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Alexander I. Vanegas, Chairman
Joyce P. Eagles, Vice Chairman
William J. Becker, Secretary-Treasurer
Janice R. Carr, Member
Durward E. Grubbs, Member
Dr. K. Jack Kooyoomjian, Member
Paul E. Ruecker, Member
David A. Rutherford, Member

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

Service Authority

MINUTES OF BOARD OF DIRECTORS MEETING OF SEPTEMBER 8, 2011

Board Members Present: William J. Becker, Janice R. Carr, Joyce P. Eagles, Durward E. Grubbs, Dr. K. Jack Kooyoomjian, David A. Rutherford, and Alexander I. Vanegas

Absent : Paul E. Ruecker

Staff : Dean E. Dickey, Leslie A. Griffith, Lyle Beefelt, Astrid Nelson, Theresa O'Quinn, James Pflugshaupt, Chuck Weber, Evelyn Mahieu, Joe Carney, Stephen Bennett, Ron Tatariw, Ed Kovaluchuk and Cheryl Leiby

Legal Counsel : Mark Viani

Guests : Ms. Tracey Moher and Mr. David Hyder of Municipal Financial Services Group (MFSG)

1. GENERAL MATTERS

a) Consideration of Approval of Minutes of July 14, 2011

Motion: Mr. Becker moved to approve the Minutes of the July 14, 2011 Board meeting.
Second: Dr. Kooyoomjian
Ayes : Becker, Kooyoomjian, Carr, Eagles, Grubbs, Rutherford, Vanegas
Absent: Ruecker

(Though Mr. Rutherford was absent from the July 14, 2011 Board meeting, he voted to approve the Minutes from that meeting as affirmative action to show for the record that he concurs with the votes on the Action Matters of the July 14, 2011 Board meeting.)

b) Consideration of Announcements by Staff

Mr. Dickey advised that Mr. Ruecker had called and advised he was in traffic, but hoped to arrive at the Board meeting soon. Mr. Dickey further advised that at the Board Members' places was the August edition of the *Water Ways* newsletter and a flu shot reimbursement flyer and form. Mr. Dickey noted that due to Tropical Storm Lee, Mr. Pannell was not able to attend the Board meeting as he is working with matters related to the storm at this time. Mr. Dickey also advised that Service Authority staff members are currently working throughout the County due to this storm.

c) Citizen's Time

There were no citizens in attendance who wished to speak.

2. PRESENTATION

a) National Association of Clean Water Agencies (NACWA) Peak Performance Award

Chairman Vanegas presented the National Association of Clean Water Agencies (NACWA) Gold Peak Performance Award for the H. L. Mooney Advanced Water Reclamation Facility to Mr. Stephen Bennett, Deputy Director of Water Reclamation. NACWA's Peak Performance Awards recognize member agency facilities for outstanding compliance. The Gold Award honors 100% compliance with environmental regulatory permit limit requirements at the H. L. Mooney Advanced Water Reclamation Facility. The H. L. Mooney Advanced Water Reclamation Facility had zero violations reported in the Daily Monitoring Reports in calendar year 2010 which is a significant accomplishment due to the high level of treatment required by our permit. The Service Authority received the NACWA Gold Award in 2006, 2007, 2009 and 2010 for the H. L. Mooney facility.

b) Service Award Pin – Mr. David A. Rutherford

Chairman Vanegas presented Mr. Rutherford with a pin commemorating his 15 years of dedicated service on the Service Authority Board of Directors. Mr. Rutherford was one of the original Board Members.

3. CONSENT AGENDA

Chairman Vanegas called for a motion to approve the items listed on the Consent Agenda.

Motion: Mrs. Eagles moved to approve the items on the Consent Agenda.
Second: Mr. Grubbs

Chairman Vanegas asked if there were any questions or comments about the Consent Agenda.

Dr. Kooyoomjian inquired about the original pipe material of the water mains in Galt Court and Grist Mill Terrace. Mr. Weber responded it is unlined cast iron. A brief discussion was held.

Mr. Grubbs asked whether the current Occoquan Lift Station property was going to be given to the Town of Occoquan (Town) and if the Town gave the Service Authority property on which to build the new lift station. Mr. Dickey advised that the lift station is being constructed on property the

Town is giving to the Service Authority. The Service Authority is giving the Town property in exchange for that parcel. Mr. Viani confirmed that the Town has given property to the Service Authority on which to build the lift station.

