

The regular meeting of the King George County Service Authority Board of Directors was called to order at 5:30 PM by Chairman Allen Parker in the Board Room of the Revercomb Building, located at 10459 Courthouse Drive, King George, Virginia, 22485.

Members Present: Chairman, Allen Parker
Cathy Binder
Ann Cupka
James Morris

Members Not Present: Vice Chair Carrie Cleveland

County Administrator: Christopher Miller, County Administrator

County Attorney: Kelly Lackey, County Attorney

Staff Present: Chris Dines, Director of IT
Jaci Fish, Executive Assistant

CALL TO ORDER

0:00:01.8 Chairman, Allen Parker: I now call to order this regular meeting of the King George County Service Authority Board of Directors. We will start off with an invocation by Ms. Binder, followed by the Pledge of Allegiance by Mr. Miller. Please stand as you are able.

INVOCATION

0:00:14.4 Cathy Binder: Please Lord, guide us to make the best decisions for our constituents and the ratepayers of the Service Authority. Amen.

PLEDGE OF ALLIGIENCE

0:00:28.6 ALL: I pledge allegiance to the flag of the United States of America, and to the Republic which it stands, one nation under God, indivisible, with liberty and justice for all.

AMENDMENTS TO THE AGENDA

0:00:44.8 Chairman, Allen Parker: Mr. Miller, are there any amendments to the agenda?

0:00:48.8 Chris Miller: No, sir.

PUBLIC COMMENT

0:00:49.9 Chairman, Allen Parker: And I am assuming Ms. Cleveland has not jumped online. Hearing that she is not, we will open the floor to public comment. Is there anybody here that would like to speak this evening? No one is here in the audience. Is there anybody online, Mr. Dines?

0:01:10.0 Chris Dines: No, Mr. Chairman.

CHAIRMAN PARKER CLOSED THE FLOOR FOR PUBLIC COMMENT

REPORTS OF MEMBERS OF THE BOARD

0:01:12.9 Chairman, Allen Parker: We will close to public comment and move on to reports of members of the Board. Ms. Binder.

0:01:19.6 Cathy Binder: Thank you very much. First off, I want to thank the Staff and Mr. Miller for reacting to my phone call on a Sunday, about a pump alarm that went off. One question. Thank you all for taking care of that, but I wanted to ask how do we get notification for alarms just so the public knows?

0:01:40.8 Chris Miller: So, at the end of the general manager's report, I had asked that Mr. Eisenbeis talk about the process of when we get notifications and then, if we need to include that. I do not think anything comes out on a KG alert, which would be the way to provide it normally. But we can let Mr. Eisenbeis talk about that. What happens, what usually triggers an alarm, how they are notified and their responsiveness. Obviously in this situation, it was a power situation, but we can talk about that if you would like, unless you would like to do it right now.

0:02:20.6 Cathy Binder: No, it can wait until the General Manager's Report. I just wanted to make sure we covered it because there were a lot of questions about that. And I said I would bring it up in my Board Report. And then the last part is I just want to address something, especially for the Resolution for the Board of Directors to initiate a process for termination and dissolution of the Service Authority. And there are a lot of dates on here, but I just wanted to add some stuff to the timeline. We did start initiating of conceiving of talking about this. It has been talked about many times. When I was the Board Chair, Aqua Virginia approached us a couple times about purchasing the Service Authority, and there's reasons for private sale and not private sale. I did find out recently that there were even other options, like a co-op and I am just disconcerted that we did not explore more options before bringing this into the County of Service Authority. I understand the economic development aspect to it, that is the main driver of this, and the businesses that are looking to come to this area. But in the end, the citizens, when we bring it in as a utility, the customer should not have to pay for economic development. But I think some of the businesses need to also pay for economic development. And not all the citizens have to pay for the infrastructure. I mean, we do want to attract businesses and bring in infrastructure, but the citizens should not be the bearer, just like the customers of the Service Authority for all of the infrastructure that is needed to bring them here for the revenue that we haven't gotten yet but will projected to come. And lastly, last year after March of 2022, I was part of a work group with Mr. Parker to talk about different options for the Service Authority. And we came up with some suggestions, nothing was really agreed upon. And then in September, it came back up, it started to stir up again. So, I just want to make sure that this has not been, this particular merger has not been this long process. I am just concerned that we keep rushing things. And I know that is an unpopular comment, but it is concerning because I have found out there are other options that we could have explored. And one thing I want to make sure of is that we have a timeline that we decide on something and a vote on that makes us stick to that so that there is a process. We need to look at who is going to be the director of it, what will be the organizational structure. I know we have talked about it, but we have not solidified it. One other thing is, is there going to be a Board of Directors? Is it going to be customer based? Is it going to be the Board of Supervisors? These

are all things that need to be discussed and shared with the public. And even though we have these public meetings, we do not have a newspaper. We need to involve the citizens a little bit more in the process. Now, it is on the citizens too to be engaged, but we need to be more engaged also. And that is my comment. Thank you.

