

**RWSA BOARD OF DIRECTORS**  
**Minutes of Regular Meeting**  
**December 15, 2003**

A regular meeting of the Rivanna Water and Sewer Authority (RWSA) Board of Directors was held on Monday, December 15, 2003, at 1:59 p.m., in the Conference Room, Administration Building, 695 Moores Creek Lane, Charlottesville, Virginia.

Board members present: Mr. William Brent, Mr. Michael Gaffney – Presiding, Mrs. Judith Mueller, Mr. Gary O’Connell and Mr. Robert Tucker.

Authority staff present: Ms. Anne Bedarf, Mr. Norman Wescoat, Ms. Jennifer Whitaker, Mr. Robert Wichser, Mr. Lonnie Wood and Mrs. Mary Knowles.

Also present: Mr. Stephen Bowler – Watershed Manager for Albemarle County, Mr. Robert Huff – principal with Robinson, Farmer, Cox Associates, 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. Michael Gaffney on Monday, December 15, 2003 at 1:59 p.m., and a quorum was present.

Mr. Gaffney welcomed fellow Board members and members of the public who were in attendance at the meeting.

Mr. Gaffney stated that in 2003 the area set a new precipitation record, and the reservoirs have been full for almost 12 months. He further stated that during 2003, the reservoirs reached 95 percent storage capacity on January 1, 99.4 percent on February 1, and 100 percent by March 1. He added that since it is not possible to predict how long the area would remain in this precipitation pattern, RWSA would continue to address the storage issue.

Mr. Gaffney reported that the RWSA and RSWA Boards of Directors would hold a joint closed session today to meet with Mr. Robert Slavin, the consultant hired to conduct the Executive Director search. He commented that there would be no statement after the session and assured the public that the Board understood its responsibility to hire the best available person to fill this position.

Mr. Gaffney thanked the RWSA employees for their hard work and professionalism during 2003. He stated that staff did a wonderful job of supplying water services to the community while facing a number of challenges.

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**2.0 Minutes Of Previous Board Meeting**

Upon a motion by Mr. O'Connell, and seconded by Mr. Tucker, the Board of Directors by a 5 – 0 vote approved the minutes of the regular Board meeting held on Monday, November 24, 2003.

**3.0. Items From The Public**

Mr. Merrill Bishop, speaking on behalf of the Citizens Advisory Committee, stated that the Committee would be submitting a report at the January Board meeting. He noted that the terms of almost all the Committee members would be expiring the end of December 2003. Mr. Bishop stated that the report contains suggestions on changing the criteria used for selecting new Committee members based on expertise rather than geographic/customer designations. He added that the general consensus among the current membership is that their work in support of the Board has not been productive, and the few members who are eligible would not return if asked to serve a second term.

**4.0 Consent Agenda**

Mr. Gaffney asked if there were any items that the Board members would like to pull for questions or further discussion from the Consent Agenda.

- 4a) Staff Report on Finance
- 4b) Staff Report on Operations
- 4c) Staff Report on On-going Projects
- 4d) Community Water Supply Update

Upon a motion by Mr. Tucker, and seconded by Mr. Brent, the Board of Directors by a 5 – 0 vote approved Items 4a), b), c), and d) of the Consent Agenda.

**5.0 Other Business**

In regards to **Item 5a), Front-End Professional Services**, Mr. Gaffney asked Mr. Bob Wichser to come forward at this time to give his report.

Mr. Wichser reported that a Request for Proposal (RFP) was advertised on August 8, 2003 concerning the Moores Creek Wastewater Treatment Plant pre-treatment improvements, which had initially been evaluated in 1998 by Malcolm Pirnie, Inc. He stated that five engineering firms responded to the RFP. He further stated that after review of the proposals by an in-house review team, three firms were interviewed on October 23, 2003. Mr. Wichser added that Hazen and Sawyer was selected as the best team for this project based on their understanding of the scope of work, experience on similar projects, recommended alternative approach and general project approach, along with the firm's communication and the project management skills of the proposed project team.

