





**Washington County Service Authority Board of Commissioners  
May 23, 2022 Regular Board Meeting Minutes**


<b>Agenda Item: 1</b>  COMMUNICATION	Call the Meeting to Order
<b>Presenter(s):</b>	Chairman
<b>End Time:</b>	5:59 pm


<b>Agenda Item: 2</b>  COMMUNICATION	Roll Call
<b>Presenter(s):</b>	Chairman
<b>Present:</b>	Mr. Thayer, Mr. Taylor, Mr. D. Miller, Mr. Campbell, Mr. Hutton, Mrs. C. Miller and Mr. Hutchinson
<b>Absent:</b>	None
<b>End Time:</b>	5:59 pm

<b>Agenda Item: 3</b>  COMMUNICATION	Prayer and Pledge of Allegiance
<b>Presenter(s):</b>	Mr. Taylor opened the meeting in prayer and led the Pledge of Allegiance.
<b>Beginning Time:</b>	5:59 pm
<b>End Time:</b>	6:00 pm

<b>Agenda Item: 4</b>  COMMUNICATION	Approval of the Agenda
<b>Presenter(s):</b>	Chairman
<b>Beginning Time:</b>	6:00 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Discussion:</b>	None
<b>Actual Motion:</b>	Approve the Agenda as presented.
<b>Motion By:</b>	Mrs. C. Miller
<b>Second By:</b>	Mr. Hutchinson
<b>Voting:</b>	<b>Ayes:</b> 7
	<b>Nays:</b> 0
	<b>Abstain:</b> 0
<b>End Time:</b>	6:01 pm


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<b>Agenda Item: 5</b>  COMMUNICATION	Public Query and Comment
<b>Presenter(s):</b>	Chairman
<b>Beginning Time:</b>	6:01 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Speakers:</b>	Mr. Campbell introduced the speaker as Mr. Mac Johnson of the Lodi community. Mr. Campbell referred to a letter sent from property owners in of the community, see attached. Mr. Mac Johnson spoke asking for reconsideration to install a 6 inch water line (approximately 700 feet) instead of a 4 water inch line from McGee Lane to Monroe Road to provide fire protection to the for the 4 to 5 homes on Monroe Road.
<b>Discussion:</b>	Mr. Kiser advised that the preliminary hydraulic analysis suggested that a fire hydrant could be placed at top of hill. Additional water quality analysis will be needed in order to make a decision on the size of line needed. There was discussion regarding the additional costs associated with the type and size of the pipe.
<b>Actual Motion:</b>	None
<b>Motion By:</b>	
<b>Second By:</b>	
<b>Voting:</b>	<b>Ayes:</b>
	<b>Nays:</b>
	<b>Abstain:</b>
<b>End Time:</b>	6:12 pm

<b>Agenda Item: 6</b>  COMMUNICATION	Approval of the Consent Agenda
<b>Presenter(s):</b>	Chairman
<b>Beginning Time:</b>	6:12 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Discussion:</b>	Mr. D. Miller recognized employees with years of service awards.
<b>On the Record:</b>	Ms. Shaffer submitted a revision in the January 24, 2022 Regular Meeting Minutes for consideration. See attached.
<b>Actual Motion:</b>	Motion to approve the Consent Agenda including January 24, 2022 Regular Meeting Minutes revisions as requested.
<b>Motion By:</b>	Mr. Taylor
<b>Second By:</b>	Mr. Thayer
<b>Voting:</b>	<b>Ayes:</b> 7


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<b>Nays:</b>	0
<b>Abstain:</b>	0
<b>End Time:</b>	6:15 pm

<b>Agenda Item: 7</b>  COMMUNICATION	Legal Counsel Report and Update
<b>Presenter(s):</b>	Thomas Dene
<b>Beginning Time:</b>	6:15 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Discussion:</b>	Mr. Dene had no report for Open Meeting.
<b>Actual Motion:</b>	None
<b>Motion By:</b>	
<b>Second By:</b>	
<b>Voting:</b>	<b>Ayes:</b>
	<b>Nays:</b>
	<b>Abstain:</b>
<b>End Time:</b>	6:15 pm

<b>Agenda Item: 8</b>  COMMUNICATION	General Manager Report and Update
<b>Presenter(s):</b>	Robbie Cornett
<b>Beginning Time:</b>	6:15 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Discussion:</b>	Mr. Cornett and Mrs. Edwards discussed the attached presentation.
<b>On the Record:</b>	None
<b>Actual Motion:</b>	None
<b>Motion By:</b>	
<b>Second By:</b>	
<b>Voting:</b>	<b>Ayes:</b>
	<b>Nays:</b>
	<b>Abstain:</b>
<b>End Time:</b>	6:35 pm


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<b>Agenda Item: 9</b>  COMMUNICATION	Operations Report and Update
<b>Presenter(s):</b>	Mr. Seay reviewed the attached Operations Manager Report and Update.
<b>Beginning Time:</b>	6:35 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Discussion:</b>	Mr. Seay discussed the attached presentation.
<b>On the Record:</b>	None
<b>Actual Motion:</b>	None
<b>Motion By:</b>	
<b>Second By:</b>	
<b>Voting:</b>	<b>Ayes:</b>
	<b>Nays:</b>
	<b>Abstain:</b>
<b>End Time:</b>	6:46 pm

<b>Agenda Item: 10</b>  INFRASTRUCTURE	Engineering Report / Construction Projects Update
<b>Presenter(s):</b>	Ryan Kiser
<b>Beginning Time:</b>	6:46 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Discussion:</b>	<p>Mr. Kiser updated the Board on the following projects:</p> <ul style="list-style-type: none"> <li>• Galvanized Line Phase 3 Project</li> <li>• Waterline Extension Projects, Taylors Valley, Greens Springs Road, Monroe Road, Prices Bridge Road, Fleenors Memorial, Hobbs Road and Abrams Falls</li> <li>• Mill Creek Chlorine Contact Tank Replacement</li> <li>• Demolition of Old Route 58 Water Storage Tank</li> <li>• Smyth Chapel Improvements Project</li> <li>• Lee Highway Corridor Sewer Project</li> <li>• Mendota and Mary's Chapel Project</li> <li>• Administrative Complex and Grounds Improvements</li> <li>• Private Development Projects</li> </ul>
<b>On the Record:</b>	None
<b>Discussion:</b>	None
<b>Actual Motion:</b>	None
<b>Motion By:</b>	

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<b>Second By:</b>	
<b>Voting:</b>	<b>Ayes:</b>
	<b>Nays:</b>
	<b>Abstain:</b>
<b>End Time:</b>	6:58 pm

<b>Agenda Item: 11</b>  <b>FINANCIAL VIABILITY</b>	Financial Report and Update
<b>Presenter(s):</b>	Rusty Little
<b>Beginning Time:</b>	6:58 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Discussion:</b>	Mr. Little reported on: <ul style="list-style-type: none"> <li>• Financial Statements for June 30, 2021 and February 28, 2022 were sent to the Board. April 30, 2022 Financials were completed today.</li> <li>• Mr. Little then reviewed two financial memos presented to the Board. See attached.</li> </ul>
<b>On the Record:</b>	Mr. D. Miller asked for clarification about grants mentioned under Water Net Income on page 2 of the of the April 30, 2022 memo.
<b>Actual Motion:</b>	None
<b>Motion By:</b>	
<b>Second By:</b>	
<b>Voting:</b>	<b>Ayes:</b>
	<b>Nays:</b>
	<b>Abstain:</b>
<b>End Time:</b>	7:10 pm

<b>Agenda Item: 12</b>  <b>EMPLOYER OF CHOICE</b>	Human Resources Report and Update
<b>Presenter(s):</b>	Shawn Blevins
<b>Beginning Time:</b>	7:10 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Discussion:</b>	Mr. Blevins reviewed the attached slides. Mr. Blevins talked in detail about the upcoming confined space, rescue and vault safety training.
<b>On the Record:</b>	Mr. Blevins recognized the meter department for having no absences' or tardiness and for having the biggest reduction in overtime for the month of April.


