

**Louisa County Water Authority
Board of Directors
November 9, 2022**

MEMBERS PRESENT: Mr. Judson Foster, Chairman; Mr. Douglas Smith, Vice-Chairman; Mr. Tom Filer; Mr. Bob Hardy

MEMBERS ABSENT: Mr. David Kies, Mr. Durwood Willis, and Mr. Robert Morgan

OTHERS PRESENT: Ms. Pam Baughman, General Manager; Mr. Hunter Martin, Water Operations Manager; Mr. Brent Waters, Golder Associates, Inc.; Mr. Kyle Eldridge, Assistant County Attorney

A. Call to Order

Mr. Foster called the meeting to order at 6:02 pm.

1. ADOPTION OF THE AGENDA

Chairman Foster asked if there were any changes or additions to the agenda. Ms. Baughman stated that one Short Notice item needed to be added to the agenda titled, "Spring Creek Well #3 – pump, motor, and wire replacement". Mr. Hardy made a motion to adopt the agenda as amended. The motion was seconded by Mr. Filer and carried 4-0 among the members present.

B. Presentations

2. MR. BRENT WATERS, GOLDR ASSOCIATES, INC.

Mr. Waters began his presentation by stating that he has worked for the Authority for 25 years and was involved in the Green Springs / Zion Crossroads Well System from discovery, development, and operations. Mr. Waters stated that the Green Springs / Zion Crossroads Well System is the most monitored and studied well system in the Commonwealth. A map of the Green Springs well field, including the monitoring wells, was shared with the Board.

Mr. Waters acknowledged the over pumping of Green Springs Well #2, due to the pump and motor issues Spring Creek Well #3 has experienced. He also stated that due to the average depth of the wells, there is still a tremendous amount of water in the aquifer. On a table he provided, Mr. Waters demonstrated that only about 33% of the permitted capacity was in use during FY2022. The table showed an increase in water usage from FY2019 to FY2022 of approximately 14,000 gallons per day. Drought Response Planning was briefly discussed.

In conclusion, Mr. Waters stated that the Zion Crossroads Service Area, the Authority, and the County of Louisa were lucky to have the asset of the Green Springs / Zion Crossroads Well System.

C. Citizen Information

D. Consent Agenda

3. APPROVAL OF THE MINUTES:

A. OCTOBER 12, 2022 – REGULAR BUSINESS MEETING

4. TREASURER'S REPORT:

A. O & M REPORT / CAPITAL REVENUE & EXPENDITURE REPORT – OCTOBER 2022

B. APPROVAL OF DISBURSEMENTS – OCTOBER 2022

C. CONSTRUCTION FUND – OCTOBER 2022

D. INVESTMENTS – FIRST QUARTER FY2023

E. SEWER EXPENSE AND REVENUE – FIRST QUARTER FY23

F. PAID CONNECTION FEES CENTRAL SYSTEM – FIRST QUARTER FY2023

G. PAID CONNECTION FEES ZION CROSSROADS – FIRST QUARTER FY2023

H. FIRST QUARTER FISCAL 2023 INCOME & EXPENSE STATEMENTS

a. SUMMARY STATEMENT OF INCOME – FIRST QUARTER FY2023

b. DETAIL STATEMENT OF INCOME – FIRST QUARTER FY2023

c. SUMMARY STATEMENT OF EXPENSES – FIRST QUARTER FY2023

d. DETAIL STATEMENT OF INCOME – FIRST QUARTER FY2023

The Board reviewed the Consent Agenda, including the Treasurer's Report. Mr. Foster asked that the Dewberry Engineering bills be moved to capital expenditures. Mr. Smith asked the status of the easement / right-of-way maintenance. The General Manager stated that the cost estimates had been forwarded to the County Administrator, but the easement clearing had not progressed from that point. The Board directed the General

Manager to speak with the County Administrator and inform him that the Authority Board wanted the Board of Supervisors to know that they wanted the easements / rights-of-way reclaimed. This will enable better access for maintenance crews to mark Miss Utility tickets as well as making it easier for maintenance staff to keep the easements / right-of way clear.

Upon completion of the review, Mr. Hardy made a motion to approve the Consent Agenda and the Treasurer's Report as presented. The motion was seconded by Mr. Smith and carried 4-0 among the members present.