0:05:17.3 Chairman, Allen Parker: Ms. Cupka.

0:05:21.9 Ann Cupka: Thank you, Mr. Chair. No report.

0:05:25.1 Chairman, Allen Parker: Mr. Morris?

0:05:27.7 James Morris: Nothing, sir.

0:05:31.5 Chairman, Allen Parker: Ms. Cleveland's not here this evening. I do not really have anything specific to report. I do encourage a vigorous conversation on the Resolution. And I do encourage, as always, citizens to attend these meetings and get involved. It would save answering a lot of questions because they would hear it firsthand and be able to interact and ask those questions in the public comment period. So, we appreciate people coming out. So just a general note, please join us. Please make your comments, put them on the record so we can act if the comments warrant it. With that, I am looking for a motion on the consent agenda.

CONSENT AGENDA

0:06:15.4 Cathy Binder: I will make a motion on the consent agenda as presented.

0:06:19.9 Ann Cupka: Second.

0:06:20.5 Chairman, Allen Parker: I have a motion made and properly seconded. Is there any discussion? All those in favor?

0:06:25.0 Ann Cupka: Aye.

0:06:26.8 Cathy Binder: Aye.

0:06:27.9 James Morris: Aye.

0:06:27.9 Chairman, Allen Parker: Chair votes aye. Motion carries. Moving on to public presentations. First up is Mark Inboden with the utility report.

INBODEN ENVIRONMENTAL SERVICES, INC - MARK INBODEN

0:06:44.4 Mark Inboden: Good evening members of the Board, so we will go through an overview of the water and wastewater operations. Of course, a more detailed report of those operations is included in the monthly report that we provide. For water operations, we did have a dirty water complaint in the Fairview Beach area, which was responded to very quickly. The entire distribution system is flushed, and then the maintenance crews are on a cycle to flush the system on a routine basis. Monmouth number two tower is in the process of being drained for repainting purposes. And so that would be good to get that completed. But overall, September was a good month for

water operations. For wastewater operations, we are having some issues with the belt press at the Dahlgren Wastewater Treatment Plant. This belt press is more of a vintage belt press, and it is very difficult to source parts for this press. We were able to obtain the parts for the press, but they are not only costly, but it can cause us some delays in getting the press back in operations. The press is very critical, simply because it not only processes sludge from the Dahlgren Wastewater Treatment Plant, but it also handles the solids from the other four facilities in King George County. And so that is a vital piece of our infrastructure, not just for the Dahlgren facility, but for all the other facilities as well. So, the problem will get worse, for sourcing parts, other issues with the press. And so, it is a matter of concern that we have. And we are going to be talking with the County Administration and King George Service Authority Administration to figure out the next best steps. For Fairview Beach, there was a fecal coliform exceedance. The post EQ tank and the UV light channel were drained and cleaned in response. We had discussed this issue at the last meeting, and I had mentioned that we had looked at some historical data, some historical values, and we have seen that this is a reoccurring problem this time, during the year. And we have a feeling that it could be contributed to algae growth, within the water column. And so, for next year, we have a plan and a practice that we are going to implement ahead of time. And so hopefully, we will not see these issues come this time. The UV light that is at Fairview Beach needs replacement and is scheduled for replacement. And we are working with Bryce Young to replace that UV light as well. For Oakland Park, the wastewater treatment plant, the EQ pump did fail in train A, this did result in a low F: M ratio, food-to-microorganism ratio. So, the pump was repaired/replaced. And in order to get that train, that process back online, we receded it from the other plant, to put that system back into operation as quickly as possible. So those are our key highlights for the month of September, and I would be more than happy to take any questions that you have, concerning either any of these comments or the comments that is shown in the report that you have.

0:10:56.6 Chairman, Allen Parker: Is there any comments?

0:10:58.7 Cathy Binder: Yeah, I have just one quick one. Just thinking about because of the issue, we had this weekend, is there a better way of notification you could see in the future that we need to have that when a piece of equipment has an alarm that goes off that, is that something that might be needed in our capital improvement plan to have a better system?

0:11:19.1 Mark: A better system of notification when something goes down?

0:11:23.0 Cathy Binder: That we could come and respond to an alarm? I am going to use that as an example.

0:11:27.0 Mark Inboden: Okay. There are many different ways to respond or track different assets in the infrastructure. Right now, there is only a limited amount of data that we can pull. It can be a costly endeavor to put monitoring devices on each piece of equipment in the infrastructure to have a call out, a relay, if you will, to get a call from a maintenance technician to come in. It can be very costly. But that is one thing that we are looking at with the Hopyard upgrades. And, so as these older treatment plants come offline, the Hopyard treatment plant that will be receiving the flow, those upgrades will be seen that they are performed in that upgrade for Hopyard.