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	Mr. Campbell asked if safety training would be an ongoing thing. Mr. Blevins said it would be ongoing. Mr. Campbell asked about new hire training. Mr. Blevins said he would ask a local trainer if a new employee could go through confined space training, for example, at a different facility before they enter a confined space. He mentioned the idea of having a different colored hard hat or stickers indicating what training employees have completed.
<b>Actual Motion:</b>	None
<b>Motion By:</b>	
<b>Second By:</b>	
<b>Voting:</b>	<b>Ayes:</b>
	<b>Nays:</b>
	<b>Abstain:</b>
<b>End Time:</b>	7:24 pm

<b>Agenda Item: 13</b>  INFRASTRUCTURE	Consideration of Galvanized Waterline Phase 3 Division 2A Change Order No. 3
<b>Presenter(s):</b>	Ryan Kiser
<b>Beginning Time:</b>	7:24 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Background:</b>	<p>Thomas Construction Co, Inc reached substantial completion on the Division 2A portion of the Galvanized Line Phase 3 project replacing nearly 27,000 linear feet of water line. Substantial completion was reached on March 14, 2022. Proposed Change Order 3 serves as the project cleanup change order to adjust item quantities and contract time.</p> <p>From the attached spreadsheet with item quantities deducted there is a total decrease of \$37,999.36 in contract price.</p> <p>Attached is a summary of the weather days, holidays, VDOT work restriction days and extension of contract time due to additional work and other delays tracked each month during construction. There were total of 88 days of contract days added to reach substantial completion. After substantial completion contractor continued on final cleanup and coordinating with WCSA on a line kill that required coordination with VDOT. This delayed the line kill by 30 days. There was also a delay of finalizing the formal punch list to the contractor and resulted in 23 days increase in contract time to reach final completion. A total of 53 days increase in contract time to reach final completion is requested.</p>
<b>Discussion:</b>	Mr. Kiser reviewed the information above.
<b>On the Record:</b>	None
<b>Recommendation:</b>	Subject to answering any questions the Board may have, Staff kindly recommends the Board favorably consider approving the Galvanized Line Phase 3 Division 2A, proposed Change Order No. 3.

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<b>Proposed Motion:</b>	Authorize the approval of Galvanized Line Phase 3 Division 2A, proposed Change Order No. 3.
<b>Actual Motion:</b>	“Motion to approve.” (the Galvanized Line Phase 3 Division 2A, proposed Change Order No. 3).
<b>Motion By:</b>	Mr. D. Miller
<b>Second By:</b>	Mr. Hutchinson
<b>Voting:</b>	<b>Ayes:</b> 7
	<b>Nays:</b> 0
	<b>Abstain:</b> 0
<b>End Time:</b>	7:29 pm


<b>Agenda Item: 14</b>  EMPLOYER OF CHOICE	Consideration of a New Position and Budget Amendment
<b>Presenter(s):</b>	Robbie Cornett
<b>Beginning Time:</b>	7:30 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Background:</b>	<p>Until 5-years ago, WCSA employed two engineers to manage all capital projects. When our former Manager of Engineering left WCSA, Ryan applied and when selected to be Manager of Engineering, wanted to try and manage the work without a second engineer. I agreed on the condition that we would monitor the situation and if managing all our projects was too much for him, we would revisit hiring a second engineer. The second position and budget was eliminated.</p> <p>Over the past two-year period, WCSA’s capital project program has increased substantially. From a dollar standpoint, we embarked on what we now know is one of if not the two largest projects in our history. Galvanized Line Phase 3 is the largest and Lee Highway Corridor may become the largest and is certain to be in the top 3.</p> <p>What we had not planned on doing with Galvanized Line Phase 3, until two-years ago, is the Construction Administration and Resident Project Representation (RPR) work. We had considered it, particularly the RPR work, but due to cost and efficiencies, decided to manage this internally and Ryan has done an outstanding job.</p> <p>While attending to Galvanized Phase 3, which is winding down now, Ryan has also been the point person for WCSA on the Lee Highway Corridor Project (that’s being designed by Thompson &amp; Litton). In addition to the design elements, this project has involved an exceptional amount of permitting, and property acquisition that involves Ryan’s time and attention. This in addition to coordinating review by WCSA Staff of the plans and specifications.</p>

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	<p>While the two beforementioned projects were moving forward, design was proceeding on 7 waterline extension projects that are now under construction as well as two (Mendota Road and Mary’s Chapel) newer waterline extension projects that will likely be among the largest extension projects we have ever done. Apart from some hydraulics support from an outside firm, Ryan (and Lisa) has done all the work here.</p> <p>Then, there is the replacement of the two Chlorine Contact Tanks at Mill Creek and demolition of the old Route 58 Water Storage Tank that Ryan (with help from an outside firm and Lisa), has presided over.</p> <p>And lastly, there is the private development work and technical assistant to Customer Service that Ryan invests a great deal of time on.</p> <p>We have no way of knowing what the future holds but with the increase in ARPA funds that both VDH and DEQ have, combined with the private development work, the amount of work we will be managing over the next five-years will be more than one person can reasonably manage. Accordingly, we ask that the Board consider approving a new position (engineer) in our Engineering Department and a budget amendment of \$76,000/year.</p>
<b>Discussion:</b>	Mr. Cornett reviewed the information above.
<b>On the Record:</b>	Mr. Hutchinson said he was here at a time when we had two engineers along with a couple of my fellow Commissioners and I know we didn’t have as many projects going on then as we do now. Mr. Hutchinson commended Mr. Kiser for being able to juggle things and get these projects underway and look over them during the project and see it through to completion. Mr. Hutchinson “you (Mr. Kiser) are to be commended for that and I appreciate it.
<b>Recommendation:</b>	Subject to answering any questions the Board may have, we recommend the Board consider approving a new position (engineer) in our Engineering Department and a budget amendment of \$76,000/year.
<b>Proposed Motion:</b>	Move the Board consider approving a new position (engineer) in our Engineering Department and a budget amendment of \$76,000/year.
<b>Actual Motion:</b>	Motion to consider and additional engineer and the Budget Amendment of \$76,000 to give Ryan (Mr. Kiser) some help.
<b>Motion By:</b>	Mr. Hutchinson
<b>Second By:</b>	Mr. Hutton
<b>Voting:</b>	<b>Ayes:</b> 7
	<b>Nays:</b> 0
	<b>Abstain:</b> 0
<b>End Time:</b>	7:35 pm



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<b>Agenda Item: 15</b>  COMMUNICATION	Closed Meeting
<b>Presenter(s):</b>	Commissioner
<b>Beginning Time:</b>	7:35 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>On the Record:</b>	None
<b>Actual Motion:</b>	Motion to adjourn to Closed Meeting
<b>Motion By:</b>	Mr. D. Miller
<b>Second By:</b>	Mrs. C. Miller
<b>Voting:</b>	<b>Ayes:</b> 7
	<b>Nays:</b> 0
	<b>Abstain:</b> 0
<b>End Time:</b>	7:38pm

**WASHINGTON COUNTY SERVICE AUTHORITY  
BOARD OF COMMISSIONERS  
Closed Meeting May 23, 2022**

Mr. D. Miller moved that the Board of Commissioners of the Washington County Service Authority adjourn to Closed Meeting in accordance with the Virginia Freedom of Information Act for:

**1. Code of Virginia Section 2.2-3711 Paragraph (A) (7): Probable Litigation**

Consultation with legal counsel and briefings by staff members pertaining to probable litigation that has been specifically threatened and which the public body and its legal counsel have a reasonable basis to believe will be commenced by a known party, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, and specifically involving a claim of employment discrimination by a former employee of the Authority;

**2. Code of Virginia Section 2.2-3711 Paragraph (A) (8): Consultation with Legal Counsel**

Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, and specifically involving a) the Authority's rights and obligations under a proposed Regional Water Agreement between the Authority and the Town of Chilhowie for the Mill Creek Water Treatment Plant and b) the effect and status of outstanding claims related to the terms of the manufacturer's membrane warranty for the Mill Creek Water Treatment Plant;

**3. Code of Virginia Section 2.2-3711 Paragraph (A) (1): Personnel**


Discussion and consideration of the performance of specific public employee of the Washington County Service Authority; and

**4. Code of Virginia Section 2.2-3711 Paragraph (A) (19): Security Plans and Measures**

Discussion of the security plans and measures of the Authority and its facilities, buildings and structures, where discussion in an open meeting would jeopardize the safety of any person or the security of any facility, building, or structure.

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In addition to the Board of Commissioners the presence of Robbie Cornett, WCSA General Manager, and Thomas Dene, WCSA General Counsel, is requested.

<b>Agenda Item: 16</b>  COMMUNICATION	Return to Open Meeting
<b>Presenter(s):</b>	Commissioner
<b>Beginning Time:</b>	8:46 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>On the Record:</b>	None
<b>Actual Motion:</b>	Motion to return to Public Meeting.
<b>Motion By:</b>	Mr. Hutton
<b>Second By:</b>	Mr. D. Miller
<b>Voting:</b>	<b>Ayes:</b> 7
	<b>Nays:</b> 0
	<b>Abstain:</b> 0
<b>End Time:</b>	8:53 pm

**Certification of Closed Meeting**


Mr. D. Miller moved that the Board adopt the following resolution:

Whereas, the Board of Commissioners of 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; and


Now, therefore, be it resolved that the Board of Commissioners of the Washington County Service 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 Board.

