

Washington County Service Authority Board of Commissioners
January 26, 2009 Regular Meeting Minutes

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. Gerald Cole, Chairman
Mr. Scott Rector, Vice-Chairman
Mr. Joe Chase
Mr. Frank Stephon, IV
Mr. D.L. Stout

Commissioners Absent:

Mr. Sam Blaylock
Mr. Kenneth Taylor

Staff Present:

Robbie Cornett, General Manager
Kim Roberts, Controller
Amanda Paukovitz, Administrative Assistant
Doug Canody, Chief Engineer

Consultants Present:

Randall Hancock, PE, Draper Aden Assoc.
Bobby Lane, PE, The Lane Group
Kevin Heath, Adams-Heath Engineering

Also Present:

Ms. Dawn Figueiras, General Counsel
WCSA Employees

3. Public Query and Comment

Mr. Walt McNew of 27158 Rich Valley Road, which is Mr. Taylor's district, came forward with concern regarding the Maiden Creek/Rich Valley Rd. Project. He had seen no movement in 15 months, and they are in need of water. Mr. McNew made sure to thank the Board for the tank that has been serving the area; he referenced neighbors of his who have cancer, and the accessible water has been most helpful. He mentioned that he had talked with Mr. Cornett 3-4 months ago. Mr. McNew also asked for the same

meter price as was offered when the project started; he hoped for an update.

Mr. Cornett stated that they are working on design and environmental review.

Mr. Canody explained that they had sent out the environmental letters, and have asked VDH about combining the Maiden Creek & Litchfield Projects. In order to possibly take advantage of some of the available stimulus money, Mr. Canody hopes to have the project ready for bid in 6-8 months from now; the process will take 30-60 days. Mr. McNew asked if right-of-ways had been acquired yet, to which Mr. Canody explained that they have not been determined or acquired, to date. They are in the process of figuring which right of ways are needed, and they need to gather easements. There are many legal hoops to jump through, and a 6-8 month timeline is a very aggressive schedule.

4. Approval of the Agenda

Mr. Cornett explained that there is an Amended Agenda for the Board to consider. He referenced the addition of item #14 and a Recess to the meeting.

Mr. Stephon moved to approve the amended agenda. Mr. Stephon's motion was seconded by Mr. Rector, and was approved by a unanimous vote.

5. Approval of the Consent Agenda

- Minutes from November 24, November 24 Recessed (December 2) and December 22, 2008
- Routine Reports for December 2008
- Financial Statement for November 2008
- Check Register ending 12/31/08

Mr. Chase made a motion to approve the Consent Agenda. Mr. Chase's motion was seconded by Mr. Stephon. The

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motion was approved by a unanimous vote.

6. Engineer's Report and Update

Mr. Bill Aden introduced Mr. Tim Moore, Draper Aden and Associates' new Utilities Team Leader.

Mr. Randall Hancock with Draper Aden and Associates reported on the following projects:

- **Watauga Road**

Construction is done on both contracts. They are figuring final numbers with Little B Construction, and are checking on the restoration. They are scheduling the final inspection with Boring Construction and there is a change order later on the agenda. They hope to close it out by next month.

- **Glove Drive Waterline**

The project has been awarded to Crosspointe Contractors, and they hope to start construction any day. Also, Crosspointe has subcontracted quite a bit of the work to Caldwell.

- **Route 58 Water Storage Tank**

Phase 1 design and plans (grating and insulation of the waterline) have been completed and approved by the county. Phase 2 designs (of the tank) are completed and they plan to submit to VDH no later than this week. Once they complete the Phase 1 grating of the tank, they plan to open for bid later this year.

- **Exit 13 Wastewater Collection Project**

They have been going back and forth with RD. They had previously presented to the Board the Memorandum of Understanding to the Dept. of Resources. It was supposedly approved in Washington by RD. However, the Dept. of Resources has expanded their search and are looking further. The DAA plans to present the Board with a revised

memo in the future. We have continued to pursue those who we still have not received user agreements from. Also, there have been 20 residents eliminated from the plans, as they have been seen as avoidable if needed. He is unaware of the actual support count. Mr. Hancock expressed that he would be referring to some task orders later on in the agenda.