0:12:18.5 Cathy Binder: And I ask that because some folks in the public do not understand the cost that comes with a lot of this, and they just assume that there is an alarm on everything. So, it is good to hear that that is an option, but these things do come with costs the more automated you become. But thank you.

0:12:35.5 Mark Inboden: Certainly.

0:12:41.7 Ann Cupka: Thank you Mr. Chair. Thank you for joining us this evening and presenting your report. So, regarding the Dahlgren Wastewater Treatment Plant belt press, you called it vintage, what do you mean by the term vintage? How old are we talking about?

0:12:58.1 Mark Inboden: Since the upgrades of the treatment plant occurred, 2011 I believe, 2011-2012. So, it may not seem like that long, but the manufacturer of that belt press is no longer an entity. So, to have parts or replacements for this belt press, we have to essentially manufacture them or have them manufactured for us.

0:13:20.1 Ann Cupka: Okay. And then my other question is regarding page 16 of your report, and we know Purkins Corner is slated for decommissioning, but you mentioned in the operational notes a minor overflow of less than one thousand gallons from the digester that was reported to the DEQ. You are working with maintenance to install a system that will sound an alarm and call the on-call service to prevent this from reoccurring. Can you tell us any more about that?

0:13:45.2 Mark Inboden: Yes, we did discuss that at the last meeting. And that is one of the reasons why we did not put it into this highlight for this month. But we did discuss that at the last meeting.

0:13:57.1 Ann Cupka: So that is the same one, it is not a new one.

0:14:00.7 Mark Inboden: That is correct.

0:14:00.8 Ann Cupka: Okay, thank you.

0:14:01.0 Mark Inboden: That is correct.

0:14:06.2 James Morris: Regarding the alarms, I thought we discussed like three, four years ago about putting some signage on the facilities on the building that says if you hear or see an alarm.

0:14:20.8 Mark Inboden: The signs are there.

0:14:22.9 James Morris: Call this number during the day and this number after hours. Did we not?

0:14:28.3 Mark Inboden: Yes. They are there, but I think what we are more talking about is the alarm goes off if somebody does not call, how do we know it is going off? So, like, even like what caused that request for the signs was there was one going off at one of the Hopyard pump

stations for, I do not know, the whole weekend. And people are like, oh, it has been going, I randomly saw it on a Facebook post. It has been going off for two days now. It is like, nobody called.

0:14:54.2 James Morris: Yeah, but I do not think everything had signage on it, because I do not recall anything on the St. Paul's well the last time, I was at that building. And that does have some sort of audible alarm on the exterior.

0:15:10.9 Mark Inboden: Right. For the collection system, which is under John's purview.

0:15:19.1 Chairman, Allen Parker: Yes, we will go ahead and address it right now. I think that would be appropriate.

0:15:26.0 John Eisenbeis: Good afternoon, Mr. Chair, members of the Board. We use SCADA with an offsite monitoring. It is cellular based. It is somewhat antiquated. We are changing, we are converting to multi-carrier cell dialers in them. We had situations starting with the rain on Saturday where we did not have any phone communication. We lost all power in Fairview Beach and Potomac Landing. But as far as monitoring goes, we monitor levels in the wet wells at the pump stations. We take run times, generator starts, AC power, that. The issue that came up on Facebook was Bayberry. It had a high wet well. Cellular carrier was out because it is a single carrier modem. We did not get the call right away. But once it does connect, and then what happens is our on-call phone gets the first call, then it comes to me, it comes to the crew lead, then it goes to the office. And then a lot of times the on-call will get a call from the sheriff from the number that is on the sign, which happened in Bayberry. And then just so it happens, the on-call guy is also our pump truck driver, so he was pulling loads from Purkins from their high digester. So, he had to take the truck back, empty it, bring a truck all the way back, get a truck, bring it, and go check Bayberry. That one just took a while to respond to. So, it is kind of a perfect storm kind of thing. As far as monitoring staff, what he mentioned with the cost, we use a contractor to provide our SCADA monitoring. The expense involved in having our own SCADA network with data lines going to everything would be perfect. It would be great. We could monitor every point there is, but it is impossible to do with a cellular dialer and a contractor. It would just be too much money. I mean, it would run us out, but yes, I mean we do monitor every point we can at each site. The well lots, like St. Paul's, it does have an alarm, but it is in the building. That is the only place the alarm is. That is why we do not have signage on that because nobody really calls. And St. Paul's just been totally rebuilt inside and out. So that one will be good for a while for you.

0:17:35.7 Chairman, Allen Parker: Thank you.