AYE by Mr. Thayer, Mr. Taylor, Mr. D. Miller, Mr. Campbell, Mr. Hutton, Mrs. C. Miller and Mr. Hutchinson

<b>Agenda Item: 17</b>  COMMUNICATION	Late Items
<b>Presenter(s):</b>	Commissioner
<b>Beginning Time:</b>	8:48 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None

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<b>On the Record:</b>	After Mr. Dene read the proposed By-Laws Amendments, Mrs. C. Miller asked for clarification, saying if an employee contacts me, I personally need to contact the Chairman and the manager or will the Chairman contact the manager? This says you have to contact both, answered Mr. Dene.
<b>Discussion:</b>	The following items were discussed as Late Items: <ul style="list-style-type: none"> <li>• The Middle Fork Drinking Water Plant staff has won the Gold Award for the 12<sup>th</sup> year in a row,</li> <li>• The Board Retreat on June 25, 2022,</li> <li>• The upcoming budget,</li> <li>• Mr. Dene's proposed Amendments to the By-Laws.</li> </ul>
<b>Actual Motion:</b>	Mr. Taylor made a motion to approve the amendments to Section 5. Complaints and Inquiries of the WCSA By-Laws as proposed and read by Mr. Dene as follows: Section 5. Complaints and Inquiries B. In the event a member of the Board receives a complaint relating to the act or omission of any employee of the Service Authority, the member shall promptly report the complaint to the Chairman and the General Manager. If the Chairman is unavailable the complaint shall be promptly reported to the Vice-Chairman and the General Manager. C. In the event a member of the Board receives an inquiry from a customer of the Service Authority, the member shall promptly refer the customer to the Customer Service Manager if the inquiry relates to a bill, and in the case of inquiries of a different nature, the member shall promptly refer the customer to the General Manager. Alternatively, the member of the board may contact the General Manager or the Customer Service Manager and request that the General Manager or the Customer Service Manager contact the customer to address the inquiry.
<b>Motion By:</b>	Mr. Taylor
<b>Second By:</b>	Mr. Thayer
<b>Voting:</b>	<b>Ayes:</b> 7
	<b>Nays:</b> 0
	<b>Abstain:</b> 0
<b>End Time:</b>	8:53 pm

<b>Agenda Item: 18</b>  COMMUNICATION	Adjourn
<b>Presenter(s):</b>	Commissioner
<b>Beginning Time:</b>	8:53 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>On the Record:</b>	None
<b>Actual Motion:</b>	Motion to adjourn.

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<b>Motion By:</b>	Mr. Taylor
<b>Second By:</b>	Mrs. C. Miller
<b>Voting:</b>	<b>Ayes:</b> 7
	<b>Nays:</b> 0
	<b>Abstain:</b> 0
<b>End Time:</b>	8:53 pm

  
\_\_\_\_\_  
Wayne Campbell, Chairman

  
\_\_\_\_\_  
Carol Ann Shaffer, Assistant Secretary

To Washington County Service Authority board of Commissioners:

Kenneth Taylor

Cathy Miller

James Hutton

David Campbell

Dwain Miller  
Kevin Thayer

Devere Hutchison

It has come to the adjoining property owner's attention that in planning the water line extension from McGee Ln., North on 91 toward Craig's bridge, that a fire hydrant was omitted on this extension. This hydrant would serve five houses, 10 barns as well as numerous outbuildings, there are also plans to build homes on adjacent properties.


We the property owners realize the contracts have been awarded but ask that you amend the contract or make provisions to use six-inch pipe approximately 700 feet, instead of four-inch extension to the top of the hill and then install a fire hydrant. This would still allow for four inch for the remaining extension.

Your consideration to make this change would be appreciated and would allow these people better service.

Sincerely, property owners:

Joella Johnson Barber  
Jan M. Johnson  
- via [unclear]  
[unclear]  
Kathy Johnson  
Thomas [unclear]

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January 24, 2022 Regular Board Meeting Minutes - Revised**

<b>Agenda Item: 16</b> 	<p><u>Consideration of the WSL-010-21A Taylor Valley, Prices Bridge, Monroe, Green Springs, WSL-010-21B Hobbs, Fleenor, Abrams Falls Waterline Extension Projects Construction Bids</u>  <u>Consideration of Amendment to the 2020-2021 Budget Resolution from June 28, 2021</u></p>
<b>Presenter(s):</b>	Ryan Kiser
<b>Beginning Time:</b>	7:20 pm
<b>Potential Conflict(s) of Interest and Abstention(s):</b>	None
<b>Background:</b>	<p>The WCSA received construction bids for WSL-010-21A Taylors Valley Road, Monroe Road, Prices Bridge Road and Green Springs Road and WSL-010-21B Fleenor's Memorial South Road, Hobbs Road and Abrams Falls Road. From bids received and current available funding, project has a shortfall of \$123,185.65.</p> <p><u>Staff recommends a budget amendment to obligate reserve funds to cover the shortfall.</u></p>
<b>Discussion:</b>	<p>Mr. Kiser discussed the information above. Mr. Kiser discussed bids for PVC pipe and ductile iron. Staff evaluated the budget and decided to use ductile iron for the projects. Since WCSA has provisions to negotiate with the low bidder, the contractors were asked for a revised cost for ductile iron and WCSA was able to close in the shortfall to \$123,185.65</p> <p>Mr. Kiser discussed the possibility of getting principal forgiveness funds from VDH and may not have to use the full \$123,185.65 from reserves.</p> <p>Mr. Kiser discussed the need to advance this project due to time of year restrictions in April preventing work in the stream.</p> <p>In answering a question from Mr. D. Miller about the cost of ductile iron, Mr. Kiser recommended using ductile iron instead of PVC pipe saying the maintenance manager and team was more confident in using ductile iron for this project.</p>
<b>On the Record:</b>	None
<b>Recommendations:</b>	<p>Mr. Kiser's recommendation to the Board is to approve the bids, award the project to McCall Excavating, install the ductile iron and approve the budget amendment for \$123,185.65 to this project and taking those funds from our reserves.</p>
<b>Proposed Motion:</b>	<p>Mr. Kiser referred the Board to the possible motion. Mr. Campbell read the possible motion saying possible motion is to authorize the approval of 21A and 21B (WSL-010-21A and WSL-010-21B) Project Bids and move to award both projects in the amount of \$1,811,421 to McFall Excavation, Inc. and approve the 2021 budget amendment to increase the budget for both projects by \$123,185.65 by obligating reserve funds.</p>
<b>Actual Motion:</b>	<p>Mr. Campbell read Motion to authorize the approval of 21A and 21B (WSL-010-21A and WSL-010-21B) Project Bids and move to award both projects in the amount of \$1,811,421 to McFall Excavation Inc. and approve the 2021-2022 budget amendment to increase the budget for both projects by \$123,185.65 by obligating reserve funds.</p>

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**Washington County Service Authority**



General Manager

**Report and Update**

# Customer Costs

- Customers sometimes ask, *why* is my bill higher than my friend who lives in \_\_\_\_\_.
- Rate comparisons will never be apples to apples however, we can compare and shed light on *why* one bill may be higher/lower than another.
- In the coming months, in comparison to three other utilities, we will look at some of the things we can compare and which result in the rates we see today.



# Customer Costs: Part 1

Residential Water - Nominalized for Density



When normalized for density, WCSA is on par with the other utilities.

# Customer Cost: Part 2

WCSA's operating cost/mile of main is among the best in the comparison!

## Annual Water Operating Budget/ Mile of Main

WCSA has most debt of the three and the second lowest cost/mile of main.

