

RWSA BOARD OF DIRECTORS
Minutes of Regular Meeting
July 26, 2004

A regular meeting of the Rivanna Water & Sewer Authority (RWSA) Board of Directors was held on Monday, July 26, 2004, at 2:00 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 and Mr. Gary O’Connell.

Board Member Absent: Mr. Robert Tucker.

Authority Staff Present: Ms. Anne Bedarf, Mr. Richard Defibaugh, Mr. Bruce Edmonds, Mr. Tom Frederick, Mrs. Mary Knowles, Ms. Michelle Simpson, Ms. Kathy Ware,
Mr. Norman Wescoat, Ms. Jennifer Whitaker, Mr. Robert Wichser and Mr. Lonnie Wood.

Also Present: Mr. Stephen Bowler – Natural Resources Manager for Albemarle County, Ms. Nancy Barker – VHB Project Team, Mr. William Ellis – Community Water Supply Plan Legal Counsel, Mr. Aaron Keno and Mr. Thomas Pursel – Gannett Fleming Project Team, 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, July 26, 2004 at 2:00 p.m., and a quorum was present.

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

Mr. Gaffney commented that one of the highlights of today’s meeting would be the report on the Community Water Supply Plan, which would be discussed in more detail during the presentation by the VHB and Gannett Fleming Project Team members.

2.0 Minutes Of Previous Board Meeting

Upon a motion by Mr. Brent, and seconded by Mrs. Mueller, the Board of Directors by a 3 – 0 vote approved the minutes of the regular RWSA Board meeting held on Monday, June 28, 2004. Mr. O’Connell abstained from the vote due to his absence from the meeting.

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3.0 Executive Director's Report

Mr. Frederick echoed Mr. Gaffney's statement that the major item on today's agenda was the Project Team's report on the Community Water Supply Plan. He reported that at the May Board meeting, the Project Team gave a detailed report on the 21 different alternatives identified as being able to increase safe yield to meet the 2055 demand projection. These alternatives were reviewed and a "short list" developed based on regulatory criteria and project cost estimates. The purpose of today's presentation was to describe the evaluation process and to review the alternatives "short list" with the Board. Although the assessment of the most favorable alternatives is a "work in progress," it is hoped that the Board would authorize the Project Team to begin discussions with state and federal regulators and to initiate the more rigorous evaluation process for the items on the "short list." It is also being proposed that a public meeting be held in September in order to more formally incorporate public comments during this phase of the project.

Mr. Frederick next apprised the Board of three issues that were not action items on today's agenda.

An evaluation of the Ragged Mountain Dam was recently completed, and the consultant's report confirms that considerable capital improvements would be needed in the short term for this facility. The consultant's conclusions also pointed out the need to move forward with the Community Water Supply Update process to determine future capacity at the Ragged Mountain Dam as it related to long-term water supply recommendations.

A five-year plan for replacement, rehabilitation and other needs for capital improvements was not included in the approved budget. RWSA staff is actively working on updating the Water & Sewer Capital Improvement Plan. Mr. Frederick noted that one of the items included in a list of tentative projects earmarked for capital improvements dealt with security enhancements. Staff had identified the need for perimeter fencing and gate improvements at several water facilities. Due to the importance of the issue, unless otherwise directed by the Board, RWSA would proceed with the design and bidding process. Any budget issues arising out of this process would be discussed with the Board at the appropriate time.

Discussions are continuing between RWSA staff and The Nature Conservancy (TNC) on TNC's stream modeling project in the Rivanna watershed. Due to vacation schedules for TNC staff, further discussion is needed to fully understand the budget impacts of this project. A report to the Board on this program and Albemarle County's request for integrated resource planning is tentatively planned for the August meeting.

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4.0 Items From The Public

Mr. John Martin, Free Union, Virginia, stated that from a citizen's perspective he wanted to commend Mr. Lonnie Wood on the great job he did for the past year under very difficult circumstances. Mr. Martin expressed his appreciation for the service Mr. Wood performed and added that he felt most citizens would agree with his remarks.

Mr. Martin next commented on the Gannett Fleming report on the Community Water Supply Plan. He understood that although it was a conceptual report that had not been finalized, he felt after seven years it was time to move beyond concepts.

