



Service Authority

Paul E. Ruecker, Chairman
Eric A. Young, Vice Chairman
Janice R. Carr, Secretary-Treasurer
Joyce P. Eagles, Member
Ernie Gonzales, Member
Dr. K. Jack Kooyoomjian, Member
David A. Rutherford, Member
L. Ben Thompson, Member

Dean E. Dickey, General Manager
Leslie A. Griffith, Deputy General Manager/CFO

MINUTES OF BOARD OF DIRECTORS MEETING OF JULY 10, 2014

Board Members Present : Janice R. Carr, Ernie Gonzales, K. Jack Kooyoomjian, Ph.D., Paul E. Ruecker, David A. Rutherford , L. Ben Thompson, and Eric A. Young

Staff : Dean E. Dickey, Leslie A. Griffith, Lyle Beefelt, Samer Beidas, Keenan Howell, Evelyn Mahieu, Ph.D., Astrid Nelson, Theresa O'Quinn, Don Pannell, Jim Pflugshaupt, Steve Bennett, Stacey Fulker, Mark Head, Andrew Higginbotham, Karen Welch, Andrew Winiesdorffer, and Kimberly Murray.

Legal Counsel : Mark Viani

Absent : Joyce P. Eagles

Guests : Mrs. Christine Brown, Miss Kimberly Brown, and Mrs. Marilyn Green; Josh Gelman and David Schwartz of CDM Smith; and Mik Botha and John Mastracchio of ARCADIS.

1. GENERAL MATTERS

Chairman Ruecker called the meeting to order at 7:30 PM.

a) Consideration of Approval of Minutes of June 12, 2014

Chairman Ruecker called for approval of the Minutes of the June 12, 2014 Board meeting.

Motion : Dr. Kooyoomjian moved to approve the Minutes of the June 12, 2014 Board meeting.
Second : Mr. Young
Ayes : Kooyoomjian, Young, Carr, Gonzales, Ruecker, Rutherford, Thompson
Absent : Eagles

b) Consideration of Announcements by Staff

Mr. Dickey noted the following items at Board Members' places: (1) *The Pipeline* Summer 2014 Newsletter; (2) Two Aerial Photos of the H. L. Mooney Advanced Water Reclamation Facility (AWRF); and (3) The **Revised** Resolution to Authorize a Public Hearing for Proposed F15-FY17 Water and Sewer Rates and Fees [Item a) in Action Matters].

Mr. Dickey wished a happy birthday to Mr. Thompson, whose birthday is July 17.

Mr. Dickey announced the Gainesville Tank Pump Station is operational as of today.

Mr. Dickey stated it is necessary to hold a closed meeting.

c) Citizens' Time

No citizens were in attendance who wished to speak.

2. PRESENTATIONS

a) Memorial Resolution for Christopher W. Brown

Mr. Dickey introduced Christopher Brown's wife, Mrs. Christine Brown; daughter, Miss Kimberly Brown; and mother-in-law, Mrs. Marilyn Green. Mr. Dickey shared some of his memories of Mr. Brown, and then read the Board Resolution recognizing Mr. Brown posthumously for his 23 years of dedicated service to the Service Authority. Mr. Ruecker presented Mr. Brown's certificate of service to Mrs. Brown and her family.

Motion : Mrs. Carr moved that the Prince William County Service Authority Board of Directors hereby conveys their sincere condolences to Mr. Christopher W. Brown's family.
Second : Mr. Thompson
Ayes : Carr, Thompson, Gonzales, Kooyoomjian, Ruecker, Rutherford, Young
Absent : Eagles

Mrs. Brown thanked everyone for sharing their stories about Mr. Brown with her and her family, and thanked Mrs. O'Quinn and Mrs. Drent in HR for helping the family with insurance issues. She spoke of how much Mr. Brown loved working at the Authority and what great friends he had.

b) Rate Study

Mr. John Mastracchio, rate consultant for ARCADIS, presented a briefing summarizing the rate study results and the recommendation for proposed rates for FY15-17. Discussion followed.

Referring to the description of Peak Use Charges, Mr. Young asked if the rate increase might result in even lower consumption. Mr. Mastracchio answered yes, but model forecasts are conservative and consider both growth and conservation impacts. Ms. Griffith explained that peak use revenue is deducted from the cost of service to keep down the basic volume charge for all customers.

