10% between your water sales and water production, that's what they consider water loss, then you're doing great. But it will help us there. So again, the goal is not to just keep hammering people, but you don't know what, you don't know. If you have new revenues, maybe the board, we can take another look at rates. So it's not giving false hope, but it's a reason for that program, not to mention the savings on staff time and fuel and everything else. Anyway, that's just taken us a little closer to possibly bringing forth an RFP for approval.

On the waste water side we do have our advertising, we have a vacant department head position for wastewater management, not only do we have that to through the normal, you can get it through Indeed, but we have it posted Virginia Rural Water. So it's going around in the trade publications on

a national level, not only in state, but national level, American Water Works Association, Patty sent that over. We got confirmation, it's live, it's on those sites. So hopefully it'll generate a good candidate pool. I think we have a couple of candidates now, it's still early on, so hopefully folks will start applying very soon. Wiley & Wilson, we've been looking at this Dahlgren wastewater treatment plant, some equipment out there, we believe we're getting close. We're looking at our power demand to make sure we have enough power to serve any kind of new upgrade equipment, but it would be retrofitting or replacing the rotors there. I know Mr. Morris you've seen it, it's just those disk that turn. So hopefully we are getting a little closer where we can get some specifications together and another RFP. The funding for that is in the FY-22 budget, I think it's about 121,000 dollar line item, if we go with the type of mixing aeration piece of equipment, I believe that the quantity of six. DEQ, I did send an official letter that we completed our Priority One pump station project, that's great news, you always wanna be able to stick to your plan and achieve your plan. Priority One projects had 12 months to complete, a shorter timeline, moving forward, Priority Two and Priority Three each have 24 months timeline. So not only helps you from a planning standpoint, it helps you from fiduciary standpoint, so maybe we can do it through our operating funds and not debt service. I'm trying not to bring you any debt projects, if I can help it.

Fence repair, we've had this in the books for a few weeks, it's just, believe it or not, folks are backlogged. But our fencing at the Fairview beach, main pump station looks... It needs some repairing. And pretty much that whole fencing will be out and new put in. I don't know if it was a standing... Or maybe I can't explain what it is. I just know it needs to be replaced. It's an eyesore. It could be a safety issue as well. And then we just made up a force main repair near the marina pump station that's down near Nick's... Rick's, excuse me. Rick's. And that's important because they're getting ready to open up, I believe either Friday or Saturday of this week, so I wanna make sure that's good to go.

Other information: I appreciate, Travis, including me in on the, I guess you call it selection committees, reviewing the professional engineering services submittals, a very wide range of professionals is submitted, very impressive. But it was interesting, he put together a very good panel because there's different needs. There's parks and recs, there's water and sewer, and you don't wanna hear about this guy, there's community development side, there's all kinds of stormwater management. So we just had our first round of interviews today, there will be more on going this week, and I think maybe mid-May we're looking at our selections. So that's where we're at in the process. Hope I didn't steal any of your report for a later meeting.

And just some plan review. I thought occasionally, I need to put that in there, so you know that our office does plan review, one thing that we're not doing and we should probably take a look at, we don't charge for plan review, I believe there was just as an adjustment on rate structure through the community development, our regulations basically just say, "Charge whatever your cost is involved," which you really need to treat that too like do you do that as like you would before, where it's the lowest responsible person that's at the lower rate that's doing that. Or do we just wanna fixed rate? We probably should just do a fixed rate, 'cause why we just won't hand this over to anybody, but we do not currently charge. So if that's something the board would like us to do, we can certainly do that. There is time involved, that's not me complaining about it, I'm doing it, you've hired me, that's just part of my job, but if there's a rate structure, we certainly can take a look at that. Some of our fleet vehicles are finally getting here. I know COVID delayed a lot. They are a larger sized vehicle, but I believe they're actually gonna save some gas, how they can explain that with... These are Dodge Ram vehicles are replacing the Nissan Frontier. Seven of those came in, they are leased vehicles so for public that are watching, we did not buy outright seven vehicles, they are leased. And we felt it met our need because there were some equity in the other ones, and you can get new vehicles, and actually I think we lowered our payment a few dollars a month on each one of

these vehicles.

Attended the Virginia Rural Water conference was virtual this year, made it a little interesting. It's usually good to go down and network with folks and see all the exhibits, that's how you see the products that are out there in services, and the good thing about it is you obtain, I've obtained continued education credits, as well as our water manager for our licenses. So that's great, you didn't have to pay to put us up in a hotel. You did pay a smaller fee, we got some credits out of it. And just lastly, I want... the Chair requested KGI to be present at an upcoming meeting. I just confirmed with them, I think it was late last week, but they'll be here for your June 1st meeting. With that, Madam Chair, that concludes my presentation, my report.

0:45:48.3 Madam Chair: Thank you, Mr. Weakley. Questions from members? Good. You have none?

0:45:54.2 A. Parker: No questions, ma'am.

0:45:55.3 Madam Chair: Very good. Mr. Morris?

0:45:57.3 J. Morris: Mr. Weakley, forgive me if I don't remember all the details, but the other day, I don't know if it was a King George Alert or something but I got notification we had some issue and I think it was Nindes well, is that correct? And what was the issue?

