

Washington County Service Authority Board of Commissioners
April 17, 2012 Special Called Meeting Minutes

The Special Called Meeting of the Washington County Service Authority Board of Commissioners was called to order by the Chairman at 2:04 PM.

2. Roll Call

Commissioners Present:

Mr. Joe Chase, Chairman
Mr. D.L. Stout, Vice Chairman
Mr. Prince Coleman
Mr. Dwain Miller
Mr. Kenneth Taylor

Commissioners Absent:

Mr. Devere Hutchinson
Mr. Frank Stephon, IV

WCSA Staff Present:

Robbie Cornett, General Manager
Carol Ann Shaffer, Administrative Assistant

Also Present:

Mr. Mark Lawson, General Counsel

3. Approval of the Agenda

Mr. Cornett presented the Agenda. Mr. Taylor motioned to approve the Agenda, Mr. Coleman seconded the motion and the Board approved voting 5-0-0-2.

4. Closed Meeting

Mr. Taylor moved that the Board adjourn to Closed Meeting in accordance with the Virginia Freedom of Information Act, Code of Virginia Section 2.2-3711 Paragraph (A) (1): Personnel, 1. To discuss and consider prospective candidates for employment, assignment, appointment, performance, demotion, salaries, disciplining or resignation of employees of the public body. In addition to the Board, the presence of Mr. Mark Lawson, WCSA Counsel, prospective general manager

candidates and Mr. Robbie Cornett, WCSA General Manager was requested. A second to the Motion of Closed Meeting was made by Mr. Stout and was approved by Board vote of 5-0-0-2. The Board adjourned to Closed Meeting at 2:06 PM.

Return to Public Session:

Mr. Miller read the following **Return to Public Meeting**; Mr. Chairman, I move that the Board return to Public Session. The motion was seconded by Mr. Stout and approved by Board vote of 5-0-0-2. The Board returned from Closed Meeting at 5:45 PM. Mr. Taylor 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. Chase, Mr. Miller, Mr. Coleman, Mr. Stout and Mr. Taylor confirming that no outside discussion took place other than Closed Meeting topics.

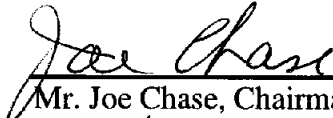
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5. Late Items

There were no Late Items to be discussed.

6. Adjourn or Recess

Mr. Taylor motioned at 5:52 PM to Adjourn. Mr. Stout seconded the motion and the Board approved voting 5-0-0-2.



Mr. Joe Chase, Chairman



Carol Ann Shaffer, Assistant Secretary

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The regular meeting of the Washington County Service Authority Board of Commissioners was called to order by the Chairman at 6:58 PM.

ROLL CALL

Commissioners Present:

Mr. Joe Chase, Chairman

Mr. D.L. Stout, Vice Chairman

Mr. Prince Coleman

Mr. Devere Hutchinson

Mr. Dwain Miller

Mr. Kenneth Taylor

Mr. Frank Stephon, IV

WCSA Staff Present:

Robbie Cornett, General Manager

Kimberly Harold, Controller

April Helbert, Engineering Manager

Mark Osborne, Technical Manager

Carol Ann Shaffer, Administrative Assistant

Consultants Present:

Bobby Lane, PE, The Lane Group, Inc.

Kevin Heath, PE, Adams-Heath Engineering

Stevie Steele, PE, Anderson & Associates

Also Present:

Mr. Mark Lawson, General Counsel
WCSA Employees

3. Approval of the Agenda

Mr. Cornett had no corrections or additions to the agenda. Mr. Stout motioned to approve the Agenda, Mr. Coleman seconded followed by Board approval voting 7-0-0-0.

4. Public Query & Comment

There was no Public Query & Comment.

5. Approval of the Consent Agenda

- Minutes: February 27, 2012 Regular Meeting, February 27, 2012 Recessed Meeting.
- Routine Reports for March 2012.
- Financial Statement for March 2012.
- Check Register and General Manager Financial Report for March 2012.

Mr. Miller made the motion to approve the Consent Agenda. The motion was seconded by Mr. Stephon and was approved by a 7-0-0-0 Board vote.

6. Engineer's Report and Update
April Helbert on behalf of Maxim Engineering

Mrs. Helbert reported that WCSA was reviewing the agreements submitted by Maxim, and would be available for Board review at the May Board Meeting.

