

**Washington County Service Authority Board of Commissioners  
September 28, 2009 Regular Meeting Minutes**

The regular meeting of the Washington County Service Authority Board of Commissioners was called to order by the Chairman at 7:00 PM.

**ROLL CALL**

Commissioners Present:

Mr. Joe Chase, Vice Chairman  
Mr. Gerald Cole, Chairman  
Mr. Prince Coleman  
Mr. Frank Stephon, IV  
Mr. D.L. Stout  
Mr. Kenneth Taylor

Commissioners Present:

Mr. Sam Blaylock

Staff Present:

Robbie Cornett, General Manager  
Kim Roberts, Controller  
Amanda Paukovitz, Administrative Assistant  
Mark Osborne, Technical Manager  
Rick Clevenger, Water Production Manager  
Don Cole, Chief Operator (Middle Fork WTP)

Consultants Present:

Kevin Heath, PE, Adams-Heath Engineering  
Matthew Lane, PE, The Lane Group, Inc.

Also Present:

Mr. Mark Lawson, General Counsel  
WCSA Employees

**3. Public Query and Comment**

*Mr. Walt McNew of  
27158 Rich Valley Road*

Mr. McNew approached the Board tonight as a representative of the Rich Valley Road/Maiden Creek Road project. His neighbors have been asking about the status of the project; he was unsure of the current status.

The Chairman deferred the request to Mr. Cornett, who redirected the request to Mr. Osborne. Mr. Osborne explained to Mr. McNew that plans are nearly complete. They are waiting on the remaining easements and final approval

from VDH. Mr. Osborne expressed their desire to come to the Board in October for approval to advertise the project.

**4. Approval of the Agenda**

Mr. Cornett referenced an amended agenda and noted that changes are highlighted in yellow. Mr. Taylor moved to approve the agenda. Mr. Taylor's motion was seconded by Mr. Stephon, and was approved by a vote of 6-0-0-1.

**5. Approval of the Consent Agenda**

- Minutes for August 24, 2009.
- Routine Reports for August 2009.
- Financial Statement for August 2009.
- Check Register and General Manager Financial Report for August 2009.

Mr. Chase made a motion to approve the Consent Agenda. Mr. Chase's motion was seconded by Mr. Stephon, and was approved by a vote of 6-0-0-1.

**6. Engineer's Report and Update**

*Mr. Osborne spoke on behalf of Draper Aden Associates (DAA); Mr. Bill Aden has a previous engagement & Mr. Randall Hancock is sick. Mr. Osborne reported on the following projects:*

- **Glove Drive Waterline Improvements**

Contract time is 85% extended, while the work is 73% complete. They continue to progress with the project, but have run into rocks. This has prohibited the project's full installation.

- **Exit 13/14 Sewer Project**

WCSA is currently working on the agreement with the Town of Abingdon. Mr. Osborne referenced a later agenda item, in which Mr. Cornett will be discussing Task Order #9.

- **Route 58 Water Storage Tank**

Project is ready to go to bid; they are waiting on property acquisition.

- **Route 58 Corridor Study**

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All information has been provided to DAA by WCSA Staff and the study is progressing.

- **Seven Springs Secondary Supply**  
Project was advertised yesterday for the first time; they hope to receive bids soon
- **Monte Vista Drive Waterline Improvements Study**  
Staff is to deploy tomorrow to gather pressure recordings from the plant.
- Mr. Stout later expressed that he was disappointed no one was working today at the Glove Drive project site. The contractor, who was present, explained that he'd installed two boards today; Mr. Stout apologized.

*Mr. Matthew Lane of The Lane Group, Inc. distributed one of their reports that did not make it in the Board Books. He reported on the following projects:*

- **Drinking Water Plant Upgrade/ Raw Water Intake PER: Task Order #8- Interim DWP Improve.**  
Final plans and specifications have been submitted to staff and VDH for review and approval. They did receive approval earlier this month for the PER and the design exceptions. They are hopeful that everything is reviewed in a timely matter and the project is ready for advertisement in November.
- **Galvanized Line Impact Study**  
There is nothing new to report. They hope to discuss Phase 1 funding in the very near future. They have submitted the Phase 2 application for grant funding and will continue to work on both funding applications with Rural Development (RD).
- **Reedy Creek Water System Design**  
They have received all stream crossing permits this month. Staff continues to work on obtaining necessary easements. As soon as all easements have been received, the project can be advertised

for construction.

