



Service Authority

B. Paul O'Meara, Jr., Chairman
Paul Colangelo, Jr., Vice Chairman
Harry W. Wiggins, Secretary-Treasurer
Jim Almond, Member
Dean E. Dickey, Member
Joyce P. Eagles, Member
K. Jack Kooyoomjian, Ph.D., Member
Marlo Thomas Watson, Member

Calvin D. Farr, Jr., P.E., General Manager

MINUTES OF BOARD OF DIRECTORS MEETING OF MARCH 10, 2022

Board Members Present: Jim Almond (remote), Paul Colangelo, Jr., Dean E. Dickey, Joyce P. Eagles, K. Jack Kooyoomjian, Ph.D., B. Paul O'Meara, Jr., and Harry Wiggins.

Board Members Absent : Marlo Thomas Watson

Staff : Calvin D. Farr, Jr., Sandra Hardeman, Hari Kurup, Astrid Nelson, Don Pannell, Audrey Arnold, Lake Akinkugbe, Lyle Beefelt, Samer Beidas, Kathy Bentz, Michael Fox, Glenn Pearson (remote), Tony Piccione, Doug Shoop, Brian Sipes, Jeanetta Williams (remote), April Bean and Kim Murray.

Legal Counsel : Mark Viani/Bean Kinney & Korman.

1. VIRTUAL WATER ART INVITATIONAL AWARDS CEREMONY

Board members and staff viewed the virtual Water Art Invitational Awards ceremony at 6:00 PM via the monitors in the Board Room.

2. CALL TO ORDER and GENERAL MATTERS

Chairman O'Meara called the meeting to order at 6:45 PM.

Mr. Almond joined the meeting remotely at 6:47 PM from Chesapeake, Virginia for personal reasons.

a) Approval of Minutes of February 10, 2022 Board Meeting

Chairman O'Meara asked if there were any corrections to the Minutes of the February 10, 2022 Board Meeting; hearing none, the minutes were approved as presented.

b) Consideration of Announcements by Staff

i. Mr. Farr introduced Sandra Hardeman, Chief People and Talent Officer, and Hari Kurup, Chief Information Technology Officer. Ms. Hardeman and Mr. Kurup each spoke briefly; Mr. Farr shared their initial focuses and priorities for the Prince William County Service Authority (Service Authority).

ii. Mr. Farr acknowledged the passing of charter Board Member David Rutherford on February 12, 2022. Mr. Rutherford served on the Occoquan-Woodbridge/Dumfries-Triangle Sanitary District Advisory Committee and was one of the five charter members of the Service Authority Board of Directors. He served on the Board for nearly 25 years. His leadership and commitment, and support of the Service Authority, will be missed. Staff's thoughts go out to his family, friends and colleagues.

iii. At Places: (1) Updated Organizational Chart; (2) Presentation for the 2022 Update of Procurement and Contract Management Regulations; and (3) Updated copy of Draft Proposed Amended Bylaws.

c) Citizens' Time

There were no citizens attending who signed up to speak.

3. PRESENTATION

Mr. Farr noted that the Diversity & Inclusion (D&I) Presentation originally scheduled for this meeting was rescheduled to the April 14, 2022 Board Meeting.

a) Presentation: 2022 Update of Procurement and Contract Management Regulations.

Mr. Farr advised staff has been working on an update to the Service Authority's Procurement and Contracting Regulations with a goal of better acquisition planning, working with small, women-owned and minority-owned (SWaM) businesses to build stronger and inclusive relationships with its suppliers and partners, and to update its procurement thresholds to improve efficiency and align with the thresholds in the Code of Virginia. He asked Mr. Beefelt to brief the Board on the proposed regulations, as the item is planned for Board action in April.

After the presentation, Mr. Farr and Mr. Beefelt answered Board Members' questions.