Mr. Bobby Lane of The Lane Group reported on the following projects:

- **Lime Hill/Walker Mountain Rd.**

Construction of the line is complete. They had successful start up of their Lime Hill pump station last Monday. Contractors are working to schedule start up of the Walker Mountain pump station any day. It appears that they will have significant funds remaining in the budget for two reasons, 1) contractor did an excellent job with the road, and 2) we had significantly fewer people sign up for the project; they saved some money on connections and meters, which isn't necessarily a good thing. In result, they have about \$175,000 remaining funds from the project. WCSA staff, VDH and the Lane Group have been working to come up with a feasible way to use the remaining funds. Mr. Cole asked later how it was looking, as we were working with VDH regarding the remaining funds. Mr. Lane shared that it looks iffy; one of the things they had wanted to do was replace a small existing galvanized line that is leaking badly. The problem is that the proposed line for repair is outside the area that the original submitted environmentals covered. He doesn't believe we will be able to move quickly into using those funds; in order to use them in such a way, it would involve an expansion of the environmentals.

- **Water Treatment Plant/Intake PER**

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They are into the last phase of the planning. Mr. Lane said they are in the process of scheduling some testing and pilot studies, as discussed with the Board at the last meeting. They are hoping to do some of that Pilot testing work over the next 30-45 days. They will be doing some testing and advanced review of water age onsite (South Fork intake). As they continue to work with some of the regulatory and funding agencies, they have also received some environmental comments also from potential funders; the Lane Group continues to work on the environmentals.

Mr. Kevin Heath of Adams-Heath Engineering reported on the following projects:

- **Orchard Hill Road**

The contractor mobilized as of last week; had materials sent to the site. Construction may begin this week. They have received the first pay request from him for mobilization of materials.

- **Whites Mill Road**

Over the past month, the Authority's surveyor and attorneys have been working on resolving some legal issues related to the tank site. He understands it is coming closer to resolution; hopefully, it will be resolved in the near future.

7. WCSA In-House Construction Projects Report and Update

Mr. Doug Canody reported to the Board on the following:

- A gentleman did not make it in time for Public Query & Comment, but Mr. Canody passed out a thank you letter from him to the Board regarding the Litchfield Project funding.
- DWSRF Projects:
 - Chestnut Mountain Road**

Need two additional signed petitions by those in the community to reach 50% to proceed and to obtain property ownership for the pump station; a pressure tank site remains to be accomplished prior to bidding. Money for the project has already been committed by DWSRF in the form a loan. Some property still needs to be acquired, but efforts are suspended until we know we have 50% participation. They are getting ready to send out a letter tomorrow to another individual who has expressed interest in the project.

Denton Valley Road

Notice to Proceed date was Jan. 5; project is under construction. The project is being funded by a grant through VDH.

Maiden Creek Rd. /Rich Valley Road

Letters have been sent to all environmental review agencies and a public meeting will be scheduled shortly.

Litchfield /Rich Valley Road

We are proposing to combine this project with Maiden Creek /Rich Valley Road and do them both simultaneously. Bid date for both is 6-8 months out, with construction to start in 8-10 months, and completed 6-9 months after that.

Mendota Road

Under construction by Tipton Construction. Still a few punch list items that cannot be taken care of until spring, many of which have to do with pavement restoration; the asphalt plant opens in the spring. We are holding until March/April when the punch list items are fixed.

Walker Mountain/ Lime Hill Road

The Lane Group gave an update on

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this project previously. The galvanized replacement they anticipated to do with the extra funds does not appear to fall within the guidelines of the submitted environmental; there is the possibility of replacing an old portion of the line within the subdivision. This would be within the environmental review and we also hope to close the gap on Lime Hill Rd. between the new pressure zone created with the pump station and the Rich Valley Rd. pressure zone. He spoke with VDH today and it is looking favorable, but the environmental process could take 2-3 months.

Orchard Hill Road

Adams-Heath Engineering reported on this.

Glove Drive Project

Was reported on by Draper Aden and Associates.

Sutherland Project

Will be addressed later in the meeting.

- The Engineering Department is reviewing and prioritizing the petition projects we have received this year in preparation for the funding applications that are due April 1 at the health department.
- WCSA Waterline Replacement Projects (utilizing WCSA Staff)

Hickory Lane Improvements

This project involved improvements to severely low pressures within homes in the Glade Spring area; it has been started and he believes completed since the last meeting.

Friendship Road

Improvements will begin any day; weather has held them up, but materials have been acquired.

- \$1,500 Projects (where WCSA contributes \$1,500 of materials)

Scott Ridge Road

Hopefully we have five people interested, but have only received one application, and that resident is in the process of purchasing a connection.

