

Washington County Service Authority Board of Commissioners
July 24, 2017 Regular Meeting Minutes

The Regular Meeting of the Washington County Service Authority Board of Commissioners, held in the E. W. Potts, Jr. Board Room located at 25122 Regal Drive, Abingdon, Virginia, was called to order by the Chairman at 6:00 pm.

Mr. Taylor welcomed Mr. Kenneth Nurre to the Board.

ROLL CALL

Commissioners Present:

Mr. Kenneth Taylor, Chairman

Mr. Mr. Wayne Campbell

Mr. Jim McCall

Mr. Dwain Miller

Mr. Kenneth Nurre

Mr. Vernon Smith

Mr. Mike White

WCSA Officers Present:

Robbie Cornett; Secretary, General Manager

Melinda Jett; Treasurer, Controller

Carol Ann Shaffer; Assistant Secretary, Administrative Assistant

General Counsel Present:

Dawn Figueiras; Elliott, Lawson & Minor, P.C.

Consultants Present:

Dennis Amos, PE; Hurt & Proffitt, Inc.

Bobby Lane, PE; The Lane Group, Inc.

Kevin Heath, PE; The Lane Group, Inc.

WCSA Staff Present:

Dave Cheek; Operations Manager

Holly Edwards; Customer Service

Ryan Kiser, PE; Engineering Manager

Johnny Lester; Maintenance Manager

3. Approval of the Agenda

Mr. Cornett submitted an Amended Agenda for consideration.

Mr. McCall motioned to approve the Amended Agenda, Mr. Miller seconded and the Board approved voting 7-0-0-0.

4. Public Query and Comment

There was no public query or comment.

5. Approval of the Consent Agenda

A. Approval of Minutes:

- June 20, 2017 Picnic Committee Minutes
- June 26, 2017 Regular Meeting Minutes

B. Routine Reports: June 2017

- Water Production
- Water Distribution
- Meter Department
- Wastewater Operations
- Customer Service
- Maintenance
- Engineering
- Accounting
- Health & Safety Report

C. Financial Reports: June 2017

- Balance Sheet
- Income Statement
- Check Register / General Manager Financial Statement

D. Consideration of Bond Resolution for the Exit 13 Phase 3 Sewer Project – *Melinda Jett*

Mrs. Shaffer asked the Board to consider a change in the July 26, 2017 minutes; Item 10 on page 3 of 4, Mr. Heath's recommendation should read "And WCSA delay Contracts 4 and 5 (instead of 3 and 4) until some future date when or if sufficient funding becomes available.

Mr. Campbell motioned to amend the Consent as requested. Mr. Smith seconded and the Board approved voting 7-0-0-0.

Mr. Campbell motioned to approve the Amended Consent Agenda, Mr. Miller

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seconded and the Board approved with a 7-0-0-0 vote.

6. Operations Manager's Report and Update – Dave Cheek

An outline of the presentation Mr. Cheeks discussed is attached.

7. General Manager's Report & Update - Robbie Cornett

An outline of the presentation discussed by Mr. Cornett is attached.

8. Water and Wastewater Construction Projects Update – Ryan Kiser

Mr. Kiser reviewed the attached presentation.

9. Engineer's Report and Update Dennis Amos of Hurt & Proffitt Inc. (H&P):

Mr. Amos provided updates on the following projects.

- Exit 13 Sewer Project Phase 2A
- Exit 13 Sewer Project Phase 3

Kevin Heath of The Lane Group (TLG): TLG:

Mr. Heath reported on the following projects:

- Abingdon Tank Improvements
- Route 58 Water Supply Improvements Project

Bobby Lane of TLG:

Mr. Lane updated the Board on the following projects.

- Galvanized Waterline Replacement Project – Phase III
- Mill Creek Water System Improvements

10. Consideration of Engineering Agreements between WCSA and Thompson & Litton and WCSA and

The Lane Group for the Lee Highway Corridor Sewer Project – Ryan Kiser

Mr. Kiser recommended the Board favorably approve contracts from Thompson and Litton and The Lane Group.

