

RWSA BOARD OF DIRECTORS
Minutes of Regular Meeting
May 20, 2002

A regular meeting of the Rivanna Water and Sewer Authority (RWSA) Board of Directors was held on Monday, May 20, 2002, at 2:03 p.m., in the Conference Room, Administration Building, 200 Franklin Street, Charlottesville, Virginia.

Board members present: Mr. William Brent, Mrs. Judith Mueller, Mr. Gary O'Connell - Presiding, and Mr. Robert Tucker.

Board Member Absent: Dr. Richard Collins

Authority staff present: Mr. Lawrence Tropea, Mr. Gene Potter, Mr. Stephen Bowler, Mr. Lonnie Wood, Mr. Bruce Edmonds, and Mrs. Mary Knowles.

Also present: Mr. Kurt Krueger, RWSA Attorney, members of the public and media representatives.

1.0 Call To Order

The regular meeting of the RWSA Board of Directors was called to order by Mr. Gary O'Connell, in the Chairman's absence, on Monday, May 20, 2002 at 2:03 p.m., and a quorum was present.

2.0 Minutes Of Previous Meeting

Upon a motion by Mr. Brent, and seconded by Mr. Tucker, the Board of Directors voted to approve the minutes of the regular Board meeting held on Monday, April 22, 2002. All members voted aye.

3.0 Executive Director's Report

Mr. Tropea reported on the following items:

RESERVOIR LEVELS: Mr. Tropea stated that the water reservoir levels this morning were at 97.4 percent. He commended the City and the Albemarle County Service Authority on their water conservation initiatives and reiterated the importance of continuing these efforts due to the approaching high water demand season, the low base flow in area streams, and low groundwater levels.

RIVERVIEW PUMP STATION: Mr. Tropea stated that a proposed capital project to address the odors from the Riverview Pump Station in the Woolen Mills neighborhood has been included in the proposed budget for the Board's consideration.

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SOUTH RIVANNA WATER TREATMENT PLANT PERMIT: Mr. Tropea reported that the State Health Department approved the new permit for the South Rivanna Water Treatment Plant. He stated that the permit, and cover letter, limited the plant capacity to 10.4 million gallons per day and referenced the safe yield from the South Fork Rivanna Reservoir. He stressed the importance of moving forward with the long-term water supply recommendation in order to obtain the additional safe yield and raise the plant capacity to 12 million gallons per day. In discussing the permitted capacity, Mr. Potter reported that we will be seeking clarification from the State Health Department on the permitted capacity.

PROPOSED FY 2003 BUDGET: Mr. Tropea stated that there were two major changes to the proposed RWSA FY 2003 Budget, which is included in the Board packet as an action item for today's meeting. He added that these changes will be discussed further under the designated Agenda item.

FUTURE WATER SUPPLY RECOMMENDATION: Mr. Tropea stated that the comments submitted at the public hearing held on May 1, 2002 and from the public comment period, which closed on May 15, 2002, were very positive. He further stated that he felt that there was a strong feeling in the community that it was time to act on the future water supply recommendation. He added that a specific recommendation would be presented at the July meeting for the Board's review and approval.

MAY 9, 2002 MEETING IN CROZET: Mr. Tropea reported that he and Mr. Brent attended a community meeting in Crozet on May 9, 2002 regarding public concern over total Trihalomethanes ("TTHM's") in their drinking water supply. He stated that RWSA had retested the drinking water for TTHM's due to the improper test results reported by the State Health Department Lab, and he had reassured the public in attendance that their drinking water was safe. He noted that the State Health Department also attended the meeting to support RWSA's position. Also, Mr. Tropea reported that RWSA planned to retest for TTHM's in the Crozet system sometime in July 2002.

4.0 Consent Agenda

Mr. O'Connell asked if there were any items that the Board members would like to pull for discussion regarding the Consent Agenda.