0:17:36.8 Mark Inboden: No problem. Any questions?

0:17:41.3 Chairman, Allen Parker: Are there any other questions? Thank you. Are there any other questions for Mr. Inboden? Thank you for the presentation.

0:17:51.0 Mark Inboden: Thank you.

0:17:54.7 Chairman, Allen Parker: Moving on. Ms. Lackey.

0:18:01.4 Kelly Lackey: Good evening. I wanted to give an update and get the Board's direction regarding two proposed water tower leases. These were matters that I mentioned were underway or at least under consideration by staff several months ago. They have progressed to the point where we have received an updated structural assessment from the companies that are proposing to install telecommunications equipment in the Monmouth Water Tower. As Mr. Inboden mentioned in his report and Mr. Eisenbeis mentioned at the last meeting, the water tower is being repainted. It is in a way an ideal time to consider these proposed leases because the tower should be in pretty good shape to accept some additional equipment attached to it. So, in your agenda packet, you will see an exhibit that was received from one of the proposals. I had requested that the two companies who were seeking to locate try to work together collaboratively so that we could see if we could accommodate both. My understanding is that we can, it is the two proposers are AT&T and Verizon, or their real estate teams or consultants are the ones who are seeking these leases. So, there is some information about that in the packet. I am continuing to exchange drafts back and forth for these two leases but given the fact that the water towers are already draining and getting ready for repainting and at least one of the two companies would like to, one of the two companies already filed building plans as well with Community Development. So, they are far along, they are anxious to get going. For the purposes of comparison's sake, I mentioned in the Board report, the written report, the two proposals are relatively similar. Verizon is proposing an initial 10-year lease term with two five-year renewal options, and they are proposing to pay rent for the first five years of \$24,000 annually, paid in monthly installments, and there would be 10% escalator every five years. And the other proposal, AT&T is proposing a five-year initial term, but with four five-year renewals, so slightly longer in total duration. And they are also proposing an initial rent payment in the first year of \$2,000 a month. I am sorry, they are proposing \$2,000 a month in the first year, but they are proposing an escalator of 2% in each subsequent year. So, if there is direction from the Board for me to try and get the same payment schedule from both, that is one thing that I can explore as I finalize drafting. And then it is not spelled out in the wastewater authority's statutes that a public hearing is required, but if this were a matter before the Board of Supervisors, a public hearing, notice of public hearing would be advertised prior to consideration of the final leases. I have heard back from at least one of the companies that they would be willing to reimburse the costs of a public hearing if the Board wants to go ahead and proceed with advertising a public hearing. So, my thought is that if there are any initial comments on the kind of the essential terms of the lease, I can take those back into the final drafting. And once I am satisfied that the lease or both leases are ready for in terms of legal sufficiency, if the Board wants to give me authority to go ahead and advertise for upcoming public hearing, I would be happy to do that if that's the direction you all want to give me.

DISCUSSION ITEMS

0:22:09.5 Chairman, Allen Parker: Anybody got some discussion comments? I would say we should match those two up. Running the quick mathematics, they are almost identical. The 2% escalator over a five-year period is going to end up a little over \$2,200 a month and a 10% escalator at the end is going to end up at \$2,200. So, it might be good to do the 2% annually as opposed to just every five years. That is my feeling about it. That way you are getting a little bit more every year keeping up with, not even keeping up with inflation, let us be serious, but at least you are keeping up with something. But I would like to see the terms matched if possible so that

we give everybody the same, the same and if somebody else comes in, it is like this is the deal that we give people, but I am all for getting extra money in the door. An extra \$50,000 a year does not hurt.

0:23:10.4 Ann Cupka: Yeah, I agree. And it needs to be, if someone else wants to come in, well then you need to do better than what we already have.

0:23:20.0 Chairman, Allen Parker: So, if the Board agrees, I think we would request that you work with the two companies to try to make one, the agreement the same for both. The 2% escalator is the way I would learn but try to make them the same for both. And then I would, if we can get that worked out, I would advertise, I would look to advertise that for public comment. Any extra money we can get from equipment that is sitting there.

0:23:57.3 Cathy Binder: Mr. Chair, too, in the past, we have made money off our tower leases for the service of three.

0:24:04.8 Chairman, Allen Parker: Yeah, I would just like all the terms to be the same. And then if somebody else comes in, like T-Mobile or somebody, they get the same, they have the same or better deal type thing.

0:24:19.1 Kelly Lackey: I will say Mr. Chair, that the templates that they use are different, but I will try to match those essential terms as best I can. So that is understood.

0:24:30.4 Chairman, Allen Parker: Is everybody in agreement then?