E. Old Business

5. UPDATE – JAMES RIVER WATER PROJECT

Justin Curtis, AquaLaw provided an update on the permit acquisition process.

There are three major permits underway currently:

1) The Department of Marine Resource Commission permit – no decision at this time and no additional information has been requested. DMRC will be conducting a site visit on November 28, 2022, or December 1, 2022.

2) The Department of Environmental Quality permit – things have been quiet over the past month and no additional information has been requested since the first request. In the December / January timeframe, the JRWA will need to decide if they will apply for a new permit or request a modification to the original permit. A new permit will be valid for 15 years, while a modified permit will be valid for the balance of years remaining on the original permit (7-8 years).

3) Army Corps of Engineers permit – moving along with no additional request for information.

Next steps:

1) JRWA to decide whether to submit a new permit application or modify the existing 2015 permit.

2) JRWA to process a Memorandum of Agreement for the Army Corps of Engineers (it has been drafted). This will end the 106 process and outline how artifacts will be handled / discovered during the Phase II process. The memorandum will identify Phase II eligible sites, any adverse impacts, as well as provide a plan for moving forward.

3) Goodwin Associates is nearing completion of the Phase II field work and should be finalized soon; then Phase III work will begin.

6. NORTHEAST CREEK WATER TREATMENT PLANT – SLUDGE-VAC-SYSTEM UPDATE

Staff and the engineers met to review the 95% complete plans for the Northeast Creek Water Treatment Plant Sludge-Vac System on October 27, 2022, at 10:00 am. The plans will be 100% complete once the following has occurred: a few modifications have been made to the plans and studs / anchors in the sedimentation basin walls will need to be verified for removal during construction. The 100% complete plans will be simultaneously sent to the Virginia Department of Health – Office of Drinking Water and to the Authority. Once VDH approval has been received, the plans will go out for bid. The project installation should be completed by next fall.

7. LOUISA REGIONAL WASTEWATER TREATMENT PLANT – FILTER BUILDING MODIFICATIONS UPDATE

On Tuesday, October 25, 2022, the engineer inspected the LRWWTP Filter Building Modifications. One item needs to be addressed (a railing height) and the project will be complete.

8. ZION CROSSROADS WELL SYSTEM UPDATES

A. SPRING CREEK - #1 & #2 UPDATE

The plans are under review at the Virginia Department of Health – Office of Drinking Water.

B. POORE WELL IMPROVEMENTS UPDATE

The contractor has not provided a quote to complete the work of installing the filtration equipment.

C. ZION CROSSROADS DISTRIBUTION SYSTEM HYDRAULIC STUDY UPDATE

The engineers have run the model and are in the process of developing the final document.

9. REGIONAL WWTP PERMIT RENEWAL AND PROCESS OPERATIONS STUDY

Staff have been informed that a preliminary / draft report should be received sometime in late November 2022.

10. ZION CROSSROADS WWTP DIESEL TANK ADDITION FOR GENERATOR

The Authority received a quote from the County's concrete services provider in the amount of \$37,480. Staff is seeking additional estimates.

11. NEW TRUCK PURCHASE; SNOWPLOW AND 100-GALLON DIESEL TRANSFER TANK

Amy and Phil know the specifications of the truck we need to order. Amy is currently working half-days as her father's health is deteriorating. Once her schedule returns to normal, the order for the truck will be placed.

12. MAINTENANCE TECH POSITION

Interviews have been scheduled throughout the month of November for the Maintenance Tech and two Wastewater Trainees.

13. UPDATE – MEMORANDUM OF UNDERSTANDING – LA RESORT – MR. KYLE ELDRIDGE, ASSISTANT COUNTY ATTORNEY

Mr. Kyle Eldridge addressed the Board stating that the Memorandum of Understanding between the Louisa County Board of Supervisors and LA Resort was a done deal. Louisa County Water Authority is not a party to the Memorandum of Understanding. He stated that Authority connection fees will be addressed later, that the Authority's connection fees are a separate issue. The County's connection fees are included in the Memorandum of Understanding. Mr. Eldridge suggested that the General Manager discuss the Authority Board members concerns with the County Administrator.