Mr. Martin felt it was also ironic that in this report, for the first time in writing, it has been suggested that the Sugar Hollow pipeline would need to be replaced. The Sugar Hollow pipeline runs through property owned by several members of The Friends of the Moormans River. Mr. Martin noted that he was a member of that organization.

Mr. Martin stated that with respect to the Ragged Mountain Dam pool elevation, it was fair to say that The Friends of the Moormans River were adamantly opposed to raising the pool level of the Ragged Mountain Reservoir. He added that although raising the Ragged Mountain Dam could have a huge effect on the Moormans River, there is no mention of the future of the Moormans River in the report.

Mr. Martin stated that before addressing the Ragged Mountain Reservoir issue, he would like to discuss the James River Intake concept. Someone he knew characterized this concept as a "pipe dream," which he felt probably accurately depicted the proposal at this time. Although the alternative sounded good, Mr. Martin believed that the City of Richmond held some kind of ownership rights which dated back to the 1700's. He recommended that the ownership issue be explored further before a determination is made as to whether this is a feasible alternative. He felt this option could fail absent extended and costly litigation with the City of Richmond. Mr. Martin was not worried about this alternative because of the appearance that it was impractical at this point.

Mr. Martin then commented on the Ragged Mountain Reservoir pool level alternatives. He reiterated that there was nothing built into them for the protection of the Moormans River. Aside from that, he felt the alternatives would fail on their own accord as being unfeasible.

Mr. Martin next referenced Gannett Fleming's *Safe Yield Study Supplement No. 1*, specifically page 5, Table 2, which summarized the operating rules used for their

safe yield analysis. He stated that according to Table 2, as he understood it, the

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operating rules upon which their analysis is based assumed that when the South Fork Rivanna Reservoir is 80 percent full or more, that North Fork treatment plant and the South Fork treatment plant meet 100 percent of the demand. In other words, when South Fork Rivanna Reservoir is 80 percent or more full, the Observatory Hill treatment plant does not operate. Mr. Martin commented that their assumption is inaccurate as the Observatory Hill treatment plant has to operate all the time. The plant is difficult to start up if some level of operation is not sustained and the pressure must be maintained to protect the infrastructure of the City's pipeline grid. Mr. Martin also stated that when you realize that the Observatory Hill treatment plant has to operate 100 percent of the time, the utility of the Mechums Pump Station comes into play.

Mr. Martin also stated that prior to droughts of record, typically the Sugar Hollow Reservoir would be drawn down. At the beginning of the drought period, the South Fork Rivanna Reservoir is not 100 percent full. He added that the Gannett Fleming analysis on safe yield is based upon the assumption that the South Fork Rivanna Reservoir would be 100 percent full. Utilizing these operating rules, the amount of the safe yield is overstated, at least for the Sugar Hollow Reservoir. He felt that an operational Mechums Pump Station increases the safe yield of the reservoir system.

Returning to the Ragged Mountain alternative, Mr. Martin reiterated that increasing the pool level of the Ragged Mountain Reservoir seemed to be unfeasible. He next reflected on the history of that reservoir. He stated that when the lower Ragged Mountain Reservoir was constructed, the City began experiencing water quality problems. This issue was remedied by building some type of new slow sand filter treatment plant. In 1925, the Sugar Hollow pipeline was built because the drainage area of only 1.8 miles was not sufficient inflow into Ragged Mountain to meet community needs. Mr. Martin added that he did not understand the basis for the suggestion that there would be adequate water available in the reservoir system through the Sugar Hollow pipeline or natural trickles into the Ragged Mountain Reservoir when nothing has changed since 1925.

As a caveat to that statement, Mr. Martin commented that until two years ago he thought that nothing had changed in the Sugar Hollow – Ragged Mountain element of the reservoir system in the last 80 years. He stated that a new source of water was identified in the Gannett Fleming report. This new source of water was stormwater runoff from I-64, which has occurred since the reservoir was built.