Mr. Kevin Heath of Adams-Heath Engineering (AHE)

• **Whites Mill**

Mr. Heath reported that all construction was completed. Tipton Construction is working on punch list items. A clean-up change order will be available to the Board at the May Board Meeting.

• **Abingdon Storage Tank Study**

Mr. Heath said the interior inspection of the tanks has been completed. Both tanks were found to be in fair condition. After test results are completed by the contractor, a draft of the study will be available for Board review.

• **Green Spring Water Line Replacement**

AHE has completed plans for the water line replacement and submitted those plans to the Health Department for their review.

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- **Route 58 Water Supply Improvements Project**

Mr. Heath reported that the project was underway. AHE has sent letters to all environmental clearing houses for environmental review on the project. AHE is working on updates to the PER for funding applications.

Steven Steele of Adams-Heath Engineering (AHE)

- **Exit 13 Sewer Project Phases 2A**

Mr. Steele reported that the surveys for Phase 2 A have been mailed to the residence. There have been no comments from residences on those surveys to date. Phase 3 letters will be mailed to residences the week of April 30th.

Mr. Bobby Lane of The Lane Group, Inc. (TLG) reported on the following projects:

- **Drinking Water Treatment Plant Expansion (6.6 MGD to 12 MGD) and Raw Water Intake and Raw Water Line Improvements**

Mr. Lane reported that installation of the auger piles was successfully completed and was the last of the subservice work that needed to be finished. TLG has compiled Change Order 2 which will be addressed later in the meeting. Work is on schedule and is to be completed by February 2013.

TLG met with the contractor working on the Raw Water Intake and were presented with a detailed plan of action with contingencies for consideration as requested. The plan will be shared with WCSA Legal Counsel and Staff. Board recommendations regarding the plans are expected to be made at the May meeting. Mr. Lane said that in his estimation, the contractor did a good job evaluation the

project, listing contingencies and developing a plan of action for competing construction of the intake.

Mr. Lane reported the contractor working on the Raw Water Line was able to restore contours and seed the area. We will now be able to close out the contract on the Raw Water Line pending final inspection, Mr. Lane stated.

- **Exit 13 Project**

Mr. Lane reported that Mendon Pipeline is ahead of schedule. Ramey Inc. is now working on that project as well. Matthew Lane and WCSA staff attended a compliance review on the Southern Rivers Funds today and that meeting went well, he added.

- **Galvanized Line Replacement Project**

Mr. Lane said Rural Development attended final inspections for Divisions 1 and 2 and found the project was in good order. The contractor has been advised not to start additional work until clean-up is completed. The new project adding about \$360,000 of new line to the Large Trailer Park, Highpoint Mobile Home Park and along Mercedes Drive and Abingdon Elementary School will be discussed by Mrs. Helbert later in the meeting, he stated.

- **Reedy Creek Water System**

Peters Trucking has completed their contract on Reedy Creek and Classic City on schedule. TLG continues working with the contractors on the clean-up.

Mr. Chase commented on the attention to detail the contractors working on the Reedy Creek Road Project exhibited.

- **Emory, Meadowview Sewer Study**

Mr. Lane said they have had the first review study meeting with WCSA staff. Mr. Lane reported that study was

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behind schedule but planned to dedicate the necessary resources to get back on schedule.

7. Water & Wastewater Construction Projects Report and Update April Helbert

- **Sutherland Project**

Mrs. Helbert said the Board of Tennessee has approved her Tennessee license and work on the Sutherland Project will begin soon.

- **South Fork River Crossing**

Mrs. Helbert stated construction and testing have been completed. The line should be placed into full service on April 18, 2012.

- **Private Development Projects**

Construction is underway on Helen Lane Mrs. Helbert reported.

- **Oak Park Phase 4 Project**

Testing for the Oak Park Phase 4 Project will begin soon.

8. General Manager's Report & Update Robbie Cornett

Mr. Cornett referred to his General Manager's report at the Board's stations. He reported on the following noteworthy WCSA performance & accomplishments from all departments during January:

Water Production

- Produced over 203 million gallons of drinking water.
- Continued coordination and support of the expansion of our Middle Fork Drinking Water Plant.

Distribution

- Due to the timing of the April Board Meeting, the outside purchase of water is incomplete.
- Continued coordination and support of WCSA's ongoing capital projects.

Meter Department

- 130 customers were telephoned following unusually high usage.

- 118 meters were lifted for non-payment.