0:46:16.0 J. Weakley: Thank you, sir. So Nindes, I'm actually glad you brought that up and I'm all tied into these alarm stations you've been hearing so much about on the waste water side. We need to put alarm systems in our well facilities also. So what happened there, we had a breaker trip, a booster pump wasn't pulling water out of the storage tank to put it in the hydrogen tank to give pressure. In those situations unless you have alarm notification, who calls you? The customer, unfortunately. People getting up, getting ready for work. So fortunately, I think those calls came in after 05:00. We were able to have that up water in the system, shortly before 07:00. We're trying to make sure we observe the system before putting it out. So a lot of times things may be put back online before you get the alert, but that's what's happened there. So one of the things, Delta Environmental, who reps the mission controls that we've installed on the sewer, we brought them in to talk about the water. We wanna tie them in to obviously elevated tank levels, pressure levels, so we'll be looking to do that this year. It's just unfortunate we don't have those systems in place right now. It's just an honest answer to you. It's embarrassing to say we don't have those things, but we don't and we will look to install the proper alerts, so we are getting it before the customer knows and they're impacted.

0:47:37.3 J. Morris: Okay, thank you.

0:47:38.3 J. Weakley: Yes Sir.

0:47:39.0 Madam Chair: Ms. Binder?

0:47:40.5 C. Binder: I don't have anything.

0:47:41.6 Madam Chair: Ms. Cleveland?

0:47:42.7 C. Cleveland: Could you explain what you mean by that Hopyard Utility Plan? I don't

understand what you mean by that. You had said that you can charge for it.

0:47:52.0 J. Weakley: Oh plan review. Sorry. So any plan reviews that come through, just like Community Development, has a rate structure. So if they're... They may be looking at storm water, we look at water, sewer, how those other structures whether storm or whatnot, and development that will impact us. So it's basically your rate that you charge to review those plans. So just like Community Development reviews, I don't know if they look at roadways, I know they look at storm water, there's a fee associated for plan review. We are currently not charging. The regulations say that we can charge basically the cost to review, it doesn't outline a rate structure, but we are not currently charging, and I do all the review in-house for service story.

0:48:34.6 C. Cleveland: Who would you charge?

0:48:38.0 J. Weakley: It's a good question. I don't know if that gets passed on the developer or if it's the engineering firm that submits that, I'm not sure. You have developer? So it'll be a developer call.

0:48:48.5 C. Cleveland: Okay, thanks.

0:48:49.4 J. Weakley: Welcome.

0:48:51.2 Madam Chair: Thank you, Ms. Cleveland, you actually brought up the issue that I was going to inquire about. I wanted to poll the directors to see if there was any interest in doing, adopting that suggestion for, obviously not for right now, but if Mr. Weakley, if everyone wanted him to look into it, what would that fee schedule for services look like for possibly implementation next year. Ms. Cleveland? I'm gonna go down the line and just poll everyone to make sure if everyone is in agreement, we can direct him to report back to us.

0:49:29.6 C. Cleveland: Yeah absolutely, yes. Yes.

0:49:30.4 Madam Chair: Thank you. Yes ma'am. Ms. Binder?

0:49:33.8 C. Binder: I'd say yes, and also, do other localities do this? Normally.

0:49:38.8 J. Weakley: I have to check in. The other localities I've worked for, which were three, did not, but I'm not sure if that was built in on the back end. 'Cause usually Community Development Departments are the gatekeeper. I don't know if there was a fee structure maybe I wasn't aware of, I just know I never charged for my time. But I do wanna distinguish, there's a difference between a small... for example, versus a multiple developed area. You have to make sure you spend a lot of time. 'Cause it matters where valves go or meter box that they put it in somebody's driveway where it should have been in the yard. So some of these are more intensive, but I'll definitely be looking around to other localities to see if they charge and what that rate fee is.

0:50:23.9 C. Binder: I'm glad you said, that because I know in some of the developments we've had recently, you've put in a lot of effort and work in investing in, which is staff time that you couldn't use on something else.

0:50:33.7 Madam Chair: Mr. Morris?

0:50:37.7 J. Morris: Yeah, I'd be interested in the information. Also, roughly how many reviews a year does the office handle.

0:50:46.4 J. Weakley: Okay.

0:50:47.4 Madam Chair: Mr. Parker?

0:50:48.6 A. Parker: Yeah. I'd be interested in the information.

0:50:51.1 Madam Chair: And I am as well, so you have consensus of the board to go ahead and put together some information based on all the comments mentioned here by members. Thank you.

0:51:03.2 J. Weakley: Thank you.

0:51:03.8 Madam Chair: Alright then. That was the only question I had, so seeing no information items, I believe we're ready to adjourn. Is there a motion?

0:51:14.6 J. Morris: I make a motion that we adjourn until May 18th 2021 at 5:30 PM here in the board room.

0:51:22.1 A. Parker: Second.

0:51:23.8 Madam Chair: All those in favor?

0:51:24.2 C. Binder: Aye.

0:51:24.5 C. Cleveland: Aye.

0:51:24.5 J. Morris: Aye.

0:51:24.5 A. Parker: Aye.

0:51:24.6 Madam Chair: Any opposed? Chair votes, "Aye". Motion carries. We are adjourned.