\$14,198

\$13,908

\$15,002

WCSA

WVWA

BVUA

## Annual Sewer Operating Budget/ Mile of Main

\$18,480

\$20,047

\$27,687

\$26,784

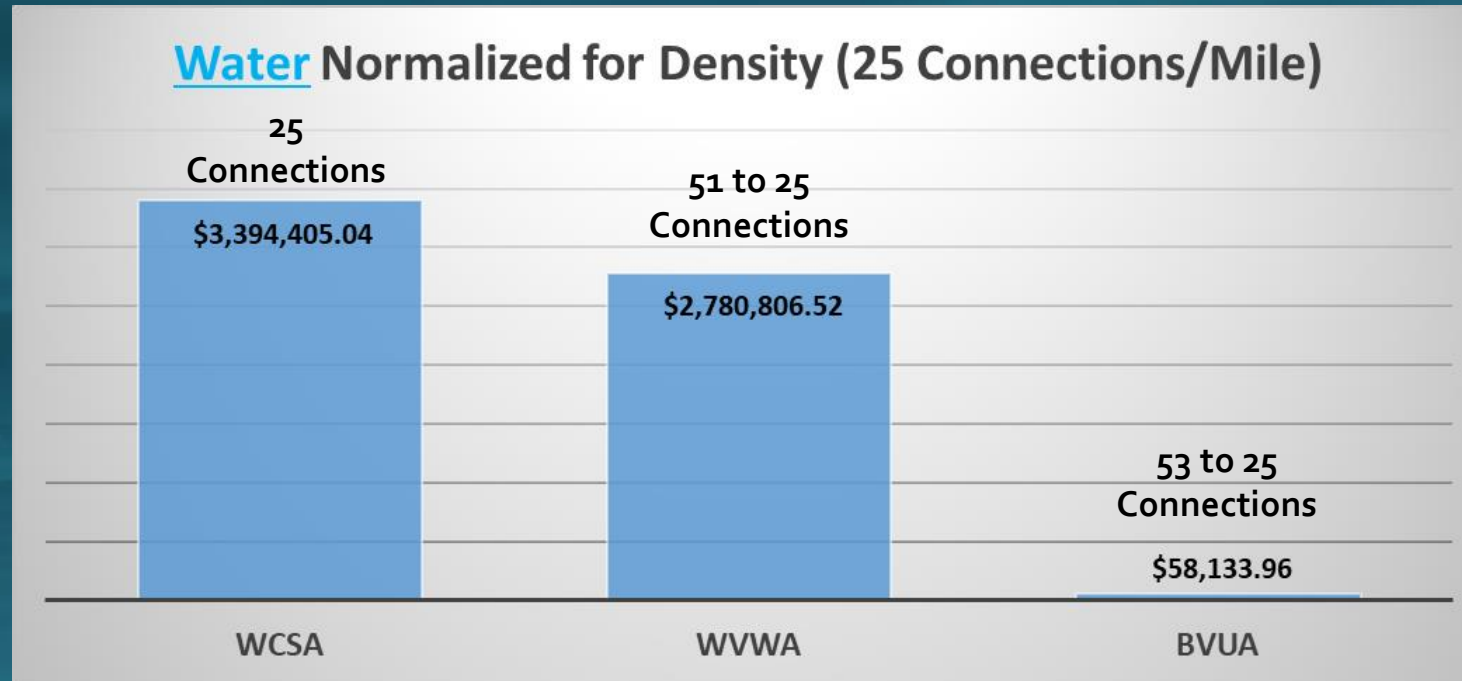
WCSA

WVWA

TOA

BVUA

# Customer Cost: Part 3



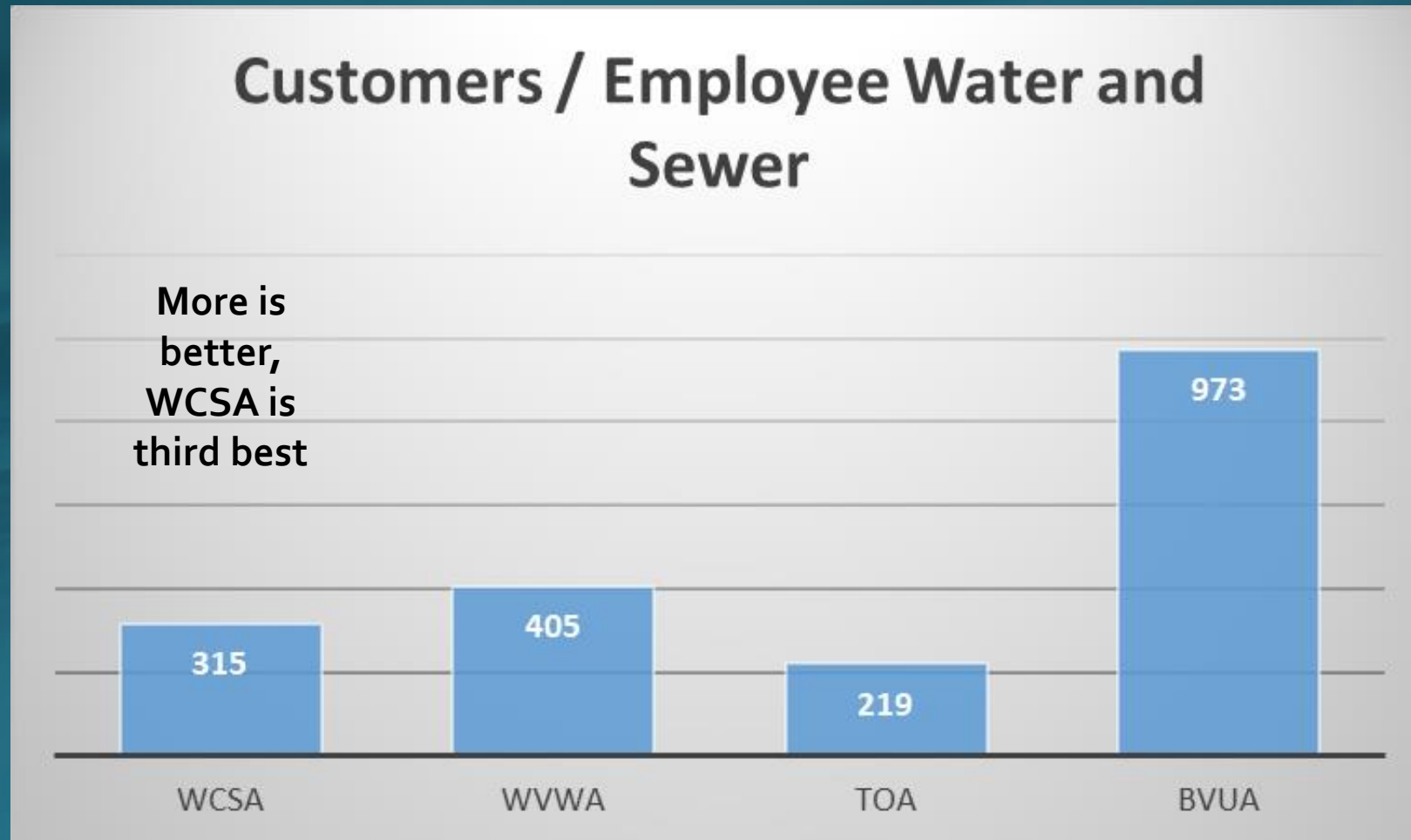
# Customer Cost: Part 4

## Employees / Mile of Water and Sewer Line

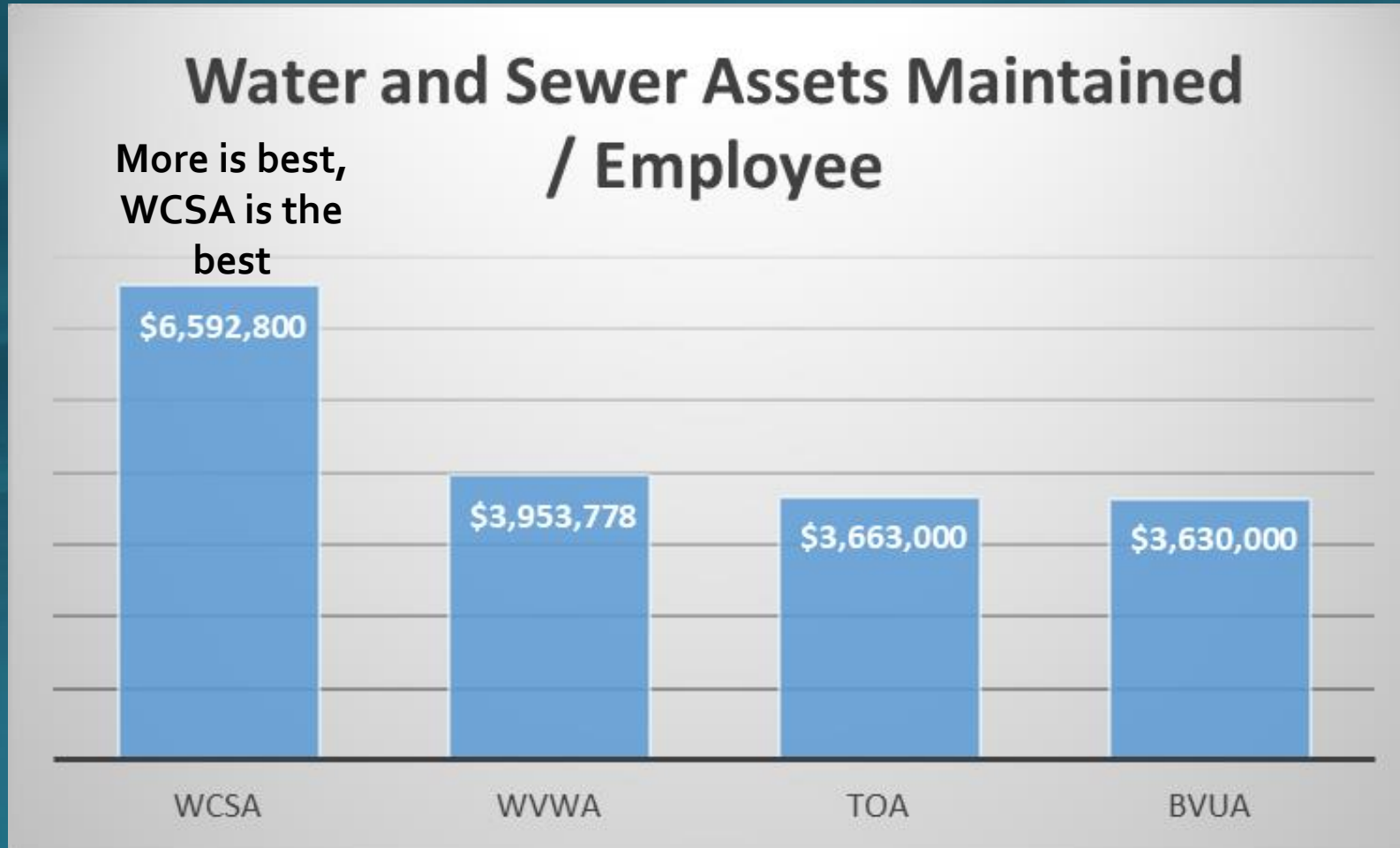
Less (lower cost) is best, WCSA is second best