Mr. Miller motioned to approve both contracts as recommended. Mr. Campbell seconded and the Board voted 7-0-0-0 approving the motion.

11. Consideration of Construction Bids for the Ritchie Road Water Line Extension Project - Ryan Kiser

Mr. McCall abstained from discussion or voting on Item 10 as he is employer, King General Contractors, submitted bids for this project.

After Mr. Kiser discussed the bid comparison and ranking, he recommended the Board reject all bids and rebid the project.

Mr. Smith motioned to reject the bids and rebid the project as recommended. Mr. White seconded and the Board approved voting 6-0-1-0 with Mr. McCall abstaining.

12. Election of Officers for August 2017 through July 2018 – Kenneth Taylor

Article III, Section 1 of WCSA's By-laws says that annually, the Board must elect officers. The current officers are Chairman (Mr. Taylor), Vice-Chairman (formerly Mr. Nelson), Treasurer (Melinda Jett), Secretary (Robbie Cornett) and Assistant Secretary (Carol Ann Shaffer). The Virginia Water and Waste Authorities Act 15.2-5113, found in your resource notebook, is helpful in this area.

Mr. Taylor said any of the Commissioners were very capable of being Chairman of the Board. Mr. Taylor then announced he was stepping

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down as Chairman and opened the floor for nominations for Board Chairman.

Mr. Nurre nominated Mr. White for Board Chairman. Mr. McCall seconded and the Board approved voting 7-0-0-0.

For Vice Chairman, Mr. Nurre nominated Mr. McCall. Mr. White seconded and the Board approved voting 7-0-0-0.

Mr. Nurre then motioned to appoint Mr. Cornett as Secretary, Mrs. Jett as Treasurer and Mrs. Shaffer as Assistant Secretary. Mr. Campbell seconded and the motion passed with a 7-0-0-0 vote.

13. Consideration of Committee Appointments - *Kenneth Taylor*

- Washington County Joint Utilities Committee

Mr. Campbell agreed to continue to serve on this committee. Mr. McCall nominated Mr. Nurre to serve.

Mr. White motioned to approve Mr. Campbell and Mr. Nurre to serve on the Washington County Joint Utilities Committee. Mr. Smith seconded and the motion carried with a 7-0-0-0 Board vote.

- Chilhowie/WCSA Regional Water Treatment Plant Steering Committee

Mr. Taylor volunteered to serve on the Steering Committee. Mr. Campbell motioned to approve Mr. Taylor, Mr. Nurre seconded. Mr. Campbell amended his motion to include Mr. Taylor and Mr. Cornett for service on the Chilhowie/WCSA Regional Water Treatment Plant Steering Committee. Mr. White seconded the amended motion and the motion carried with a 7-0-0-0 Board vote.

- Dispute Committee

Mr. Campbell motioned to approve Mr. White and Mr. McCall. Mr. Nurre seconded and the Board approved voting 7-0-0-0.

- ESCO/Meter Replacement Committee

Mr. White motioned to approve Mr. Miller's and Mr. Campbell's continued service on the committee. Mr. Nurre seconded and the Board voted 7-0-0-0 approving the motion.

- Disaster Response Committee

Mr. Campbell motioned to continue with the appointment of Mr. White and Mr. Smith on the Disaster Response Committee. Mr. Nurre seconded and the Board approved voting 7-0-0-0.

14. Consideration of the 2017-2018 WCSA Regular Board Meeting Schedule and 2018-2019 Annual Meeting Schedule – *Kenneth Taylor*

At Mr. Miller's motion and Mr. Campbell's second, the Board voted 7-0-0-0 approving the 2017-2018 Board meeting schedule listed below:

2017-2018 Regular Meetings at 6:00 pm in the E.W. Potts Board Room:

- August 28, 2017
- September 25, 2017
- October 23, 2017
- November 27, 2017 (Monday after Thanksgiving)
- December 18, 2017 (third Monday; week before Christmas)
- January 22, 2018
- February 26, 2018
- March 26, 2018
- April 23, 2018
- May 21, 2018 (Third Monday; week before Memorial Day)

- June 25, 2018

2018-2019 Annual Meeting at 6:00 pm in the E.W. Potts Board Room:

- July 23, 2018

15. Consideration of a Resolution of Commendation for W. Mark Nelson – *Kenneth Taylor*

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Mr. Cornett referred to the Commendation included in the Board Packet.

