

**RWSA BOARD OF DIRECTORS**  
**Minutes of Regular Meeting**  
**February 23, 2010**

A regular meeting of the Rivanna Water & Sewer Authority (RWSA) Board of Directors was held on Tuesday, February 23, 2010 at 2:15 p.m., in the lower level Board Room of the Albemarle County Service Authority, 168 Spotnap Road, Charlottesville, Virginia.

**Board Members Present:** Mr. Kenneth Boyd, Mr. Gary Fern, Mr. Michael Gaffney - Presiding, Ms. Judith Mueller, Mr. Dave Norris, Mr. Gary O’Connell (in attendance but not participating), and Mr. Robert Tucker.

**Authority Staff Present:** Ms. Tamara Ambler, Mr. Bruce Edmonds, Mr. Charles Kent, Ms. Mary Knowles, Mr. Cary Lang, Ms. Michelle Simpson, Mr. Justin Weiler, Ms. Jennifer Whitaker, Dr. Robert Wichser, and Mr. Lonnie Wood.

**Also Present:** Mr. Tom Fitzgerald - RWSA consultant with Wiley/Wilson, 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. Gaffney on Tuesday, February 23, 2010 at 2:15 p.m., and he noted that a quorum was present.

**2.0 Minutes of Previous Board Meeting**

**Mr. Tucker moved that the Board of Directors vote to approve the minutes of the regular meeting of the Board held on Tuesday, January 26, 2010, seconded by Mr. Fern. The motion was approved by a 5 - 0 vote. Mr. Boyd abstained due to his absence from the January 26, 2010 meeting, and Mr. O’Connell did not participate in the vote.**

**3.0 Executive Director’s Report**

There was no Executive Director’s Report this month.

**4.0 Items from the Public**

Ms. Betty Mooney, who resides at 201 Sunset Avenue, Charlottesville, VA, stated that she would be first commenting about an item on today’s agenda concerning the conceptual design of the South Fork to Ragged Mountain Pipeline. She felt that for the study’s \$25,000 cost it is “pretty much what we expected and probably what you expected. It’s not as detailed as an engineering report. It really doesn’t give you any firm cost estimates.” She next noted that the operating and electricity costs that Gannett Fleming had estimated to be “\$12 million for that pipeline are not included in the “very conceptual cost estimates” that are provided in this study. Ms. Mooney then compared this study to when the “conceptual ITRT dam report was received and the [I] 64 embankment wasn’t included in that ...”

Ms. Mooney next commented that she believed “we have a lot to be happy about in this community when you look at your dredging report ... we have the City Council to thank, and we are extremely grateful that they have gone forward to pay for this so that we can have this information – because I don’t know how many of you were here in 2004, but [at] the September 1 public meeting when all this started, [dredging] was the overwhelming choice of the community.” Ms. Mooney next claimed that during the ensuing process, which she would not “go through” again, the cost of dredging was determined to be “prohibitive.” She hoped that this Board could work cooperatively with the City and that everyone would be “all very business like and data driven and do what’s best for the community and best for the ratepayers and best for the environment and take that information and evaluate it in an honest, straight-forward, and transparent manner for the community.” Ms. Mooney then expressed her appreciation to everyone’s participation in this process because she knew that “you are all really smart individuals ... I’m just very grateful that we’re getting this information now ... take the time to commit and study it.”

As there were no further comments from the public, Mr. Gaffney closed this portion of the meeting.

#### **5.0 Responses to Public Comments**

In Mr. Frederick’s absence from today’s meeting, Mr. Gaffney commented that he felt Mr. Frederick’s report included in the Board packet was “self-explanatory” and asked if any of the Board Members had further questions or comments at this time. Ms. Mueller noted one typo on page 2 of Mr. Frederick’s report under the “Ragged Mountain Dam” item. The fifth line from the bottom of the last paragraph reads, “The next milestone date in the schedule is to decide by August 2013 ...” The correct date is “August 2010.”

#### **6.0 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.

- 6a) Staff Report on Finance
- 6b) Staff Report on Operations
- 6c) Staff Report on On-going Projects
- 6d) Increased Scope for Dredging Feasibility Study - Beneficial Use of Sediment Analysis

In regards to **Item 6c), Staff Report on On-going Projects**, Ms. Mueller stated that both she and Mr. Fern had some questions related to this report, and due to Mr. Frederick’s absence from today’s meeting, she requested that this report be deferred until next month to allow an opportunity to address those questions with Mr. Frederick.