14. FY24 – BUDGET PACKAGE – COUNTY OF LOUISA

A. RESOLUTION 2022-002 – FY2024 REQUEST FOR CIP BUDGET FUNDING – LRWWTP AMMONIA- NITROGEN

The Board reviewed the information relating to the Capital Improvement Budget Funding request for the Louisa Regional Wastewater Treatment Plant – upgrade to meet the freshwater Ammonia-Nitrogen regulations in FY2027.

Upon completion of the review, Mr. Smith made a motion to authorize the request for Capital Improvement Budget Funding for the Louisa Regional Wastewater Treatment Plant upgrade to meet the freshwater Ammonia-Nitrogen regulations in FY2027. The motion was seconded by Mr. Filer, which carried by a vote of 4-0 among the members present.

B. LETTER TO THE TOWN OF LOUISA – FY2024 REQUEST FOR CIP BUDGET FUNDING – LRWWTP AMMONIA NITROGEN

The Board authorized the letter to the Town of Louisa, making the same funding request for the Town's share of the Louisa Regional Wastewater Treatment Plant - upgrade to meet the freshwater Ammonia-Nitrogen regulations, with the addition of the estimate of annual operating expenses.

C. RESOLUTION 2022-003 – FY2024 REQUEST FOR CIP BUDGET FUNDING – BOWLERS MILL DAM IMPROVEMENTS

The Board reviewed the information relating to the Capital Improvement Budget Funding request for the Bowlers Mill Dam Improvements.

Upon completion of the review, Mr. Filer made a motion to authorize the request for Capital Improvement Budget Funding for the improvements to Bowlers Mill Dam. The motion was seconded by Mr. Hardy, which carried by a vote of 4-0 among the members present.

D. RESOLUTION 2022-005 – FY2024 REQUEST FOR CIP BUDGET FUNDING – NEC-WTP SLUDGE-VAC SYSTEM

The Board reviewed the information relating to the Capital Improvement Budget Funding request for the Northeast Creek Water Treatment Plant Sludge Vacuum System. The General Manager informed the Board that the cost for this project continues to increase and that the project is expected to go out to bid in early 2023 with an anticipated completion date in the fall of 2023.

Upon completion of the review, Mr. Smith made a motion to authorize the request for Capital Improvement Budget Funding for the Northeast Creek Water Treatment Plant Sludge Vacuum System. The motion was seconded by Mr. Hardy, which carried by a vote of 4-0, among the members present.

E. RESOLUTION 2022-006 – FY2024 REQUEST FOR O&M BUDGET FUNDING – FERNCLIFF WATER TREATMENT PLANT

The Board reviewed the information relating to the Operation and Maintenance Budget Funding request for the Ferncliff Water Treatment Plant. The funding request is to begin setting up the plant for operations expected in FY2024 – FY2025.

Upon completion of the review and discussion, Mr. Filer made a motion to authorize the request for Operations and Maintenance Funding for the Ferncliff Water Treatment Plant. The motion was seconded by Mr. Smith, which carried by a vote of 4-0, among the members present.

F. RESOLUTION 2022-007 – FY2024 REQUEST FOR O&M BUDGET FUNDING – LRWWTP

The Board reviewed the information relating to the Operation and Maintenance Budget Funding request for the County's share of the operational and maintenance costs for the Louisa Regional Wastewater Treatment Plant.

Upon completion of the review and discussion, Mr. Hardy made a motion to authorize the request for Operations and Maintenance Funding for the Louisa Regional Wastewater Treatment Plant. The motion was seconded by Mr. Filer, which carried by a vote of 4-0, among the members present.

G. ACCOMPANYING MEMORANDUM FOR RESOLUTIONS 2022-006 & 2022-007

The Board directed the General Manager to include in the accompanying memorandum, projects funded by Louisa County Water Authority.

H. VIRGINIA RISK SHARING ASSOCIATION SITE VISIT TO NEC-WTP AND MAINTENANCE SHOP

Prior to discussing the last two Capital Improvement Budget funding request items, the General Manager reviewed with the Board a report created after the August 5, 2022, site visit conducted by Virginia Risk Sharing Association (VRSA). Most of the items mentioned in the report are preventative maintenance measures VRSA believes need to be conducted to prevent workers compensation claims. The two larger items were drafted as Capital Improvement Budget funding requests for the Boards review and consideration.

