

Washington County Service Authority Board of Commissioners
November 26, 2012 Regular Meeting Minutes

The regular meeting of the Washington County Service Authority Board of Commissioners was called to order by the Chairman at 6:59 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. Frank Stephon, IV
Mr. Kenneth Taylor

WCSA Staff Present:

Robbie Cornett, General Manager
Kimberly Harold, Controller
April Helbert, Engineering Manager
Carol Ann Shaffer, Administrative Assistant

Consultants Present:

Bobby Lane, PE, The Lane Group, Inc.
Bill Skeen, Maxim Engineering
Kevin Heath, PE, Adams-Heath Engineering

Also Present:

Mrs. Dawn Figueiras, General Counsel

3. Approval of the Agenda

Mr. Cornett asked that Agenda Item 13 be omitted from the meeting. Mr. Stout motioned to approve the Agenda, omitting Agenda Item 13. Mr. Taylor seconded the motion and the Board approval voting 7-0-0-0.

4. Public Query & Comment

There was no public query or comment.

5. Approval of the Consent Agenda

- Minutes for the September 24, 2012 Regular Meeting; September 24, 2012 Recessed Meeting (held October 22, 2012) and minutes for

the October 22, 2012 Regular Meeting.

- Routine Reports for October 2012.
- Financial Reports for October 2012.
- Check Register and General Manager Financial Report for October 2012.

Mrs. Shaffer presented the Board with attachments that were not included in the Board Book Minutes. Mr. Stephon made the motion to approve the Consent Agenda. The motion was seconded by Mr. Hutchinson and was approved by a 7-0-0-0 Board vote.

6. Engineer's Report and Update

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

- **Rich Valley Road/Whites Mill Road/ Hillandale Road/ Red Fox Land Water Extension Project**

Mr. Heath reported they have submitted project plans, specifications and contract documents for all three contracts to VDH-FCAP for Biddability Review. They have also completed the Environmental Review documents for all three contracts and submitted those to VDH-FCAP for review.

- **Route 58 Water Supply Improvements Project**

AHE has submitted the Draft Environmental Document and PER Amendment # 1 to WCSA for review and comment.

- **Green Spring Water Line Replacement**

Mr. Heath reported AHE has received approval from the Town of Abingdon for E&S revisions made to address railroad permit changes. Mr. Heath requested approval to advertise this project. Mr. Cornett concurred with Mr. Heath stating all permits were in hand for the project. Mr. Hutchinson motioned to allow AHE permission to advertise. Mr.

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Stout seconded and the Board approved voting 7-0-0-0.

- **Abingdon Water Storage Improvements Study**

AHE is working on a draft Study for this project and expects to submit the first draft to WCSA for review and comment.

- **Smyth Chapel Area Water Improvements Study**

Mr. Heath said AHE is compiling background information for the Study and developing a hydraulic model for the Study area.

- **Monte Vista/Crescent Drive Water Line Improvements**

Mr. Heath reported this project has been temporarily placed on hold at the request of WCSA.

- **Eastern Washington County Water Study**

At the request of WCSA, this project has also been placed temporarily on hold according to Mr. Heath.

Mr. Robbie Cornett on Behalf of Anderson and Associates (A&A):

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

Mr. Cornett stated Mr. Amos was unable to attend the meeting. And reported A&A was continuing to secure User Agreements for this project. A&A has had some positive news in the past couple of weeks added Mr. Cornett.

Mr. Bobby Lane of Lane of The Lane Group, Inc. (TLG):

- **New Raw Water Intake and Water Treatment Plant – Task Order 9 Final Design of 12 MGD Water Plant Expansion, Raw Water Intake and Raw Water Line Replacement**

Mr. Lane said since the last meeting, TLG has had several meetings with the Contractor and WCSA staff regarding

the project deadline. Mr. Lane said he wanted to discuss the plans presented by the Contractor that will enable WCSA the ability to produce the amount of water needed to supply their customers.