Ayes : Eagles, Grubbs, Becker, Carr, Kooyoomjian, Rutherford, Vanegas
Absent : Mr. Ruecker

4. ACTION MATTERS

a) Consider Public Hearing for Proposed User Rates, Availability Fees and Miscellaneous Charges

Mr. Dickey gave a presentation to the Board of Directors on proposed commercial user rates, availability fees and miscellaneous charges. Mr. Dickey thanked Mrs. Nelson, Mr. Beefelt, Ms. Griffith and Mr. Weber along with the consultants, Ms. Tracey Moher and Mr. David Hyder of Municipal Financial Services Group (MFSG) for their work.

Mr. Dickey advised that over a year ago staff came before the Board of Directors to adopt availability fees and user rates for commercial customers. On the advice of legal counsel, staff asked the Board of Directors to rescind the previously approved resolution. The Board of Directors asked that staff investigate the matter further. Additional research has been conducted regarding commercial availability fees, commercial peak user rates and miscellaneous fees. Staff is now requesting the Board of Directors approve the resolution to hold a Public Hearing to:

1. assess availability fees based on Equivalent Residential Units (ERU's) to more accurately reflect the cost of capacity;
2. implement a commercial high demand charge similar to the peak use charge applied to residential customers; and
3. adjust other fees and charges to reflect the cost of providing service.

Staff advised the objective was to recover the cost of capacity actually used by commercial customers.

Mr. Dickey advised that in 1992, the Board of Directors adopted availability fees for commercial customers based on Equivalent Meter Units (EMU's) (the rated capacity of the meter) in place of Equivalent Residential Units (equivalent to 10,000 gallons for one ERU).

A demand analysis was conducted and it was found that commercial customers are using 2 mgd or approximately \$21.6 million more capacity than purchased. In other words, commercial customers are using more water than the capacity they purchased. They are not paying peak use charges as residential customers now do.

Staff recommends basing availability fees on ERU's rather than EMU's and using 10,000 gallons maximum per month usage per ERU. This is a widely accepted and more accurate methodology. New customers will be required to provide estimates of peak monthly usage. The Service Authority proposes to have a signed contract with the users and will reserve the right to seek supplemental availability fees when demand exceeds the amount of capacity purchased. A high demand charge (similar to peak use charges imposed on residential customers) is a way to capture excess use. Only those

customers who place a high demand on the system are subject to the charges. Customers who use more capacity than allocated in effect “rent” capacity from those who use less. High demand charges will be in effect year round (versus peak season) as commercial usage patterns can vary significantly.

Mr. Dickey explained the High Demand Charge Thresholds. The High Demand Charge will be phased in gradually to match the Peak Use I and Peak Use II Charges. This gradual phase-in provides commercial customers time to make operational or financial adjustments. The phase in will begin January 1, 2012 and the second implementation level will take place September 1, 2012. Both Fairfax Water and Loudoun Water have a similar program.

Mr. Dickey also reviewed the proposed revisions to Miscellaneous Fees and Charges to include Pump and Haul which the Board of Directors approved in May 2011. The basis for this increase in Miscellaneous Fees is to recoup the cost of doing business.

A discussion followed on implementing these charges during the current economic conditions. Mr. Becker voiced concern about the amount of water golf courses use and that it is costing so much. Further discussion followed on reprocessing water, supplementing water needs, encouraging businesses to conserve, reuse, recycle, and investigating the ability to assist the businesses in finding ways to use water more wisely.

Mr. Dickey stated that the timing of implementation can be changed. Should the Board of Directors desire, the high demand fees can be phased in over a longer period of time or at a lower dollar amount.

A brief discussion was held about the top ten customers impacted. Mr. Becker commented on the high use customers and that they should consider alternative water sources. Mr. Vanegas added that customers should be considering water source alternatives just as they consider all cost savings.

Mr. Grubbs commented that the Service Authority operates as a business. He noted that he and Mr. Rutherford were on the Board of Directors in 1992 and that the impetus behind going from ERU's to EMU's was the Economic Development Department of Prince William County. He stated he and Mr. Rutherford disagreed with the change, and noted that his concern was about raising rates on residential customers and not on commercial customers. He described the events leading to the adoption of EMU's. Mr. Grubbs advised that although he voted against it, the Board of Directors adopted the changes. Mr. Grubbs further advised that he personally agrees with everything that was said tonight and sees no reason to put it off.

