

MEMBERS OF THE BOARD

Sherwood G. Wilson, Chairman
Marc A. Verniel, Vice Chairman
Wayne O. Nelson, Secretary
F. Craig Meadows, Treasurer
William R. Knocke

Caleb M. Taylor, P.E.
Executive Director

Meeting Minutes
NRV Regional Water Authority Board
July 25, 2018

Board / Staff Members Present: Sherwood G Wilson, Wayne O. Nelson, F. Craig Meadows, William R. Knocke, Caleb M. Taylor, Sharon T. Huff

Guests Present: Gary Fern, Whitman, Requardt, & Associates; Doug Hudgins, CHA

Absent: Marc A. Verniel

Location: University Gateway Center - Room 4000

1. The meeting convened at approximately 4:04 p.m.

2. Board Officer Elections:

There was some discussion about the Board positions. Sherwood appointed Wayne and Craig as the nominating committee. Wayne and Craig suggested the following positions:

Sherwood Wilson – Chair
Marc Verniel – Vice-Chair
Wayne Nelson – Secretary
Craig Meadows – Treasurer

Bill made a motion to accept the positions as suggested. Wayne seconded the motion. All were in favor.

3. Secretary's Report:

- a. Board minutes for the Wednesday, June 27, 2018 meeting were reviewed.
- b. A motion to accept the June 2018 meeting minutes was made by Craig and seconded by Bill. All were in favor.

4. Treasurer's Report:

The June financial report was distributed to Board members prior to the meeting. There was some discussion about the financial reports. Bill mentioned that the percent of budget for the Total Expense was incorrect based on his observation of the Year to Date (YTD) Total Expenses compared to the budgeted Total Expenses. It appeared that there was an error in the percentage formula calculation. There was some discussion about the different accounts. Craig indicated the maintenance of instrumentation is considerably higher than budgeted. Caleb indicated that's a reflection of building up the SCADA inventory. Caleb mentioned that the cash reserve will continue to increase with the cash surplus from the end of the fiscal year budget.

A motion to accept the financial report, as presented (with the noted correction that Bill identified), was made by Craig. Wayne seconded the motion. All were in favor.

5. Executive Director's Report

a. Operations Highlights:

None at this time.

b. Meter Reports:

Caleb provided the Board members with the June water consumption reports prior to the Board meeting. Caleb discussed the reports. He indicated that the June consumption is 12.7% higher than compared to the past five year's June consumption.

c. Previous and Current Business

i. Water Treatment Plant Modernization:

Caleb is working on the CMAR contract with the CMAR contractor and legal counsel. The Phase I bids were extended to July 12th in order to receive more competitive bidding. One bid was received for the shop and administrative buildings and was \$1 million over CHA's estimate. CHA is going over the bid with the bidder. Doug suspects the bid for the shop and administrative buildings will be rejected. Two bids were received on the civil site work (i.e., earthwork). The low bid for the civil site work came in close to CHA's estimate. There was some discussion about the pros and cons to going ahead and awarding the civil site work. The Board's recommendation was to move forward with awarding the civil site work and rebid in the buildings in January of 2019.

ii. Joinder Project (Prices Fork):

The transmission main construction is complete. Thomas Lane control valve vault easement is being finalized for construction. The pump station construction continues. Substantial completion for the new pump station is anticipated to be around the first of September. SCADA installation continues at the remote sites. SCADA has been installed and is operational for Blacksburg's tanks.

iii. Joinder Project (Plum Creek):

This project continues to move forward. There are a few more easements that need to be acquired to finalize the transmission main alignment. The design plans will be finalized following easement acquisition and submitted to VDH. Once the transmission main alignment has been finalized, the Authority will be ready to meet with the County and MCPSA regarding potential customers along the transmission main alignment. Caleb is working with Montgomery County Planning Department for pump station site plan submittal.

iv. June 10, 2018 Letter to MCPSA:

Sherwood and Caleb met with MCPSA Chair Todd King and Bob Fronk on July 23, 2018. Minutes from the meeting were issued to the Board members prior to the meeting.

v. NRV Regional Water Quality Study:

The kick off meeting for the study was held on July 24, 2018. Caleb gave all entities an opportunity to speak on their goals/objectives for the study. VDH also attended the meeting and participated in the discussion. VDH indicated in 2019 EPA will be issuing an updated lead and copper rule. Caleb asked if the plant upgrade schedule needed to be adjusted in order to accommodate this lead and copper rule. VDH said to keep moving with the plant upgrade project as planned because VDH indicated it was not definite when the updated lead and copper rule will go into effect. Caleb explained to the Board members how lead and copper is tested in each of the Authority member's distribution systems. Bill mentioned discussing the lead and copper rule change with Marc Edwards. Everyone was in agreement that would be a great idea.

VDH indicated at the meeting that they do not anticipate the two Towns (Blacksburg and Christiansburg) sampling plans changing much, if any, based on this study. VDH indicated that they believe the biggest change will be with the County/MCPSA's water systems. CHA will be evaluating water quality, pressures, and tank levels for multiple extended state modeling runs in an effort to simulate the regional water system. VDH indicated that they will be evaluating the information produced from the study to advise the County/MCPSA on how much they may need to flush to maintain good water quality. Everyone at the meeting was happy to be getting a calibrated model at the Authority's expense since this is a benefit to all the members. Minutes are going to be completed and distributed from the meeting yesterday. Caleb explained the details of how CHA will be meeting with individual Authority members to ensure that they are in agreement with their portion of the model for accuracy and with data placed into the model based on their system sampling data reported to VDH. Sherwood asked Caleb who will be receiving this report, Authority member Department heads or Town Council/Board of Supervisors.

There was some discussion about who should receive the report. As the report continues, it will be decided who should receive copies of the completed report.

At the end of the discussion, Caleb agreed to have CHA present the study and its results to the Authority Board at a scheduled Board meeting. Board members and the MCPSA can invite their constituents (political and departmental) to the meeting to hear the results of the study.

vi. FY 2017-2018 Audit:

Caleb provided a letter from auditor in the Board packet. The auditor is continuing to do preliminary audit work. Field work for the audit will be performed the week of August 13th.

vii. Request for Proposals (RFP) for Authority Banking Services:

Caleb received the County's RFP for Banking Services. He wants to modify it to pertain to the Authority. Once Caleb finishes editing the RFP, he intends to have the bookkeeper Craig and legal review the RFP prior to advertisement. Caleb will also be sharing the edited RFP with the Sanitation Authority to see if they would like to "piggy back" on the RFP with the Authority.

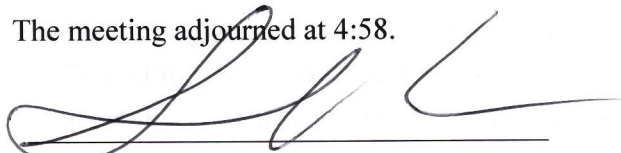
d. New Business

None at this time.

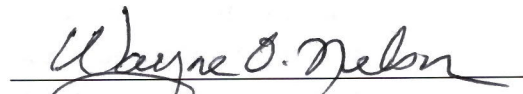
6. Public Comments: None

7. Comments from Board: Craig indicated that Caleb and Craig have discussed via email the change with the Board members monthly stipend and how Board members could receive their stipends in the future. The Board members stipends will have taxes taken out beginning this month. The bookkeeper is taking taxes out of the Board members stipends to reflect taxes taken out going back to the beginning of 2018. Due to the amount of taxes that need to be taken out, Board members stipends will have more taxes withheld in July, August and September. In October, Board member stipends should reflect the correct amount after taxes. At the end of the year, the Board members will receive a W-2 as opposed to a 1099. Along with the changeover, direct deposit can now be offered to the Board members. Everyone was pleased with this idea.

8. The meeting adjourned at 4:58.



Chairman



Secretary