Mr. Lane said there are four existing filters and the contractor is working on four new filters, filters 5 through 8; expected to be online by the first of January. Mr. Lane said in December of 2012, the water plant capacity will increase from 6.6 MGD (current capacity) to 7.7 MGD. That increase will happen when filters 5 through 8 go online. The Contractor proposes completion of a fifth filter in January, increasing capacity to 9.6 MGD. TLG anticipates 9.6 MGD to be the maximum anticipated demand in a worst case situation, like not being able to produce water at the Chilhowie facility or losing water from the Reservation Springs Plant. If the demand for 9.6 MGD arose today, WCSA has the ability to purchase water from Bristol, but contract expires in February. The Contractor anticipates the project to be completed in May enabling water production to rise to 12 MGD. Mr. Lane said in summary, even though the Contractor will not finish by the contract date, they do have contingency plans in place that will enable WCSA the ability to produce 9.6 MGD by February 6, 2012 so there will not be no interruption in water production when service from BVU is halted. Mr. Lane said the Contractors request for time has not been reviewed and so TLG is not able to make a recommendation to the Authority. Mr. Lane said there was a contractual issue that will be addressed when they receive the final time request from the Contractor.

Mr. Lane stated, although the Contractor will not finish by contract time and there

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is a contractual issue, TLG feels comfortable WCSA will have the ability to produce the maximum anticipated water demand of 9.6 MGD.

Mr. Taylor asked what the issue was that was keeping the Contractor from meeting the contract deadline.

Mr. Lane said the sub-contractors have not been able to finish work according to their schedule and that has slowed the project. Mr. Lane said he felt Judy Construction was working hard to finish the project correctly and in an orderly fashion without any undue disruption of service at the existing plant.

Mr. Chase stated the project was about 4 months behind schedule.

Mr. Lane said the project is 3 to 4 months behind; 90 to 100 days behind schedule.

Mr. Lane then discussed the Raw Water Intake. He began by reminding the Board that the Intake Contractor ran out of time to complete the project in June of 2012. TLG and WCSA worked closely with the Contractor in the recovery plan submitted by the Contractor, calling for work to begin around October 15, 2012.

The Contractor began drilling on October 26. On October 30th, the Contractor informed TLG that there was rock fallout in the area he was drilling, causing the reamer to break. TLG has had numerous call and meetings with the contractor to address this situation.

Mr. Lane said the Contractor claims:

1. Subsurface conditions are different than what he bid.
2. The waterlines from the Intake to the Pump Station cannot be constructed by drilling. The Contractor has asked for relief in both these instances.

Mr. Lane said TLG has reviewed the requests and are not able to agree with either of the requests or either of the statements. TLG does not believe that

subsurface conditions are any different now than when the Contractor bid the project. We do agree, having worked on this project for a year, that it will now be difficult to complete the directional drilling. However, we do believe that the Contractor could have done directional drilling in the beginning, if he did it in the correct manner, added Mr. Lane.

After looking into the situation and reviewing several different alternatives, in TLG's opinion, the Contractor cannot proceed with directional drilling. It does appear the best way to accomplish the line between the intake and the pump station is through tunneling, said Mr. Lane. TLG has located sub-contractors and provided that information to the Contractor. Mr. Lane said they propose WCSA issue a work change directive to the Contractor to move forward with tunneling. Mr. Lane believes there is an outside possibility that the work can be completed by February if the Contractor commences work quickly.

In the event the Contractor is unable to complete the work by February 6th, TLG has a contingency plan in place, bringing diesel or electric powered pumps on site to draw water from the lake, through a screen and send to the Raw Water Pump Station until the intake can be finished.

I expect the tunneling is more expensive, who would assume the additional cost for that, asked Mr. Chase

Mr. Lane answered saying the additional cost for tunneling would be about \$350,000. It is our contention that the Contractor is obligated by the contract to move forward with tunneling at no cost to the owner due to the fact directional drilling was not performed in an efficient manner, Mr. Lane added. The work change directive TLG has provided to the Contractor is a no cost work change directive, stated Mr. Lane. Mr. Lane

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expects the Contractor will claim additional monies and may not accept the work change directive without filing a funds request or claim.

Mr. Taylor asked if the Contractor had filed a claim.

Mr. Lane said the Contractor has filed a request of \$2.2 million for the tunneling work and TLG advised the Contractor we would not recommend that request to WCSA. Mr. Lane went on to say that TLG contacted two contractors that would do the tunneling work for about \$600,000. The difference in the costs will be around \$300,000 to \$400,000 added Mr. Lane.

According to Mr. Lane, WCSA has filed notice, as required by the contract documents, to TLG's insurance carrier as well as the Contractor's bonding company to protect the interest of WCSA.

Mr. Taylor then asked if everything was on contract schedule for the claim issue.

Mrs. Figueiras said everything was on schedule to proceed to the next step. She discussed the notices that have been filed, stating everything was in place.

Mrs. Figueiras then asked about the additional cost for tunneling. Mr. Lane said the cost over and above the additional tunneling cost should be no more than \$100,000.