Dr. Kooyoomjian expressed his appreciation of the strategy to manage through smaller incremental increases over time.

Mr. Ruecker asked why Fairfax Water's and Loudoun Water's average monthly bill is lower than the Service Authority's. Mr. Dickey explained that Fairfax Water benefits from greater economies of scale. They sell water to several other jurisdictions and also have over 300,000 accounts. As for sewer, the Authority has already funded growth and regulatory costs, which certain other jurisdictions have not yet had to do. Loudoun Water currently has wastewater capacity of 24 MGD, whereas the Authority has 44 MGD. Loudoun is growing significantly and will need to build additional sewer capacity in the near future, which is expensive. Mr. Dickey noted that Loudoun Water and Stafford County will have to raise their rates in order to meet the regulatory and capacity issues the Service Authority has already funded. Mr. Dickey explained that the Authority's rates are reflective of the high treatment standards, some of the most stringent in the nation, of both water and sewer

treatment received by Prince William County residents. Mr. Ruecker asked what kinds of increases surrounding jurisdictions are experiencing. Mr. Mastracchio answered that they are seeing 5-7% rate increases.

Mr. Gonzales asked if the peak period of six months has changed over time. Ms. Griffith answered that in the past, if there has been a drought at the beginning or end of the peak season, the period has been adjusted in order to be fair to customers and extend the period in which sewer charges are capped. Both Loudoun Water and Fairfax Water have the same peak period of May 1 through October 31.

c) SCADA System Briefing

Mr. Josh Gelman of CDM Smith provided a briefing on the Service Authority's SCADA System Replacement project. Mr. Gelman stated the new system will serve the Authority for the next twenty years and longer. As the system evolves over time, components will be replaced as needed (part by part vs. all at once). Discussion was held concerning audio and video capabilities, security of the system, open architecture and life cycle of the system.

3. ACTION MATTERS

a) Revised: Authorize a Public Hearing for Proposed FY15-FY17 Water and Sewer Rates and Fees

Mr. Dickey requested Board Members approve the revised resolution, signifying its intent to adopt the rates and fees that were briefed earlier, and to set a public hearing for September 11, 2014.

Motion : Dr. Kooyoomjian moved that the Prince William County Service Authority Board of Directors hereby authorizes a Public Hearing for Proposed FY15-FY17 Water and Sewer Rates and Fees.
Second : Mr. Gonzales

Mr. Rutherford shared his appreciation of the approach to the rate increase but also expressed his concern that it is too soon for an increase. Mr. Dickey explained that if the increase is approved, it will have been two years since the last increase. Mr. Dickey added that even with the proposed rate increases, CIP spending is anticipated to draw down the replacement fund. Mr. Beefelt added that staff looked at the cost of delaying the increase further and that the longer the Authority waits, the higher a future rate increase would need to be. Mr. Gonzales asked about the notice requirement. Mr. Dickey stated that the General Assembly recently passed a 14 day requirement; however, the Authority is offering 60 days' notice consistent with previous rate notices.

Ayes : Kooyoomjian, Gonzales, Carr, Ruecker, Thompson, Young
Opposed : Rutherford
Absent : Eagles

b) Approve Proposal for Work Authorization to Provide Program Management Services for FY2015 CIP projects at the H.L. Mooney Advanced Water Reclamation Facility (AWRF)

Mr. Dickey requested Board Members to approve Program Management Services for FY2015 projects at the Mooney AWRF to ensure we have the correct staff in place to do the work.

Motion : Mr. Young moved that the Prince William County Service Authority Board of Directors hereby approves the Proposal for Work Authorization to provide Program Management Services for FY2015 CIP projects at the H.L. Mooney Advanced Water Reclamation Facility (AWRF)
Second : Mr. Rutherford
Ayes : Young, Rutherford, Carr, Gonzales, Kooyoomjian, Ruecker, Thompson
Absent : Eagles

- c) Approve Work Authorization to provide Engineering and Architectural Services to perform Spittle Complex Land Use Constraints Study and Architectural Analysis

Mr. Dickey requested that the Board approve the resolution to provide engineering and architectural services for the Spittle Complex.