King Mill Pike

A sewer line extension has been requested by one resident. We have no work to do on this yet, but plan to start the paperwork in December.

Rich Valley Road (south of Rt.19)

This is a \$1,500 waterline extension. WCSA has not done any work on this as of yet, but hopes to start in the next month or two.

Hite Lane

As of this time, we have not received any commitments.

Spring Lake Road

Plans have been prepared, but we don't have any user agreements. The project has seemed to have lost momentum.

- Fire Hydrant Projects

Hillman Highway

He noted that they have written a letter to Mark Venable, the Meadowview Fire Chief, asking him to contact WCSA; they have not received a response from him. They need to solicit a project champion's support to solicit the funds required to buy the materials; WCSA provides the labor. They have evaluated the situation with fire flow and have a line that will support a minimum flow of 250 MGPM (million gallons per minute). They continue to wait for outside support.

Vances Mill Road

This project contains the subdivisions along Vances Mill Rd.,

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which includes: Sterling Manor, Westwood 2, Whites Pointe, Landridge, and a couple others. WCSA has one of the seven projects funded, despite an abundance of effort put forth by staff. We are preparing to install the fire hydrant in the Sterling Manor area. They believe that once that hydrant is installed, there may be a groundswell of support in other areas.

- **Developer Related Projects**

Have several projects that are waiting on review of revisions they have asked for:

Highlands Commercial (sewer line extension)

- Property across the road from Rt. 11 where Industrial Park Rd. crosses.

The Village of Abingdon

- Residential area

Century Village

- Residential area

Heartwood (waterline extension)

- An artisan center on the campus of VHCC.

Willowbrook

- Residential area

Commercial Develop. at Exit 19

- Maintenance has worked with the developer there. Have installed a connection and hydrant that the developer has tested for fire flow. They are expecting some plans to come in soon; the developer paid for the mainline connection & hydrant.
- Later on in the meeting, Mr. Canody plans to present the task orders and the general agreements with the Lane Group and Draper Aden & Associates. They have still yet to develop a contract with Adams-

Heath Engineering for the two projects they have been selected to help with; are planning on having a scoping meeting in the near future to discuss those projects. WCSA is getting the engineering agreements ready for that.

- Also, they are planning to have a scoping meeting with The Lane Group/Olver, Inc. to address the scope of the membrane study, which they were chosen as the preferred offeror of services.

Drinking Water Plant

They have improved task orders 5, 6 & 7, which all had to do with the Water Plant's design; Mr. Lane described these items previously.

- The projects that the Engineering Department is involved in include: the development of an **architectural services contract** with The Lane Group for the renovation of the lobby area, re-writing the **cross-connection program**, the **Sutherland Community Project's** reapproval and rebid (to be discussed later in the agenda), **Fire Hydrant Policy Review**, revisions of the **Fire Hydrant Policy**, and revisions to the **WCSA Policies and Procedures Manual**.

8. General Manager's Report & Update

Mr. Cornett reported on the following for the month of December:

Water Production

- Produced over 190 million gallons of drinking water.

Distribution

- Coordinated the outside purchase of more than 22 million gallons of drinking water.

Meter Department

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- 114 customers were telephoned following unusually high usage.

Customer Service

- Abated 48 bills for water leaks, totaling \$5,300.
- Over \$4,600 was written off as bad debt over three years old.

Maintenance

- Repaired 18 leaks & 7 major breaks.
- Constructed 10 water taps & 1 wastewater tap.
- Responded to 41 after hour maintenance call-outs.

Wastewater

- Treated more than 9 million gallons of wastewater.

Administrative Items

- Between January 4 and 11, we received 4.7 inches of rain that led to a chain of events that involved a number of our staff. The turbidity of Reservation Spring & Taylor's Valley exceeded 1 NTU, which is VDH's required limit. We had to take the spring out of service at 9am on January 8. As a result, flow was redirected from Middle Fork WTP back towards Damascus to serve those residents. We had to truck water up to Taylor's Valley to get water to those folks. In total, we trucked 20 loads of water during that outage. Turbidity measurements were taken regularly during those outages to determine when we could put the spring back in service. At 1pm on Jan. 10, we were able to reestablish service with 52 hours of downtime on the spring. Heavy rains began again almost immediately. We again had to cut the spring off on Jan. 12 at noon; the turbidity again exceeded 1 NTU. We were able to reestablish the spring again on Jan. 13 at 3:30pm with 21 total hours of downtime. In all, Reservation Spring was out of service 73 hours with approximately 2.6 million gallons of water being discharged into the nearby stream. Following that, the spring flow is up 140 gallons per minute (gpm). At Mill Creek, we also received