- **Western Washington County Water Study**

They continue to address comments by Staff and are working to get the report finalized; hope to have their responses submitted to staff for review soon.

- **Lobby & Building Renovations**  
Have drafted architectural and engineering designs for the lobby from a public access and security perspective; have come up with an aesthetically pleasing option. They are also evaluating the existing roof and HVAC system. The Lane Group is working with Staff to evaluate current staff positioning and office arrangements. They are also looking at possibly expanding the current building to assist with those arrangements or building an additional adjacent facility. The Lane Group has had meetings with staff and representatives from the Board of Commissioners; it appears that the most attractive option is to expand and renovate the existing building and put the engineering/technical staff together in a section of the building.

*Mr. Kevin Heath of Adams-Heath Engineering distributed their August Board Book Report to the Board and reported on the following projects:*

- **White's Mill Road Improvements**  
They are continuing to work with WCSA staff and RD to move the project forward to advertise for bid. They have received approval for the environmental review and continue to answer questions on the PER. They are very optimistic of positive action in the near future.
- **Orchard Hill Road Improvements**  
In the past month, there was no pay request with the general contractor. As of August, he had completed the bulk of work that he could. The contractor is

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waiting on one outstanding stream crossing before he completes the final tie-in. He is working beyond his allotted time schedule; Adams-Heath is looking to address this.

**7. Water & Wastewater Construction Projects Report and Update**

Mr. Osborne referred the Board to the Engineer's report in the Board Books. He noted the following changes/updates:

- **Chestnut Mountain Road**

They have run into several snags. The current snag being that they received a signed purchase option from the property owner for the pump station. However, his easement for the waterline is contingent upon WCSA gathering permanent access from the adjacent property owner; George Thomas and Ernie Sutherland are speaking with that property owner tomorrow and are working on obtaining the option. Once that is acquired, Mr. Hash has given verbal commitment to provide the easement for the pump station and the waterline can run across his property. They can then proceed with negotiation of a tank site; they hope to report that everything is "a go" for the project at the next Board Meeting.

- **Rich Valley Road/Whites Mill Road**

They still have not heard back from DWSRF in regards to funding opportunities, along with financial support for other projects that they had applied for.

- **Sutherland Project**

Were hoping to request approval for bid tonight; however, plans are not ready.

- **Tumbling Creek Waterline Extension**

They have received approval from DWSRF to award the project to

Farmer's Construction. The Notice of Award was given today; they have a preconstruction conference scheduled for October 14. Once completed and they have the proper signed documentation, construction can proceed.

- **Membrane Plant Study**

The Lane Group has responded to a review of the scope of work. Staff will review and execute it later this week.

- **Raw Waterline Intake**

Three task orders are ready for review. They hope to have them executed by the end of this week.

- **Office Building Renovations**

Mr. Coleman and Mr. Blaylock were present for the most recent debriefing.

- **Highlands Commercial Park**

There has been a change in regards to the plans; the developer submitted a new set of plans. Staff had some concerns with one of the stream crossings post sewer line. They sought some assistance from one of our consultant engineers; they provided some comment feedback and WCSA hopes to make contact with the developer in the next day or two.

- **The Village** (adjacent to Foxfire)

A slight extension has been made to the developer's project. WCSA hopes to replace some existing lines to assist some of our current customers.

*Note: Highlands Commercial Park was listed twice within the report; please omit the latter.*

- **MXI**

They are a local company that works to discard waste. WCSA has drafted a letter to inform them of our requirements; there has been more than just domestic byproducts being disposed of.