Mr. Cornett said the work the Contractor was under contract to perform for directional drilling was to be about \$300,000. The tunneling price TLG has been able to secure from other contractors is about \$660,000. After reducing the \$660,000 by the amount the Contractor is under contract for (\$300,000) since he is unable to do the work, the additional cost is about \$360,000. Effectively, the Contractor is requesting about \$1.9 million more using their tunneling contractor.

Mr. Stout asked if any work was being done at the intake.

The Contractor is continuing to work on the Pump Station and keeping the coffer dam water free, but have not worked in the lake since October 31st, said Mr. Lane.

Mr. Lane then discussed the possibility of open cutting saying it was possible. The expense to open cut is about the same but there will be additional archaeological expenses associated with clearing the site for open cutting would total about \$500,000, said Mr. Lane. TLG developed a contingency plan for open cutting and have asked the archeologists to revisit the project and provide an updated estimated cost. Mr. Lane said preliminary cost was about \$400,000 and 4 months in archeological work, for this reason, we do not believe open cutting will be the best option, offered Mr. Lane.

- **Bristol Area Water Service Restructuring from BVU to WCSA**

Mr. Lane reported this Project was complete and a final clean-up change order will be presented later in the meeting.

- **Exit 13 Wastewater Project Phase 1 & Exit 13 Force Main Project**

Mr. Lane said both projects were quickly moving toward completing and should be complete by early 2013.

- **Galvanized Waterline Replacement Project – Phase 1 & 2**

Work approved by WCSA in October for Division 3 (Abingdon) is now complete.

- **Oak Park Sewer Project**

TLG has received the requested bond and insurance information from all three contractors. Mrs. Figueiras is reviewing that information.

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Mr. Bill Skeen of Maxim Engineering

• Tumbling Creek South & North Fork River Road Water Projects

Upon approval from WCSA, Maxim will re-submit project plans and specifications to the VDH since the required pressure reducing valves were added, said Mr. Skeen.

• Larwood Acres / Exit 1 Wastewater Feasibility Study

Mr. Skeen submitted an Engineering Agreement for WCSA Staff and Legal Counsel to review and will begin work on the study after the agreement is approved.

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

Mrs. Helbert reported on the Sutherland Project saying we are waiting for approval from some of the agencies. Mrs. Helbert said this project was funded by three agencies, and are waiting from approval from the primary funding agency. Mrs. Helbert requested permission from the Board to advertise this project after all documents were approved.

Mr. Stout made a motion giving WCSA permission to advertise when all documents were approved by the funding agencies. Mr. Stephon seconded the motion and the Board approved voting 7-0-0-0.

8. General Manager's Report & Update Robbie Cornett

Mr. Cornett referred to his General Manager's Report and Update at the Board's stations. He reported on the following noteworthy WCSA performance & accomplishments from all departments during the month of October:

Water Production

- Produced over 200 million gallons of drinking water from WCSA and more than 30 million gallons of water for the Town of Chilhowie.
- Continued coordination and support of the expansion of our Middle Fork Drinking Water Plant.

Distribution

- Coordinated the outside purchase of over 13 million gallons of drinking water.
- In total, 6.9 million gallons per day (MGD) of drinking water was distributed to our customers in October.

Meter Department

- 177 customers were telephoned following unusually high usage.
- 503 customers were notified that their water was to be turned off for nonpayment.
- 110 meters were lifted for non-payment.
- 98.88 % (21,848) of all meters read with radio with the remainder (117) requiring a manual read.

Customer Service

- More than \$28,000 was adapted for 244 customer water leaks.
- \$5,396.79 was written off as bad debt three years old.
- 4 water taps applied for.
- 154 reconnections/transfers of service.
- 4,725 accounts with late charges added.
- 1,258 disconnect notices processed.
- 110 disconnects for non-payment.
- 20,979 active water accounts (when we reach 21,000 accounts, the Virginia Department of Health – Office of Drinking Water may change the classification of our waterworks from Class 2 to Class 1.

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The threshold is 50,000 people served and it is customary to multiply the number of connections by 2.4 to determine the number of people served.)

Maintenance

- 30 leaks.
- 6 major breaks repaired.
- 6 water taps.
- 58 after hour maintenance call-outs.
- Assisting with capital improvements projects.
- Continued Damascus Sewer System inflow and infiltration investigative and corrective work.

Wastewater

- Treated more than 9.1 million gallons of wastewater at Hall Creek.
- Treated more than 3.5 million gallons of wastewater at Damascus.