Mr. Dickey asked the Board of Directors to Consider a Public Hearing for the Proposed User Rates, Availability Fees and Miscellaneous Charges.

Mr. Grubbs inquired as to how the Service Authority will routinely check the amount of capacity used. Ms. Griffith responded that there are existing reports that staff will run every six months.

Dr. Kooyoomjian stated his concern about the current economic situation and the timing of the rate increase. He also stated that the Service Authority has identified those exceeding their purchased capacity and is effectively and fairly going about correcting that. Dr. Kooyoomjian further stated that customers have to pay for the services rendered. A sign of good management is that we go after the incremental increases rather than the big shifts of increases and be proactively involved in

reasonably recouping the cost of doing business. Dr. Kooyoomjian also stated that he philosophically agreed, but that he would like to see a vision of how to proactively encourage positive behaviors.

Motion: Mrs. Eagles moved that the Prince William County Service Authority Board of Directors does hereby signify its intent to adopt the following rates, fees and charges and hereby sets the date of Thursday, December 8, 2011 at the Prince William County Service Authority Headquarters, 4 County Complex Court, Woodbridge, Virginia 22195 at 7:30 p.m. for a Public Hearing to receive comments regarding the proposed rates. The Prince William County Service Authority Board of Directors does hereby direct staff to cause notice of the proposed rates, fees and charges for the Public Hearing to be published as required by law.

Second: Mr. Becker

Mr. Rutherford asked if there was potential for any problem of disparate treatment between commercial and residential if the rates are different. Mr. Viani responded no, and advised that you just have to give a fair and reasonable basis; the rates can vary by class. The studies which were conducted are the solid basis for the proposed rates, fees and charges.

A discussion followed on how many of the top 10 commercial accounts affected by this new rate structure are water only accounts, into which fund the additional monies generated would be placed, defining the amount of water that can pass through a 2-inch meter, and assessing new availability fees on future expansions.

Ayes : Eagles, Becker, Carr, Grubbs, Kooyoomjian, Rutherford, Vanegas
Absent: Ruecker

Chairman Vanegas thanked Mr. Dickey, Mrs. Nelson, Ms. Griffith, Mr. Beefelt, Mr. Weber, and Mr. David Hyder and Ms. Tracey Moher of MFSG for their hard work and for bringing this matter to the Board of Directors' attention. This is an important issue and we need to make sure the Service Authority's costs are captured.

Mrs. Nelson will provide the presentation slides to the Board Members (mailed September 9, 2011).

5. GENERAL MANAGER'S REPORT

a) Temporary Trailers for Laboratory Personnel—Mr. Dickey advised that staff is investigating this matter and will report back to the Board of Directors once all the information has been obtained.

b) Hurricane Irene—Mr. Dickey advised that the weather tonight is worse than Hurricane Irene. There was one small overflow. Mr. Dickey thanked staff for the great job they had done with Hurricane Irene and also for the great job they are doing now with Tropical Storm Lee.

c) City of Manassas—Mr. Dickey deferred this matter to Mr Viani to address under Attorney's time.

d) FY 2012 Business Goals—Mr. Dickey advised that each year the Board of Directors asks that he provide goals for the new fiscal year. Mr. Dickey handed out a copy of the FY 2012 Goals along with the PBAC (Project Budget Advisory Committee) benchmark report to the Board Members. Mr. Dickey asked the Board Members to please contact him with any comments or questions.

The benchmark report is what the senior management team uses to assess, on a quarterly basis, how we are doing our work. These goals help set the direction and help to keep the people focused and accountable.

6. ATTORNEY'S TIME

Mr. Viani advised there are elections tonight at the close of the agenda, which he will conduct. Mr. Viani gave a brief update on the City of Manassas matter. The City of Manassas has outside counsel which is trying to set up a meeting with the Service Authority's legal counsel. The meeting will take place near the end of September to discuss where we are in the process.

7. CONSIDERATION OF MATTERS PRESENTED BY MEMBERS

Mr. Rutherford asked if the Service Authority has a wellness program. Mrs. O'Quinn responded the Service Authority does not have a comprehensive program. Mr. Rutherford voiced concern about the health of our employees. Staff described the wellness program that the Service Authority has.