0:24:36.8 Kelly Lackey: And then if I may, Mr. Chair, I have one more matter that just kind of came up, that is a little bit time sensitive. Birchwood Power Partners has requested that the Service Authority release and extinguish water and sewer easements that are existing on the Butzner property. That is the property to the west, along the rail line. So, they have proposed a document to effectuate that. And I honestly have, I have just received it myself today. So, I am still reviewing it. I know they are anxious, as you all know, to go ahead and proceed with their real estate transactions with Amazon. So, I don't know exactly what their timeline is or their expectation, but I didn't know if there was willingness on the part of the Board to delegate review of that agreement to Mr. Miller and myself, or if you want me to bring it back to you all at a future meeting.

0:25:32.9 Chairman, Allen Parker: So, I will make a blunt comment about it. Until they have a water agreement that we are trying to get negotiated with what is going to be done there, I do not have any propensity to squash those things quick. They need to get their house in order and get that water agreement and stuff worked out. And when they do that, we can talk about squashing the easements. That is my feeling on the matter.

0:26:12.0 Ann Cupka: Mr. Chair, I agree. I am not comfortable just sight unseen delegating it to staff. I believe it needs to come back to the Board. Thank you.

0:26:24.3 Cathy Binder: I agree with the same thing.

0:26:26.5 James Morris: Agree.

0:26:29.0 Kelly Lackey: Okay, thank you. I have my marching orders, appreciate it.

0:26:35.6 Chairman, Allen Parker: Great, moving on. Ms. Lackey, you are still going to be up. First up is the adoption of the design bill guidelines.

0:26:48.8 Kelly Lackey: Yes, so this is an item that has not changed in any substantial way from the previous version that you have seen. I did clean up a couple small, I would say non-substantive things about it. The draft is substantially similar to what was recently adopted by both the School Board and the Board of Supervisors. And that is required by law to a large extent because the statutory authority for this type of procurement method requires that the guidelines that are established have to follow very closely those that have been adopted by the state. So, they are pretty similar to, as I said, to what the School Board and Board of Supervisors have adopted. For anybody who is new to this subject, design build is a procurement method where you hire a single firm or a joint venture that can team up to both design and build a project. Most procurements are a design bid build. So, it is a multiple step process where you hire a firm to design, and you get that design completed. And then you do another procurement solicitation to have a construction contractor perform the work. So, in some cases there are efficiencies and cost savings that can sometimes be achieved by this method. I have received some interest from the engineering staff. They have a few, at least, I do not know, maybe a few might be an overstatement, but they have at least one project in mind that they would like to pursue this method if it is approved by the Board. So, if there are any comments about the drafting, I would be happy to answer those.

0:28:31.3 Cathy Binder: The only thing I have seen before with the Board of Supervisors and I understand this is another tool in our toolbox, but I just want to make sure that we also look at construction manager at risk for those bigger projects. But I understand what design build is for certain projects, but I do not want that to be our only option. Thank you.

0:28:49.1 Chairman, Allen Parker: So, I'll just add, I'm working in this realm, design build, you generally see it when you're looking at specialty items that aren't built every day. You often see it on the sewer and water side when you're building a water treatment plant, when you're doing a sewage plant, there's a handful of engineers that do the design, a handful of people who really build those things because they don't go up all the time every day in any specific location. So, they are across the country build. So, you tend to see those real specialty items go that way because there's companies that are geared to specifically do that design and get it into operation. So, it is very, I think all the wastewater plants going in, getting upgraded or being constructed in Spotsylvania County right now, they are on design build contracts for those different, a couple of different companies are doing those, but they are design build. Same as with some of them in Stafford, you tend to see them on specialty items. Something like a school, which ends up a lot of times design build or construction manager at risk because there are a lot of people who can design a school. There are a lot of architects who can do it, a lot of structural engineers and darn near any GC who can build anything commercial can build a school. But you do see it particularly on our side for those more complicated one-off projects that you do not see come up every day,

even in Virginia. So that is just the comment on that.

0:30:29.8 Ann Cupka: Mr. Chair, I have a motion. I move adoption of the King George County Service Authority guidelines for the selection, evaluation, and award of design build contracts.

0:30:42.7 James Morris: Second.

0:30:43.3 Chairman, Allen Parker: I have a motion made and seconded. Do I have any discussions? All those in favor?

0:30:50.2 Cathy Binder: Aye.

0:30:50.4 Ann Cupka: Aye.

0:30:50.5 James Morris: Aye.

0:30:50.5 Chairman, Allen Parker: Chair votes aye, motion carries. The guidelines are adopted. Next up, Ms. Lackey again.