At their request, Mr. Cornett updated the Board. He noted that samples in the last nine months have indicated that MXI is discharging things in addition to

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domestic waste. This draws our attention to: our discharge permit with DEQ and whether or not it has been violated, the added loading capacity to WCSA's plant (in regards to the system fee) and an additional monthly fee if the discharge is permitted. It is a lengthy process; however, they need to bring their discharge up to our criteria. MXI is one of few proper disposal facilities in US because none of its byproducts make it back into the waste stream.

### **8. General Manager's Report & Update**

Mr. Cornett reported on the following noteworthy WCSA performance and accomplishments by Staff:

#### **Water Production**

- Produced over 201 million gallons of drinking water.

#### **Distribution**

- Coordinated the outside purchase of almost 25 million gallons of water.
- In total, about 7.3 million gallons per day of drinking water was distributed to our customers in August.

#### **Meter Department**

- 98 customers were telephoned following unusually high usage.

#### **Customer Service**

- Almost \$8,000 was abated for 49 customer water leaks.
- More than \$4,400 was written off as bad debt [more than three years old].

#### **Maintenance**

- Repaired 38 leaks and 9 major breaks.
- Constructed 12 water taps.
- Responded to 52 after hours maintenance call-outs.

#### **Wastewater**

- Treated over 9.4 million gallons of wastewater.

#### **Administrative Items**

- He referenced WCSA's monthly history of taps over the past two and a half years (noted by yellow-tabbed sheet).
- Mr. Cornett recognized Mr. Mark

Osborne, as he has been promoted to the position of WCSA Technical Manager. Some of his duties will include: oversight and authorization of the distribution system (managing the telemetry and geographical information system), overseeing the development, operation and maintenance of the system's hydraulic model and the management of property acquisition.

- He also recognized that WCSA's Electrician, Steve Carter, has successfully replaced all three of WCSA's Variable Frequency Drives (VFDs) at the Water Plant Intake. VFDs regulate electricity to these raw water pumps, which helps our plant operators regulate the water. The estimated savings from this completed task is about \$30,000.
- Mr. Cornett also noted that WCSA is advertising for the positions of Staff Engineer and Wastewater Plant Operator(s); we hope to fill the positions very soon.
- He referenced the WCSA 2009 DWSRF Capital Improvement Projects (CIP) notebook. The notebook is a companion resource to the WCSA 2008 CIP notebook that was distributed to the Board last year. Last year's notebook focused on improvement projects, while this year's highlights all line extensions to unserved areas of the County. The resource has been provided for the Board's review and benefit.

Mr. Chase asked if calls are made before water is shut off every month. Mr. Cornett referenced the yellow-tabbed sheet again. He explained that calls for unusually high usage are made every month, while calls to inform customers that their water is to be shut off occur every other month. WCSA is looking at additional future policy changes.

### **9. Recognition of Don Cole, Operator of the Year Award**

Mr. Cornett asked Mr. Don Cole to stand and show his award while [Mr. Cornett]

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recognized him. He stated the following:

We have the privilege of recognizing one of our own tonight. Don is the Chief Operator of the Middle Fork Drinking Water Plant. He has been honored with the Edward H. Ruehl Operator of the Year Award by the Virginia Section of the American Water Works Association. He was presented with this award on September 16 at the Virginia Section AWWA Annual Meeting in Richmond. This award was established in 1977. It is given to a licensed waterworks operator each year in the State of Virginia. The recipient is an individual who contributes to the promotion of operator programs through outstanding service. The honoree must be a certified water works operator in the Commonwealth of Virginia who is employed by a Virginia water utility as an operator. Don was selected by the VA AWWA Plant Operations Committee based on his skills and individual knowledge. In addition to serving as the Chief Operator of the Middle Fork Treatment Plant, he has been an instrumental member of various committees and is involved in our Backflow Prevention Program.