Mr. Wiggins stated that he would like to see lines for both Profit and General & Administrative costs (G&A) on all procurements. Mr. Dickey noted, and Mr. Beefelt confirmed, that all negotiated contracts currently include negotiated overhead costs and profit margins. The process is not allowed to be followed on sealed bids.

4. CONSENT AGENDA

- a) Approve an Interest on Advance Tenant Payments (Deposits) Policy.

Chairman O'Meara reported a Board Member asked to remove this item from the Consent Agenda. After speaking with all Board Members present, he stated the item will be deferred to a date uncertain, contingent upon market conditions in the future.

The Chairman called for a motion to approve the remainder of the Consent Agenda, which contained the following action matter:

- b) Approval of Task Order No. 11 to Rinker Design Associates, P.C. to Provide Professional Engineering Design and Bidding Services for the Wellington Road Operations Center Expansion Project.

Motion: Mr. Dickey moved that item 4.b) be approved as presented.

Second: Mr. Colangelo

Ayes : Dickey, Colangelo, Almond (remote), Eagles, Kooyoomjian, O'Meara, Wiggins

Absent : Thomas Watson

5. BYLAWS DISCUSSION

Chairman O'Meara asked Mr. Colangelo, who was the only Board Member not present at the February 28, 2022 Bylaws Committee meeting, if he had any comments or edits to the draft proposed Amended Bylaws; Mr. Colangelo had no comments or edits to the document.

Dr. Kooyoomjian suggested consideration of an additional edit. Discussion was held. Chairman O'Meara asked for suggestions for the edit from Board Members and/or staff before the April 14, 2022 Board meeting. Mr. O'Meara noted the Bylaws Committee recommended unanimous approval of the Bylaws as presented, but any minor changes that need to be made between now and the April meeting should be circulated to the Board for consideration.

6. GENERAL MANAGER'S REPORT

a) Mr. Farr provided a brief COVID update with respect to the plan for having employees return to the office; safety protocols; and future events for employees.

b) Mr. Farr reported he is speaking at the Opening General Session of the Association of State Drinking Water Administrators' (ASDWA) Member meeting on March 21st regarding his thoughts on the state of the water sector today and where organizations should or need to be in the future. He noted other speakers will include Lori Mathieu, ASDWA's President from the Connecticut Department of Health, and Radhika Fox from the Environmental Protection Agency.

Mr. Farr also noted he was on Capitol Hill earlier this week with the infrastructure bill discussions. He will provide updates as the funding is pursued. A top priority is "disadvantaged communities"; staff is waiting for the state's definition of the term and will pursue infrastructure grants accordingly. This may be a strong opportunity to tap into both cybersecurity and workforce development funding, which are included in the bill. Staff is investigating alternative project funding opportunities as well.

c) Mr. Farr thanked Communications staff for coordinating the Water Art Invitational (WAI) and the virtual Awards program that was presented before the Board meeting this evening. Special thanks to the WAI sponsors, Ms. Kathy Bentz and Ms. Audrey Arnold.

d) Mr. Farr advised that Ms. Jeanetta Williams, Director of Data Management and Diversity & Inclusion Advisor, spoke at the AWWA|WEF (American Water Works Association | Water Environment Federation) Utility Management Conference (which Mr. Farr also attended) last month. Ms. Williams presented on the Service Authority's data management journey and the technology used to deliver real-time data to decision makers. She spoke about the Service Authority's approach to managing data as a valuable business asset and spotlighted its integration platform and business analytics dashboards.

e) Mr. Farr provided information to Board Members regarding Fairfax Water conducting valve exercising this month (to prepare for the future Occoquan River crossing project). He commended the Operations and Communications teams for the coordinated effort with Fairfax Water to prepare for any possible issues that may arise.