Mr. Martin referred to two charts that he brought to today's meeting and posted on the wall. The chart on the left was from a County tax map and illustrated the

current configuration of the Ragged Mountain Reservoirs. The shaded area on the

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topographical map illustrated where the pool level would be increased and confirmed Gannett Fleming's report that the reservoir would run under I-64. Embankment improvements would be needed with this alternative as a culvert would be submerged.

Mr. Martin inquired as to the Department of Health's reaction to stormwater runoff into a reservoir with an elevated pool level. He reflected on the concerns expressed by RWSA about the location of the Western Bypass and the possibility of spills into the South Fork Rivanna Reservoir. He felt this was a similar situation.

Mr. Martin further stated that he brought these maps to VDOT this morning and discussed the Ragged Mountain alternative. The Assistant Resident Engineer's response to the embankment improvements and submersion of the culvert was that it would be "problematic" and that bridges might be required at a cost of roughly \$20 million.

With regard to replacing the Sugar Hollow pipeline, Mr. Martin stated that he was familiar with the pipeline and the changes that have occurred to the landscape since 1925. He felt the estimated cost of this project seemed low considering the amount of work that would be required to replace the pipeline.

Mr. Martin commented that he felt dredging was still a good idea and was not receiving the attention that it deserved.

Based upon these alternatives and the foundation that seemed to exist, especially for the Ragged Mountain pool level alternatives, Mr. Martin wondered whether there was a strategy that would become apparent as the project progressed to return to the Buck Mountain Reservoir option. He reiterated that he felt the proposed alternatives were not feasible.

Mr. Bob Gilges spoke next. He stated that he lived in Sugar Hollow on the Moormans River and has taken great interest in the Moormans River since moving to the Charlottesville area. He has also been involved in overall water planning, which has been a complicated process, to provide adequate water for City and County residents. His participation included attendance and speaking at Board meetings, Supervisors meetings, and public hearings. Mr. Gilges commented that there has been no official act by this body to disapprove a short-term plan, to disapprove a long-term plan, or to disapprove a budget. He felt that five years has been lost and at least \$2 million on management consulting firms. There was almost an aura of secrecy since there has been no formal communication to update

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the public on the Community Water Supply process. Mr. Gilges added that speaking as a citizen, the public needs to know what is going on.

Mr. Gilges commented that he brought up the Mechums River Pump Station option four or five years ago, and the Board expressed interest at that time. He was pleased that this strategy was finally being considered, as he felt the Mechums Pump Station was vitally important to save the Moormans River. He stated that allowance for a downstream flow in the Moormans River needed to be incorporated into the water supply plan model, specifying the amount of the release and the reasoning for such a release. The river has gone dry almost every summer that Mr. Gilges has lived here due to impoundment of the water. Although he appreciated the current release, it is now only 400,000 gallons. Mr. Gilges added that the Moormans River would be “killed” forever if the Ragged Mountain pool level is raised and 24-inch pipeline is installed.

As a side note, Mr. Gilges mentioned that the proposed pipeline would go through the entire length of two of his properties. He added that his easement was “undefined,” as the section of his deed dealing with pipeline installation and maintenance was written in common language and did not address width specifications.

Mr. Gilges reiterated the need to keep the public informed on the latest Community Water Supply plan and not be deceptive or secretive during the process.

Ms. Liz Palmer, speaking on behalf of the League of Women Voters, commented on the Ragged Mountain alternative to raise the pool level. As a reminder, she stated that there were 980 acres of a natural area with 7 miles of trails, over half of which would be under water with some of the pool level suggestions. This is one of two natural areas within the urban ring and is a great asset to the community. It is maintained by the Ivy Creek Foundation, so very little taxpayer money is used to preserve this area. Ms. Palmer asked that the Project Team take this into consideration when evaluating this alternative.

Mr. Richard Collins, a City resident and former Chairman of the RWSA Board of Directors, stated that since he would not have an opportunity to make comments after the Project Team presentation, he would do so now during the public comment period.