Administrative Items

- With Accounting, continue to develop a compensation and benefits survey for our area. This survey should be assimilated in DRAFT form within a few weeks.
- Participated in various meetings regarding out Landlord Tenant Policy.
- On behalf of WCSA, attended the Washington County Government Center Dedication Ceremony on October 18th.

9. Consideration of the 2011-2012 WCSA Audit Report by Robinson, Farmer Cox Associates *Deanna Cox*

Mrs. Cox said that WCSA received an unqualified opinion (equal to an "A") which is the best of the four opinion qualifications. Mrs. Cox then referred to page 3 of the report that is an overall summary of the report. Mrs. Cox said in summary, the overall financial condition of the Authority is strong. She then said there was one very minor comment for

this year. There were some outstanding checks over a year old that are required to be returned to the Division of Unclaimed Property of the Department of Treasury. The rules concerning what types of property required to be returned and the time line for returning the property were. WCSA has a better understanding now and is on track to meet those requirements. This was a very minor comment and does not detract from the fact that WCSA had a very good audit added Mrs. Cox. She also commended the Accounting Staff on the job they do preparing for the audit, saying it makes her job much easier.

Mrs. Cox then discussed new accounting standards, related to accounting methods for pensions that will affect future financial statements. The implementation date for these standards will be June 2015, however, the impact on the bottom line will be significant for WCSA, Mrs. Cox added.

The new standards propose reporting liabilities associated with pensions on the Statement of Net Assets, which is basically the Balance Sheet, stated Mrs. Cox. She went on to say, this will be a significant liability required to be added to financial statements in a couple of years.

Mr. Stephon complemented Mrs. Herald and the financial department for doing an excellent job.

10. Consideration of Rescinding Landlord Tenant Policy; Amendment of Extension Policy; and Adoption of Landlord/Customer Consent Policy *Robbie Cornett*

Mr. Cornett began saying on June 25th the Board considered and adopted policy regarding landlord tenant accounts. The policy was implemented in August. We soon found the policy resulted in

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unintended consequences for our landlords and tenants. The Board subsequently established a committee consisting of Mr. Chase, Mr. Hutchinson, Legal Counsel, and Mr. Cornett to review the policy and how it impacts landlords, tenants and WCSA. The committee discussed revisions to the policy. The most notable point made by the landlords was the landlords were unaware that WCSA could file liens against them for tenant's bad debt, until this policy was adopted. The intent in adopting this policy was to preserve our right to file liens, even though it was not our policy and we didn't intend to make it policy, but to preserve that right to file liens, Mr. Cornett explained.

The other issue was the amount tenants must pay for deposit. WCSA then looked at different deposit amounts and doing credit checks. After factoring in the costs and time associated with doing credit checks, it did not appear to be advantageous to WCSA to perform credit checks, said Mr. Cornett.

The Landlord Tenant Committee recommends an amended Landlord Customer Consent Policy. Summarized, the new policy requires the landlord and tenant complete and sign the form. This will confirm the tenant and allow WCSA to notify the landlord of tenant delinquencies.

Mr. Cornett then discussed the modifications made to the Extension of Due-Date Policy. The current policy allows three extensions in a 12 month period and gives discretion on how long the extension is. This has made our bad debt worse. Mr. Cornett said he has yet to find another utility that offers an extension policy. The modified Extension Due-Date Policy states all residential accounts may receive up to one due-date extension every 12 month

period. The extension shall be no longer than the first business day of the following week at which time payment in full is due.

Mr. Cornett commended the landlords for their comments and for their work with WCSA on this project.

Mr. Miller motioned to rescind the Landlord Tenant Policy, the Amendment of Extension Policy and adopt the Landlord/Customer Consent Policy. Mr. Stephon seconded the motion and the Board approved with a vote of 7-0-0-0.

11. Consideration of Refunds with Interest *Robbie Cornett*

Mr. Cornett reminded the Board In October of 2012, the Board requested Staff examine how desirable and feasible it would be to issue refunds with interest to customers. Mr. Cornett said our research has left me without any compelling reason to recommend issuing refunds or credits with interest.

Mr. Cornett said the case that was under consideration was 13 years old. To pick an interest rate and how to apply it for that time has been a struggle. If we do issue refunds with interest, we will be asked why we chose a certain rate. Most utilities that are required to issue interest, follow guidelines that stipulate how to determine the interest rate. WCSA is not the type of utility that is required to issue interest, Mr. Cornett stated.

Mr. Stout said he personally has never been issued interest on a refund and feels WCSA should not issue refunds with interest.