4.7 inches of rain over the same period. The spring's turbidity there reached 4 NTU, requiring us to continually chemically clean the stages at the membrane plant. Each chemical clean requires 8 hours per unit. By the time we cleaned the three units, 24 hours had passed; essentially, our capacity is down by 33%. We backwashed Stage 100: five times, Stage 200: four times, and Stage 300: two times; we were down for quite awhile. We lost 2.5 million gallons of plant production. During times of reduced flow at Mill Creek, WCSA must operate the temporary pump adjacent to Glade Business Park in Glade Spring to supplement the water to the Seven Springs system. In total, we pumped 854,000 gallons of water through that temporary pump. It was crucial that the personnel from our Drinking Water Plant, Maintenance Dept. and Distribution worked seamlessly to insure that all of these things happened; this was around the clock work by our staff. We are very appreciative of the cooperation among these departments and our staff to insure that our customers had water; there were no water outages as a result.

Mr. Chase later asked if we had customers without water because we had to cut off the spring. Mr. Cornett explained that we did not; one of the advantages of Taylor's Valley is that if we cut off the spring, we do not have to issue a No Water notice. It requires extra work & effort on our part, but we believe it's better than having to issue a No Water notice. The water was safe to drink and we had no problems.

- Sheila Poston of Chilhowie, VA has accepted our offer of employment as Staff Accountant. She is scheduled to begin work on February 2. Ms. Poston was present to greet the Board.
- Mr. Cornett also referenced a red-tagged document at the Board's stations. Last month, Mr. Lawson asked if 597 calls to

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customers (to inform them that their water was due to be turned off) was high or not. For their use, Mr. Cornett presented them with a copy of the 2007 & 2008 WCSA Activities Reports, which is essentially the GM report. 597 calls for water termination is above average, but it certainly is not the highest month WCSA has encountered in recent years. He thought they would be interested to see how various factors (leaks, breaks, callouts, etc.) have fluctuated from 2007 to 2008.

9. Sutherland Waterline Extension, Consent to Advertise for Bid

Mr. Canody reminded the Board of his report on November 27, 2006 when we first attempted to advertise for bid for this project:

- This project extends water from the Damascus area into the Sutherland Community. About 46 homes had signed up to receive water; a vast majority, if not all homes, are in TN.
- The project they designed to service the people involved: a pump station, a bulk storage tank and a waterline to support fire flow along the main road from Damascus to the Backbone Rock area though Sutherland.
- Several years ago, we entered into an agreement (the Board signed an agreement) that agreed to serve the area as long as TN, or specifically Johnson County, provided the funds. WCSA would provide the engineering services; we would own the system and serve the customers through the operating system.
- We first tried to bid the project in 2006; we opened bids that October. Contracts 1, 2 & 3, which included one for each (pump station, storage tank and waterline). The three contracts totaled \$753,000 in bids;

there was only \$550,000 available through Johnson County for construction.

- They went back through State & Federal legislature and were able to acquire an additional \$100,000 in funds through the EPA.
- Staff is asking for permission to rebid and readvertise the project.
- They have to go through and get reapprovals from TN and one from VA. There is no guarantee that the project that was originally bid at \$753,000 is going to come in at \$650,000 three years later; he's not sure if it's real likely.
- With the Infrastructure Recovery Plan, this could be a project that they would consider "shovel ready".

Mr. Canody came to ask the Board to authorize staff to readvertise the Sutherland project. If the project is still short for construction with the funds that have been allotted, Johnson County, TN could still possibly receive some funds through the Infrastructure Recovery Act. This project is considered "shovel ready", which by definition means could be ready for construction within four months. Obviously, this project could be ready for construction in even less than four months. With the Board's consent, the staff will reactivate the project, get the new approvals that we need, and proceed with the readvertisement.

Mr. Stout asked if we already own the pump site or the tank site. Mr. Canody thinks we have acquired the pump site from the town of Damascus, and we had an option on the tank site that we never exercised; that is another thing they would have to go back and do.

Mr. Cornett added that the option expired on the tank site. He knows the landowner fairly well; he contacts Mr.

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Cornett two, maybe three times, a year to inquire about the project. He has reassured Mr. Cornett that if we reactivated the project, to not worry about an option; the property is still available.