0:31:00.6 Kelly Lackey: So, at the last meeting, we brought up for discussion purposes only a proposed resolution to initiate merger of the Service Authority with the County. Since that meeting, there has been a minor change to the draft resolution just to update the date that the Service Authority was created. The day was, there was a typographical error in the day. I will note also, and I will seek clarification. Mr. Parker, is your middle initial R? Okay. So, if this is approved by the Board this evening, we will also need to update Mr. Parker's middle initial. I am not sure where we pulled the wrong middle initial from, but we can correct that if it is in fact adopted. As presented at the previous Board meeting and as discussed in the recent joint meeting with the Board of Supervisors, a merger would require resolutions to be approved by both the Board of Directors and the Board of Supervisors. That there would have to be recognition that is either impractical or impossible for the Service Authority to continue to exist as a separate legal entity, and/or that the operations and obligations of the Service Authority will be assumed by the County. As presented at the last meeting, the Service Authority's financial consultant concluded that if the debts of the Service Authority remain obligations of only the income and assets of the Service Authority, if it is managed as an enterprise fund, there would be no harm to the County's bond rating nor to the County's debt capacity. The merger process would require not only concurrence of the Board of Supervisors, but also the filing of articles of dissolution with the state corporation commission after winding up of the Service Authority's affairs and distribution of its assets. The proposed resolution directs the interim General Manager to develop a transition plan with a target completion date for merger by the start of next fiscal year, so by July 1st. However, by law, dissolution cannot be legally effective until the authority's functions have been taken over and all its obligations have been paid or assumed by another political subdivision, in this case, the County. So, there we have kind of an aggressive timeline that we'd like to hit if it is the will of both Boards to pursue this merger concept, but by law, it would not happen until we are satisfied that all of the debts and obligations of the Service Authority have been wound up entirely. If there are any questions, I would be happy to answer.

0:33:35.8 Chairman, Allen Parker: I guess we will open it up for discussion.

0:33:39.4 Cathy Binder: Well, I do have problems with the resolution, but I am going to be the only one I am sure that is. Well, first, to develop a transition plan, I would like to know more about the transition plan. We should have it before we vote on something like this, because I am concerned it is not going to be thorough enough. We also mentioned in this resolution that it is impractical. I do not agree with that. I do not think we explored all the options of the Service Authority. So, I am not going to keep beating the same drum. I just do not think this is in the best interest of our citizens without exploring all the options and having it more fleshed out before we start the process. And Ms. Lackey already said it is an aggressive timeline, and we need to understand this is about economic development. This has been stated numerous times. This is about economic development. So just remember that.

0:34:37.6 Chairman, Allen Parker: Are there any other comments, questions, concerns? I do know, and this has been brought up a few times, and I have not heard. Ms. Binder has brought it up a couple of times. Have we gotten a definite answer from VDH and DEQ on the grant funds? Because I know Ms. Hahn said about the threshold and whatnot but obviously if we switch the entity, I do not want the funds being assigned to an entity. We dissolve the entity and then the funds disappear because the entity no longer exists. So that would be problematic. So that is one question. I will let you answer.

0:35:20.7 Chris Miller: We have not got a specific answer, I mean, an answer definitively back on that, but it is what our understanding from conversations with the folks was that at the time the County had the ARPA funds and the amount of money that the County had received over the certain period of time, they were discouraging any kind of a merger or any kind of a commingling or whatever you want to call it because it would put you above federal guidelines that kind of trigger the Davis-Bacon. In further investigation, we found that it was if, it was not a cumulative, it was more of a project specific or, so in other words, like Arnold's Corner well replacement over here. If that rose to \$10 million, then we would have a problem. But that is not the case obviously. And the County is only getting five million from VDH for those projects anyhow. So, it is not a situation where they would have any issues with it.

0:36:33.1 Chairman, Allen Parker: And what about the sixteen million on the wastewater?

0:36:38.0 Chris Miller: The same, the same from DEQ. And DEQ, the reason that DEQ brought it up was in the aftermath of the Dahlgren situation when Inboden and the County were working through some of the fixes on that. There was, I think, a desire in some of the regulators at DEQ that there not be some kind of change put in place at the County level while we are in the middle of responding to what they were asking us to do. A number of those regulators have moved on and I do not believe that is the position anymore. They are very happy obviously with what Inboden is doing and the stance that the County took to bring in a private operator. They have very much been cheering that on. And so, I do not think it had anything to do with the merger, whether it is a utility or whether it was a separate authority.

0:37:45.0 Chairman, Allen Parker: And then just one clarification, this proposal is not specifically because of economic development. It does make it easier, but the Service Authority is not a separate entity of the County. I do not care how you look at it. We have a General Manager, but all the higher functions of the Service Authority are run by the County. We use County's HR, County's Finance, we use County's Procurement. It is all, we have the County Attorney as our attorney. If it were a separate entity, all those things would have to be under a roof. So, we are not functioning as a separate entity. It is a quasi-separate entity. It is a utility. If I were to take you over to Stafford or Spotsy and show you their utility department, it is exactly what we are doing here, except we have a weird separation where the Service Authority has a Board. And you can set it up with a citizen advisor. And so, I do tend to agree with Ms. Binder, it may be good to flesh some of this out a little before you. Before they put the things in it a little bit in reverse because if you got the plan fleshed out, as soon as you vote on this, then you can initiate the plan.