I. RESOLUTION 2022-008 – FY2024 REQUEST FOR CIP BUDGET FUNDING – NEC-WTP LOADING DOCK MODIFICATIONS

The Board discussed the Capital Improvement Budget funding request for the Northeast Creek Water Treatment Plant Loading Dock Modifications. Upon completion of the discussion, Mr. Smith made a motion to withdraw the request for Capital Improvement Budget funding and proceed with the modifications with Louisa County Water Authority funds at a cost not to exceed \$60,000. The motion was seconded by Mr. Filer and carried 4-0 among the members present.

J. RESOLUTION 2022-009 – FY2024 REQUEST FOR CIP BUDGET FUNDING – NEC-WTP FLOOR DRAINAGE IMPROVEMENTS

The Board discussed the Capital Improvement Budget funding request for the Northeast Creek Water Treatment Plant Floor Drainage Improvements. Upon completion of the discussion, Mr. Smith made a motion to withdraw the request for Capital Improvement Budget funding and proceed with the improvements with Louisa County Water Authority funds. The motion was seconded by Mr. Filer and carried 4-0 among the members present.

F. New Business

15. REVIEW OF COST VS. REVENUE FY2022

A. LCWA: COST / REVENUE PER 1,000 GALLONS FY2022

B. MEMORANDUM TO THE BOARD

C. THE 34th ANNUAL VIRGINIA WATER AND WASTEWATER RATE REPORT FY2022

The Board reviewed the LCWA: Cost / Revenue per 1,000 gallons FY2022 breakdown, the memorandum and the 34th Annual Virginia Water and Wastewater Rate Report for FY2022. The General Manager went through each business unit showing the cost to produce or treat vs. the revenue received (with a portion of overhead applied to each business unit).

Next the General Manager broke down the Central Louisa (Northeast Creek Water Treatment Plant and Louisa Regional Wastewater Treatment Plant) and the Zion Crossroads System (Zion Crossroads Well System and Zion Crossroads Wastewater Treatment Plant) showing the cost to produce or treat vs. the revenue received (with the same portion of overhead applied as in the individual business units above).

Next the Board looked at all the water produced (Northeast Creek Water Treatment Plant and Zion Crossroads Well System) and all sewer treated (Louisa Regional Wastewater Treatment Plant and Zion Crossroads Wastewater Treatment Plant) looking at the cost to produce or treat vs. the revenue received (with a portion of overhead applied to each business unit).

Next the Board looked at the total operating costs to produce or treat for all four business units vs the revenue received from all four business units.

Finally, all operating and capital costs to produce or treat vs all operating and capital revenues were compared together (this was done in an effort to capture all expenses not included in the overhead applied to each business unit and all revenues not directly related to each business unit).

After some discussion, Mr. Foster asked for a rate committee to be formed. Mr. Hardy and Mr. Smith volunteered to serve on the committee.

16. HACH QUOTE FOR REPLACEMENT OF COMPLIANCE RELATED EQUIPMENT

The HACH quote provided in the agenda packet in the amount of \$12,858.06 is for compliance related equipment at the Northeast Creek Water Treatment Plant that failed calibration in October. The equipment onsite is no longer supported and cannot be repaired.

Mr. Filer made a motion to authorize the purchase of the compliance related equipment for the Northeast Creek Water Treatment Plant that failed calibration in October, which can no longer be supported and cannot be repaired at a cost of \$12,858.06. The motion was seconded by Mr. Smith and carried 4-0 among the members present.

G. Reports

17. PROGRAM MANAGER'S REPORT

H. General Manager's Report

●The nanofiltration membrane filter change out took place on October 26, 2022. None of the filters were salvageable, many were severely damaged due to construction issues, such as rock, sand (silt or grit), and a dropped bolt that damaged a pump sending metal debris into the nanofiltration system.

●**October levels:** At the end of October 2022, the static well levels are up approximately .4 feet from the end of September 2022 levels. From October 2021 to October 2022, the well levels are down approximately 16.41 feet.

The smaller table shows static well levels located nearer to the production wells. These levels are up approximately .02 feet from the end of September 2022 levels. From October 2021 to October 2022, the well levels are down approximately 56.79 feet.

As of October 30, 2022, for the Northern Piedmont Region, the Department of Environmental Quality Drought Monitor indicates a drought watch for streamflow and normal conditions for precipitation, groundwater, and reservoir levels.