In most cases where companies issue interest on refunds, those refunds are based on deposits, Mr. Hutchinson stated. In this case, the refund is based on a mistake not a deposit; that is the difference in this case. This mistake was

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an oversight on the part of WCSA and the customer. I still stand by what I said last month, I am in favor of refunding the money due without interest because it is not a deposit, Mr. Hutchinson said in conclusion.

WCSA has the ability to add more detailed information on the bill. We have a software upgrade coming up in the near future and will update the information on the bill at that time, stated Mr. Cornett.

The Board took no action on this item.

12. Consideration of the Bristol Area Water Restructuring Project Change Order No. 2 Bobby Lane

Mr. Lane referred to the Change Order in the Board Books saying it was the final clean-up Change Order for this project. The Change Order includes a decrease in contract price for quantities installed versus quantities bid in the amount of \$81,232.65. The Substantial Completion Date remains September 19, 2012 and the Final Completion Date remains September 29, 2012 (as approved in Change Order no. 1). WCSA Staff has reviewed and concurs with the recommendation of TLG to approve Change Order No. 2, Mr. Lane added.

Mr. Taylor motioned to approve Change Order No. 2 for the Bristol Area Water Restructuring Project. Mr. Taylor's motioned was seconded by Mr. Hutchinson and approved by Board vote of 7-0-0-0.

13. Consideration of Amendment No. 2 to the WCSA The Lane Group Engineering Agreement for the 12 Million Gallon per Day Water Treatment Plant Upgrade, Raw Water Line and South Fork Intake Project
OMITTED

14. Consideration of Change Order No. 5 to the 12 Million Gallon per Day Water Treatment Plant Upgrade Project Bobby Lane

Item one on the Change Order add a 4 X 4 angle to support the slab at elevation 1810 at the existing costing an additional \$1,930.74 and increase in time of 1 day, Mr. Lane explained. Item two is for additional guttering and downspouts at the Water Treatment Plant Building increasing the contract price by \$5,577.00. Item 3 is for the addition of two 4 inch conduits for the telephone and data connections. This item will increase contract price by \$15,874.00 and add 6 days of work.

In summary, Change Order 5 increases contract price by \$23,381.74 and add 7 days of work, changing the substantial completion date to January 5, 2013 and final completion on March 6, 2013, stated Mr. Lane

Mr. Miller motioned to approve Change Order 5, Mr. Stephon seconded and the Board approved voting 7-0-0-0.

15. Consideration of an Engineering Agreement Between WCSA and Maxim Engineering for the Exit 1 Larwood Acres Wastewater Feasibility Study April Helbert

Mrs. Helbert reminded the Board that Maxim Engineering was selected to perform the Larwood Acres/Exit 1 Wastewater Feasibility Study. The Study includes and evaluation to determine the technical and financial feasibility of providing public sewer service to Larwood Acres and the Exit 1 area. The Study will include all the alternatives for the collection and treatment of sewer in the area, including both conventional and effluent delivery collection systems as well as a package WCSA treatment facility and treatment provided by BVU.

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The Study will consider the desirability and feasibility of these and or any other type of collection and treatment system. It will address capital cost, present worth analysis, permitting and capacity issues. Costs for Engineering Services are \$30,000. Additionally, the Agreement allows for presentations covering the Study's findings at a cost not to exceed \$1,000 per presentation.

Mrs. Helbert went on to say, WCSA Staff negotiated this Agreement with Maxim Engineering over the past month. This Agreement has also been reviewed by WCSA Legal Counsel and they have commented and approved the task orders.

Mr. Taylor motioned to approve the Engineering Agreement between WCSA and Maxim Engineering. Mr. Stout seconded Mr. Taylor's motion and the Board approved voting 7-0-0-0.

16. Consideration of Raw Waterline Project Change Order No. 1 *Bobby Lane*

Item 2 on this Change order is for Permit & Erosion and Sediment Control Bond Fee Allowances decreasing the contract price by \$1,523.00. Item 4 is for the addition of a 24 inch Butterfly Valve, decreasing the contract price by \$4,460. Item 6 increases contract price by \$9,480 for the addition of a 6 inch combination air release valve.

Additional work for Change Order 1 also includes the tie-in to a line installed by DLB costing an additional \$14,698.96 and provides five access gates along the Raw Waterline easement (\$500 per gate) costing an additional \$2,500. The net change in contract price for Change Order 1 is \$20,695.96, Mr. Lane explained.