0:39:17.2 Ann Cupka: Mr. Chair, so the last section of the resolution reads, "Be it further resolved that the interim General Manager in consultation with the County Attorney and financial consultants develop a transition plan to effectuate merger and file articles of dissolution with the State Corporation Commission in the event that the Board of Supervisors adopts a resolution concurring in the proposed dissolution." So, I would offer to you, Ms. Binder you are on that Board as well. So, you will have another opportunity, we will have some time because I do not believe this is on the agenda for this evening for the Board of Supervisors meeting. You mentioned in your Board report a Co-op was a possibility, so if you would like to bring us that, I would love to hear more about it. But as you stated, you were on the committee that worked on this, and we did not hear about that until tonight. So, if we could hear more about that, I would love to hear more about it. But no, this does not happen unless the Board of Supervisors adopts a resolution concurring in the proposed dissolution. Thank you.

0:40:24.0 Cathy Binder: Mr. Chair, I just heard about the co-op option today, so I would be more than willing to investigate that. But what I am trying to say is when we had those talks on the committees, we brought back some things to further it and just never went anywhere, there was no appetite. So, that is why I am bringing it up. I wish we could have explored some of those options more because I know Ms. Cleveland, I wish she were here tonight. Because I am going to agree with her on a point, she has made numerous times about being run like a business. And we should have looked a little bit more at the business, like a business manager and bringing some of those jobs over. We said for years the County has been doing stuff for free. But we should have farmed it out and made it more of a business, because from what I am hearing it is one of the options and it was a better option. And we cannot go back and fix the past, but we can make sure in the future, we try to do our best to do it the right way and set it up the right way. Thank you.

0:41:23.9 Chairman, Allen Parker: So, Ms. Lackey, here is a question. What it sounds like from the section that Ms. Cupka read, is that you have to present that game plan to the Board of Supervisors before they even vote on a resolution. That is what it sounds like in that paragraph that we vote on this, and they come up with the plan, but that has to go to the Supervisors before they would even vote on a resolution.

0:41:52.8 Kelly Lackey: So, the way that is drafted is that if the Board of Supervisors concurs by

resolution, then the developing of the transition plan will happen. But that is not legally required. If you all wanted to develop a transition plan or at least have some benchmarks to bring forward before you do so you could. But the kind of sense that I got in drafting this, which does not necessarily have to reflect what the Board of Directors have. But at the joint meeting there was kind of a sense to move and to kind of get things expedited so that things might align with the budget process for the next fiscal year. So, that was the intent behind the drafting in such a way, but that does not have to be the exclusive way.

0:42:42.0 Chairman, Allen Parker: I am saying, I still would, I still agree with the timeline. I am just saying, and it might be that you flip it. So, if we vote on the resolution, they start to make the plan. And then that way the Supervisors would get it, before they vote on it would look at that plan and make sure they concur and make the switch, or is that too late in the process? But that is why we need to re-word it. You have obviously heard my opinion, we are already a utility as it is, and then there is a discussion at the supervisor level that we can bring out.

0:43:38.6 Cathy Binder: I have been straightforward, I'm a no on this, so you do what you want to do. But this is wrong.

0:43:51.4 Ann Cupka: Mr. Chair a motion, I move to adopt the resolution by the Board of Directors to initiate process for termination and dissolution of the Service Authority by merger with King George County, as presented with the amendment to Chairman Allen Parker's name should read Allen R. Parker Jr.

0:44:10.2 James Morris: Second.

0:44:13.6 Chairman, Allen Parker: We have a motion made and seconded. Is there any discussion? All those in favor?

0:44:20.9 Ann Cupka: Aye.

0:44:21.7 James Morris: Aye.

0:44:22.6 Chairman, Allen Parker: Chair votes Aye. All those opposed.

0:44:24.9 Cathy Binder: Nay.

0:44:29.9 Chairman, Allen Parker: Motion carries. General Manager's Report.

GENERAL MANAGER'S REPORT, CHRIS MILLER

0:44:35.6 Chris Miller: Okay, Ms. Southhall is here, she is going to present a little draft video that she has put together. We have been talking about the history of the Service Authority and how things started happening with rates and when rate plans went into effect and things like that, and so we were going to do some posts that were going to be on the website or specifically put together in some package that might be on some of our other social media platforms, but I think Ms. Southhall had a better idea that let's consider doing something that would have a lasting impact, it would be available, it would be something that people could refer to over time, six

months from now, a year from now, and so I think she wanted to present that to you all tonight and then get any feedback you have. I realize that this is the first time you have looked at it, if you want to look at it a little bit later, you can get back with Ms. Southhall and we can amend how she has put this together.