Mr. White moved to approve the commendation with signature lines for all seven Commissioners. Mr. Campbell seconded and the Board approved the changes voting 7-0-0-0.

Mr. White motioned to accept the Amended Resolution of Commendation. Mr. Campbell seconded and the Board approved with a unanimous vote.

16. Consideration of the 2017-2018 Fiscal Year Banking Resolutions – Melinda Jett

Mrs. Jett asked the Board consider empowering the Controller (Melinda Jett), and at least four additional persons (recommending the Chairman, Vice Chairman, WCSA General Manager (Robbie Cornett) and WCSA Customer Service Manager (Holly Edwards)) to be included on the HUB resolutions item #3 and #5.

Mrs. Jett recommended the Board consider limiting to two persons the authority to open new accounts, borrow money, or obtain safe deposit boxes (recommending the current representatives, Robbie Cornett and Melinda Jett). She asked the Board to consider two of the above persons to be included on the HUB resolution for item #1, #2, #4 and #6 (opening new accounts, borrowing money, safe deposit boxes and “all powers”).

Mr. Miller motioned to approve the recommendations as stated, Mr. Nurre seconded and the Board approved voting 7-0-0-0.

17. Consideration of Awarding Contract 4 for the Route 58 Water Supply Improvements Project and Applying for Funding with Mount

Rogers Planning District Commission – Kevin Heath

Mr. McCall abstained from discussion or voting on this item as his employer, King General Contractors, bid on the project.

Mr. Heath recommended the Board support the decision made during the June 26, 2017 meeting, requiring no additional action.

The Board took no action

18. Consideration of Receipt of Property from Washington County, Virginia – Robbie Cornett

Washington County School System recently conveyed property located where the Love’s Travel Stop constructed a sewage pump station. Washington County asks the Board of Commissioners to consider a motion to accept that property from Washington County and authorize the Chairman to sign the Deed.

The Board discussed concerns about the existing sewer well on site.

Mrs. Figueiras suggested the Board consider a motion to accept receipt of property from Washington County Virginia subject to finalizing closure of the sewer treatment plant by the School Board per the DEQ approved closure plan.

Mr. Campbell made a motion to approve the motion as recommended by Mrs. Figueiras. Mr. Nurre seconded and the Board approved voting 7-0-0-0.

19. Consideration of Bylaws Amendments - Chairman

As Current Chairman, Mr. Taylor asked that the new Chairman to hold a By-Laws Board Workshop within the next 90 days.

Mr. White motioned to approve Mr. Taylor’s request for a By-Laws Board

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Workshop within the next 90 days. Mr. Campbell seconded and the motion carried with a 7-0-0-0 vote.

20. Closed Meeting – 8:08 pm

Mr. Campbell moved that the Board adjourn to Closed Meeting in accordance with the Virginia Freedom of Information Act;

1. Code of Virginia Section 2.2-3711 Paragraph (A) (6): Investment of Public Funds:
 - a. Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.
 - i. Easement and property acquisition related to the Oak Park Project; and
2. Code of Virginia Section 2.2-3711 Paragraph (A) (7): Legal Advice
 - a. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body.
 - i. Easement and property acquisition related to the Oak Park Project; and
3. Code of Virginia Section 2.2-3711 Paragraph (A) (29): Contracts:
 - a. Discussion of the award of a public contract involving the expenditure of public funds, including inter views of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect

the bargaining position or negotiating strategy of the public body.

- i. Outside Legal Counsel Contract

In addition to the Board, the presence, as needed, of Dawn Figueiras, WCSA Legal Counsel, Thomas Dene, Attorney and Robbie Cornett, WCSA General Manager was requested.

Mr. McCall seconded the Motion of Closed Meeting and the Board approved voting 7-0-0-0.