- 4a) Staff Report on Finance
- 4b) Staff Report on Operations
- 4c) Staff Report on Ongoing Projects
- 4d) Staff Report on Employee Safety
- 4e) Analysis of RWSA FY 2002 Budget Deficit

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- 4f) Consumer Confidence Reports for Drinking Water
- 4g) Summary of May 1, 2002 Public Hearing on Future Water Supply Recommendation

Upon a motion by Mr. Tucker, and seconded by Mr. Brent, the Board of Directors voted to approve Items 4a), b), c), d), e), f), and g) of the Consent Agenda. All members voted aye.

5.0 Other Business

In regards to Item 5a), Public Hearing on Proposed FY 2003 Budget, Mr. Tropea reported that since the initial proposed budget advertisement, revisions have been made to the Capital Improvement Plan ("CIP"). He stated that the revised FY 2003 budget includes new funding in the amount of \$250,000 for the following two items:

- Conduct a study and then implement a new solution to address the odor problem at the Riverview Pump Station.
- Conduct a wastewater collection system study to ensure adequate capacity to handle future growth in the community.

Mr. Tropea also reported that the following three items have been deferred from FY 2003 in the proposed CIP:

- Road Paving at the Moores Creek Facility
- Administration Building Improvements
- Septage Receiving Area Improvements

Mr. Tropea stated that to fully cover the increased cost of the proposed CIP, RWSA has also proposed a slightly higher sewer rate than what was initially advertised.

Mr. Tropea further stated that despite the revisions to the proposed FY 2003 budget, RWSA is not required to re-advertise, and he is recommending that the Board take action on the proposed FY 2003 budget after the public hearing.

Mr. Tropea also announced plans to conduct an infrastructure and maintenance study to provide the Board with a comprehensive view of future needs, to be completed prior to the FY 2004 budget cycle.

Proposed Rate Changes for FY 2003	Advertised Rate	New Proposed Rate
	FY 2003	FY 2003
Water		
Urban Rate Center – City (per 1000 gal.)	\$1.328	\$ 1.309
Urban Rate Center – ACSA (per 1000 gal.)	1.410	1.391
Crozet Rate Center (per month)	34,321	34,254
Scottsville Rate Center (per month)	20,883	20,849
Wastewater		
Urban Rate Center – City (per 1000 gal.)	\$1.101	\$1.124
Urban Rate Center – ACSA (per 1000 gal.)	1.338	1.361
Glenmore Rate Center (per month)	13,150	13,134
Scottsville Rate Center (per month)	18,911	18,894
Septage – Local per 1000 gal.	\$50.00	No Change
Septage – Outside per 1000 gal.	70.00	No Change

Mr. O’Connell opened the Public Hearing on the proposed FY 2003 budget at 2:18 p.m.

Mrs. Lois Rochester, speaking on behalf of the League of Women Voters, made the following statement:

“The League of Women Voters supports the recommended comprehensive infrastructure study to be done prior to the development of the FY 2004 budget. We believe that wise decision-making requires adequate data and a framework within which alternatives may be weighed and intelligent decisions made.

We also support policies that promote resource conservation and believe that consumption of non-renewable resources should be minimized. We believe that water conservation should continue, indeed increase, drought or no drought. We recognize the fiscal dilemma this poses for the Rivanna Water & Sewer Authority and its retailers, the City and the Albemarle County Service Authority. The Rivanna Water & Sewer Authority is a business in the unusual situation of trying to encourage customers not to use its one product, a product that is essential but increasingly costly.

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We agree with Mr. Tropea that the Authority needs to examine the budgeting process to address the dilemma. We have three suggestions that you might

want to pursue:

1. Find out how other water authorities deal with their budget dilemmas.
2. Ask the Citizen Advisory Committee for its recommendations.
3. Enlist the aid of knowledgeable members of the community. The TJPDC, the Chamber of Commerce, and/or the University might have good ideas.

This is a community problem, not just a Rivanna problem. Let's put some community expertise to work on it."

Mr. John Martin, Free Union, stated that he agreed with the points made by the League of Women Voters concerning the budget process. He further stated that he thought the way the budgeting process had developed over the years had placed both Rivanna and its two customers in a very difficult position in having to deal with irreconcilably conflicting responsibilities. He commented that there is a fiscal duty as a member of the Board of Directors to protect the financial health of the organization and a duty to the community to conserve water. Mr. Martin also agreed with the League's statement that there may be ways to correct the situation. He concluded by stating that he thought it was unfair that Rivanna had almost a half million-dollar budget deficit due to low flows as a result of being a good citizen.