Mrs. Eagles thanked staff for the update on the project at the corner of Blackburn Road and Rippon Boulevard. There is a celebration at Rippon Lodge at the end of September and the plan is to have people walk down the path and use the trail to the Featherstone Refuge. The one stopping place is the parking lot where the Service Authority's project is going through. Also, Mrs. Eagles thanked Mr. Doug Smith for coming out to her car with an umbrella tonight during the storm.

Dr. Kooyoomjian thanked staff for the hurricane and storm updates which he found very helpful and reassuring. Dr. Kooyoomjian advised he encourages the Service Authority's collaboration with the Park Authority for clean up events and other positive activities in the community which are not only good for employees, but also to show others in different ways that we care about the environment.

Mrs. Carr advised she was quite impressed with the Service Authority employee who assisted in Peru with a water project which was featured in last month's edition of *Water Ways*. Mrs. Carr commented how notable it is to have our employees doing a great job here and then also doing other things in other places.

Chairman Vanegas thanked staff for the wonderful job they do. In addition, Chairman Vanegas advised that he is asking Mr. Grubbs, Committee Chair, and the Personnel Committee to look at releasing those funds that the Board of Directors promised they would assess in the mid-part of the year. Everyone is doing a good job and the Board of Directors wants you to keep up the good work; the Board of Directors appreciates all you do.

8. ADMINISTRATIVE REPORTS

Chairman Vanegas asked that any comments or concerns about the administrative reports be directed to Mr. Dickey or the respective staff member.

9. CLOSED MEETING

There was no need for a closed meeting.

10. ELECTIONS

Mr. Viani announced that the current officers' terms have expired. All three officers: Chairman, Vice Chairman and Secretary-Treasurer are eligible for re-election. Mr. Viani opened the floor for nominations and a second in descending order for the office of Chairman, Vice Chairman and Secretary-Treasurer. Mr. Viani explained the election process, and advised that the elections could be held individually for each office or as a collective slate of officers and approved by Acclamation. Dr. Kooyoomjian moved to re-elect the existing slate of officers and Mrs. Carr seconded the motion. Mr. Grubbs moved to close the nominations and Mr. Rutherford seconded that motion.

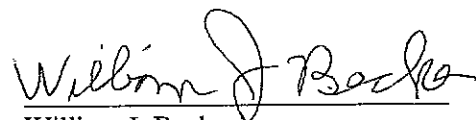
Vote : By Acclamation
Absent: Ruecker

The Prince William County Service Authority Board of Directors re-elected by Acclamation the current slate of officers to serve another term 2011-2012; Alexander Vanegas, Chairman; Joyce Eagles, Vice Chairman; and William Becker, Secretary-Treasurer.

11. ADJOURNMENT

Motion: Mrs. Eagles

The meeting adjourned at 8:40 p.m.



William J. Becker
Secretary-Treasurer

Resolution: 11-09-41
September 8, 2011

PWCSA - PUBLIC HEARING
PROPOSED WATER & SEWER USER RATES, DEVELOPER FEES AND OTHER CHARGES

WHEREAS, based upon an external study conducted by Municipal Financial Services Group and internal reviews by staff to ensure the adequacy of rates and fees, the Prince William County Service Authority Board of Directors has determined that such user rates and other fees and charges are fair and reasonable;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors does hereby signify its intent to adopt the following rates, fees and charges and hereby sets the date of Thursday, December 8, 2011 at the Prince William County Service Authority Headquarters, 4 County Complex Court, Woodbridge, Virginia 22195 at 7:30 p.m. for a Public Hearing to receive comments regarding the proposed rates.

PROPOSED DEVELOPER CHARGES AND USAGE LIMITS

AVAILABILITY FEES						
Water Availability				Sewer Availability		
ERU	Monthly Allowable Capacity	1/1/2012	9/1/2012	ERU	1/1/2012	9/1/2012
1	10,000	\$4,400	\$4,600	1	\$10,300	\$10,800
Availability Fees shall be based on Equivalent Residential Units (ERU) in which 1 ERU provides for 7,500 gallons of consumption per month (250 gallons per day x 30 days) and 10,000 gallons of maximum consumption per month (7,500 x 1.3).						
Multifamily Residential certifications are charged 80% of the ¾" residential Availability Fee per dwelling unit.						
For water and sewer Availability Fees at the same location, sewer ERU's are based on the corresponding water ERU's.						