Motion : Dr. Kooyoomjian moved that the Prince William County Service Authority Board of Directors hereby approves the Work Authorization to provide Engineering and Architectural Services to perform Spittle Complex Land Use Constraints Study and Architectural Analysis.

Second : Mr. Young

Discussion was held about the time frame concerning the study, future manpower growth, space and parking issues.

Ayes : Kooyoomjian, Young, Carr, Gonzales, Ruecker, Rutherford, Thompson

Absent : Eagles

- d) Authorization to Advertise and Hold a Public Hearing to Consider Exercising the Service Authority's Right of Eminent Domain on JD HWY, LLC Parcels for Easements Needed for the Construction of the Colchester Interceptor Sewer and Force Main

Mr. Dickey requested the Board approve the resolution to advertise and hold a public hearing to consider exercising the Service Authority's Right of Eminent Domain on JD HWY, LLC Parcels located at 14711 and 14713 Industry Court, Woodbridge, Virginia.

Motion : Mrs. Carr moved that the Prince William County Service Authority Board of Directors hereby provides authorization to Advertise and Hold a Public Hearing to Consider Exercising the Service Authority's Right of Eminent Domain on JD HWY, LLC Parcels for Easements Needed for the Construction of the Colchester Interceptor Sewer and Force Main.

Second : Mr. Gonzales

Discussion was held.

Ayes : Carr, Gonzales, Kooyoomjian, Ruecker, Rutherford, Thompson, Young

Absent : Eagles

4. GENERAL MANAGER'S REPORT

- a) FY2014 Cost Savings: Mr. Dickey noted the total cost savings for FY2014 were \$3,587,422.
b) Mr. Dickey reported the Authority received payment from the Virginia Nutrient Exchange Association for Total Nitrogen and Total Phosphorus Credits in the amount of \$71,360.
c) Mr. Dickey requested that the Board of Directors approve the Resolution provided to Adjust the FY15 Salary Scale by 4%. Discussion was held.

Motion : Mr. Young moved that the Prince William County Service Authority approve an Adjustment to the FY15 Salary Scale by 4%.

Second : Mr. Gonzales

Ayes : Young, Gonzales, Carr, Kooyoomjian, Ruecker, Rutherford, Thompson

Absent : Eagles

- d) Mr. Dickey announced that the Authority's Pretreatment Program has been approved by the Department of Environmental Quality (DEQ).
e) Mr. Dickey advised Board Members that the DEQ has cancelled the Consent Order (for system-wide reduction in Infiltration and Inflow). He recognized staff for their outstanding efforts.

- f) Mr. Dickey deferred to Mrs. O'Quinn to inform Board Members about a new program offered by Anthem Blue Cross Blue Shield called **LiveHealth Online**. This service is available to all Service Authority employees and also to all Board Members. Mrs. O'Quinn explained the new program and specifically that **LiveHealth Online** is a convenient way to talk with and receive treatment from a physician at www.livehealthonline.com or on their Smartphone or tablet using the free app. It is secure, private, easy-to-use and affordable. Patients can have live, instant or planned visits with doctors seven days a week, 24 hours a day with the use of two-way video conferencing and instant messaging. Prescriptions can also be issued through two-way video. The cost of the online visit is \$49 total. This cost is often much less than an urgent care visit or ER visit and even some doctor's office visits. Ms. O'Quinn provided each board member with a handout and coupon for one free visit. (Users must register for an account prior to their first visit.)
- g) A memo explaining the Service Authority Budget Approval process and status of Unspent Funds was distributed to Board Members.
- h) Mr. Dickey told Board Members of a meeting held July 11, 2014 with Supervisor Frank Principi (Woodbridge District) and Mrs. Eagles regarding odor control, the Grubbs Education Center and signage on Potomac Heritage Trail (outside of the Plant). The Service Authority agreed to provide a space of Authority property next to the trail for an information kiosk.
- i) Mr. Dickey advised Board Members of improvements made to the revised PWCSA website and encouraged Board Members to visit the site.
- j) Mr. Dickey noted that the Prince William Board of County Supervisors executed an agreement with the Service Authority to construct a 12-inch water line associated with the Avendale project with the Route 28 Phase 1 road improvement project. After the County awarded the bid, the Authority's portion was determined to be \$76,055.44, which was \$223,944.56 less than authorized by the Board of Directors.
- k) Mr. Dickey confirmed there are currently no plans to hold a Board of Directors meeting in August.
- l) Mr. Dickey stated it is necessary to hold a closed meeting.