Ms. Patty Shields, 1804 Chesapeake Street, spoke on behalf of the Woolen Mills Neighborhood Association. She conveyed the Association's sincere thanks to Mr. Tropea and Mr. O'Connell for listening to their concerns and for the painful budget decisions having to be made by the RWSA in order to address the odor problem at the Riverview Pump Station. She urged the Board to approve the proposed FY 2003 Budget and concluded by stating that the Association looks forward to working with Mr. Tropea and RWSA staff in resolving the odor problem.

Mr. Keith Ford, owner of Cavalier Septic Service, expressed concern over the proposed after hours surcharge of \$75.00 per load. He stated that he thought this surcharge seemed excessive and that haulers would find it difficult or would be reluctant to pass the surcharge onto their customers, especially to households living on fixed incomes. Mr. Ford added that he understood the need to increase the other septic rates, but asked that the Board reconsider the proposed after hours surcharge.

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As there were no other members of the public in attendance who wished to comment on the Proposed FY 2003 Budget, Mr. O'Connell closed the Public Hearing at 2:33 p.m.

Mr. O'Connell asked the Board if they had any comments or questions concerning the

proposed FY 2003 budget. Mrs. Mueller stated that staff from the City and RWSA had met concerning the road paving issue and, with the City's assistance, RWSA could make short-term repairs to the most damaged areas of paving for about \$7,000. Mrs. Mueller further stated that although it is more important at this time to proceed with the Riverview Pump Station odor project, the \$100,000 for road paving will need to be reinstated in the FY 2004 budget.

Mr. Tucker asked RWSA staff to address the issue raised by Mr. Ford concerning the proposed \$75.00 after hours surcharge for haulers. Mr. Potter stated that the purpose was to minimize the number of rates that were being charged and to act as a disincentive for deliveries after normal working hours because of the impact on staffing. Mr. Ford commented that it is not the haulers' intent to come after hours unless it becomes necessary to handle customer emergencies, and he suggested raising the rates by \$.04 or more per gallon rather than the \$75.00 flat fee. In response to a question from the Board, Mr. Wood stated that RWSA is currently charging local haulers \$.03 per gallon during normal hours and \$.045 per gallon after hours. He further stated that the proposed surcharge is an attempt to consolidate the various rates currently being charged by RWSA into one flat rate.

There was some additional discussion among the Board concerning establishing rates that would act as a disincentive for after hours sewage disposal without establishing a fee that could lead to illegal or inappropriate dumping. Mr. Tropea recommended that the \$75.00 after hours surcharge be eliminated, and he proposed that RWSA charge \$.075 per gallon for after hours sewage disposal, based on the proposed new rate of \$.05 per gallon plus time and a half. He stated that in order to determine the impact that after hours sewage disposal has on the plant operations, RWSA would document the frequency of its utilization and report its findings to the Board during the next budget cycle. The Board was in agreement with Mr. Tropea's proposals concerning after hours septage rates. Mr. Ford thanked the Board and Mr. Tropea for their consideration and action on this matter.

In response to a request by Mr. O'Connell, Mr. Tropea elaborated on the comprehensive infrastructure and maintenance study to be conducted by the Authority prior to the development of the FY 2004 budget. Mr. Tropea stated the purpose of the study is to ensure that the Board has a complete and accurate picture regarding the condition of the critical infrastructure at RWSA (and RSWA). He further stated that the comprehensive plan would also allow RWSA to define deferred maintenance needs, determine what we face from new regulatory requirements that may require capital investment and identify all the critical

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issues that needed to be acted upon in future budget cycles. Mr. Tropea commented that RWSA planned to conduct the study in-house and felt that it would not require a major expenditure.

Mr. O'Connell asked Mr. Tropea to discuss the time frames involved with the completion of the Riverview Pump Station study and the installation of a new odor control device.