Mr. Chase asked if all the customers were residents of TN. Mr. Canody shared that there is some potential to serve some VA residents with this extension; the vast majority is in TN though. The pump station would be located in VA; the tank and most of the water line would be located in TN.

Mr. Rector asked what it would cost WCSA to readvertise and to get all the permits processed. Mr. Canody believes the permit process will go rather quickly because it has already been permitted once before; it just needs to be reactivated. He thinks that between the engineering staff, it will probably cost 1-2 weeks of staff time. For one person, two weeks, but there will not be a person who could work on it for a straight two week time period. Between the three in engineering, it can be done in 2 weeks.

Mr. Stout asked if all 46 prospective residents have agreed to a meter. Mr. Canody explained that it is something he would have to review and get back about. Again, their agreements date back to 2004 or 2005; whether or not those agreements will still be honored by them is in question.

Mr. Stout made a motion to authorize staff to advertise for the Sutherland Waterline Extension. (Note: Mr. Canody added that their goal is to have this done by the next Board Meeting; that is TBD.) Mr. Stout's motion was seconded by Mr. Stephon. Mr. Rector wanted to ask for clarification if we still don't know who will connect to this waterline, i.e.

number of residents. Mr. Cornett explained that we had 47 of 66 residents sign a user agreement; he doesn't know why there would be question about whether the user agreement is valid or not at this point. He reiterated that when we did collect user agreements, we did receive 47 out of 66. Mr. Cole asked if maybe we should check on those agreements, just to make sure; Mr. Cornett agreed that we could do that. Mr. Cole explained that he is still in favor of it, but as Mr. Rector expressed, we could look awfully bad to build a line in TN and have no one hook onto it. Mr. Stout expressed that he thinks those people need water; maybe not as bad as those of Litchfield, but they still need water desperately. Unless the hookup fees change drastically because of the old agreements, Mr. Stout doesn't see a problem with residents backing out. Mr. Cornett expressed that we would be happy to review those agreements and report back to the Board at the February meeting. We could postpone the advertisement, or the Board's consent to advertise until the February meeting; he doesn't think one month will make that much of a difference.

Mr. Stout asked Mr. Cornett if he recommends that Mr. Stout rescinds his motion until the February meeting; Mr. Cornett said yes. Mr. Stout rescinded his motion until the Board receives an update from the WCSA staff at the February meeting.

Mr. Canody added that in the meantime, staff could research and resend for various approvals. Mr. Rector asked if we were going to check and make sure the user agreements were still valid. If so, he asked if that would mean the [monetary] numbers on the user agreement are still valid. Mr. Cornett

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explained that it depends on what the user agreement says and there is not much they can do to penalize a resident from backing out on a user agreement. Mr. Chase asked if any of the residents have come to the Board, or if they have only come through WCSA. The Board affirmed that they have been here one time but it has been a year or years. Mr. Cornett confirmed that it was a couple years ago; he agreed to do more research and report back next month.

10. Approval of Engineering Master Agreement & Task Orders, Draper Aden

Mr. Canody believes the Board had received copies of the proposed agreements and task orders in their update. He explained that the form of the agreement is a task order; the task order form. This means that we sign a general agreement and then we add tasks to what the engineer's responsibilities are; we add projects via task orders. There is the general agreement that has been thoroughly reviewed by WCSA staff and legal counsel. He noted that there may have been some minor revisions to the documents; he explained that the review and revisions went up until 4pm this afternoon. Mr. Canody explained that a lot of the changes had to do with semantics and how things were said; in the words of Mrs. Figueiras, all changes were minor or not notable.

First, he explained the Route 58 Corridor Water Supply, which is a main thoroughfare through which water is supplied to Damascus, as well as Reservation Spring. From that main corridor, we have water that goes down the road to that portion of customers in TN that we do serve. He explained that we've had requests to sell water to

Intermont Utility District. Of course with the Sutherland project that we just spoke about, the main corridor is becoming increasingly stressed in regards to water supply. Widener Valley is another area of concern and if you can recall from the task orders, Mr. Canody said, there are some specific items that were listed to be studied. He stated that we have negotiated the contract for the study with DAA and he thinks the fee they arrived at was presented to the Board as well. With respect to the task order for Route 58, Mr. Canody recommends that the Board approves the general agreement and task order for Route 58.