Mr. Collins commented that it was very disquieting to see the Community Water Supply Plan that was to be implemented on a “fast track,” based on the best information available at that time, be set aside because it would not produce the

quantity of water necessary to meet future demand. He asked why the strategy to

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expand the South Fork Rivanna Reservoir with the four-foot crest controls was apparently being abandoned. Even if this option would not be sufficient to meet all future demand, he further inquired why this would not still be a cost-effective method of dealing with projected water needs up to 2015. Mr. Collins added that he hoped to hear answers to his questions during the upcoming Community Water Supply Plan presentation.

Mr. Gaffney commented that he believed the four-foot crest controls strategy was still included in the alternatives to be presented today by the Project Team.

Mr. Gaffney thanked the members of the public who spoke today. He stated that the public comment period went beyond its allotted time due to the valuable information being shared on this important topic.

5.0 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.

- 5a) Staff Report on Finance
- 5b) Staff Report on Operations
- 5c) Staff Report on On-going Projects
- 5d) EMS Implementation Update
- 5e) Carry-Over, FY 2004 Outstanding Purchase Order Commitments and Encumbrances

In regards to **Item 5a), Staff Report on Finance**, Mrs. Mueller noted that both the Water and Wastewater Departments were experiencing a large surplus. She inquired if RWSA planned to report back to the Board on how the Authority intended to use those surplus funds. Mr. Wood stated that he would be scheduling a meeting with the Budget Subcommittee to review cash-flow figures for the Authority. He has been working with RWSA's financial consultant this spring on this issue, and comparisons have been made with similar entities to determine the appropriate cash reserve balances for the Authority. Depending upon the Board's input, Mr. Wood suggested that some of the surplus funds could be used to increase the Authority's cash reserves or offset debt service costs. Mrs. Mueller added that she wanted to ensure that RWSA had a plan in place for utilizing surplus funds from ratepayers.

Mr. Brent asked how Crozet and Scottsville water centers acquired a debt service deficit. Mr. Wood replied that one of the revenue items that offset debt service costs is interest income. Interest income was much lower this year than the

budgeted amount.

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In regards to **Agenda Item 5e), Carry-Over, FY 2004 Outstanding Purchase Order Commitments and Encumbrances**, Mr. Brent asked for clarification on the amount of the first Purchase Order listed in the report as there appeared to be a misplaced comma in that figure. Mr. Wood stated that the correct amount of the purchase order was \$9,013.50.

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

6.0 Other Business

In regards to **Item 6a), Resolution to Commemorate Mr. Paul B. Krebs**, Mr. Gaffney stated that Mr. Brent outlined all of Mr. Krebs' contributions to this Authority and the community at last month's Board meeting. A resolution was before the Board today commemorating Mr. Krebs' distinguished professional, educational and civic contributions. Mr. Gaffney asked if further discussion or elaboration was needed prior to the Board voting to adopt this resolution. As there was no further discussion or elaboration, Mr. Brent moved, which was seconded by Mrs. Mueller, that the Board of Directors vote to adopt the following resolution:

“RESOLUTION

WHEREAS Mr. Paul B. Krebs was regarded as a pioneer in municipal water and wastewater treatment systems and was instrumental in the design and the development of the modern public water and wastewater infrastructure serving the Charlottesville urban areas, including many facilities currently operated by the Rivanna Water & Sewer Authority; and

WHEREAS during his career, Mr. Krebs was active in many professional and community organizations and received numerous recognitions for his contributions to the field of civil engineering and service to the community; and

WHEREAS as an advocate for strong technical competence, Mr. Krebs established and funded an academic scholarship at the University of Virginia School of Engineering for aspiring young engineering students; and

WHEREAS the Board of Directors recognizes and appreciates the significance of Mr. Krebs' accomplishments and contributions to the water and wastewater treatment fields and this community;

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NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Rivanna Water & Sewer Authority hereby commemorates the distinguished professional, educational and civic contributions of Mr. Paul Krebs and extends its sincere condolences to his family; and

BE IT FURTHER RESOLVED that the Board of Directors hereby directs the Secretary of the Board to forward a copy of this resolution to the family of Mr. Paul B. Krebs.”