Mr. Tropea stated that the first step would be to conduct a systematic review of technical options, for both the pump station and the associated interceptor. He further stated that Mr. Potter had already drafted a Request for Proposals, and he felt that the Authority would be in a position to request qualification packages on the study in June. Mr. Tropea added that the entire technical review process should be completed in six months. He noted that a report and recommendation would be presented to the Board, and the community, before RWSA proceeds forward to implement a solution.

Upon a motion by Mr. Brent, seconded by Mr. Tucker, the Board of Directors voted to approve the FY 2003 Proposed Operating Budget with the rates as revised and presented to the Board today, including the revision to the Septage Rate just discussed by the Board. All members voted aye.

Concerning the proposed FY 2003-2012 Capital Improvements Plan, Mr. Brent noted that on page 8, "Southern Loop – Eastern Branch Transmission Main," indicates that agreement is needed between the City and the Albemarle County Service Authority to fund the project. He clarified that the funding formula had been addressed under a previous agreement which stated that the Albemarle County Service Authority pays for piping in the County and the City pays for piping within the City limits.

Upon a motion by Mr. Brent, seconded by Mr. Tucker, the Board of Directors voted to approve the proposed FY 2003-2012 Capital Improvement Plan with the above- noted clarification. All members voted aye.

6.0 Other Items From Board/Staff Not On Agenda

There were no other items from the Board or the staff.

7.0 Items From The Public

Mr. John Martin, Free Union, stated that he would like to address the Board on two separate matters. He expressed concern over the recommendation by the Albemarle County Service Authority Board of Directors to terminate the County declaration of a water emergency. He commented that, as a citizen, he was confused about the criteria used to define a water emergency and referred to newspaper headlines from February 2002 through May 2002 on the water crisis. He further stated that, in his opinion, using reservoir levels alone to determine the existence of a water emergency was unsound. Mr. Martin pointed out that the

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Mechums River is running very low, which could be a future predictor for the South Fork Rivanna Reservoir, and that the Ragged Mountain Reservoir and the Sugar Hollow Reservoir are virtually full due to RWSA reductions in withdrawals over the past few months. He further stated that he felt terminating the water emergency declaration would have a detrimental effect on water conservation efforts in the community.

Mr. Martin stated that the second matter he wanted to discuss concerns the draft rural area

chapter of the Comprehensive Plan by the Albemarle County Planning Department, which will go before the Planning Commission tomorrow evening. He further stated that he did not feel the draft gave sufficient importance to protection of the watershed. He commented that he wanted to bring this matter to the Board and RWSA's attention as he felt that RWSA, the County and the City all have a stake in how the rural areas are developed and the impact of this development on the future water supply strategy. Mr. Martin added that he felt protection of the watershed must be a high priority in the plan to protect public health and safety and the economic vitality of the County urban area and the City.

In response to Mr. Martin's comments on the water emergency, Mr. Tucker stated that the County Board of Supervisors would be taking a broader look at the water emergency declaration as they believe there is a important correlation between the groundwater levels and the reservoir needs. He further stated that although the recent rains have been helpful, the groundwater levels remain very low. Mr. Tucker commended the Albemarle County Service Authority for including in the resolution they passed a statement recognizing that groundwater levels are an important factor in determining what constitutes a water emergency. Mr. Brent stated that the Albemarle County Service Authority is very concerned about the continuing drought. He added that their Board of Directors were also concerned that the overuse of the word "emergency," at a time the reservoirs are at about 98 percent of capacity, could make the term ineffectual in the event of future water crises. Mr. Tucker

acknowledged that concern and responded that the County's intent is to assist the public in understanding the correlation between groundwater and surface water.

Concerning Mr. Martin's comments on the draft rural area chapter of the Comprehensive Plan, Mr. Tucker suggested that RWSA review the draft report to determine what impact or correlation might be needed with regard to the watershed.

8.0 Closed Meeting

There was no need for a closed meeting.

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9.0 Adjournment

Mrs. Mueller made a motion, which was seconded by Mr. Tucker, to adjourn this meeting at 2:48 p.m.

Respectively Submitted,

Mr. Robert Tucker
Secretary - Treasurer