In regards to **Item 6a), Staff Report on Finance**, Mr. Boyd asked if the increased wastewater revenues associated with the wet weather experienced in this area over the past three months had an “adverse effect on the ACSA and the City.” Mr. Wood affirmatively replied and added that he made a presentation at the beginning of the year about how fluctuations in wastewater flows

make it very difficult to predict revenues since there can be as much as a 30% change in flows from one year to the next. Although there are some “predictable costs,” such as debt service, operating costs are affected by wastewater flow, which is why the recommendation was made during his presentation to implement some type of fixed based charge for the rates rather than rate setting being so dependent on flows. Mr. Wood noted that during the last two years the Authority had a “cumulative million dollar deficit” due to the drier weather conditions.

**Mr. Tucker moved that the Board of Directors vote to approve Consent Agenda Items 6a), b), and d) and defer Item 6c) until the March meeting, seconded by Ms. Mueller. The motion was approved by a 6 - 0 vote. Mr. O’Connell did not participate in the vote.**

## **7.0 Other Business**

In regards to **Item 7a), Resolution of Appreciation for Holly Edwards, and Item 7b), Resolution of Appreciation for Gary Fern**, Mr. Gaffney noted prior to reading from the following resolutions that he would be combining sections that pertained to both individuals:

### **Resolution of Appreciation for Holly Edwards**

**WHEREAS**, the Rivanna Water & Sewer Authority Board of Directors wishes to express its sincere appreciation to Holly Edwards for her service on the Board during 2009; and

**WHEREAS**, Ms. Edwards has earned respect for her efforts in providing community outreach, support, and leadership; and

**WHEREAS**, Ms. Edwards consistently demonstrates sincerity, compassion and creativity when working towards resolution of complex issues; and

**WHEREAS**, the Rivanna Water & Sewer Authority Board of Directors is most grateful for the professional and personal contributions Ms. Edwards has provided to the Rivanna Water & Sewer Authority and to the community.

**NOW, THEREFORE, BE IT RESOLVED** that the Rivanna Water & Sewer Authority Board of Directors recognizes, thanks, and commends Ms. Edwards for her distinguished service, efforts, and achievements as a member of the Rivanna Water & Sewer Authority Board of Directors, and presents this Resolution as a token of esteem, with its best wishes in her continuing career.

**BE IT FURTHER RESOLVED** that this Resolution be entered upon the permanent Minutes of the Rivanna Water & Sewer Authority.

### **Resolution of Appreciation for Gary W. Fern**

**WHEREAS**, Mr. Fern has served as a member of the Rivanna Water & Sewer Authority Board of Directors since February 2006; and

**WHEREAS**, Mr. Fern's substantial experience in civil and environmental engineering and his practical business sense have been a valuable resource to the Board of Directors and to the Authority; and

**WHEREAS**, Mr. Fern demonstrated a positive and tenacious ethic in all his work, including projects such as the Red Hill Community Well System, that resulted in true interagency cooperation and the protection of public health;

**WHEREAS**, the Rivanna Water & Sewer Authority Board of Directors is most grateful for the professional and personal contributions Mr. Fern has provided to the Rivanna Water & Sewer Authority and to the community.

**NOW, THEREFORE, BE IT RESOLVED** that the Rivanna Water & Sewer Authority Board of Directors recognizes, thanks, and commends Mr. Fern for his distinguished service, efforts, and achievements as a member of the Rivanna Water & Sewer Authority Board of Directors, and presents this Resolution as a token of esteem, with its best wishes in his continuing career.

**BE IT FURTHER RESOLVED** that this Resolution be entered upon the permanent Minutes of the Rivanna Water & Sewer Authority.

Mr. Gaffney then presented the resolutions to Ms. Edwards and Mr. Fern and thanked them both for their service to the Board.

In regards to **Item 7c), Report - Review of Conceptual Design of South Fork to Ragged Mountain Pipeline**, Mr. Gaffney recognized Mr. Tom Fitzgerald with Wiley/Wilson who would present this report.

Mr. Fitzgerald stated that Wiley/Wilson is located in Lynchburg, Virginia, and his firm was contracted to "validate the approach and design of the concept of the Ragged Mountain Pipeline." He then briefly summarized the contents of their report, which was provided in the Board packet.