At any time, the Authority reserves the right to seek supplemental availability fees when water demand exceeds the amount of capacity purchased, regardless of change in property ownership.

The Authority's Engineering Department shall require consumption estimates from commercial customers and determine the appropriate amount of ERU's based on peak estimates. If a reasonable estimate cannot be provided, the Authority shall certify the location based on a comparable customer or average monthly consumption of the requested meter size. The Authority shall monitor customer consumption to determine if supplemental availability fees are necessary.

Customers that certified prior to January 1, 2012 will not be required to pay supplemental availability fees unless they exceed the usage limits that were applicable at certification or they require recertification for the property. Customers that are certified on or after January 1, 2012 will be subject to pay supplemental availability fees should they exceed the published allowable use limits for the amount of ERU's purchased at certification.

PROPOSED USER RATES

High Demand Charges are set to cover the cost of meeting peak capacity demands and promote conservation. Only those customers whose water usage patterns reach peak capacity demands on the water system are subject to the High Demand Charge. High Demand Charges are in effect throughout the year and are billed at a rate per 1,000 gallons and are added to the metered water volume charge. Water-only commercial customers or commercial customers with sub-meters are subject to both the High Demand I and II Charge. Commercial customers with both water and sewer service are only subject to the High Demand II Charge.

Commercial High Demand Charge		
	1/1/2012	9/1/2012
High Demand I	\$1.00	\$2.00
High Demand II	\$1.00	\$2.00

Commercial High Demand Thresholds			
Meter Size	Factor (ERU) **	Monthly Thresholds*	
		High Demand I	High Demand II
3/4"	1	10,000	23,000
3/4" high	2	20,000	45,000
1"	3	30,000	68,000
1 1/2"	5	50,000	113,000
2"	8	80,000	180,000
Other **	varies	varies	varies
* The threshold for High Demand I is equal to 1.3 x the number of ERU's x 7,500 gallons. The threshold for High Demand II is equal to 3.0 x the number of ERU's x 7,500 gallons.			
** Locations that are certified after January 1, 2012 will be based on the number of ERU's purchased. In addition, larger meter sizes and customers who paid for additional capacity will have their thresholds set on the number of ERU's purchased.			

Multi-family residential customers with both water and sewer service shall be subject to the existing Peak II Charges. Multi-family residential customers with a sub-meter or water only account shall be subject to the existing Peak I and Peak II Charges.

PROPOSED OTHER FEES AND CHARGES

Other Developer Charges and Fees	
Effective date	1/1/2012
Other Review Fee	\$ 50.00
Other Review Fees shall be charged for preliminary plan reviews, plat review, or other miscellaneous reviews.	
Other Inspection Fee	\$ 50.00
Other Inspection Fees shall be charged for demolition inspections for water and sewer laterals, sewer lateral replacement inspections, or other miscellaneous inspections.	
Plan Review Base Charge - New Plans	\$ 500.00
Plan Review Base Charge - Plan Revisions	\$ 150.00
Plan Review Base Charges are added to the per linear foot charge.	
Service Inspection Fee - Water	\$ 50.00
Service Inspection Fee - Sewer	\$ 50.00
Inspection Fees for certification shall increase from \$25.00 to \$50.00.	

Pump and Haul Fees			
	Effective Date	01/01/12	09/01/12
Application Fee		\$ 850.00	\$ 875.00
Refundable Deposit	Residential	\$ 5,000.00	\$ 5,000.00
	Non-residential	\$ 7,500.00	\$ 7,500.00
Monthly Charge	<u>estimated peak month</u>		
	10,000 gallons	\$ 70.15	\$ 72.85
	20,000 gallons	\$ 100.15	\$ 104.30
	30,000 gallons	\$ 130.15	\$ 135.75
	40,000 gallons	\$ 160.15	\$ 167.20
Violation Fees	50,000 gallons	\$ 190.15	\$ 198.65
	Per occurrence	\$ 350.00	\$ 350.00
	per day	\$ 100.00	\$ 100.00
Pump and Haul customers are responsible for all costs incurred by the Service Authority not covered herein should they arise. Non-payment of any rates or fees shall result in permit revocation.			