f) Mr. Farr noted that last month, Board Members authorized a loan rate reset on \$38.4 million in outstanding debt to accompany the issuance of \$100 million in new debt that the Board authorized in November 2021. He reported that all the loans closed on February 24, 2022. The Service Authority achieved an approximately 20 basis points lower interest rate by closing in February. Mr. Farr thanked staff in Finance, Management & Budget, and Environmental Services and Water Reclamation for their efforts, particularly Mr. Brian Sipes, Director of Finance, who coordinated the work of internal and external team members. Mr. Farr also acknowledged partners at Virginia Resources Authority (VRA), Department of Environmental Quality (DEQ), and McGuire Woods (legal counsel), who expedited their reviews and approvals to close the loans quickly, as well as Mr. Wiggins and Mr. O'Meara, who made themselves available to execute the documents. Service Authority management is pleased with the rates achieved in these financings.

g) Mr. Farr reported the national cybersecurity threat level remains blue-guarded, which is the second lowest threat level. In light of the conflict in Ukraine, management has reminded staff to be extra careful and report anything suspicious as the Service Authority continues to maintain its strong security posture.

h) Mr. Farr noted he received a request from Prince William County (PWC) staff this morning requesting Nutrient Credits for nitrogen, phosphorous, and sediment. Under the Memorandum of Understanding (MOU) adopted by the Board in 2018, the Service Authority provides any of its excess nutrient credits requested by the county at no cost. PWC uses the credits to assist them in applying for the MS4 (municipal separate storm system) permit for stormwater management. Mr. Farr was informed there was Board discussion on this topic last year and wanted the Board to know the Service Authority would adhere to the MOU in transferring the credits.

Look ahead for April:

i) PWC/Industrial Development Authority (IDA) Loan Assistance Program: Staff at both PWC and the IDA are working with the Service Authority on a three-party MOU regarding a loan program to assist businesses that cannot obtain funding to cover Service Authority availability fees. Mr. Farr briefly explained how the program would work. He stated that draft documentation on this item will be provided for discussion at the next meeting.

j) Mr. Farr noted again that staff will provide the presentation on D&I at the April 14 Board meeting.

k) Mr. Farr advised staff will bring the Revised Procurement and Contract Management Regulations to the April Board meeting for consideration and approval.

- l) Mr. Farr reported a photographer will be available on Thursday, April 14 beginning at 5:30 PM to take new photos of Board Members (optional). Ms. Murray will send the schedule so members may sign up for a photo sitting.
- m) Mr. Farr reminded Board Members that the Budget Work Session is scheduled for Thursday, April 28 at 5 PM. It will be a working dinner.
- n) Mr. Farr reported staff opened bids on the Heritage Hunt Sewage Pump Station replacement project and anticipate bringing a contract to the Board next month.
- o) Mr. Farr reminded the Board that when the Service Authority awarded the H.L. Mooney Advanced Water Reclamation Facility contract, there were a few optional items that needed more study. Staff has assessed those items and plans to present Board Members a recommendation at the next meeting.
- p) Mr. Farr stated a closed meeting is needed.

Discussion followed regarding some of the items Mr. Farr mentioned in his report. Mr. Colangelo asked about retention challenges related to returning staff to the office.

With reference to giving PWC Nutrient Credits, Mr. Wiggins stated he is opposed to providing credits to PWC. Mr. Farr asked if there has been any communication with PWC regarding the Service Authority's concerns surrounding the nutrient credits. Mr. Wiggins stated he spoke with the Chair of the BOCS as well as his respective County Supervisor. Mr. Dickey asked if there was a change in State Code that would prevent allocation of the credit in the future. Mr. Pannell offered to follow up with PWC staff.

7. ATTORNEY'S TIME

Mr. Viani noted his company, Bean, Kinney & Korman P.C., is a sponsor of the WAI and commented that the awards ceremony was very well done. Staff has adapted nicely to the virtual environment. He confirmed a closed meeting is needed under Code of Virginia § 2.2-3711A1, Personnel; § 2.2-3711A6, Expenditure of Public Funds; and § 2.2-3711A7, Litigation.

Chairman O'Meara requested a motion to authorize a closed meeting to discuss items under Code of Virginia § 2.2-3711A1, Personnel; § 2.2-3711A6, Expenditure of Public Funds; and § 2.2-3711A7, Litigation.