Customer Service

- \$16,069 was abated for 76 customer water leaks.
- More than \$4,400 was written off as bad debt three years old.
- 7 water taps applied for.
- 1 wastewater taps applied for.
- 190 reconnections/transfers of service.
- 4,652 accounts with late charges added.
- 1,018 disconnect notices processed.
- 118 disconnects for non-payment.

Maintenance

- 37 leaks repaired.
- 2 major breaks.
- 11 water taps.
- 1 wastewater taps.
- Responded to 49 after hour maintenance call-outs.
- Supported Galvanized Line and Reedy Creek Road contractors with mainline taps and ongoing prospecting.

Wastewater

- Treated 12.8 million gallons of wastewater.

Administrative Items

- I would like to recognize out Wastewater Production Group who achieved the "2011 Excellence in Water Treatment Plant Performance Award". Each year, the VDH Office of Drinking Water recognizes systems that demonstrate excellence in performance, operations, treatment and distribution of drinking water to the public. The Office of Drinking Water will announce this year's winners and present awards at noon on May 4, 2012 at the Sheraton Roanoke Airport Hotel and Conference Center

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in Roanoke, VA. If I am not mistaken, this is the seventh year in a row our Water Production Group has received this award.

- On March 5, 2012 Bobby Lane and I met with Russell County Public Service Authority (RCPSA) officials regarding the possibility of purchasing water for the Hidden Valley area and also the possibility of interconnecting our water systems. The meeting was positive and RCPSA responded by letter on March 23rd to say that their board considered the request on March 15, 2012 and are in general agreement with providing water if we would like to pursue that further.
- For the past four years now (2008-2011) WCSA has conducted annual performance evaluations for its employees. Review of the 2011 calendar year evaluations were recently completed and look great. Each year has resulted in improved performance over the previous year.
- April Helbert, Bobby Lane and I had the privilege of representing WCSA at one of three meetings of the Board of Supervisors during February and March concerning a CDBG application for the Mendota Water Improvement Project. Thanks to April and Bobby for the participation and thanks to the Board members who also attended some of these meetings.
- On March 19, 2012 I represented WCSA at the Washington County Economic Development Committee Meeting where I made a presentation regarding the assignment of the 1993 Sewer Agreement between Washington County and the City of Bristol to WCSA. The City assigned

their rights in the agreement when BVU became an Authority.

- I would like to offer a warm welcome to Holly Edwards who will be joining the WCSA team as Customer Service Manager on April 26, 2012. Holly has spent much of her career in the Health Care field where she has served a Corporate Office Manager for a Home Health Company and earned her Bachelor's degree from University of Virginia Wise.
- March resulted in no changes to the nonresidential connection fees that are *pending* or *paid* in our water systems for the current fiscal year.

Mr. Chase added that the Board would like to offer its appreciation to the Water Production Group in achieving the 2011 Excellence in Water Treatment Plant Performance Award.

9. Consideration of the Discontinuation of Two Potential Petition Projects April Helbert

Mrs. Helbert explained that in order to ensure the Board is properly informed, our practice is to have the Board discontinue projects. WCSA staff and residents have worked together to try and develop a water/sewer line extension for North Fork River Road and Pine Hill Road areas, but there was not enough residential commitment.

- **North Fork River Road**

Mrs. Helbert said this project was discontinued in 2011. Since that time, WCSA received inquiries from residents seeking clarification on user agreements. The user agreements stated that the property owner must: "Discontinue all private sources of water (wells, springs, etc.) for the residence before connection to the WCSA water supply is made". The statement should have specified

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that: "WCSA customers may continue to use their private water supply as long as there is a physical separation between plumbing that provides water from a private source (well, spring, etc.) and plumbing that provides water from the WCSA water supply." After re-soliciting, only 19 (or 35%) submitted user agreements indicating their commitment. Our policy in 2010 required greater than 50% residential committal. The project cannot be downsized to achieve greater than 50 % participation and so we recommend the Board take action to formally discontinue the project. Residents will be notified after Board approval, she added.

- **Pine Hill Road**

Mrs. Helbert explained in 2007 WCSA received a petition from residents along Pine Hill Road. Of the 27 existing homes in the project area, only 10 (or 37%) submitted user agreements. Our policy at that time required greater than 50 % residential participation. The project cannot be downsized to achieve greater than 50% participation. Mrs. Helbert recommend the Board take formal action to discontinue this project.

Mr. Stout motioned to discontinue the North Fork River Road Project and the Pine Hill Road Project. Mr. Coleman seconded the motion and the Board approved voting 7-0-0-0.