VOIE

AYES: Mr. Brent, Mr. Gaffney, Mrs. Mueller, and Mr. O’Connell

NAYS: 0

ABSENT DURING VOTE: Mr. Tucker

ABSENT DURING MEETING: Mr. Tucker

In regards to **Agenda Item 6b), Procurement – Observatory Tank**
Repairing,

Mr. Frederick stated that as outlined in the Board report, the original budgeted estimate for this project was \$450,000 to remove the existing paint coatings and repaint the Observatory Tank. The lowest bid was received by George Kountoupes Painting Company for \$310,830.

Mr. Frederick reported that in the meantime, the Engineering staff had been examining some options on the market that would enhance tank mixing and improve water quality. The low volume of water fluctuation in that tank had raised staff concerns that water stagnation and stratification issues could arise in the future. RWSA is therefore proposing that the installation of an internal tank mixing system be considered as a change order to the contract.

Mr. Frederick added that RWSA staff recommends that the Board authorize awarding the contract to George Kountoupes Painting Company for \$310,830. It is also recommended that the Executive Director be authorized to negotiate for the best price that could be obtained for a tank mixing system and execute a change order, with the provision that all costs for this project not exceed the total budget of \$450,000.

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Mr. O'Connell moved, which was seconded by Mr. Brent, that the Board of Directors vote to approve awarding the contract for construction of the Observatory Tank Repair and Repainting to George Kountoupes Painting Company for \$310,830 and authorize the Executive Director to execute a change order for the tank mixing system with the provision that the total budget of \$450,000 not be exceeded for all costs on this project.

In response to a question from Mr. Gaffney concerning tree removal and miscellaneous expenses, Mr. Frederick stated that the additional work was necessary to complete the project and the costs were included within the budget. By a 4 – 0 vote, the Board of Directors voted to approve the motion.

In regards to **Agenda Item 6c, Report on Community Water Supply Plan**, Mr. Gaffney recognized Ms. Jennifer Whitaker, Chief Engineer, who would speak first on this item.

Ms. Whitaker thanked the Board and the Chairman for allowing RWSA staff and its consultants to address the Board today on the Community Water Supply Plan. She stated that there were several members of the Project Team present today, including RWSA staff, Gannett Fleming staff, VHB staff, and legal counsel on the water supply.

Ms. Whitaker reported that the following three items were included in today's Board packet: *Safe Yield Study Supplement No. 1*, *Water Supply Alternatives Supplemental Evaluation*, and the *Water Supply Status Update Presentation*. The last item is the slide program that will be presented today.

Ms. Whitaker noted that as indicated by Mr. Frederick during his Executive Director's report, today's presentation and corresponding publications really served as the next step in the Community Water Supply Plan process. In May, the Board received information on 21 alternatives that met the projected supply deficit in 2055. Today the Project Team, spearheaded by Gannett Fleming, would present the findings of the *Water Supply Alternatives Supplemental Evaluation*, which included the "short list" of evaluated alternatives.

Ms. Whitaker stated that the screening process closely followed that outlined by the Department of Environmental Quality (DEQ), the Environmental Protection Agency (EPA) and the Army Corps of Engineers. All of these agencies are responsible for water supply permitting in Virginia.

Following any Board acceptance, Ms. Whitaker commented that the Project Team anticipated undertaking a more detailed analysis of these alternatives.

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Ms. Whitaker introduced Mr. Aaron Keno, Vice President and Project Principal from Gannett Fleming, and asked that he come forward at this time to give his report.

Before beginning his presentation, Mr. Keno recognized the following members of the Project Team who were also in attendance today: Ms. Nancy Barker – VHB Lead, and Mr. Bill Ellis – Legal Counsel.

Mr. Keno stated that the Project Team's findings would be presented during the 17-slide presentation at a relatively abbreviated level and invited questions during his talk. The overview of the project steps would explain how the supplemental evaluation fitted into the overall picture of moving toward water supply projects which addressed water supply deficiencies that existed in RWSA's system. Safe yield and demand, the water supply alternatives, the alternatives "short list" and the regulatory review and schedule would also be discussed today.

Mr. Keno reported that the safe yield and demand figures have been updated. Alternatives have been developed to increase safe yield to satisfy the 2055 demands. The "*Short List*" *Alternatives Using Regulatory Criteria* highlighted on the Overview slide would be the focus of today's presentation because the project is at this point in the overall plan development process. The presentation would also cover regulatory review and public comment, a detailed evaluation of the "short list" alternatives and the process for selecting the preferred alternative.