Motion: Mr. Dickey
Second: Mr. Almond
Ayes : Dickey, Almond (remote), Colangelo, Eagles, Kooyoomjian, O'Meara, Wiggins
Absent : Thomas Watson

8. ADMINISTRATIVE REPORTS

Mr. Akinkugbe provided a brief presentation on the January 2022 Monthly Financial and Operational Report. Discussion was held.

9. CONSIDERATION OF MATTERS PRESENTED BY MEMBERS

Mr. Almond asked if customers' payment plans are proving to be effective and obtaining the desired results. Mr. Sipes answered the plans are largely successful; most customers (with past due

balances) are on payment plans and honoring the terms. Approximately 10% (200 customers) have missed their first payments; customer service representatives are working with them to get them to catch up on the payment plan. Moving forward, if there are second and third defaults, staff may require additional action (such as partial payment or potential disconnect).

Mr. Colangelo congratulated Ms. Hardeman and Mr. Kurup on joining the Service Authority. With respect to the Budget, he advised staff to “push” and “be bold.” Mr. Colangelo commented to Mr. Farr that he is impressed with watching the organization grow and work together. He suggested staff continue to watch retention closely and be creative with recruitment and retention.

Mr. Dickey thanked Ms. Bentz and the Communications staff on their outstanding work on the WAI.

Mrs. Eagles congratulated Ms. Bentz and her team on the WAI; she noted Mr. Pearson did a nice job on the program on Bull Run Mountain. Mrs. Eagles also thanked Mr. Shoop for his assistance with a customer issue. She mentioned the Ukrainian flag another member was wearing and asked that people be considerate of what the Ukrainian people are going through.

Dr. Kooyoomjian welcomed Ms. Hardeman and Mr. Kurup. He complemented staff on their work. Dr. Kooyoomjian thanked Ms. Bean for providing a copy of the updated organizational chart. He noted his service at the Prince William Regional Science Fair as a judge for the Federal Water Quality Association (FWQA). Dr. Kooyoomjian thanked Communications staff for their work on the WAI and in outreach in general. He offered to share a copy of the FWQA newsletter; he also noted that World Water Day is March 22. Dr. Kooyoomjian reminded everyone that Drinking Water and Wastewater Professionals Appreciation Day is June 30 (in Virginia), encouraging management to recognize Service Authority employees for their work. He thanked the Chairman for his connections with the IDA and working with PWC and the Service Authority on the MOU.

Mr. Wiggins asked about two capital improvement projects and discussed pending legislation.

Chairman O’Meara welcomed Ms. Hardeman and Mr. Kurup. He thanked Communications staff for their work on the WAI and congratulated the participants and winners. He asked staff to come back to the Board with a work plan to update all of the Board’s documents and policies, complete with a timeline for the completion of the work. He knows it will be a lot of work to update the documents and the Board Members’ own vision for the future of the Service Authority.

10. CLOSED MEETING

Chairman O’Meara announced a closed meeting at 8:37 PM to discuss items under Code of Virginia § 2.2-3711A1, Personnel; § 2.2-3711A6, Expenditure of Public Funds; and § 2.2-3711A7, Litigation.

Upon conclusion of the closed meeting at 9:01 PM, and in compliance with the Freedom of Information Act, a motion was made by Mr. Wiggins and seconded by Mrs. Eagles 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 § 2.2-3711A1, Personnel; § 2.2-3711A6, Expenditure of Public Funds; 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, § 2.2-3712 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. Wiggins
Second: Dr. Kooyoomjian
Ayes : Wiggins, Kooyoomjian, Almond, Colangelo, Dickey, Eagles, O'Meara
Absent : Thomas Watson

11. ADJOURNMENT

There being no further business, the meeting adjourned at 9:02 PM.

Mr. Almond disconnected from the meeting at 9:02 PM.



Harry W. Wiggins
Secretary-Treasurer