10. Consider of Change Order #2 for the WCSA Middle Fork Water Treatment Plant Expansion Phase 2
Bobby Lane

Mr. Lane stated about 25% of the change orders \$72,000 consists of structural modifications that need to be made to the Water Treatment Plant's existing building. Drawings of the existing building used to bid the project showed structural framing that did not actually

exist. The cost to add the necessary structural framing was \$18,859.

The contractors had to drill and epoxy rebar at the new Flocculation Basins at an additional cost of \$1,590.

Contractors also had to install a new flume hood in the laboratory costing \$12,201.

Drywall had to be added in the ceiling and Intermediate Booster Pump Building for energy savings costing \$4,360.

Citadel building stone was added to the buildings in lieu of stone veneer at an additional cost of \$2,100.

Due to a power surge caused by an unannounced startup of the new Power Substation, Variable Frequency Drives had to be repaired costing an additional \$7,594.

An additional \$8,381 had to be spent to relocate 12" line at Taylor's Valley to avoid conflict with the new backwash line.

The installation of temporary control wiring to the flash mixer and fluocculators added \$5,040 to the project.

Modifications to the gable ends and end walls of the Energy Recovery Building added \$9,193 to the project.

Removal of the concrete porch ledge and footer was cost an additional \$1,975.

The total for Change Order #2 is \$72,105. When added to the amount of Change Order #1 (\$41,530.50), the total amount in change orders is \$113,635.50 or 1.2% of construction costs for the project.

Mr. Miller motioned to approve Chance Order #2 for the WCSA Middle Fork Water Treatment Plant Expansion Phase 2 in the amount of \$72,105, adding 21 days to the Project. Mr. Stout seconded the motion and the Board approved voting 7-0-0-0.

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11. Consideration of a General Engineering Agreement Between WCSA and The Lane Group April Helbert

Mrs. Helbert said from time to time, WCSA has a need for engineering services for smaller projects. These may range from a simple hydraulic calculation for an existing water or sewer system, to a study of water or sewer needs. For this reason, WCSA has selected The Lane Group as one of the firms to provide a range of engineering services for water or sewer services as the need arises. A General Engineering Services Agreement has a limit of \$100,000 in total engineering fees for any one project, and the annual total for any contract cannot exceed \$500,000. Approving this agreement does not mean the Board has no further approval of engineering fees related to any "notable" project, Mrs. Helbert added. If the project only involves simple hydraulic calculations, the Staff, with the approval of the General Manager, can authorize their services. If the project is more complex and results in a Task Order, Task Orders must be brought back to the Board for approval. Staff negotiated this agreement with TLG over the past two months. WCSA General Counsel has also reviewed, commented and approved this agreement. Mr. Stout motioned to approve the General Engineering Agreement between WCSA and The Lane Group. Mr. Hutchinson Seconded and the Board approved with a vote of 7-0-0-0.

12. Consideration of an Engineering Agreement Between WCSA and The Lane Group for the Oak Park Wastewater Expansion Project April Helbert

Mrs. Helbert explained this project proceeds from the Western Washington County Sewer Study performed by The Lane Group (TLG). This project involves the design and construction of one sewer lift station, approximately 4,200 linear feet of 12" gravity sewer line, 7,800 linear feet of 18" gravity sewer line and approximately 8,200 linear feet of 12" sewer force main. The project will transport sewer from the Oak Park to the Spring Creek Sewer Lift Station. Grant funding for this project has been appropriated from the Tobacco Commission totaling \$3,892,700. Design is now underway. In accordance with the commitment made to the Tobacco Commission, the project completion should be mid 2013. WCSA Staff negotiated this agreement with TLG over the past two months. WCSA General Counsel has also reviewed, commented and approved this agreement. There was a brief discussion between WCSA Staff, Mr. Lane and the Board regarding the completion date and the importance of a timely completion. Mr. Lane said it was critical to start on the Project as soon as possible. When the Tobacco Commission favors the County or WCSA by approving grant money for a project, it is critical to move quickly on the project. The THG has a very aggressive schedule to start the project. Mr. Taylor motioned to approve the Engineering Agreement between WCSA and The Lane Group for the Oak Park Wastewater Expansion Project. Mr. Hutchinson seconded and the Board approved voting 7-0-0-0.