# Customer Cost: Part 4



# Customer Cost: Part 4



# Customer Cost: Part 4

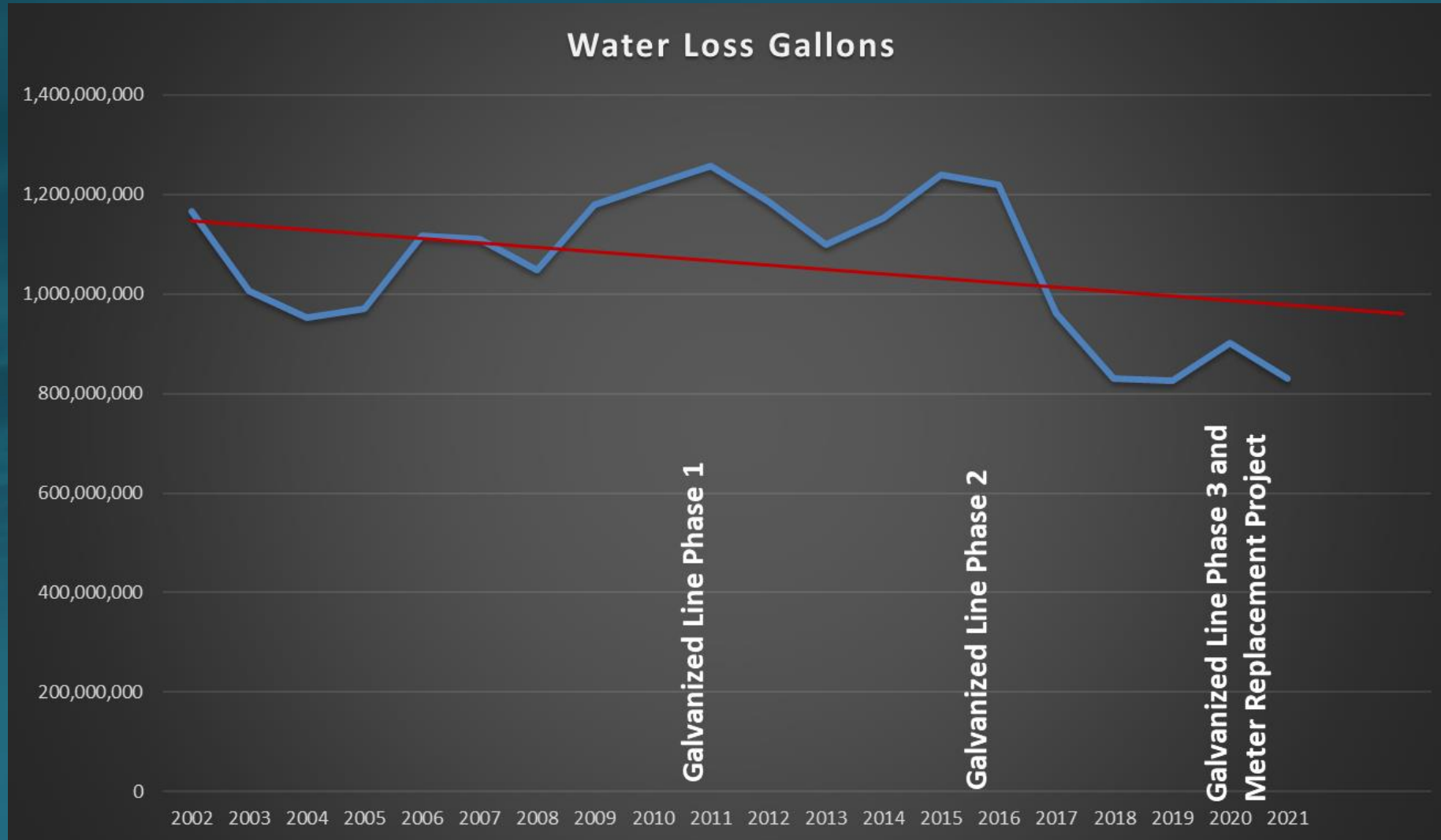
- Conclusion:
  - Employees/mile of line, 2<sup>nd</sup> best out of 4
  - Customers/employee, 3<sup>rd</sup> out of 4 (remember density)
  - Assets/employee, 1<sup>st</sup> out of 4 (by nearly a 2 to 1 margin)

# Customer Cost: Conclusion

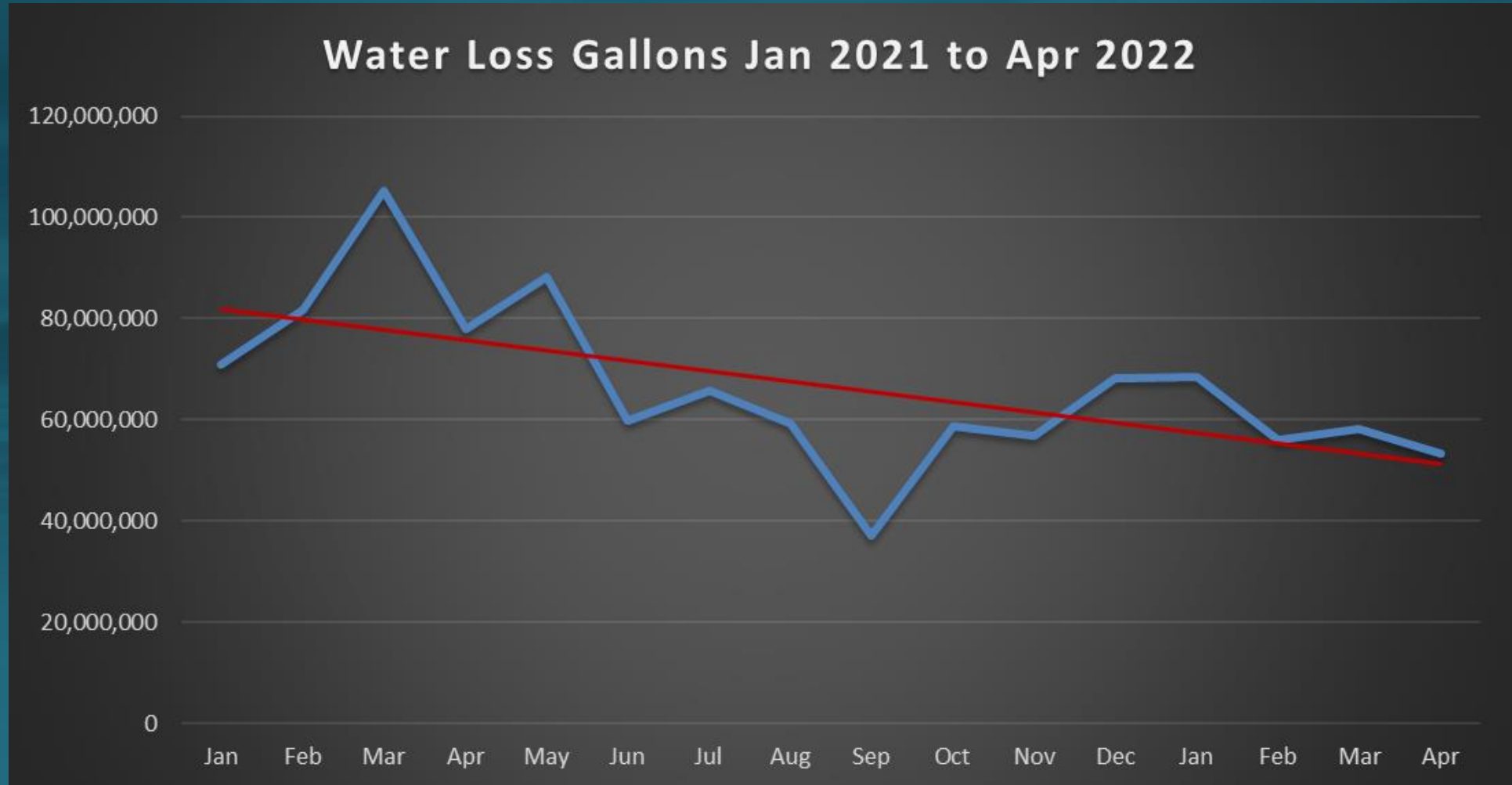
- If we normalize the water bill for density, WCSA is on par
- WCSA has been busy replacing aging infrastructure and extending service therefore, it has the most water debt and third most sewer debt
- Though we have the most water debt, we have the second lowest cost/mile of main and the lowest cost/mile of main in sewer
- WCSA is servicing its customers with fewer people and more assets/fulltime employee than any other
- Though our bill is higher than the other three, density and debt are the two greatest contributors



# Water Loss 2002 to Present



# Water Loss (Meter Project Impact)



# Customer Service



# Managed IT & VoIP

- The Management team has been working together to create an Request for Proposals (RFP) for Managed Information Technology & Voice Over Internet Protocol
- The RFP was posted in the Bristol Herald Courier on Sunday May 15, 2022
- Proposals are due on Friday June 3, 2022