Mr. Stout motioned to approve Change Order 1 for \$20,695.96. The motion was

seconded by Mr. Coleman and approved with a 7-0-0-0 vote from the Board.

17. WCSA to Participate in AWWA QualServe Benchmarking *Robbie Cornett*

Mr. Cornett discussed the advantages of participating in AWWA's QuaiServe Benchmarking saying benchmarking can help identify, track and measure already established tested performance indicators. It also helps you compare your performance against your peers and identify specific processes needing improvement. Benchmarking also helps implement outstanding processes at your utility to improve performance. Further study revealed that galvanized line was to blame for the majority of service complaints. When WCSA participated in this process in 2003, we learned our service complaints/1000 accounts were 71.8 and the median was 7.1. This certainly told us we had a problem but not what that problem was. Further study revealed that galvanized line was to blame for the majority of the service complaints. As you know, we are still working to solve that problem today. Had we not participated in the benchmarking process, this problem could have gone undiagnosed until it was too late explained Mr. Cornett.

18. Review of WCSA Continuing Improvement *Robbie Cornett*

Mr. Cornett began by referring to the Ongoing Continuous Improvements Draft located in the Board Books. He said, currently, the report outlines four initiatives (DWP, Fire Lines, Galvanized Line and Debt Set-Off). These initiatives will generate about \$1.4 to \$1.6 million in additional annual revenue (13% of our annual operating budget).

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Further, 8.2 million (68% of our annual operating budget) is the amount of onetime savings WCSA has earned in the form of grant since 2007.

Additionally, in the past 6 years, the pace of our capital projects more than doubled from the decade before from \$3.7 million per year (37.1 million) to \$9.7 million/year (58.7 million). This has all been accomplished without adding staff.

19. Consideration of a Holiday Cash Gift and Luncheon *Robbie Cornett*

Mr. Cornett addressed the Board saying, for approximately 24 years, the Board of Commissioners has considered a cash gift for WCSA's employees. Over the past 14 years, the Board has considered a cash gift and a luncheon. In 2009, that gift was increased from \$200 to \$300 after taxes, along with a barbeque lunch. In 2011, in addition to the luncheon, the Board increased the cash gift from \$300 to \$400 after taxes. Mr. Cornett stated, in the past decade and particularly over the past 6 years has been reforming its standards for conduct and productivity. This has resulted in both a better image and reduced operating costs for WCSA. Mr. Cornett asked for the Board's consideration of a Holiday gift and luncheon for WCSA employees.

Mr. Miller motioned to provide a Holiday gift of \$400 after taxes and a barbeque lunch for the employees. Mr. Stephon seconded and the Board approved voting 7-0-0-0.

20. Closed Meeting

At 8:26 pm, 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) (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, In addition to the Board, the presence of Mrs. Dawn Figueiras, WCSA Counsel, and Mr. Robbie Cornett, WCSA General Manager was requested. A second to the Motion of Closed Meeting was made by Mr. Taylor and was approved by Board vote of 7-0-0-0.

Return to Public Session:

Mr. Stephon 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 7-0-0-0. The Board returned from Closed Meeting at 10:51 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

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the Authority. Aye by Mr. Miller, Mr. Hutchinson, Mr. Stephon, Mr. Chase, Mr. Coleman, Mr. Taylor and Mr. Stout confirming that no outside discussion took place other than Closed Meeting topics.

21. Late Items

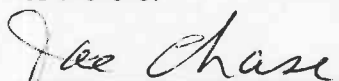
**Late Item #1: Request for Proposals
Rate Fee and Charge Study *Robbie
Cornett***

Mr. Cornett presented the Board with a handout for their review. He said that the RFP would be issued January 4th with proposals due Friday, February 1, 2013. He then referred to Item 1: Purpose as he felt this Item would be of particular interest to the Board. Mr. Cornett encouraged the Board to inform him of any items they felt may be missing from the Scope before the issuance of the proposal before January 4, 2012. Mr. Cornett then referred to the schedule explaining work would begin around August of 2013 and a Draft Report would be available by January 3, 2014.

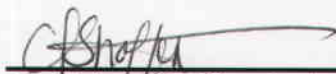
Mr. Cornett suggested the Board recess until 7:00 pm on December 12, 2012 for the Joint Meeting with the Board of Supervisors.

22. Recess

At 10:56 pm, Mr. Stephon motioned to recess. The motion was seconded by Mr. Hutchinson and approved by Board vote of 7-0-0-0.



Mr. Joe Chase, Chairman



Carol Ann Shaffer, Assistant Secretary