0:45:46.4 Amy Southall: Yes, good evening members of the Board. So based off of your recommendation for me to look into this and then looking at the information from the last couple of meetings as well as the public's responses on social media, determined that it might be better for us to do a visual route for pushing out a video, that is a general overview. A Service Authority 101, and then refer people to additional information on the website with hopes that people would view this and read this and be interested enough to read more details further on the website. So, this is the draft, I apologize that it was not in your packet, I just finished it like 30 minutes before the meeting, so I am happy to send this to you all after the meeting as well, but this is for you to have initial impacts in reactions to the video.

46:36:00 – 50:53:00 Ms. Southall presented a video about the Service Authority.

0:51:03.9 Amy Southall: Open to any questions or comments?

0:51:04.5 Chairman, Allen Parker: I thought it was very good.

0:51:06.9 Cathy Binder: It was good. One thing there was, you already noticed it, there was a typo at the beginning.

0:51:11.9 Amy Southall: I have not had time to copy and edit so thank you.

0:51:15.5 Cathy Binder: And then there is one historical fact in there, I will talk to you offline about that. But very good. It is good because a lot of people have asked, could you please tell me how it was created and what it really does? Because it is confusing to a lot of people, they make a lot of assumptions, and it is our job to educate the citizens because you cannot know everything, and I appreciate the effort you put into it. Thank you.

0:51:42.7 Chairman, Allen Parker: Yeah, I think probably the formation part, there's a couple of details and that might be what Ms. Binder is talking about that will explain why it was formed and why the debt got where it was right at the beginning. Because that is always a question, why is that debt so high? But it was very good. It is something people will watch and listen to. Good job.

0:52:10.6 Amy Southall: Thank you.

0:52:14.6 Ann Cupka: Mr. Chair, I just want to thank you for putting the page on the Service Authority website titled, "Rates, Billing, and Payment", because it very clearly lays out what each of the categories are, so thank you.

0:52:34.8 Chairman, Allen Parker: And I think we are on the information items.

0:52:38.3 Chris Miller: I had a couple more items just on here, just a couple of updates on the General Manager's report. I will tell you this, so we are still working with Davenport on maybe having some actual number of information on that video in terms of, here's your debt, the amount that you pay in debt is based on these reasons and maybe kind of a historical overview of why that's the case, but I do appreciate what Ms. Southhall did. It is a very good way to capture it all. So last week, as Mr. Morris pointed out, we have some little corrections that we will put to the letter, but we have a semi-annual reporting that we have to do to DEQ on the pump stations, and that is those alarms that we have about which we were talking. We do certainly appreciate the work that Mr. Eisenbeis and his crew did in response to the one that Ms. Binder reported and notified us of. But there's a ton of these things throughout the County, these pump stations, and we have to provide a report every six months to the Department of Environmental Quality, and so we just turned one in, and so we are working on a number of projects that are associated with that, and we will get those updates on that letter that we sent. Just some office closures. November 7th is election day, so the offices will be closed. November 10th, which is Veterans Day, Friday, the offices will be closed as well. And then of course, Thanksgiving, the 23rd and the 24th. So, your next regular meeting is the 14th of November at 5:30 PM. I just wanted to let you all know that.

0:54:56.8 Chairman, Allen Parker: Are there any or questions for Mr. Miller? Right. Looking for a motion, I guess.

ADJOURNMENT

0:55:08.2 James Morris: I make a motion we adjourn until Tuesday, November 14th, 2023, at 5:30 PM here in the Revercomb Boardroom.

0:55:20.6 Ann Cupka: Second.

0:55:21.2 Chairman, Allen Parker: I have a motion made and seconded. Any discussion? All those in favor?

0:55:24.0 Cathy Binder: Aye.

0:55:25.2 Ann Cupka: Aye.

0:55:25.2 James Morris: Aye.

0:55:25.4 Chairman, Allen Parker: Chair votes Aye, motion carries. We are adjourned to Tuesday, November 14th, 2023, at 5:30PM here in the Boardroom.

After completing the October 17, 2023, King George County Board of Directors agenda. Chairman Parker called for a motion to adjourn. A motion from James Morris to adjourn to Thursday, November 14th, 2023, at 5:30 PM in the Robert H. Combs Board Room was made; seconded by Ms. Cupka and carried by a vote of 4-0-0. Each member voted as follows: Chairman Parker, Aye; Ms. Binder, Aye; Ms. Cupka, Aye; and Mr. Morris, Aye.