

RWSA BOARD OF DIRECTORS
Minutes of Regular Meeting
July 22, 2002

A regular meeting of the Rivanna Water and Sewer Authority (RWSA) Board of Directors was held on Monday, July 22, 2002, at 2:05 p.m., in the Conference Room, Administration Building, 200 Franklin Street, Charlottesville, Virginia.

Board members present: Mr. William Brent, Dr. Richard Collins – Presiding, Mrs. Judith Mueller, and Mr. Robert Tucker

Board member absent: Mr. Gary O’Connell

Authority staff present: Mr. Lawrence Tropea, Mr. Gene Potter, Mr. Stephen Bowler, Mr. Wayne Stephens, Mr. Bruce Edmonds, Ms. Anne Bedarf 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 Dr. Richard Collins on Monday, July 22, 2002 at 2:05 p.m., and a quorum was present.

2.0 Minutes Of Previous Meeting

Upon a motion by Mrs. Mueller, and seconded by Mr. Brent, the Board of Directors voted to approve the minutes of the regular Board meeting held on Monday, June 24, 2002 with the following correction to page 4, paragraph 3, Item 4f), Report on Bathymetric Survey on the South Fork Rivanna Reservoir, line 8, “15,000 gallons” should be changed to “15 million gallons.” Dr. Collins, Mrs. Mueller, and Mr. Brent voted aye, with Mr. Tucker abstaining due to his absence from that meeting.

3.0 Executive Director’s Report

Mr. Tropea introduced Ms. Anne Bedarf who has joined the Authorities as the Environmental and Safety Manager, and he asked if she would like to address the Board today.

Ms. Bedarf stated that her responsibilities were twofold: 1) to ensure workplace safety; and, 2) the protection of the environment. She further stated that initially she would be concentrating on the long-term water strategy, remediation of the landfill site and developing an environmental management system, which would involve examining all aspects of the

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Authorities' operations. Ms. Bedarf added that she looked forward to working with the Board and members of the public and would welcome any input and guidance that they could provide her.

Dr. Collins welcomed Ms. Bedarf on behalf of the Board.

Mr. Tropea reported on the following items:

RESERVOIR LEVELS: Mr. Tropea stated that the water reservoir levels are at 86.2 percent today, which is 1.4 percent less than the levels recorded last Monday. He also stated that the recent water demand averaged 11.8 million gallons per day. Mr. Tropea reported that RWSA is maintaining its instream flow releases, both from the South Fork Rivanna Reservoir and from Sugar Hollow Reservoir. He cautioned that if our reservoir levels reach the 80 percent figure, then RWSA would need to reevaluate the current instream release levels.

Dr. Collins inquired as to what procedures RWSA would follow in the event that reservoir levels fell to the 80 percent level and instream releases would need to be reduced.

Mr. Tropea replied that the Board had previously established operating parameters to address that situation. He elaborated that RWSA would match the South Fork Rivanna Reservoir release to the inflow to the reservoir and that the instream release from the Sugar Hollow Reservoir could be curtailed below 400,000 gallons per day or fully suspended. He commented that any such action by RWSA would be reported to the Board and the public.

RIVANNA PUMP STATION: Mr. Tropea stated that RWSA received several responses to the Request for Qualifications ("RFQ") on the Rivanna Pump Station odor project by the July 11, 2002 deadline. He stated that Mr. Potter has formed a review team, which will include Ms. Patricia Shields, who is a Woolen Mills Neighborhood Association member. He reported that there is still an odor issue with the pump station, as one complaint was received last Wednesday night.

Dr. Collins asked if RWSA had received odor complaints concerning other facilities. Mr. Tropea replied that the other potential source of odors in the Moores Creek plant area is from RWSA's compost operation. He further stated that there are weather conditions which exacerbate odor potential from that particular process, but he had not seen this to be a significant problem for a number of months. He commented that to address the odors from the compost operation would be very capital intensive. Mr. Tropea also reported that another location with a history of odor concerns is the Crozet interceptor. He stated that RWSA is conducting an odor control trial at the site that shows promise, and the results of the trial and RWSA's recommendations for the future will be included in the August Board packet.