There is another task order for the study of the Route 58 Corridor/Monte Vista Drive Waterline Improvements; this is the line that goes between Glade Spring and the Saltville area. It is a 4" line, it's cast, and it needs to be replaced. Once again, they have identified specific activity with respect to that study and report. Mr. Canody said it is the staff's recommendation that the Board approves that task order as well. A third task order has to do with Seven Springs Secondary Supply. This project involves a second way to get water to the Glade Spring Seven Springs storage tank, such that if the membrane plant were to go down for awhile due to turbidity concerns, we have a second way. At the present time, we are using the temporary pump station to supply water up there; we need more than that. While the Monte Vista Drive and Route 58 Corridor task orders involve studies and reports for improvement, the Seven Springs Secondary Supply task order involves plans and specifications for the upgrade of the Wise pump station and the construction of a new pump station, close to where we have the temporary

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pump station. Mr. Canody explained that the section of what the Board received which had the most revisions was the Seven Springs portion. He said that they have had further discussions with Draper Aden since he sent out the draft that the Board received and as a result, the scope of the project has changed; this is mainly due to the selection of a certain type of pump station that the staff has made and it was recommended by the engineer. In result, the engineering fees for that particular task order will be reduced down to \$66,500. Subsequent to those discussions and the scope of the project changing, the staff still recommends that the Board consider and approve the General Agreement and all three task orders (study and report of Monte Vista Drive, study and report of the Route 58 Corridor and final plans and specifications for Seven Springs Secondary Supply—which involves reconstruction of one pump station and construction of a second pump station). Mr. Stout asked if the pump station would be constructed on County property within the industrial park that the county already owns; Mr. Cornett explained that it is to be determined, although he doesn't think so. He explained that they have voted to supply us with the property, but that is something to be discussed later. Mr. Rector made the motion to approve all three task orders and the General Agreement for Draper Aden & Associates. Mr. Rector's motion was seconded by Mr. Stephon. The motion was approved by a unanimous vote.

11. Approval of Engineering Master Agreement & Task Orders, The Lane Group, Inc.

Mr. Canody explained that this item is a very similar situation to the previous: a standard formal agreement with task order addition, which allows for us to add projects as we need to. We've actually procured and negotiated contracts with The Lane Group for three projects, in which they were selected as the top qualified offeror. For these projects, we have a General Agreement and task orders, which Mr. Canody is ready to present to the Board tonight. Like the one for Draper Aden, two of the task orders involve studies and reports. One of the reports is titled, "Galvanized Line Impact Study and Report"; this takes a look and puts in written form the number of galvanized water lines we have in the county, their longevity, what they mean in terms of cost and ultimately, their cost of replacement. The second report & study task order is for the Western Washington County Water Study; the need for this study has been indicated to the Board previously, as the Galvanized Line Study has also. This study will specifically take a look at Rich Valley Rd., Buffalo Pond Rd., Nordyke Rd., and Southwest Washington County. We will take a look at those who are not being served, their elevations, etc. and prioritize concern. The third task order is the Reedy Creek Water System Improvements Project. This task order has been preceded by an engineering report by The Lane Group, which indicates three phases of improvements. The staff, in concentration with The Lane Group, has determined that it is appropriate to move forward with phases 1 & 2, followed later by phase 3 after we have completed the Western Washington County Water Study because they all go together. The Reedy Creek Rd. Water System

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Improvement will consist of equipping the lines with pressure reducing valves (PRVs). They have hydraulic models completed and are ready to go with the final design. They have also negotiated a contract with Lane Engineering for pricing on the final design. Mr. Canody explained that all six of these projects (the three projects with Draper Aden and the three projects with The Lane Group) were all included within the 2008 Capital Improvements Plan (CIP) that the Board has seen previously and have approved the procurement processes for. This is the next stage; this is where we sign the contracts, construct the General Agreement and move forward with the task orders so they can continue the work. He expressed that the staff would recommend that the Board approves this General Agreement and the task orders as well.

Mr. Chase made the motion to accept the General Agreement and the three task orders. Mr. Chase's motion was seconded by Mr. Stephon. The motion was approved by a unanimous vote.

**12. Watauga/ Good Hope Road
Waterline Replacement Project,
Update and Change Order**

Mr. Canody explained that this change order has to do with savings that our inspector initially spotted. Instead of putting in 2- 3/4" lines, we can put in 1-1" copper line to serve a meter. This change order involves an increase in price for the 1-1" copper line. However, it does not show the savings by not putting in the 3/4" lines; those savings will be shown on the final change order, which is in the process of being prepared. So that we can pay the contractor, Mr. Canody asked that the Board approves this change order for the

amount of \$798, with the savings we will realize through the elimination of the 2- 3/4" copper lines in the final balance of the change order.