BE IT FURTHER RESOLVED that staff of the Authority is directed to cause notice of the proposed rates, fees and charges for the Public Hearing on Thursday, December 8, 2011 at the Prince William County Service Authority Headquarters, 4 County Complex Court, Woodbridge, Virginia 22195 at 7:30 p.m. to be published as required by law.

Motion: Eagles
Second: Becker
Ayes : Eagles, Becker, Carr, Grubbs, Kooyoomjian, Rutherford, Vanegas
Absent: Ruecker

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Service Authority

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

MINUTES OF BOARD OF DIRECTORS MEETING OF OCTOBER 13, 2011

Board Members Present: William J. Becker, Janice R. Carr, Joyce P. Eagles, Durward E. Grubbs, Dr. K. Jack Kooyoomjian, Paul E. Ruecker, David A. Rutherford and Alexander I. Vanegas (arrived at 7:50 p.m.)

Staff : Dean E. Dickey, Leslie A. Griffith, Lyle Beefelt, Astrid Nelson, Theresa O'Quinn, James Pflugshaupt, Charles Weber, Evelyn Mahieu, Joe Carney, Melodee Ashley, Stephen Bennett, and Cheryl Leiby

In the absence of Chairman Vanegas, Vice Chairman Eagles presided over the meeting which began at 7:30 p.m.

1. GENERAL MATTERS

a) Consideration of Approval of Minutes of September 8, 2011

Motion: Dr. Kooyoomjian moved to approve the Minutes of the September 8, 2011 Board meeting.
Second: Mr. Becker
Ayes : Kooyoomjian, Becker, Carr, Eagles, Grubbs, Rutherford
Abstention: Ruecker
Absent: Vanegas

Though Mr. Ruecker was absent from the September 8, 2011 meeting, he stated that he would have voted for everything the Board of Directors voted on at that meeting, had he been in attendance.

b) Consideration of Announcements by Staff

Mr. Dickey advised that he had spoken to Chairman Vanegas and he should be arriving in a few minutes.

c) Citizen's Time

There were no citizens in attendance who wished to speak.

2. PRESENTATION

a) Virginia Water Environment Federation Association George W. Burke, Jr. Facility Safety Award – H. L. Mooney Advanced Water Reclamation Facility

Vice Chairman Eagles presented the prestigious George W. Burke, Jr. Award which recognizes a municipal or industrial wastewater facility for establishing and maintaining an active and effective safety program. The H. L. Mooney Advanced Water Reclamation Facility was the only facility in the Commonwealth of Virginia to receive the Burke award this year. Mrs. Melodee Ashley, Safety/Loss Control Program Manager, and Mr. Stephen Bennett, Deputy Director of Water Reclamation, received the award on behalf of the Service Authority.

b) American Water Works Association (AWWA) Virginia Section 2009 Safety Award – H. L. Mooney Advanced Water Reclamation Facility

Vice Chairman Eagles presented the 2009 American Water Works Association National Safety Award. This award is based on incidence rates for non-fatal occupational injuries and illnesses. The H. L. Mooney Advanced Water Reclamation Facility was one of nine organizations to receive this award in the Commonwealth of Virginia, but was the only facility to have zero accidents in the year 2009. Mrs. Melodee Ashley, Safety/Loss Control Program Manager (at the time, the Safety Officer at Mooney), and Mr. Stephen Bennett, Deputy Director of Water Reclamation, received the award on behalf of the Service Authority.

Mr. Dickey advised that in the last few days, the H. L. Mooney Advanced Water Reclamation Facility (Mooney Plant) reached a milestone of three years without any accidents, which is a tremendous accomplishment due to the construction ongoing for the expansion and upgrade of the plant. Mr. Rutherford asked if that included the contractor building the plant expansion. Mr. Weber advised that the contractor had two accidents over the three-year period.

Ms. Griffith noted that the Operations and Maintenance field staff also have gone 20 months without a lost time accident. Mr. Dickey advised that a strong emphasis is placed on safety at the Service Authority.

A discussion was held concerning the Service Authority's experience multiplier.