5. ATTORNEY'S TIME

Mr. Viani confirmed the need for a closed meeting to discuss matters related to Codes of Virginia § 2.2-3711A3, Property, and § 2.2-3711A7, Litigation.

6. CONSIDERATION OF MATTERS PRESENTED BY MEMBERS

Dr. Kooyoomjian commended staff on a number of items, including cancellation of the DEQ Consent Order; consumer confidence reports; CIP notes and project status; assisting with a constituent/customer issue in June; planning to attend an upcoming homeowners' association meeting; and working on Prince William County's (PWC) comprehensive plan.

Mrs. Carr appreciated reading the FY2014 Business Accomplishments and receiving an extra copy, which she plans to give to Supervisor Jenkins. (Mr. Dickey offered to send copies to the other County Supervisors as well.) Mrs. Carr said Mr. Vanegas asked her to mention something about the Service Authority Board Members having a joint meeting with the PWC Planning Commission, as was proposed last fiscal year. Mr. Dickey responded that the Service Authority has not heard from the Planning Commission. Mr. Gonzales said his understanding was that the Planning Commission staff would determine the date and location.

Mr. Rutherford agreed that the FY2014 Business Accomplishments report was done well.

Mr. Gonzales noted there are citizens interested in obtaining information about connecting to the water line running along Minnieville Road. He added that Dr. Kooyoomjian (as a representative of the Lake Ridge Occoquan Coles Civic Association (LOCCA) may be interested in hosting a community meeting. Mr. Gonzales also noted that he was contacted by a customer regarding her swimming pool and a possible

adjustment. Mr. Gonzales will put the customer directly in contact with the Authority to determine if the Authority's pool adjustment policy applies.

Mr. Young expressed his thanks to staff as well.

Mr. Ruecker asked the status of the Education Center. Ms. Griffith replied that the Authority received six (6) proposals; the selection committee has narrowed it down to four companies to interview. The bids are fairly close among those four (all are below budget) and all are strong contenders. Interviews should be completed soon; information will be provided to the Board in September. The Grand Opening is tentatively scheduled for March 15, 2015.

7. ADMINISTRATIVE REPORTS

Chairman Ruecker asked the Board Members to please provide any questions they may have on the Administrative Reports to Mr. Dickey for dissemination to the appropriate staff member.

8. CLOSED MEETING

Chairman Ruecker announced a closed meeting at 9:34 PM for the purpose of discussing property and litigation under Codes of Virginia § 2.2-3711A3, Real Property Acquisition Disposition, and § 2.2-3711A7, Litigation, and requested a motion for same.

Motion : Dr. Kooyoomjian
Second : Mrs. Carr
Ayes : Kooyoomjian, Carr, Gonzales, Ruecker, Rutherford, Thompson, Young
Absent : Eagles

Upon conclusion of the closed meeting at 10:06 PM and in compliance with the Freedom of Information Act, a motion was made by Mr. Young and seconded by Mr. Gonzales to return to an open meeting certifying that to the best of the members' knowledge, the only matters considered were those that were appropriate to be discussed under Code of Virginia § 2.2-3711A3, Real Property Acquisition Disposition, and § 2.2-3711A7, Litigation.

CERTIFICATION FOR CLOSED MEETING

WHEREAS, the Prince William County Service Authority Board of Directors 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, § 2.2-3711A7 of the Code of Virginia requires a certification by the Prince William County Service Authority Board of Directors that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Prince William County Service Authority Board of Directors hereby certifies that, to the best of each member's knowledge, (i) 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 (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered in the closed meeting.

Motion : Mr. Young
Second : Mr. Gonzales
Ayes : Young, Gonzales, Carr, Kooyoomjian, Ruecker, Rutherford, Thompson

Absent : Eagles

9. ADJOURNMENT

Motion : Mr. Rutherford

The meeting adjourned at 10:08 PM.



Janice R. Carr
Secretary-Treasurer