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PROPOSED SECTION 303d LISTINGS OF IMPAIRED WATERS: Mr. Tropea stated that last week the DEQ announced their proposed Section 303d listing of impaired streams. He explained that the Section 303d listing is a very important mechanism under the Clean Water

Act where the states are charged with the responsibility to identify streams that do not meet the Water Quality Standards. He further stated that streams not meeting the Water Quality Standards are listed as impaired and must be addressed through a process called "TMDLs" ("Total Maximum Daily Loads"), which become the prescription for solving the cause of the stream impairment. He commented that he asked Mr. Stephen Bowler to review the proposed listings in order for RWSA to have a better understanding of the data. Mr. Tropea then gave a brief summary of the information pertinent to RWSA operations. He stated that Moores Creek was retained on the list of impaired streams for fecal coliform exceedances, which is caused by the run-off from the wildlife that exist in the watershed. He further stated that the Rivanna River was proposed for listing as being threatened for total phosphorous, and this is one of the listings RWSA has asked Mr. Bowler to further investigate. Mr. Tropea reported that the Rivanna River is also proposed to be listed for a violation of the general standard, mainly for the biological impairment of stream sediments. He noted that, in the future, a TMDL will be developed to address that impairment. He added that new proposed entries on the Section 303d listing were Ivy Creek, Totier Creek and the North Fork Rivanna River, which were all listed for fecal coliform exceedances.

Dr. Collins thanked Mr. Tropea for bringing to the Board's attention the importance of these listings, and he asked Mr. Bowler if he had anything to add concerning the Rivanna River. Mr. Bowler responded that he felt the proposed listing was due to the collection of better data and new assessment criteria methods that have identified the stream impairment.

4.0 Consent Agenda

Dr. Collins 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) Watershed Manager's Report
- 4e) Semi-annual State Health Department Water Treatment Plant Inspection

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

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5.0 Other Business

In regards to 5a1), Draft Minutes of the June 26, 2002 Citizens Advisory Committee Meeting, Mr. John Hermsmeier – Chairperson of the RWSA Citizens Advisory Committee, addressed the Board regarding page 2, items 5c. and d., of the draft minutes. He stated that the Committee was looking forward to considering these items at their next meeting and also moving forward with recommendations for the Board. He also asked if there were any other issues that the Board would like the Committee to consider at their next meeting. As there were no further comments from the Board, Dr. Collins thanked Mr. Hermsmeier for his report.

Regarding Item 5b), establishing a RWSA Line of Credit, Dr. Collins inquired as to why the line of credit was proposed for only six months and if it was normal under such an agreement to have RWSA pay all up-front costs. Mr. Krueger responded that normally the borrower pays all the up-front costs incurred by the bank associated with the preparation of the loan documents. He also stated that it is his understanding that Virginia National Bank requested that the loan be written with a December 2002 ending date to coincide with the end of the fiscal year for the bank's internal purposes. Mr. Krueger added that the bank fully anticipates being able to roll the loan over in January 2003 for another period of time. Mr. Krueger also responded that the up-front costs associated with this loan would likely amount to less than \$1,000.00.

Upon a motion by Mrs. Mueller, seconded by Mr. Tucker, the Board of Directors voted to approve the following resolution:

“RESOLVED, that the Rivanna Water & Sewer Authority (the “Authority”) is authorized to obtain a working capital line of credit (the “Loan”) from Virginia National Bank (the “Lender”) in the principal amount of One Million Dollars (\$1,000,000).

RESOLVED, that in connection with the Loan, the Authority is authorized to enter into (i) the commitment letter dated June 20, 2002 from the Lender including its attached terms and conditions (the “Commitment Letter”) setting forth the terms of the Loan and (ii) a promissory note from the Authority payable to the Lender in the original principal amount of \$1,000,000 (the “Promissory Note”) to evidence the Loan, each substantially in the form presented or otherwise described to this Board.