3. ACTION MATTERS

a) Award of Contract for Construction of Mine Road Water Main

Mr. Dickey advised staff has been working to make sure the Service Authority continues to have reliable water service in the southeastern and western portions of its service area; two areas which have experienced some water quantity issues in the past. Mr. Weber presented this item to the Board of Directors.

Mr. Weber stated that this is a key part of the Service Authority's Master Plan to move more water to Dumfries. Arthur Construction Company, Inc. has not worked for the Service Authority in

the past. However, they have worked for the Washington Suburban Sanitary Commission (WSSC) and Loudoun Water and both are satisfied with their work. Staff believes Arthur Construction Company, Inc. is capable of doing the job. It is a simple water line project, but expensive due to it being in the road and the amount of traffic control and restoration that is required. The price was competitive. Staff recommended that the Board of Directors approve the attached agreement, authorize the General Manager to sign the agreement, and also authorize \$664,455 for construction of the project with an approximate 10% contingency of \$64,445, for a total authorization not to exceed \$730,900.

Motion: Mr. Ruecker moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager to execute the Agreement with Arthur Construction Company, Inc. for construction of the Mine Road Water Line Extension in the amount of \$664,455 and a contingency of \$66,445, for a total authorization not to exceed \$730,900.

Second: Mr. Rutherford

A discussion was held on improving reliability, traffic limitations, and the length of time to complete the project.

Ayes : Ruecker, Rutherford, Becker, Carr, Eagles, Grubbs, Kooyoomjian
Absent: Vanegas

b) Amendment to Task Order 5 with CH2M Hill for Continued Owner Advisory Services during Construction of Stand-by Power Generation Facilities at the H. L. Mooney Advanced Water Reclamation Facility

Mr. Dickey advised the Service Authority has been using CH2M Hill as its bridging consultant to perform the construction inspections at the Mooney Plant. A change order was made to the original contract for follow on work which the Board of Directors approved. The original contract was just for the original construction and a task order was issued to keep CH2M Hill through the current construction, Phase 1B. Presently, staff is seeking Board of Directors' approval to an amendment to the task order to keep CH2M Hill through completion of the construction of the standby generator power supply.

Mr. Weber advised that CH2M Hill has been very effective in supporting the Service Authority's resident engineer. Phase 1B is nearly completed and Phase 1C (the generators) will not be completed for another year. Until the generators are delivered, CH2M Hill will be onsite one day a week. This is a time and materials contract; the Service Authority will only pay for time onsite. This amendment will take the Service Authority through the completion of Phase 1C; it does not include the lab which is not part of this design/build. Staff recommends the Board of Directors approve the Amendment to Task Order 5 to the contract with CH2M Hill.

Motion: Mr. Ruecker moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager to approve an amendment to Task Order 5 of the referenced contract in the amount of \$305, 697, for a total authorization under Task Order 5 not to exceed \$4,152,505.

Second: Mr. Becker

Mr. Ruecker commented on the 3.0 multiplier which he thought was high. A discussion followed.

Ayes : Ruecker, Becker, Carr, Eagles, Grubbs, Kooyoomjian, Rutherford
Absent: Vanegas

4. GENERAL MANAGER'S REPORT

a) Update on Tropical Storm Lee and Hurricane Irene—Mr. Dickey briefed the Board of Directors on the infrastructure repairs needed due to the recent storm events. Mr. Dickey commended the Service Authority staff for the fantastic job they did during these two storms.

Mr. Dickey further advised that the rainfall totaled 11.34 inches at the Mooney Plant with the average at 2.27 inches per day during the five-day storm event, with the maximum day of 6.34 inches on September 8. The average flow through the plant for the same period was 27.57 MGD, with the maximum day at 37.63 MGD on September 9. The plant handled the high flows extremely well with minimal fluctuation of effluent data except for the flow.

Mr. Dickey reiterated that Service Authority staff, those in the field as well as those at the Mooney Plant, did an excellent job helping customers during and after the heavy rain events.

b) Neabsco Eagles Park—Mr. Dickey referred to the letter he sent to the Prince William County Park Authority, a copy of which was provided to the Board Members for information. He asked that should any Board Member have questions, to please feel free to call him.

c) City of Manassas—Mr. Dickey provided a status on the ongoing discussions with the City of Manassas.

d) Potomac Landfill Inc.—Mr. Dickey briefed the Board of Directors on the Potomac Landfill Inc. matter.

e) New Availability Fees and Commercial High Demand Charges—Mr. Dickey advised that he and Chairman Vanegas met with the County Executive and the Deputy County Executive for Prince William County.