Mr. Rector made the motion to approve the change order. Mr. Rector's motion was seconded by Mr. Stout. The motion was approved by a unanimous vote.

Mr. Canody gave credit for this observation to WCSA's Inspector, Mr. Stephen Sproles.

13. Chemical Bid Award

Ms. Roberts referenced the Chemical Bid Tabulation at each of the Board Member's stations. She referenced our discussion earlier in the year that due to the volatility of chemical prices, we couldn't get responsive bidders to give chemical bids for a complete year. The accounting department has been tasked with rebidding the chemicals every three months. They did rebid the chemicals that are listed as October 9 in the top left corner of the tabulation, but it was actually January 9. Ms. Roberts referenced the highlighting that indicated that Brenntag was the lowest bidder for most of the chemicals, with a few increases and a few decreases, but mostly increases; the only exception being with Carus Phosphates being the low bidder for orthopolyphosphate. Ms. Roberts is recommending to the Board that they approve Brenntag for all the chemical bids except the orthopolyphosphate, Carus Phosphates be approved for the orthopolyphosphate, and that Univar be considered non-responsible due to their lack of preparing the bid correctly.

Mrs. Figueiras asked for clarification as to Univar's determination of being considered non-responsible. Ms. Roberts explained that they did not submit their

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bid on the specification forms at all. Mrs. Figueiras explained that they would actually be considered non-responsive, rather than non-responsible; non-responsible means they wouldn't be allowed to bid for WCSA and that would require a formal process by the Procurement Act. Ms. Roberts & Mr. Cornett clarified that Univar is determined to be non-responsive.

Mr. Rector asked how long the bids would be good for, to which Ms. Roberts answered three months.

Mr. Chase moved that the Board accepts the low bids as outlined by Ms. Roberts' report. Mr. Chase's motion was seconded by Mr. Stout. The motion was approved by a unanimous vote.

14. Banking Resolution

Ms. Roberts explained that due to the recent employment of the new Customer Service Manager, they are bringing the Banking Resolution back to the Board to recommend that Jenny Manuel be authorized to sign checks, just as the previous Customer Service Manager was, and to have access to do the daily transactions of banking within WCSA. They are making a recommendation that the Board empower the same people that are on there: the Chairman, the Vice-Chairman, the General Manager, the Chief Engineer, the Customer Service Manager, and herself [the Controller], to have authorization to sign checks. This involves leaving the two persons to open the bank account as is, which are the General Manager and herself.

Mr. Rector made the motion to accept the Banking Resolution. Mr. Rector's motion was seconded by Mr. Stout (Misspoken by the Chairman, Mr. Cole, as Mr. Stephon; confirmed with three WCSA staff members as Mr. Stout). The

motion was approved by a unanimous vote.

15. Closed Meeting: Acquisition and Disposition of Property & Investment of Public Funds

Mr. Cornett felt a Closed Meeting was necessary to discuss both items identified on the Closed Meeting Motion. 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) (3): Acquisition and Disposition of Property, 1. Possible Purchase of Property, Code of Virginia Section 2.2-3711 Paragraph (A) (6): Investment of Public Funds, 2. Discussion of 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, are requested. The motion by Mr. Stephon was seconded by Mr.

Rector. The motion was passed by a unanimous vote of the Board. The Board adjourned to Closed meeting at 8:06 pm

Return to Public Session

Upon motion by Mr. Rector, a second by Mr. Stephon, and a unanimous vote by the Commissioners, the Board returned to Public Session at 9:33 p.m.

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;

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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: Mr. Chase, Mr. Stephon, Mr. Cole, Mr. Rector, and Mr. Stout

16. Late Items

Mr. Cornett explained that very soon, it seems the WCSA Board and Board of Supervisors will need to take action on agreements related to the Exit 13 Wastewater Collection Project and consider further information related to the Inter-Municipal Agreement with BVU. For continuity and clarity, he believes a joint meeting between WCSA and the Board of Supervisors may be the best way to accomplish this. He wanted to see if the Board would be agreeable to a joint meeting with the Board of Supervisors on Monday, March 2 (which he originally misspoke as Monday, May 2 and later corrected himself) or Tuesday, March 3. Both of those dates he has confirmed with County Administrator, Mark Reeter; both dates are open for the Board of Supervisors. The Board agreed that a joint meeting is a good idea. Mr. Cornett confirmed that the proposed dates are Monday, March 2 or Tuesday, March 3. Mr. Cornett explained that the meeting would be at 7pm at the County Office; the Supervisors were willing to host since WCSA hosted the last meeting. The

overall consensus was that Monday, March 2 would be better. Mr. Cornett agreed to send a letter as a reminder once a meeting date is officially set. The agreed upon proposed meeting date and time is Monday, March 2 at 7pm at the County Office.