RESOLVED, that the Chairman, the Vice Chairman, the Executive Director and the Director of Finance and Administration are each authorized and empowered, in the name of and on behalf of the Authority, to execute and deliver to the

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Lender the Commitment Letter and the Promissory Note and such other documents, certificates and agreements as may be in any way necessary or appropriate to obtain the Loan and carry out the purposes of the foregoing

resolution.”

The Board of Directors voted unanimously to approve the foregoing Resolution.

In regards to Item 5c), Drought Warning System, Mr. Mark Graham – Director of Engineering and Public Works for Albemarle County, addressed the Board to request that Mr. Tropea serve as a facilitator for development of such a system. He stated that on July 3, 2002, the Albemarle County Board of Supervisors decided to postpone action on a recommendation to rescind the County water emergency. He further stated that the Board directed Albemarle County staff to work with RWSA, the Albemarle County Service Authority and the City of Charlottesville to develop a comprehensive drought warning system to assure that a clear and consistent message is being sent to the community during times of drought. He added that an outline for the development of such a system was included in the Board packet. Mr. Graham commented that he felt Mr. Tropea, acting as facilitator through RWSA, was the most appropriate person to help lead this joint effort.

Dr. Collins stated that he felt Mr. Graham’s recommendation that Mr. Tropea serve as facilitator was a good idea, and he complimented Mr. Graham on the background material submitted to the Board. He then asked for the Board’s input on the proposed drought classification/warning system. Mrs. Mueller stated that she supports the system in concept but believes further discussion is needed on certain aspects of the draft outline. Mr. Tucker stated that he supports the involvement of the City, County, the Albemarle County Service Authority and RWSA in the development of the system and felt that Mr. Tropea was the most appropriate individual to facilitate the process. Dr. Collins commented that he felt that the public should be given the opportunity to provide input at an early date on how the community should deal with drought warnings. Mr. Tucker suggested that the Citizens Advisory Committee be asked to provide assistance in facilitating public comment during this process.

Mr. Brent stated that there are currently two identical bills in Congress called “The National Drought Preparedness Act of 2002,” and, if approved, these bills would provide funding for the Federal Emergency Management Agency to provide technical and financial assistance, including grants and cooperative assistance, to states, Indian tribes, local governments, etc., for the development and implementation of drought preparedness plans under various sections of this bill. He also stated that nothing in this bill is intended to preclude localities from developing their own plans. He also commented that if the bill were approved, it would be an opportunity for us to obtain funding to assist in the development of a drought preparedness plan.

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Upon a motion by Mr. Tucker, seconded by Mr. Brent, the Board of Directors voted to approve Mr. Tropea serving as the facilitator to work with the Albemarle County Service Authority, the City and County, as well as the Citizens Advisory Committee, in aiding in the development of a comprehensive Drought Warning System. All members voted aye.

In regards to 5d), Staff Recommendation on Future Water Supply Strategy, Mr. Tropea stated that he felt good about the RWSA process to develop a strategy to meet our area's future water needs in 2030 through 2050. He also stated that he felt it was a real credit to the Board that they initiated this process a number of years ago and that it was carried out with extensive public participation, which he felt admirably distinguished this process.

He commented that the future water supply recommendation from the RWSA staff, before the Board today, very closely parallels the draft recommendation that was brought forward on February 25, 2002. Mr. Tropea added that a public hearing was held on May 1, 2002, and the draft recommendation received very positive public input and support. He stated that the recommendation was also presented to the Albemarle County Board of Supervisors, the Albemarle County Service Authority Board of Directors, and the City of Charlottesville City Council, and he thought all those meetings were equally very positive.

He explained that there are two elements of the recommended strategy that need further study, one of which is maintenance dredging. Mr. Tropea recommended that maintenance dredging remain a part of the strategy, with the understanding that RWSA will bring the issue back to the Board with more definitive information. He also stated that the other recommendation that RWSA's believes needs further study is the Mechums River Pump Station. Mr. Tropea commented that with the assistance of Mr. John Martin, Mr. Stephen Bowler and others, good progress has been made since February on this alternative. Mr. Tropea informed the Board that RWSA believes we need to continue our studies of this alternative before proceeding with actual construction.