● The Fall Protection upgrades at the Louisa Regional Wastewater Treatment Plant were inspected the same day as the Filter Building Modifications, October 25, 2022. A few minor changes will need to be made. The only item left on the Fall Protection upgrade at LRWWTP is some concrete work. Staff is currently trying to get pricing to complete the work.

●The General Manager attended several training sessions. CPEs have been obtained in asphalt repairs, CDL training, Treatment Plant Safety, and Asbestos Pipe. Service Line Inventory Training and Dam Owners Training classes were also taken.

●A second round of smoke testing has been conducted at the Lake Anna Environmental Wastewater System.

●Spring Creek Well #3 pump and motor were pulled by Royall Pump and Well on Thursday, November 2, 2022. Four holes were found in the side of the pump motor casing. The well pump, motor, and wiring will need to be replaced. The order has been placed and is expected to be received by November 21, 2022.

●A valve on the high service pump at the Northeast Creek Water Treatment Plant will be rebuilt on November 10, 2022. Bulk water will not be sold that day; the plant will be offline 5 – 6 hours.

●The Authority has enrolled in the Public Water System for U.S. EPA's Fifth Unregulated Contaminant Monitoring Rule.

●The current past-due listing is down to \$6,297.05 from the past-due listing provided in the General Manager's Report, which reported the past-due balance of \$9,272.28.

●The business office will be closed on Friday, November 11, 2022, in observance of Veterans Day and from Wednesday at 12:30 pm Wednesday, November 23, 2022, thru Friday, November 25, 2022, in observance of Thanksgiving.

I. Committees

Mr. Foster reported that the Personal / Employee Handbook Committee has not met yet.

J. Short Notice Items

SPRING CREEK WELL #3 – PUMP, MOTOR, AND WIRE REPLACEMENT

The General Manager reported to the Board that Spring Creek Well #3's pump and motor were pulled on November 2, 2022. The General Manager authorized the expenditure to speed up receiving the new pump and motor. The expected arrival date of the pump and motor is November 21, 2022.

After the Board reviewed the proposal and photos of the well pump motor housing, Mr. Filer made a motion to authorize the expenditure to replace Spring Creek #3's well pump, motor and wiring at a cost of \$38,281.86. The motion was seconded by Mr. Smith and carried 4-0 among the members present.

K. Closed Session

18. CLOSED SESSION PURSUANT TO VA. CODE SECTION 2.2-3711(A)(29) TO DISCUSS THE AWARD OF A PUBLIC CONTRACT INVOLVING THE EXPENDITURE OF PUBLIC FUNDS, INCLUDING INTERVIEWS OF BIDDERS OR OFFERORS, AND DISCUSSION OF THE TERMS OR SCOPE OF SUCH CONTRACT, WHERE DISCUSSION IN AN OPEN SESSION WOULD ADVERSELY AFFECT THE BARGAINING POSITION OR NEGOTIATING STRATEGY OF THE PUBLIC BODY.

Mr. Hardy made a motion to close the regular open meeting and immediately reconvene in executive closed session for the purpose of discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body. The motion was seconded by Mr. Filer and carried 4-0 among the members present.

RETURN TO OPEN MEETING:

Mr. Foster closed the closed session and immediately reconvened in regular open meeting.

CERTIFY:

Mr. Foster read the following statement prior to the vote to certify the closed session.

“Pam will now poll members to certify that to the best of your knowledge, only public business matters lawfully exempted from the open meeting requirements under the Virginia Freedom of Information Act, and as identified in the motion for which the closed meeting was convened, were discussed, and considered by the Board. If any member believes that the Board varied from the purpose stated for the closed meeting, please state so and the reason prior to casting the vote.” A roll call vote was requested with the following results:

Mr. Foster	YES
Mr. Smith	YES
Mr. Filer	YES
Mr. Hardy	YES
Mr. Kies	ABSENT
Mr. Morgan	ABSENT
Mr. Willis	ABSENT

The motion was carried 4-0 among the members present.

Next meeting date - The next business meeting is scheduled for December 14, 2022.

L. Adjournment

THERE BEING NO FURTHER BUSINESS, Mr. Smith made a motion to adjourn at 9:01pm. The motion was seconded by Mr. Filer and carried 4-0 among the members present.

BY ORDER OF:

Judson Foster
Chairman
LOUISA COUNTY WATER AUTHORITY