Return to Open Meeting – 9:32 pm

Mr. Miller made a motion to return to Public Session. Mr. White seconded and the Board approved voting 7-0-0-0.

Mr. Campbell then read the following Certification of Closed Meeting;

Whereas, the Washington County Service Authority has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; And Whereas, Section 2.2-3712 Paragraph D of the Code of Virginia requires a certification by this Authority that such Closed Meeting was conducted in conformity with Virginia Law.

Now, therefore, be it resolved that the Authority hereby certifies that to the best of each member's knowledge, (1) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the Closed Meeting to which this certification resolution applies, and (2) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed or considered by the Authority.

Aye by Mr. Miller, Mr. Smith, Mr. Campbell, Mr. Taylor, Mr. Nurre, Mr.

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White and Mr. McCall confirming no outside discussion took place other than Closed Meeting topics.

21. Consideration of Outside Legal Counsel Contract – *Robbie Cornett*

Mr. Taylor accepted the resignation of Elliott Lawson and Minor and thanked them for their services.

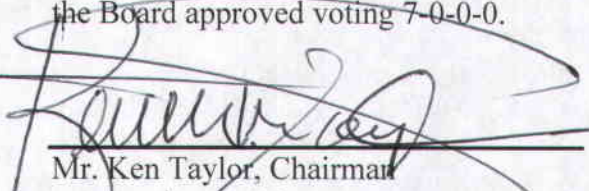
Mr. McCall motioned to approve the hourly rate Contract with Dene & Dene and asked that Elliott Lawson & Minor complete everything necessary to close on project funding for the Exit 13 Phase 3 Sewer Project and Route 58 Corridor Water Supply Project and to complete the filing of the Cooperate Life Extension with the State Cooperation Commission. Mr. White seconded and the motion passed with a 7-0-0-0 Board vote.

22. Late Items

Mr. Taylor thanked the Commissioners for their support during his time of service as Chairman of the Board.

23. Adjourn

Mr. Campbell made a motion to adjourn at 9:40 pm. Mr. McCall seconded and the Board approved voting 7-0-0-0.



Mr. Ken Taylor, Chairman



Carol Ann Shaffer, Assistant Secretary

1  **June 2017
Operational Update**
June 26, 2017

2  **Discussion Items**

- ▶ People
- ▶ Safety
- ▶ Department Highlights
- ▶ No Financials pending final numbers
- ▶ Forward Looking Statement

3  **People**

- ▶ One Employee in Metering has Separated from WCSA
 - James Smith from Maintenance Accepted the Position
 - Writing Job Description for the Maintenance Position, then will post both internally & externally
- ▶ Waste Water Maintenance Crew
 - Adding 2 Employees per Approved Budget
 - Scott Trodgen and Adam Fogleman have accepted
 - Will Move 2 Employees from Maintenance –Water to Maintenance Waste Water to start necessary line and lift station pm's.

4  **Safety**

- ▶ NIMS Training – Managers was a primary focus in June, around 32 hours of training per manager.
 - Now to Apply to our current Emergency Response Plan
- ▶ Chlorine Mask Fitting & Training set for August 23rd.

5  **2017 June Water Production Highlights**

- ▶ SFI & MFDWP Issue Resolution
 - Raw Water Feed to the Plant
 - Supply Stability – Air in Line, Cla-Val Regulation
 - Starting to perform a GAP analysis on Plant SCADA/Reporting/What was Promised and what is Needed.
- ▶ System Operation
 - Water Quality
 - Brumley Gap Area, Systematic Flushing
 - Awaiting DBP Results
 - Starting Tank Chlorine Analysis to determine if we have significant chlorine stratification in our tanks

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7  **2017 June Water Production Hidden Valley (Update)**

- ▶ Hidden Valley Water System Currently Under Notice of Violation (NOV) from VDH as of June 30, 2017.
 - Discuss Current Efforts
 - Customer Notifications
 - Solutions