Mr. Cornett reminded the Board that back in November, staff presented the Board with a summary of our capital projects in a 3-ring binder that Mrs. Paukovitz put together. We talked about a tour of our capital projects sometime in March. Mr. Cornett wanted to inquire about whether or not the Board had thought about a date for that tour. He explained that presently March 6-13 are spoken for, as far as he is concerned; he has prior commitments. Mr. Stephon expressed that he prefers a date after March 15th. Mr. Cole suggested the following week. Mrs. Figueiras asked what time of day this would take place. Mr. Cornett explained that the tour would take all day. He explained that if we wanted to do the tour in conjunction with the regular meeting on the 23rd, we could. The tour would take all day and we would report back at 7pm; that way, the events would take up one calendar day, opposed to two. Mr. Cornett expressed that March 23 is just one alternative; there is the whole prior week of March 16 as well. The Board agreed upon March 23 as the date for the CIP 2008 tour. Mr. Cornett said he would finalize the arrangement on the vehicle. He asked how early the Board would want to start; he suggested 8am or 9am, as the tour could easily take all day. The Board agreed on 8am. Mr. Cornett shared that he thought Mr. Lawson or Mrs. Figueiras was planning on attending.

Mr. Rector asked if we had to advertise

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the tour or recess the February meeting; Mr. Cornett agreed that the Board could recess the February meeting. He further explained that with the amended agenda [tonight], he is suggesting that the Board recesses tonight's meeting until 5pm on February 23, two hours prior to our regular February meeting, and have our second Rate Study Workshop. The Board could plan to recess the February meeting for the March 2 meeting with the Board of Supervisors and also for the March 23 capital projects tour. Mr. Cornett agreed to update the Board with a letter.

Mrs. Figueiras asked if the Board would like to have either Mr. Lawson or herself present for the tour. Mr. Cole asked if it was important to have Legal Counsel present when they all [the Board and Mr. Cornett] are together for image purposes. Mr. Cornett thought Mr. Lawson had expressed interest at a previous meeting in seeing the projects, to which the Board agreed. Mrs. Figueiras reminded the Board that it would be an expensive proposition for WCSA as well. Mr. Cole asked Mrs. Figueiras to figure out with Mr. Lawson if we would have to have them present for the tour or not; she confirmed that she would talk more with Mr. Cornett about it.

Mr. Cornett had two additional late items. He referenced the yellow-tabbed document at the Board's stations, which is a County memo regarding County Board of Supervisor Officer and Committee Appointees. Mr. Reynolds and Mr. McCrady were reappointed as Chairman and Vice Chairman, respectively. He also spoke of one change with the Joint Utilities Committee; Tom Taylor has been replaced by Kenneth Reynolds, and Odell Owens was reappointed to that


committee. Mr. Cornett does have confirmation that Mr. Reynolds should replace Mr. Taylor, even with regards to our rate study work and second workshop; that should spread more knowledge of what we're doing amongst the Supervisors.

Lastly, Mr. Cornett referenced the blue-tabbed document at the Board's stations. The document contains three letters from the Knox's, the Price's, and the Snodgrass's. The letters were addressed to Mr. Taylor, who is not present tonight, but were sent to the WCSA address, so Mr. Cornett made copies. The letters are really to Mr. Taylor, but also to the Authority Board; Mr. Cornett added that he saw two additional letters in his mailbox on his way here. They are letters of appreciation for the Board's assistance with Rich Valley Road/Litchfield. Mr. Cornett expressed appreciation for the letters.

Mrs. Paukovitz asked to clarify the motion to come back into open meeting. She asked if it was Mr. Rector who made the motion, and Mr. Stephon who seconded. Chairman Mr. Cole confirmed the motion and second.

17. Adjourn or Recess

Mr. Rector made a motion to recess the meeting until Monday, February 23 from 5-7pm for the WCSA Rates/Fees/Charges Workshop. Mr. Rector's motion was seconded by Mr. Stephon. The motion passed 5-0-2. The Board recessed at 9:43 p.m.



Mr. Gerald Cole, Chairman



Amanda Paukovitz, Assistant Secretary