**5.0 Other Business Cont.**  
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Mr. Wichser also reported that the draft Scope of Services submitted by Hazen and Sawyer included \$170,100 for professional engineering services and the engineer's project construction cost estimate of \$1,470,800. He noted that after review by the in-house review team, RWSA requested that Hazen and Sawyer revise their proposal. He stated that in the final Scope of Services submitted by the firm, the total lump sum amount for professional engineering services was \$156,400 and the engineer's project construction cost estimate was \$1,424,000, which was \$224,000 more than the \$1,200,000 allocated in RWSA's 2004 Capital Budget.

Mr. Wichser stated that RWSA is requesting that the Board approve awarding this contract to Hazen and Sawyer in the amount of \$156,400.

Mrs. Mueller moved, which was seconded by Mr. Tucker, that the Board of Directors authorize RWSA to award the Engineering Services contract for the Moores Creek Wastewater Treatment Plant pre-treatment improvements to Hazen and Sawyer for \$156,400. By a 5 – 0 vote, the motion was approved.

In regards to **Item 5b), Legal Services**, Mr. Wood reported that RWSA has reached a point in the Community Water Supply project where legal support is needed for the permitting process, which would involve about 10 to 12 different federal and state agencies. He commented that as regulations are sometimes affected by previous court decisions in other cases, legal review and guidance is needed to ensure that the administrative record is adequate to support the permit application in the event of any challenge during the process. Mr. Wood added that although legal services are exempt from procurement regulations, RWSA has undergone a similar but abbreviated process to determine Rivanna's legal needs. Mr. Wood stated that the top candidate was Mr. William Ellis of Ellis Thorp & Jewett, who had previously been retained by RWSA to work on this project. He further stated that after interviewing Mr. Ellis, several favorable discussions were held with state agencies and peer groups concerning Mr. Ellis's qualifications and past work experiences.

Mr. Wood noted that although RWSA cannot at this time determine the amount of legal support needed on this project, it could represent a substantial portion of the permitting effort in terms of costs and the success of the project. He stated that RWSA is therefore requesting that the Board of Directors approve obtaining the legal services of Mr. William B. Ellis of Ellis Thorp & Jewett.

Mr. Tucker moved, which was seconded by Mr. Brent, that the Board of Directors authorize RWSA to obtain the legal services of Mr. William B. Ellis of Ellis Thorp & Jewett for legal support for the permitting process on the Community Water Supply capital project. By a 5 – 0 vote, the motion was approved.

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In regards to **Item 5c), Costs Allocation of Water Projects**, Mr. Wood reported that the City of Charlottesville and the Albemarle County Service Authority have jointly prepared an agreement to address the funding methodology for various water capital projects. He stated that RWSA has had the opportunity at several stages during this process to provide input and is in support of this agreement. He further stated that it is his understanding that both the City of Charlottesville and the Albemarle County Service Authority had approved the agreement and are awaiting approval by this Board in order to execute the agreement.

Mr. Brent commended Mrs. Mueller on her objective work during the drafting of this agreement. Mrs. Mueller echoed his sentiments, and Mr. Gaffney added his congratulations to everyone who contributed to the finalization of this document (attached).

Mr. Brent moved, which was seconded by Mr. O'Connell, that the Board of Directors authorize RWSA to enter into an agreement with the City of Charlottesville and the Albemarle County Service Authority for cost sharing on certain future water projects. By a 5 – 0 vote, the motion was approved.

In regards to **5d), Comprehensive Annual Financial Report – Fiscal Year Ending June 30, 2003**, Mr. Gaffney recognized Mr. Robert Huff, principal with Robinson, Farmer, Cox Associates, who was present at today's meeting to report on this item.

Mr. Huff first congratulated the Board on their successful execution of the cost allocation agreement for future water projects.