13. Consideration of Audit Services Proposal Kim Harold

Mrs. Harold referred the Board to the Audit Proposal handout (see attached) at the Board's stations listing the three

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firms that submitted proposals. The firms that submitted bids were Blackley, Olinger & Associates, Brown Edwards and Robinson, Farmer, Cox Associates. Proposals were opened on April 11, 2012 at 1:00 PM. WCSA Accounting Staff talked with the principal contact from each firm and had telephone interviews with each of auditors. We did decide to renew the contract with Robinson, Farmer and Cox upon Board approval, said Mrs. Harold.

Mr. Stephon motioned to approve the audit firm of Robinson, Farmer, Cox Associates. The motion was seconded by Mr. Stout and approved by Board vote of 7-0-0-0.

14. Consideration of Sludge Removal Services *Kim Harold*

Mr. Helbert reported there were no bids submitted for sludge removal. WCSA was instructed by Legal Counsel to re-advertise and/or re-solicit bids for sludge removal. Mr. Cornett stated from time to time, we must solicit bids directly, which may have to be done in this case.

15. Consideration of Lawn Care Services Procurement *Kim Harold*

Mrs. Helbert said WCSA received several bids for lawn care services. Those bids were opened on April 12, 2012 and were being reviewed by an outside law firm for recommendation. Elliott, Lawson and Minor chose not to review the lawn care bids due to a conflict of interest. Mr. Cornett hopes to have recommendations from Legal Counsel regarding the bids available for the Board to review at the May Board Meeting.

16. Report and Update on the 2011 Professional Services Procurement for Certain Capital Projects and Services *April Helbert*

Mrs. Helbert reminded the Board that in October 2011, the Board approved WCSA advertising for Engineering Services for several projects, and the Board approved streamlining the procurement process. Mrs. Helbert referred the Board to the report which lists each firm and the project associated with that firm. Most of these proposals will be available for Board review at the May Board Meeting.

17. Closed Meeting

Mr. Stephon moved that the Board adjourn to Closed Meeting in accordance with the Virginia Freedom of Information Act, Code of Virginia Section 2.2-3711 Paragraph (A) (1): Personnel, 1. To discuss and consider prospective candidates for employment, assignment, appointment, performance, demotion, salaries, disciplining or resignation of employees of the public body, Code of Virginia Section 2.2-3711 Paragraph (A) (3): Acquisition and Disposition of Property. 2. To discuss and consider the acquisition of real property, Code of Virginia Section 2.2-3711 (A) (5): Prospective Business, 3. Discussion concerning a prospective business, Code of Virginia Section 2.2-3711 (A) (6): Investment of Public Funds, 4. To discuss various Inter-municipal and other agreements, Code of Virginia Section 2.2-3711 Paragraph (A) (7): Legal Advice, 5. To discuss potential litigation. 6. To discuss various Inter-municipal and other agreements. 7. To discuss potential contract litigation. In addition to the Board, the presence of Mr. Mark Lawson, WCSA Counsel, and Mr. Robbie Cornett, WCSA General

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Manager was requested. A second to the Motion of Closed Meeting was made by Mr. Coleman and was approved by Board vote of 7-0-0-0. The Board adjourned to Closed Meeting at 7:50 PM. Mr. Stout excused himself from the Board Meeting after voting for Closed Meeting, but did not attend Closed Meeting.

Return to Public Session:

Mr. Miller motioned the Board return to Public Session. Mr. Stephon seconded the motion and read the following **Return to Public Meeting**; Mr. Chairman, I move that the Board return to Public Session. The Board approved the motion with a vote of 6-0-0-1. The Board returned from Closed Meeting at 9:25 PM. Mr. Stephon 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. Hutchinson, Mr. Stephon, Mr. Chase, Mr. Coleman and Mr. Taylor confirming


that no outside discussion took place other than Closed Meeting topics.

18. Late Items

There were no late items.

19. Adjourn or Recess

At 9:31, Mr. Stephon motioned to Adjourn until Monday, May 21 at 7:00 PM. Mr. Hutchinson seconded the motion and the Board approved voting 6-0-0-1.



Mr. Joe Chase, Chairman



Carol Ann Shaffer, Assistant Secretary

**Washington County Service Authority
Audit Proposal Opening
April 11, 2012 - 1:00 p.m.**



Proposer	
Blackley, Olinger & Associates PLLC	
Brown Edwards	
Robinson, Farmer, Cox Associates	

After reviewing the audit proposals submitted, we recommend renewing our audit contract with Robinson, Farmer, Cox Associates

Opened By:

Karen Lester

Witnessed By:

Kimberly Harold

Date:

4/11/2012