# Reopening of Customer Lobby

- We reopened the lobby to customers on Monday May 16, 2022
- This past week we have seen an average of 13 customers each day
- Tri-City Security has provided us with 2 security guards that is here (one at a time) Monday-Friday 8:00am-5:00pm

# Customer Service Position

- WCSA Board approved a new Customer Service Position at the February 2022 Board Meeting
- Position was posted in the Bristol Herald Courier and Indeed on March 6, 2022
- Applications was due on or before March 25, 2022
- We received over 400 applications via Indeed
- Interviewed 10 applicants the week of April 25 & May 2
- Second interviews of 4 applicants with Shawn Blevins, Human Resource Manager the week of May 16
- Shawn and I will be making a recommendation this week

# Washington County Service Authority



Operations Manager

# Report and Update

# Maintenance On Call Policy

- One week out of every five weeks or 10 weeks/year
- Employees who don't want to be On Call can switch with other employees
  - Who want or need the extra money
- Three employees On Call each week
- Each of the three employees On Call take a WCSA truck home
  - Regardless of how far away they may live - improves response time



# Maintenance On Call Policy

- Each Employee receives a \$100 stipend whether you are called out or not
  - \$300/week total
- If called out its an automatic 2 hours of premium pay at the overtime rate of 1.5 regardless of the duration of the On Call event.
- Example: 15 minute On Call results in 2 hours of pay at the overtime rate of 1.5

# Maintenance On Call Policy

- ❖ Currently the On Call Crew works from 10:30 am to 7:00 pm
  - This decision was made after our last (2019) periodic review of overtime.
  - From this 6-month review, we learned that 67 call-outs occurred.
    - 48 of the 67 (or 72%) occurred between 3:30 PM and 6:00 PM
    - With the remainder being between 6:00 PM and 8:00 PM.
  - If we assume 2 hours overtime per call, this amounts to a minimum of \$12,000 overtime over the 6-month period.

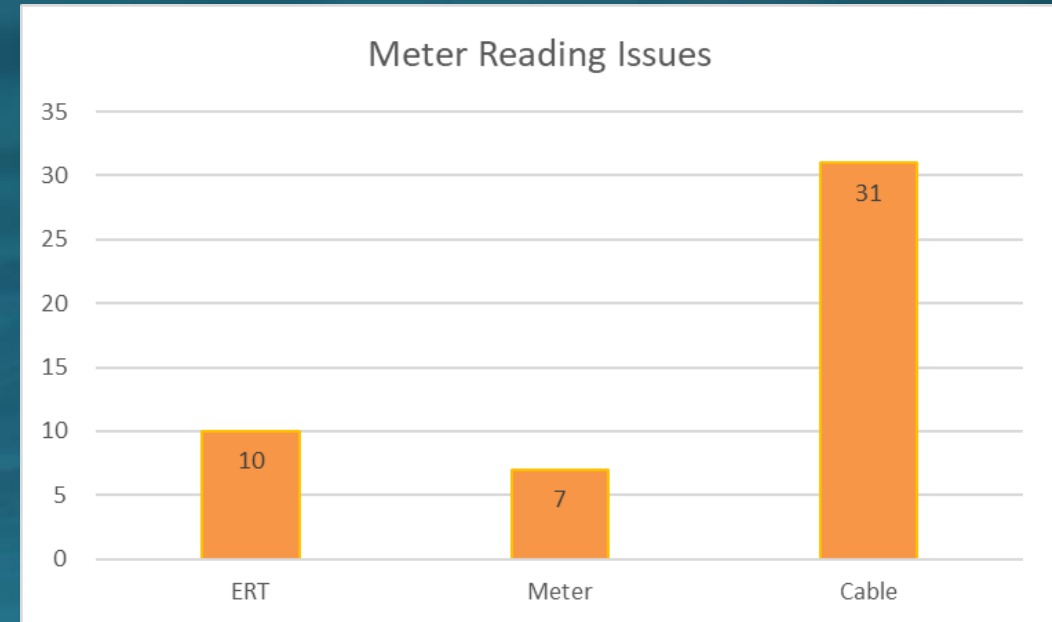
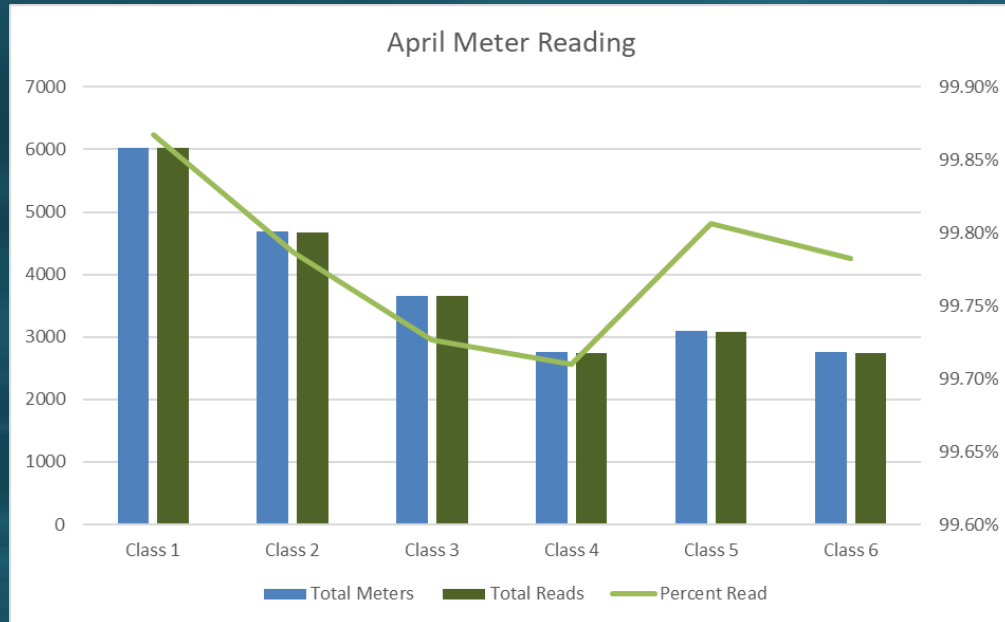
# Maintenance On Call Policy

- ❖ Currently the On Call Crew works from 10:30 am to 7:00 pm
- Not estimated but considered is the truck role cost and response time differential.
- Accordingly, it was/is management's belief that the on-call crew shift of 10:30 am to 7:00 pm
- Was/is the right decision for the business.
- And, from inquiries we have been unable to find a better on-call benefit in the business.

# Maintenance On Call Policy

- ❖ Currently the On Call Crew works from 10:30 am to 7:00 pm
- When the crew is not responding to calls, they are assigned other duties
- Such as inspections (hydrants, tanks, pumps, etc.)
- And preventive maintenance (pump stations etc.)
- And we plan to further optimize the in-between work so that the three employees are operating in different parts of the county so that response time and truck rolls are improved.