Mr. Huff then stated that the Comprehensive Annual Financial Report was in compliance with GASB Statement 34. He then directed the Board's attention to the "Management's Discussion and Analysis" section of the Report. He noted that for the year ending 2003, the calculated total net assets was \$40,619,243, which was an increase of \$1,936,843 from the prior fiscal year. He next read comments from page 18 as follows: "A lesson was learned this year during the drought. The Authority needs to have adequate reserves to alleviate the impacts on revenues and the rates during such events. The Authority has started, in the new fiscal year, to create rate stabilization funds and to better fund depreciation in the budgeting process."

Mr. Huff also stated that RWSA could take great pride that its opinion are unqualified, as they have been in previous audits. He concluded by stating that he thought RWSA's accountants, Mr. Lonnie Wood and Ms. Vicky Townsend, were two of the finest in the Commonwealth.

Mr. Tucker moved, which was seconded by Mr. Brent, that the Board of Directors accept the Comprehensive Annual Financial Report for fiscal year ending June 30, 2003, as presented by Mr. Robert Huff. By a 5 – 0 vote, the motion was approved.

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**6.0 Other Items From Board/Staff Not On Agenda**

Mr. Brent inquired if RWSA staff were aware of any earthquake-related damages to any of its facilities. Mr. Wichser stated that within an hour of the earthquake, the plant facilities were assessed for damages and that Mr. Richard Defibaugh and Mr. David Golladay inspected the dams the following day. He noted that there is already some structural damage present due to the age of the structures, but it appeared that no additional damage was caused by the earthquake.

**7.0 Meeting Recess**

Mr. O'Connell moved, which was seconded by Mr. Tucker, that the Rivanna Water & Sewer Authority Board of Directors meeting be recessed at this time and be reconvened at the conclusion of the Rivanna Solid Waste Authority Board of Directors meeting to enter into a joint closed meeting with the Rivanna Solid Waste Authority Board of Directors to discuss the Executive Director selection process. By a 5 – 0 vote, the motion was approved and the meeting was recessed at 1:19 p.m.

**8.0 Resumption of Open Meeting**

The RWSA Board of Directors meeting was reconvened at 3:01 p.m.

**9.0 Closed Meeting**

Upon a motion by Mr. Tucker, and seconded by Mrs. Mueller, the Rivanna Water & Sewer Authority Board of Directors voted to enter into a joint closed meeting with the Rivanna Solid Waste Authority Board of Directors for matters pertaining to personnel issues as permitted under Section 2.2-3711.A.1 of the Code of Virginia to discuss the Executive Director selection process. By a 5 – 0 vote, the motion was approved.

ATTENDEES: Mr. Brent, Mr. Gaffney, Mrs. Mueller, Mr. O'Connell, Mr. Tucker, Mr. Graham (RWSA Board of Directors), Mr. Krueger, Mr. Wood., and Mr. Robert Slavin (Consultant).

**10.0 Resumption of Open Meeting**

The Rivanna Water & Sewer Authority Board of Directors meeting reconvened at 3:45 p.m.

Mr. Brent made the following motion, which was seconded by Mr. Tucker:

“**WHEREAS**, the Rivanna Water & Sewer Authority Board of Directors has convened a joint closed meeting with the Rivanna Solid Waste Authority Board of Directors on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and,

**WHEREAS**, Section 2.2-3712.D of the Code of Virginia requires a certification by the Rivanna Water & Sewer Authority Board of Directors that such closed meeting was conducted in conformity with Virginia law;

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**10.0 Resumption of Open Meeting Cont.**

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**NOW, THEREFORE, BE IT RESOLVED** that the Rivanna Water & Sewer Authority Board of Directors 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 by the Rivanna Water & Sewer Authority Board of Directors."

There being no further discussion, Mr. Gaffney, called for a roll call vote:  
Mr. Brent – Aye, Mrs. Mueller – Aye, Mr. O'Connell – Aye, Mr. Gaffney – Aye, and  
Mr. Tucker – Aye.

**11.0 Adjournment**

There being no further business, Mrs. Mueller moved the meeting be adjourned, seconded by Mr. Tucker. All members voted aye, and the meeting was adjourned at 3:47 p.m.

Respectfully submitted,

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Mr. Robert Tucker  
Secretary - Treasurer