Mr. Cornett asked that those present would applaud Don Cole for his accomplishment; the Board honored him

**10. Approval of the Task Order for the Exit 14 Wastewater Line Extension**

Mr. Cornett referenced the Board Update and went through the task order spreadsheet, which was indicated by a red tab at the Board's stations. He went through the task order, top to bottom:

- Estimated Cost of Construction: \$654,948.
- Allowable Fee Curve from RD: 13.5%.
- Allowable Total Fee: \$88,417.98.
- 70% of the fee is payable through plans and specs approval.

(Note: there is a reason for separating this from the 70% mark; this will become more apparent as he reads on.)

- Difference between the Allowable Fee and the 70% paid through plans and specs: \$26,525.39 [erroneously read as \$26,526.39].
- Fee Proposed by DAA: \$28,000.
- Reason for DAA's fee being higher than the Allowable Fee: United Engineering (who has designed the project to this point) has outstanding work that is needed for approved plans. Written Estimate is in the amount of: \$3,000.
- DAA's Actual Fees: \$25,000.
- Amount of Work Assumed that DAA will responsibly complete once plans are approved: \$1,500.
- Total DAA Fee: \$26,500.
- This means that DAA's work fee is equivalent to 4.05% of the construction costs, whereas the RD curve says 4.05%; Cost Difference is \$25.39.

He noted that the task order proposed is in line and both he and Mr. Canody recommend the Board take action to approve this task order.

Mr. Taylor asked if the task order is up to date with current construction costs. Mr. Cornett affirmed that these costs were used to create the agreement between WCSA and the SWVA Land Development Corporation in August. He explained that the cost estimate was prepared in July by Draper Aden Associates and United Engineering.

Mr. Cole asked if WCSA will receive questions or push back from RD regarding the funding. Mr. Cornett expressed that no, the funding for this project is being funded separately from RD. However, he expressed that another key element in DHCD's requirements is that without WCSA taking control of the project and seeing through its construction, DHCD cannot obligate the Exit 13 project's funding if the Exit 14

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project is not complete; they are integrally linked.

Mr. Cornett thinks it is in WCSA's best interest to proceed with the task order.

Mr. Stephon made the motion to approve the recommended task order. Mr. Stephon's motion was seconded by Mr. Coleman and passed by a 6-0-0-1 vote.

**11. Customer Classification Policy**

Ms. Roberts explained that through MFSG's study earlier this year, one item brought to WCSA's attention was to reclassify customers to fall within the new rate structure. WCSA had some classifications, but needed to have some more specific classifications for some less obvious entities; Mr. Cornett referenced the Board Update found within Board Book Tab #5.

Ms. Roberts expressed that Staff would like the Board to review the customer classification definitions, along with their categorizations in regards to ERUs and metering, as well as what classifications they fall within. This is to have a clearly defined policy so that all departments who work with customers can be on the same page.

Mr. Chase asked if it is standardized across the state to find similar customer classification policies. Mr. Cornett expressed that in preparation, WCSA reviewed other utilities' policies, including AWWA's, to find continuity with other utilities. He noted that you'll find slight differences here and there. However, other resources indicate a similar structure. He clarified that the Board would need to make a motion to approve the policy.

Mr. Chase made the motion to approve the Customer Classification Policy as presented. Mr. Chase's motion was seconded by Mr. Stephon, and was

approved by a vote of 6-0-0-1.

Mr. Cole expressed his appreciation to Ms. Roberts and Mr. Cornett for their efforts. Mr. Cornett affirmed that he feels the policy is necessary and without it, there could be a lot of risk involved.

*Note: Agenda Item #12 (Sutherland Waterline Extension Project, Consent to Advertise for Bid) was removed on the Amended Agenda.*

**13. Consideration of the Updated Personnel Policies & Procedures Manual**

Mr. Lawson referenced the updated Personnel Policies and Procedures Manual draft that was previously received. He indicated that it represents a collaboration of efforts by Elliott, Lawson & Minor (EL&M) and WCSA Staff. He also noted that the blue-tabbed sheet, which was provided to the Board, shows only additional modifications to the document.

Mr. Cornett added that this draft is the result of several months of work between WCSA & EL&M. He explained that Staff believes these revisions are ready for adoption.