Chairman Vanegas advised that the County representatives presented some deliverables that they would like from the Service Authority, primarily a comparison of the high demand user rates as well as the Service Authority's availability fees. Chairman Vanegas further advised that the Service Authority received congratulatory comments when he and Mr. Dickey met with the County Executive and Deputy yesterday, most notable, the Service Authority staff's efforts to keep the people living in the trailer park in their homes rather than vacate.

5. ATTORNEY'S TIME

Mr. Viani was not present.

6. CONSIDERATION OF MATTERS PRESENTED BY MEMBERS

Mrs. Eagles thanked Mr. Weber for the information provided about a property on Blackburn Road and advised it was helpful to the Supervisor who called for it.

Mr. Ruecker thanked Messrs. Dickey and Pannell and anyone else who participated in resolving the recent issues so expeditiously. The Supervisor appreciated it.

Mr. Ruecker voiced concern about the commercial high demand charges. A discussion followed.

Mr. Grubbs inquired about the matter on Bull Run Mountain where a water line is located underneath the houses. Mr. Weber advised there are five houses that have a water line underneath a portion of them. The plan is to contact the individual homeowners and ask them for an easement so Service Authority personnel can intercept that line and go around the houses.

Dr. Kooyoomjian stated he was impressed with the H. L. Mooney Advanced Water Reclamation Facility receiving the American Water Works Association safety awards. Dr. Kooyoomjian thanked Mrs. Ashley and Mr. Bennett for their work in this regard. Dr. Kooyoomjian expressed his appreciation for the briefing on the Potomac Landfill matter and the information on the Holly Acres Trailer Park. He thanked staff for their efforts and was very complimentary of staff.

Mr. Grubbs, Chairman of the Compensation Committee, reported that the committee consisting of Mrs. Carr, Mr. Ruecker and himself met with Mrs. O'Quinn. Mrs. O'Quinn provided information on policies and personnel matters that the Board of Directors had acted on. The Compensation Committee will meet again and report to the Board of Directors next month.

Mr. Ruecker inquired about the status of the lab design. Mr. Weber advised that there are now contracts in place with the architect and site engineer, which is Rinker Design. Interviews have been conducted with three design firms relative to the public education center exhibits. Staff plans to visit some of the design firms' exhibits. The exhibit designer will work under the architect, but the Service Authority staff will make the selection.

A discussion followed on the cost of the exhibit space, some of the work that the design firms had performed and their qualifications. Mr. Weber advised that the public education center consists of approximately 3,000 square feet.

Mr. Weber further advised that the laboratory designers and architect are scheduled to meet with Dr. Mahieu next Thursday to finalize the layout of the lab, location of workstations and proposed storage facilities. Staff is anticipating being able to go out for bids in May. As concept drawings and more information become available, staff will present it to the Board of Directors.

Mr. Ruecker asked if a project manager has been selected. Mr. Weber responded that currently, he is the project manager.

Chairman Vanegas reported that the County Executive praised Mr. Dickey and staff for their hard work with the Holly Acres Mobile Home Park.

Mr. Grubbs asked if staff was able to obtain a copy of the TV presentation on Fairfax City water. Mr. Dickey advised Mr. Carney is working on obtaining the video.

Mrs. Eagles noted that recently she read that Fairfax Water is advertising rate increases, and she asked if it would affect the Service Authority. Ms. Griffith responded that the Service Authority is a wholesale customer and not associated with retail rates. A brief discussion followed on a recent news

article about 100,000 customers who are located in Fairfax County but receive water from the City of Falls Church.

7. ADMINISTRATIVE REPORTS

Chairman Vanegas asked that any comments or concerns about the administrative reports be directed to Mr. Dickey so he can direct it to the appropriate staff member.

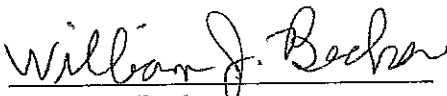
8. CLOSED MEETING

There was no need for a closed meeting.

9. ADJOURNMENT

Motion: Mr. Becker
Second: Mrs. Eagles

The meeting adjourned at 8:20 p.m.



William J. Becker
Secretary-Treasurer