# Meter Operations



## Takeaways:

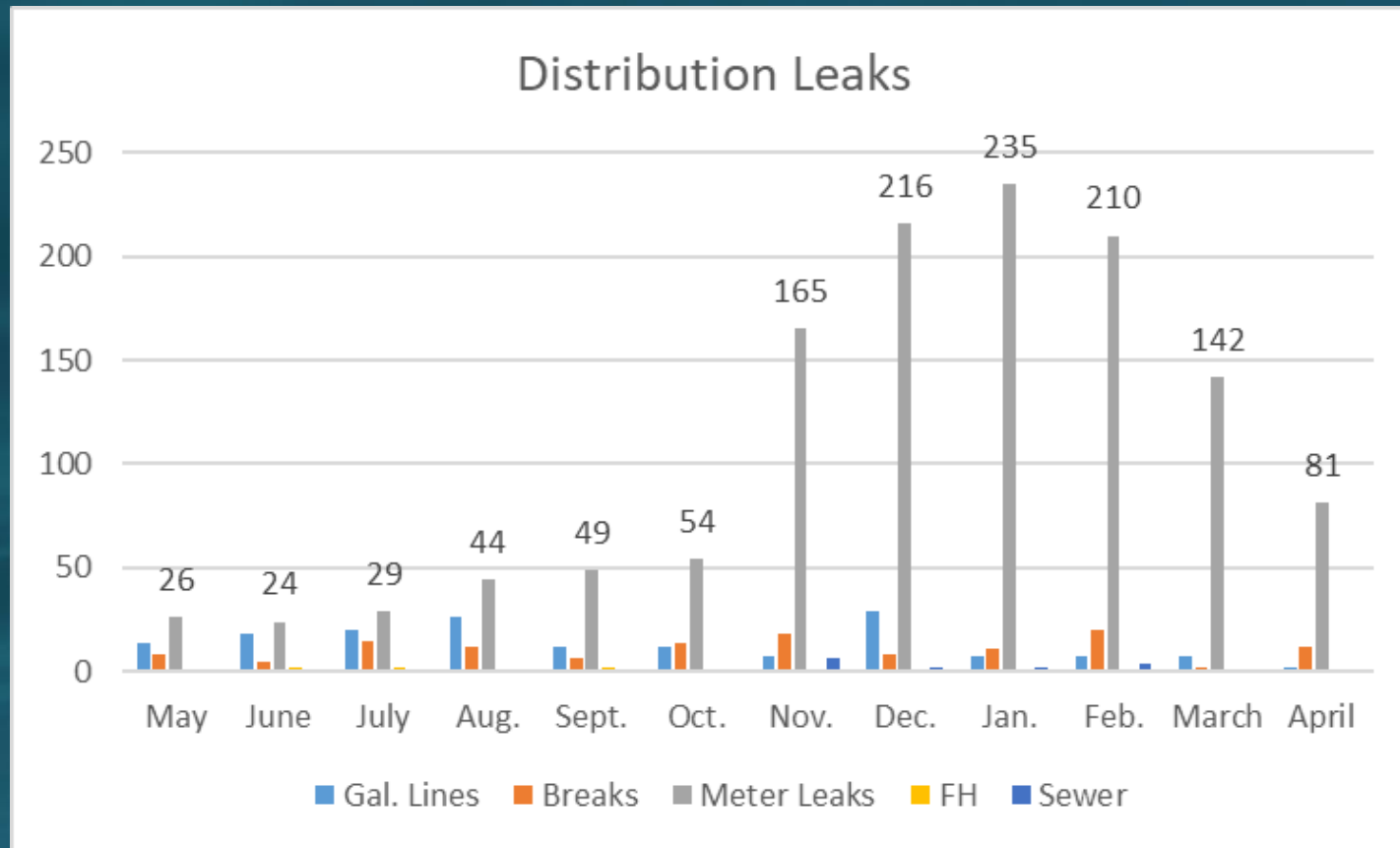
1. Meter reading accuracy using AMR is 99.8%
2. Meter reading issue is broken cable between ERT and Meter
3. AMI testing and transition – new ERT S/W configuration can read meter

# Maintenance Operations

- ❖ Major leak located and repaired in Taylor's Valley
  - When we had to take the Spring offline due to high turbidity
  - Tank rate of change was 1.7 gpm  
Maintenance had to haul water 12/7 while Spring offline
  - ✓ Leak repaired Tank rate of change is 0.2 gpm  
Maintenance had to haul water 6/7 while Spring offline
  - ✓ Maintenance Team – Travis Brown & Matt White  
Located the leak using our Echologics Leak Finder, Correlator
  - ✓ Leak was from rolled black plastic pipe that was split  
Water was flowing into a creek – leak was not visible



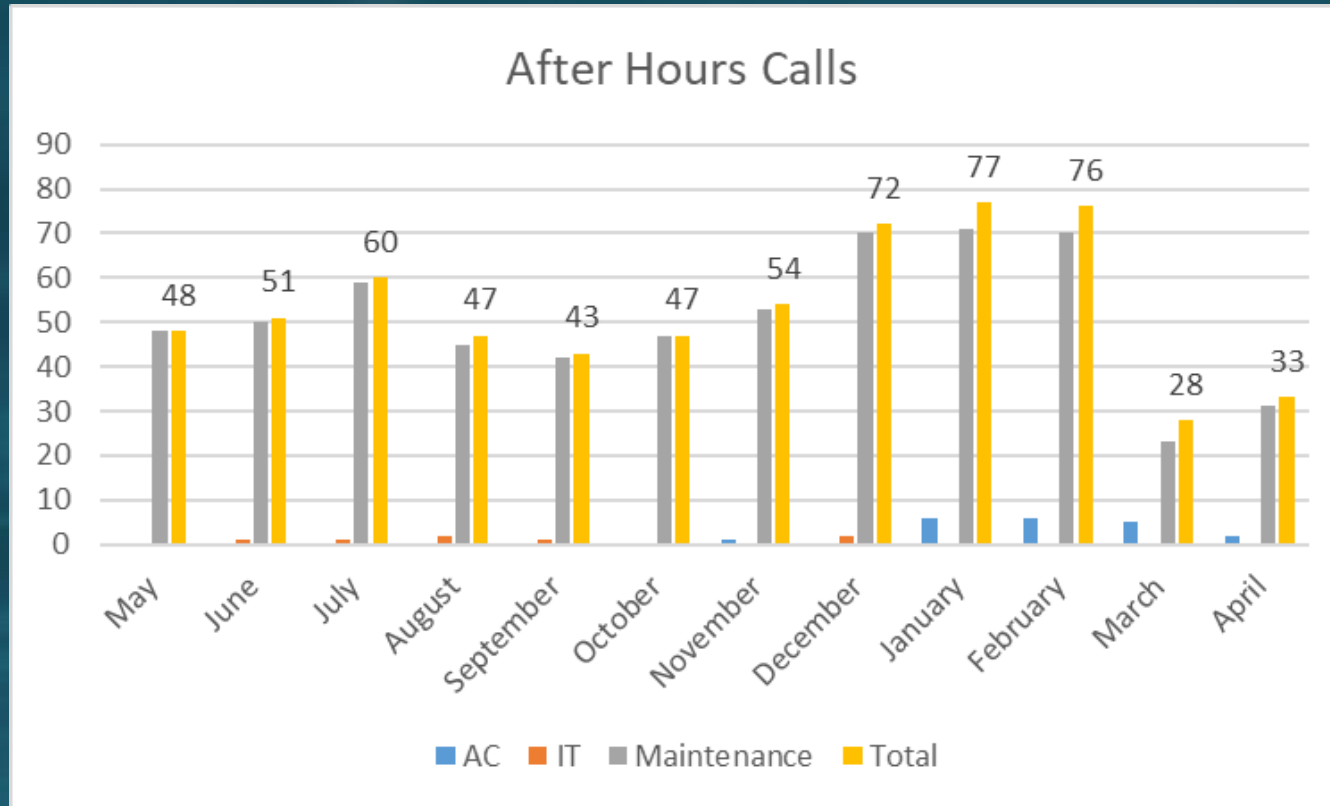
# Maintenance Operations



## Takeaways:

1. Meter leaks are trending down
2. Continue to replace meter gaskets

# Maintenance Operations



## Takeaways:

1. After Hours Calls reduced by 57% compared to February
2. Increased focus on Preventative Maintenance



# Operations Update

- Looking Forward

- Cla-Val Training scheduled for week of June 20<sup>th</sup> with Dan Esser
- Managing the communication between Elements and Muni-link for the integration of our Business System
- Request for Proposal published May 22<sup>nd</sup> for Managed Information Technology and Voice over Internet Protocol phone system.
- VPDES Permit reissuance for Hall Creek WWTP is on schedule

# Operations Update





## Washington County Service Authority

May 23, 2022

Financial Memo to the Board of Commissioners  
Month and Year End: June 30, 2021

### Water Revenue:

- **Rents** – Monthly decrease of \$56,000 or 3.2% compared to May. Annual variance decrease from budget of (\$209,225) or -1.3%.
- **Connections** – Decrease of \$7,000 or -0.4% compared to May. Annual variance decrease from budget of (\$83,251) or -2.8%.
- **Late Payment Penalties** – Increase of \$5,000 or 0.3% compared to May. Annual variance decrease from budget of (\$193,000) or -8.0%. Late payment penalties of \$134,125 from August 2020 through February 2021 were refunded to customers in March 2021.
- **Inventory Variance** – Adjustment was made in June to correct actual inventory count of (\$431,087) related to the metering project.
- **Total Revenue** – Decrease of \$292,000 or -19% compared to May. Annual variance decrease from budget of (\$1,074,000) or -6.4%.

### Water Expenses:

- **Non-Departmental** – Increase in total expenses by \$213,000 or 400% compared to May. Legal fees of \$76,000, Flexible spending of \$14,000, Commercial insurance cost of \$11,000, Software maintenance of \$44,000 and Building and Grounds Security of \$38,000 were attributable factors to this significant increase. Annual variance increase from budget of \$91,000 or 8.0%.
- **Administration** – Increase in total expenses of \$51,000 or 96% compared to May. Annual entry for accrued payroll and vacation and sick time account for this increase in month to month expenses. Annual variance decrease from budget of (\$96,000) or -7.0%.
- **Customer Service** – Increase in total expenses of \$27,000 or 259% compared to May. Annual entry for accrued payroll and vacation and sick time account for this increase in month to month expenses. Annual variance decrease from budget of (\$37,000) or -4.0%.
- **Maintenance** – Increase of total expenses by \$138,000 or 259% compared to May. Annual entry for accrued payroll and vacation and sick time account for this increase in month to month expenses. Month to month increases in Repairs and maintenance of \$37,000 also contributed to the overall increase. Annual variance decrease from budget of (\$148,000) or -5.0%.
- **Production** – Increase of total expenses by \$99,000 or 186% compared to May. Annual entry for accrued payroll and vacation and sick time account for this increase in month to month expenses. Month to month increases in General Electricity of \$29,000, Repairs of \$32,000, River Intake Maintenance of

\$12,000 and Chemicals of \$16,000 also contributed the overall increase. Annual variance decrease from budget of (\$156,000) or -7.0%.