Mr. Tropea reported that RWSA has approximately \$300,000 available, as part of the last bond issue, to be used on capital projects associated with the approved water supply strategy. He stated that it would be RWSA's intent to use this money to further the four-foot crest controls project on the South Fork Rivanna Reservoir. He commented that if the work began today, it would not be completed until the fall of 2006, which includes RWSA's best estimate of the time required for regulatory approvals. He further stated that the first step that RWSA plans is to conduct an aerial survey in the fall to define the exact footprint of the expanded reservoir. He added that this survey is necessary in order to determine future land acquisition and provide a basis from which RWSA could communicate with adjoining landowners.

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Mr. Tropea informed the Board that RWSA does not currently have the funds to complete all the engineering work, nor does RWSA have the operating (non-capital) funds to move ahead with some of the other important aspects of the strategy, including the watershed recommendations. He stated that he wants the Board to consider a comprehensive budget proposal which would include the approved water supply strategy, the Ragged Mountain Reservoir dam improvements and the recommendations of the infrastructure and maintenance study. He stated that he felt the three elements need to be incorporated into one

RWSA financial strategy prior to seeking Board review and approval.

In response to a question from Mrs. Mueller, Mr. Tropea responded that cost figures for all the elements would be available in the fall of this year except for the dam rehabilitation component, which may have to be estimated since the detailed cost estimate will not be available until February 2003.

Dr. Collins inquired if there were any other options besides the four-foot crest controls on the South Fork Rivanna Reservoir to increase storage capacity. Mr. Tropea responded that the recommendation put before the Board contains several important strategies to improve operation of our entire reservoir system, but that the four-foot crest controls were an essential part of our strategy since they increased our reservoir storage capacity and safe yield .

Dr. Collins stated that he would like to see time lines for all the elements of the strategy, which should also include expenses and sources of funding. Mr. Tropea offered to create that information.

After further discussion, Mr. Brent stated that he believed we needed to move forward on the recommendations as presented by Mr. Tropea. He further stated that in accordance with the four-party agreement, the City and the Albemarle County Service Authority must request RWSA to undertake the water supply strategy. He added that he hoped to be able to come back to the Board in thirty days with a specific request by the Albemarle County Service Authority, Board of Directors, to proceed with the recommendations as outlined in the Executive Director's recommendation. Mrs. Mueller reported that the staff recommendation has been forwarded to City Council for their review and that the City was proceeding through their approval process.

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

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

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"The League is delighted with the multi-step, integrated water supply strategy for the urban water service area. We commend Larry Tropea and the staff for their vision and pragmatism in developing the recommendations and are gratified that so many citizen concerns and suggestions have been incorporated.

The League intends to follow the many issues as they evolve and to continue to encourage public input as the strategy is implemented.

As the saying goes, this is a “watershed moment.” Congratulations!”

Mrs. Rochester also commented that as a citizen that she would like to see daily reservoir level reports more readily available to the public and suggested placing information in the newspaper.

As a follow-up to Mrs. Rochester’s comments, Dr. Collins stated that he found the graphs attached to the Operations Report to be very helpful and asked Mr. Potter to elaborate on the benefits of providing similar information to the public. Mr. Potter stated that he felt the water consumption versus water production number gives real-time monitoring data of actual water usage on a daily basis. He also stated that there is a definite correlation between wastewater flow and rainfall and a relationship between water demand and rainfall, but this is not as direct as with wastewater. He added that RWSA welcomes input from the Board and the public on better ways to present the data and make it more useful. Mr. Tucker suggested that a proposal be submitted to the newspaper on the data we would like to see reported daily.

8.0 Closed Meeting

There was no need for a closed meeting.

9.0 Adjournment

Mr. Tucker made a motion, which was seconded by Mr. Brent, to adjourn the meeting at 3:15 p.m.

Respectfully submitted,

Mr. Robert Tucker
Secretary - Treasurer