- Efforts to Date
- Future Plans

8 **2017 June Water Production Hidden Valley – Cont'd**

- ▶ Investigated if there is a technology that can remove some/all of the HAA5?
 - TTHM's Yes, but Not for HAA5
- ▶ Well Source in Upper End of Hidden Valley
 - Contracted with Bartlett Geological Associates (Dr. Bartlett)
 - Geological Survey of the area
 - Identified potential well sites
 - WCSA has
 - Contacted drillers and confirmed VDH requirements with them
 - Materials Located
 - Estimated about \$17,000 +/- 20% to drill 1,000' well per VDH specifications
 - Estimated about \$3,000 +/- 20% for water and well testing to VDH standards
 - One out of state landowner, other DGIF (preferred site)
 - Contacted DGIF, written response was No
 - Contacted Out of State Landowner who is willing to work with us

9 **2017 June Water Production Hidden Valley – Cont'd**

- ▶ NOV Plan
 - ~~Hand Deliver before June 30th~~
 - ~~With Important Information About Your Drinking Water to help answer questions in simple terms~~
 - ~~Trained Customer Service, June 23rd~~
 - Provided FAQ Sheet which we will keep updated
 - ~~Will Train Maintenance and Filter Plant this week~~
 - ~~Also turning the mirror on ourselves with extensive DBP sample collection audit.~~
- ▶ Next Sample Date: August
 - DBP's are temperature dependent and will likely increase with warmer weather

10 **2017 June Water Production Hidden Valley – Cont'd**

11 **2017 June Wastewater Process Highlights**

- ▶ I&I
 - Team Approach with Maintenance
 - Prioritized and Categorized I&I Issues
 - Driving Costs up, Focus on King Mill Pike
- ▶ Operational
 - Hall Creek Internal Plant SCADA
 - Collection System SCADA
- ▶ Capital
 - Scoping Equipment needs for Hall Creek Headworks
 - Plan is to utilize RFP Process – Move to Higher Priority
 - Scoping Process to Retrofit Damascus Plant to extend useful life

12 **2017 June Wastewater Process Highlights**

13 **2017 June Distribution Highlights**

- ▶ Providing Technical Support to SFI and MFDWP Issues
- ▶ Executing PSV/PRV Preventive Maintenance Program
 - Establishing Baseline for each PRV, Hydraulic Grade lines
- ▶ Continued with Customer Education & Inspections of Cross Connections and Back Flow Prevention
- ▶ Recall we are systematically approaching water losses, Non Revenue Water, NRW
 - Drew Circle around the MFDWP to mass balance
 - Found Imbalance from Taylor's Valley Spring water to what was being supplied to the MFDWP
 - Located Leaks which then increased the spring line pressure and created more leaks. Valve issue with maintaining consistent hydraulic grade line.
- ▶ Results are promising more once verified.

14 **2017 June Metering Highlights**

- ▶ Meter Replacement, Very Large Project
- ▶ At this point WCSA must validate existing meter accuracy to calculate ROI for financing purposes.
 - Use external source to validate WCSA measurements, have meeting with Meter Sys on July 11th.
 - Held Meeting, not sure this is the best fit for WCSA
- ▶ This is critical in determining WCSA's cash flow basis. We do not want this project to warrant a rate increase, but need facts to make this determination.

15 **2017 June Water Maintenance Highlights**

- ▶ System Improvements
 - ~~Abandoning Transite along Lee Highway~~
 - ~~Replacing problematic area along Hawthorne~~
 - ~~Slip Line Under Lee Highway @ Industrial~~
 - ~~Osceola Road — In Final Testing~~
 - Universal Fibers
- ▶ Routine Activities
 - Leaks – 30 (2015 Avg. 30)
 - Main Line Breaks – 5 (2015 Avg. 6)
 - After Hours Responses – 47 (2015 Avg. 38)
 - *After Hours Responses a Target Area for Improvement*
- ▶ Costs
 - Preventive Maintenance
 - Mobile Equipment
 - Tanks
 - Pump Stations
 - Fire Hydrants

16 **Forward Looking Statement**

- ▶ Customer Relationships
 - Fire Departments
 - Hydrants & Training – Started
 - Water & Sewer Customers
 - More Customer Engagement at Time of Contact