Mr. Keno next briefly explained the two *Safe Yield & Demand* slides. On the first slide, the blue line demonstrated the safe yield configuration based on estimates of current safe yield, which had been projected over time to decline due to sedimentation in the South Fork Rivanna Reservoir. The purple line illustrated the results of the daily demand projections that had been completed in the demand analysis. This created a 9.9 MGD deficit at the end of the 50-year planning period at 2055. It was important to note that current safe yield and demand line projections would cross at 2008.

Mr. Keno commented that the second slide depicted the safe yield scenarios with the Beaver Creek Reservoir release, represented by the pink line that is projected to decline over time. The blue line represented the current safe yield with the existing elements in RWSA's system, consisting of the South Fork Rivanna, the Sugar Hollow, the Ragged Mountain, and North Fork Rivanna Reservoirs. The purple line illustrated the addition of a release from the Beaver Creek Reservoir into the Mechums River, which would increase safe yield and provide additional time with

minimal activity until the safe yield and demand lines cross.

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Mr. Keno then briefly reviewed the Project Team's May 24, 2004 presentation to the Board, which included the identification of 18 water supply components that were used alone or in combinations to satisfy the 2055 water supply deficit, the identification of compatible water treatment plants, and the resultant 21 alternatives that had been developed for further evaluation. Mr. Keno noted that the list of alternatives had been expanded to 22, due to the identification of one additional alternative since the May Board meeting.

Mr. Keno read from the slide pertaining to the objective of the water supply alternatives and their evaluation as follows: *To identify the least environmentally damaging, practicable alternative, taking into account: overall project purposes, feasibility, logistics, and cost.* He stated that these criteria had to be satisfied in order for the Project Team to complete the review of the alternatives, gain the acceptance of the regulatory community and move forward with permitting.

Mr. Keno next reviewed the criteria used to evaluate the water supply alternatives. He noted that there were detailed descriptions of these items in the *Water Supply Supplemental Evaluation*. He highlighted wetlands impacts, stream impacts and cost as important elements in the evaluation process. Mr. Keno also stated that there are two tables located in that document, one containing all of the criteria and one listing the key determining factors. These were the elements that were used to compare the alternatives and draw conclusions that were being presented today. Mr. Keno discussed the cost estimate information and explained they were planning level estimates that covered a 50-year period. He pointed out that these were the major capital improvements that the Rivanna system would need during that time period. They were used for alternative comparison and not for budgeting purposes. Further refinement of those options would be done during the next phase of the project.

Mr. Keno explained that the next slide lists the alternatives that are not being considered at this time. He stated that construction of a new reservoir and installation of crest controls at South Fork Rivanna Reservoir above the four-foot level had greater environmental impacts than the other alternatives and did not advance to the next evaluation stage. The Sugar Hollow Expansion alternative also had larger environmental and federal land impacts. Also not being considered is the pumpback from Moores Creek Wastewater Treatment Plant for indirect reuse of wastewater due to regulatory concerns.

Mr. Keno next reviewed the Alternatives "Short List," which represented the four concepts that emerged from the evaluation process.

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The James River Intake is the first alternative on the "Short List." It could be a stand alone project to serve RWSA or developed in a cooperative arrangement with neighboring localities, specifically Louisa and Fluvanna Counties. This option will undergo a more detailed evaluation during the next phase of the project.

Raising the Dam at Ragged Mountain Reservoir is also on the "Short List." He noted that expeditious decision and action to rehabilitate this dam is necessary for dam safety reasons. Gannett Fleming has separately completed an evaluation on the dam which identified the safety and regulatory issues and presented it to RWSA staff. Action would need to be taken in the short term to maintain that element of Rivanna's system. Safe yield increase is possible through dam height increases. The alternative preliminarily appears feasible although approval issues exist. Mr. Keno referenced the I-64 issues that Mr. John Martin had referred to earlier in this meeting, and indicated these issues will need to be thoroughly evaluated to confirm feasibility and move the project to the next phase.