Mr. Cole noted that the revisions seem like they have gone on forever. He feels that WCSA Personnel Policies need to all be in one spot. He feels the policies and procedures need to be legally clean and clear so that employees know their responsibilities, along with WCSA's.

Mr. Cornett expressed that if approved, each employee will be presented with a copy of the revised manual. All additions, corrections and changes will be specifically reviewed with each employee. He noted that he, along with department heads, will be available to answer questions and clarify the various implementations.

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Mr. Cole asked if there will be any implementation workshops. Mr. Cornett explained that there will be, first between him and the various department heads. Following that, department heads will meet with their own staff members to do the same: to answer questions and clarify.

Mr. Chase asked if a policy for employees working a flex schedule was included. Mr. Cornett expressed that yes, there was; it is outlined in the manual. He explained that there has been a flex schedule policy available for supervisory staff since May of 2007. This policy was extended to folks in the departments identified by the manual within the last three to four months.

Mr. Lawson added that each employee will be signing a receipt for the handout. He continued by noting that this updated Personnel Policies and Procedures Manual is not "chiseled in granite". However, WCSA and EL&M hope it will serve as a guide and that it can be altered, if need be, as time goes on.

Mr. Stephon made the motion to approve the newly amended Personnel Policy Manual. Mr. Stephon's motion was seconded by Mr. Stout and was approved by a vote of 6-0-0-1.

Mr. Cole thanked those in the room and those outside of it who have contributed efforts to the updated Personnel Policies and Procedures Manual.

**14. Closed Meeting: Acquisition & Disposition of Property, Investment of Public Funds and Legal Advice**

Mr. Chase 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, 2. To Discuss

and Consider the Acquisition of Real Property and to Discuss and Consider the Disposition of WCSA Real Property, Code of Virginia Section 2.2-3711 Paragraph (A) (6): Investment of Public Funds, 3. To Discuss Various Inter-municipal and Other Agreements, Code of Virginia Section 2.2-3711 Paragraph (A) (7): Legal Advice, 4. To Discuss Various Inter-municipal and Other Agreements.

In addition to the Board, the presence of Mr. Mark Lawson, WCSA Counsel, and Mr. Robbie Cornett, WCSA General Manager, are requested.

Mr. Chase's motion was seconded by Mr. Taylor and was approved by a 6-0-0-1 vote of the Board. The Board adjourned to Closed meeting at 7:47 PM.

**Return to Public Session**

Upon a motion by Mr. Chase, a second by Mr. Coleman, and a 6-0-0-1 vote by the Commissioners, the Board returned to Public Session at 9:59 PM.

**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

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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. Coleman, Mr. Taylor, Mr. Stout and Mr. Cole.

  
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Mr. Gerald Cole, Chairman

  
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Amanda Paukovitz, Assistant Secretary

**16. Late Items**

Mr. Cornett referenced the resolution under the green tab at Board stations, which pertains to the Inter-Municipal Agreement with the Town of Abingdon. He asked the Board to consider adopting the Agreement tonight. He also clarified that the Board must approve the resolution before the Town of Abingdon or the Washington County Board of Supervisors can move forward.

Mr. Stephon made the motion to approve the resolution. Mr. Stephon's motion was seconded by Mr. Stout, and was approved by a 6-0-0-1 vote of the Board. Ms. Roberts drew the Board's attention to an engagement letter from Robinson, Farmer & Cox Associates. The letter shares projected completion dates for WCSA's audit and it talks about how they comply with Generally Accepted Accounting Principles (GAAP). Ms. Deanna Cox of Robinson, Farmer & Cox Associates plans to give a presentation to the Board at the October Board Meeting. Mr. Stephon asked if they performed an actual audit on June 30. Ms. Roberts confirmed that representatives from Robinson, Farmer & Cox were here at WCSA on June 30.

**17. Adjournment**

Mr. Chase made the motion to adjourn the meeting. Mr. Chase's motion was seconded by Mr. Stephon and was approved by a 6-0-0-1 vote of the Board at 10:04 PM.