- **Distribution** – Increase of total expenses by \$7,000 or 13% compared to May. Annual entry for accrued payroll and vacation and sick time account for this increase in month to month expenses. Month to month increases in Water Purchases of \$6,000 also contributed the overall increase. Annual variance decrease from budget of (\$31,000) or -19.0%.
- **Meter** – Increase of total expenses by \$179,000 or 337% compared to May. Salaries related to the part-time employees used for the meter conversion and the annual entry for accrued payroll and vacation and sick time account for part of the increase in month to month expenses. Month to month increases in Meter Boxes of \$162,000\* was the main contributing factor to the overall increase. Annual variance increase from budget of \$343,000 or 79.0%. \*Conducting further follow-up to determine if this is a mis-posting
- **Mill Creek** – Total expenses increased by \$18,000 or 33% over the previous month. Annual entry for accrued payroll and vacation and sick time account for this increase in month to month expenses. Month to month increases in Chemicals of \$5,000 also contributed to the overall increase. Annual variance decrease from budget of \$25,000 or 7.0%

#### **Water Net Income:**

- Annual variance increase from budget of \$18,000 or 1.0%

#### **Waste Water Revenue:**

- **Rents**- Increase of \$27,000 or 14% compared to May. Annual variance increase to budget of \$204,000 or 9%.
- **Connections** – Increase of \$3,000 or -100% compared to May. Annual variance decrease to budget of \$67%.
- **Late Payment Penalties** – Increase of \$2,000 or 98% compared to May. Annual variance decrease to budget of (\$26,000) or -78%. Late payment penalties of \$18,000 from August 2020 through February 2021 were refunded to customers in March 2021.
- **Total Revenue** – Decrease of \$34,000 or -15% compared to May. Annual variance increase to budget of \$16,000 or 1%.

#### **Waste Water Expenses:**

- **Non-Departmental**- Annual variance increase to budget of \$30,000 or 48%.
- **Maintenance** – Decrease in total expenses of \$1,000 or 4% compared to May. Annual variance increase to budget of \$12,000 or 6%.
- **Production** – Increase in total expenses of \$6,000 or 7% compared to the prior month. Annual entry for accrued payroll and vacation and sick time account for this increase in month to month expenses. Annual variance increase to budget of \$132,000 or 12%.
- **Damascus** – Increase in total expenses of \$22,000 or 206% compared to May. Buildings and Grounds expense of \$18,000 constitutes the majority of the increase. Annual variance increase to budget of \$26,000 or 18%.

**Waste Water Net Income:**

- Decrease of \$76,000 or -311% compared to May due Financing Costs of \$50,000 recognized in June that had been failed to be booked in May. Annual variance increase to budget of \$194,000 or 77%.



## Washington County Service Authority

May 23, 2022

Financial Memo to the Board of Commissioners  
Month and Year End: April 30, 2022

### Water Revenue:

- **Rents** – Monthly increase of \$35,000 or 2.7% compared to March. Annual positive variance from budget of \$781,000 or 5.7%.
- **Connections** – Monthly increase of \$1,000 or 4.3% compared to March. Annual negative variance from budget of (\$25,000) or -10.1%.
- **Late Payment Penalties** – Monthly increase of \$1,000 or 8.1% compared to March. Annual positive variance decrease from budget of (\$18,000) or 9.13%.
- **Lift for Non-payment** – Monthly increase of \$1,000 over March. Annual positive budget variance of \$27,000 or 49.2%.
- **Town of Chilhowie Reimbursement** – Under budget by \$175,000 due to a change of billing actual and being several months behind on remittance.
- **Insurance Recoveries and Refunds** – WCSA received \$150,000 return on its health insurance premiums due to underusage.
- **Inventory Variance** – Annual variance of \$781,000. I am researching this item relating to the meter conversion project. It appears automatic entries from Impresa are incorrectly posting to this account.
- **Total Revenue** – Monthly increase of \$192,000 or -13.9% compared to March primarily due to the insurance recovery. Annual variance increase from budget of \$14,000 or 0.10%.

### Water Expenses:

- **Non-Departmental** – Monthly decrease in total expenses by \$15,000 or 18.5% compared to March. Annual positive variance from budget of \$177,000 or 18.8%. Due primarily to work order management and corporate insurance. I am researching both of these items.
- **Administration** – Decrease in total expenses of \$2,000 or 2.5% compared to March. Annual positive budget variance \$119,000 or 10.2%.
- **Customer Service** – Monthly decrease in total expenses of \$6,000 or 8.8% compared to March. Annual positive budget variance of \$52,000 or 6.5%.
- **Maintenance** – Monthly decrease in total expenses by \$15,000 or 18.5% compared to March. Annual negative budget variance of \$304,000 or -12.04% due primarily to increased cost of tools and supplies, increased fuel costs and a higher level of overtime / on-call.
- **Production** – Increase of total monthly expenses by \$18,000 or 11.46% compared to March. Annual positive budget variance of \$8,000 or 0.46%.

- **Distribution** – Decrease of total monthly expenses by \$1,000 or 2.8% compared to March. Annual positive budget variance of \$71,000 or 13.7% primarily due to the elimination of the one position in Distribution.
- **Meter** – Increase of total monthly expenses by \$12,000 or 41.5% compared to March. Annual negative budget variance of \$62,000 or -41.5% due primarily to increased cost labor and costs posted to meters and meter boxes that I am researching.
- **Mill Creek** – Total expenses decreased by \$1,000 or -5.3% over the previous month. Annual positive budget variance of \$79,000 or 24.0% due primarily to the reduction of labor cost.

#### **Water Net Income:**

- Annual negative variance from budget of \$1,982,000 or -21.4%. Due primarily to the budgeted grants of \$1,594,000 and inventory variance of \$781,000.

#### **Waste Water Revenue:**

- **Rents**- Increase of \$20,000 or 10% compared to March. Annual positive budget variance of \$48,000 or 2.0%.
- **Connections** – Decrease of \$1,000 or -24% compared to March. Annual positive budget variance of \$9,000 or 40.0%.
- **Late Payment Penalties** – YTD penalties of \$29,000. No amount budgeted for 2022.
- **Total Revenue** – Increase of \$25,000 or -10% compared to March. Annual positive budget variance of \$60,000 or 2.0%.

#### **Waste Water Expenses:**

- **Non-Departmental**- Annual positive variance to budget of \$35,000 or 83%.
- **Maintenance** – Annual negative variance to budget of \$17,000 or -9% due primarily to labor costs.
- **Production** – Annual negative variance to budget of \$142,000 or -18% due primarily to labor costs and increased cost of tools, supplies and sewer rent to BVU.
- **Damascus** – Annual positive variance to budget of \$4,000 or 3%.

#### **Waste Water Net Income:**

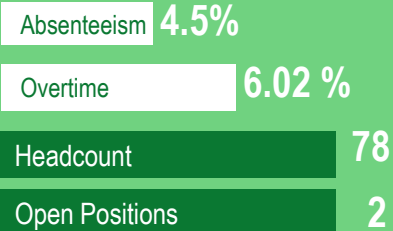
- Annual negative variance to budget of \$5,000 or -1% due primarily to the labor cost and increased cost of supplies, tools and equipment.

# Human Resources & Safety Dashboard

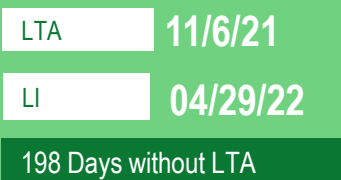


## Key Process Indicators (KPI)

### Human Capital



### Safety



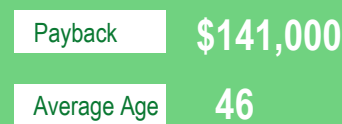
### Employee Relations



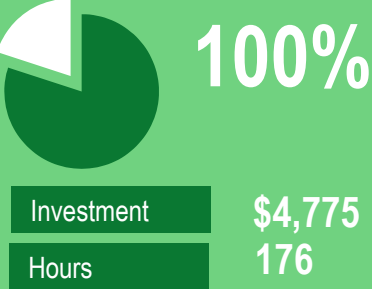
# Strategy

- *Establish Open Communication*
- *Develop & Implement Policy and Procedures*
- *Involve Everyone*
- *Provide Training*
- *Establish Benchmark & Review Progress*
- *Use Positive Reinforcement*

### Benefits/Demographics



### Training/Development Investment



### Looking Forward





# Human Capital KPI

Employee Relations (on our minds)

## Before



## On Our Minds

- The team at Hall Creek brought it to Ron's attention their current work bench was not adequate
- Ron challenged the team to work together to design a new work bench and 5 s the shop
- Advantages
  1. Safer work conditions
  2. Reduce the risk of injury
  3. Employee's took pride in designing work area
  4. Creates a sense of pride/ownership
  5. Improves productivity

## After