He pointed out that the Four-Foot Crest Gates at the South Fork Rivanna Reservoir option is still under consideration and on the alternatives "Short List." This alternative must be combined with other components, as it does not provide enough increase in safe yield on its own to satisfy the entire deficit. It is also a relatively low cost option.

Dredging is the fourth concept on the "Short List." Additional evaluation is needed to determine cost, feasibility and logistics. This alternative must be combined with other components to satisfy the safe yield deficit.

Mr. Keno reported that Beaver Creek Reservoir was on the Alternatives "Short List." This option could be used on an interim or long-term basis with other concepts. It might also be possible that existing flood storage capacity could be used to increase water supply safe yield in Beaver Creek Reservoir. Further investigations would be necessary to determine the feasibility of this option.

Mr. Keno noted that the next slide listed all the federal and state regulatory agencies involved with the permitting process. A kick-off meeting was held on July 22, 2004 with these regulatory agencies. The Project Team provided the participants with background material and the most recent reports. There was also a discussion on the process utilized toward the selection of a preferred alternative. He felt that the initial feedback received from the regulators was generally positive. The regulators were also informed that Board approval would be sought at this meeting to submit the *Water Supply Alternatives Supplemental Evaluation* document for regulatory

review. In anticipation of Board approval, the regulators were requested to expeditiously review this document. Another regulatory meeting was targeted

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for late September, at which time the “Short List” would be reviewed. It is important that concurrence is reached on that “Short List” in order to move forward with the more detailed evaluation process and the selection of a preferred alternative.

Mr. Keno stated that the Project Team anticipated holding a public meeting in September, at which time all of the findings would be reviewed and public input obtained concerning the Community Water Supply Plan process.

During the time the Project Team was conducting briefings and obtaining input from the City and the County, the detailed evaluation of the alternatives on the “Short List” would move forward.

Mr. Keno commented that the future schedule would be based on the regulatory review process.

Concerning the James River Intake alternative, Mr. Gaffney inquired if the Project Team had conducted any research on the ownership issue. Mr. Keno stated that preliminary conversations have been held with DEQ staff concerning this issue. A more detailed investigation would be done to confirm the preliminary findings. The initial feedback has been positive concerning the feasibility of removing water from the James River.

In response from a question from Mr. O’Connell on regulatory review procedures, Mr. Keno stated that it was difficult to predict the extent of that process. He reiterated the importance of reaching concurrence on the four concepts on the “Short List.” With that concurrence, the process can move forward with the selection of the preferred alternative. Mr. Keno felt from the preliminary feedback and previous work done, that the project was moving in the right direction.

Mr. O’Connell asked if the Beaver Creek Alternative was added to the “Short List” through a different process. Mr. Keno stated that the option is an operational matter versus a permitting issue for a new water supply. He added that the timeline could differ as long as the water supply remained at its current level.

Mr. Gaffney inquired if more than one concept would be identified as a preferred alternative. Mr. Keno stated that the Project Team believes that the best version of each concept would be identified and evaluated in more detail. Each would need to satisfy the projected deficit. Issues could arise during this more rigorous evaluation process which could eliminate one or more of these alternatives.

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Mr. Gaffney informed the public that due to scheduling difficulties, the public hearing on the Community Water Supply Plan will not be scheduled today but would be coordinated by RWSA staff in the near future.

Upon a motion by Mr. Brent, and seconded by Mrs. Mueller, the Board of Directors voted to authorize the Project Team to submit the *Water Supply Alternatives Supplemental Evaluation* report to the federal and state regulatory agencies for further review and comments in order to move forward with the more detailed evaluation process. By a 4 – 0 vote, the motion was approved.

7.0 Other Items From Board/ Staff Not On Agenda

There were no other items from the Board or staff not on the Agenda.

8.0 Closed Meeting

There was no need for a closed meeting.

9.0 Adjournment

There being no further business, Mrs. Mueller moved the meeting be adjourned, seconded by Mr. O'Connell. All members voted aye, and the meeting was adjourned at 3:08 p.m.

Respectfully submitted,

Mr. Robert Tucker
Secretary - Treasurer