Mr. Fitzgerald reported that the analysis began with the South Fork Rivanna Reservoir (SFRR) and "worked their way across to the Ragged Mountain Reservoir both from the intake site up to the pre-treatment facility and then from the pre-treatment facility to an existing pump station over to Ragged Mountain pipeline and then from the Ragged Mountain Reservoir Return Pump Station to both the Observatory Water Treatment Plant and the South Fork Water Treatment Plant." Their report analyzes the concept of each phase of the project, "validating" the concept and the approach that was originally proposed in 2006 and then incorporating potential impacts and challenges during the planning, design, construction, post construction and post operational phases of the project. Wiley/Wilson also summarized the property acquisition process that would be entailed with some of the homeowners based on some of the routing studies that had been done in 2006 and incorporating changes that have occurred in regional transportation plans. The cost estimates have been summarized in the back of the report, both from a "capital

perspective” and a comparison with the 2006 numbers, using an inflationary index to provide a “balanced perspective” on estimated project costs.

Mr. Fitzgerald next stated that Wiley/Wilson found that the 2006 estimated costs by Gannett Fleming were “fairly accurate.” Table 8.0 in the report provides a breakdown of the estimated project costs and the method used to “validate” those numbers. He felt there would be “opportunities to optimize the design of the project.”

In conclusion, Mr. Fitzgerald commented that the report confirms that the 2006 planning concept of the South Fork to Ragged Mountain Reservoir Pipeline is “sound and should carry forward into the design.” Wiley/Wilson also did not see any “big show stopping issues” associated with the project and would encourage the Authority to “pursue this project along the concept that was originally identified.”

Mr. Boyd commented that he understood the “standard methodology” used by Wiley/Wilson to adjust the 2006 estimated project costs to 2009 numbers and inquired if his firm “factored in” the current bidding environment where bids are being submitted 20% to 30% less than engineering estimates. Mr. Fitzgerald replied that given the long range of the project schedule Wiley/Wilson preferred not use “these anomalies” and project them out over a 20 to 30-year “financing window.” He noted that there were other strategies that could be implemented during the execution of the different phases of the project that could potentially save money, which Wiley/Wilson would share if the design moved forward.

Mr. Norris next asked Mr. Fitzgerald to discuss whether his firm analyzed any potential alternate pipeline routes in addition to the route “envisioned” in the conceptual plan, as well as any particular geological or other obstacles in the identified route. Mr. Fitzgerald replied that his firm assessed the 2006 “routing window” across the western side of the City, which is the green highlighted area in Figure 1 of the report. Wiley/Wilson used available topographic and GIS data to evaluate the land topography, which is factored into the size of the pump equipment and the pipeline. Rock profiles were also examined related to the expected “excavation barriers,” as well as geophysical data to determine the type of terrain covering the roads, bridges, pipelines, and transmission lines. This information was used to make some “generic assumptions” that are outlined in the Easement section of the report. GIS drawings from Albemarle County that included property plats in the proposed pipeline route area were used to identify 80 parcels that could potentially be impacted by the Authority’s easement acquisition process under a “worse-case scenario.” Mr. Norris next questioned if Wiley/Wilson found any “red flags in terms of potential major obstacles.” Mr. Fitzgerald stated that his firm did not uncover any major property evaluation issues that could present barriers to the acquisition process. Based on his assessment of the project, Mr. Norris further inquired if Mr. Fitzgerald believed that the original estimates on the operating costs are still valid. Mr. Fitzgerald replied that his firm talked to Dominion Power about the availability of power and any upgrades to the power grid that might be needed to provide power to the sites. Wiley/Wilson also assessed the pump motors consumption rates by comparing the per thousand gallon pumped figure with the same kilowatt hour figure used in 2006. He noted that those numbers could be adjusted as variations in electrical rates occur. Mr. Fitzgerald felt it was interesting that the Authority is currently “pumping water almost up to the 652 elevation figure for the City of Charlottesville consumers

and the proposed 686 elevation figure is not a “huge increase in head that you’re pumping across the system when you look at raw and finished water.”

Mr. Fern then commented that it appeared there was a large increase in easements and inquired if it was due to the number of plats that were found. Mr. Fitzgerald replied that it was due in large part to “cost and variations from the VDOT route,” and allowance for acquisition costs associated with the 80 easements. Mr. Fern next asked about the reason for the \$4.2 million increase for the cost of the pipeline itself between 2006 and 2009. Mr. Fitzgerald stated that after conducting a more detailed engineering assessment of the number of air relief valves in the different segments of the system, it was felt that the number of valves should increase to allow for more flexibility in operating the pipeline.

### **8.0 Other Items from Board/Staff not on the Agenda**

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

### **9.0 Closed Meeting**

**Mr. Fern made the following motion, which was seconded by Mr. Norris.**

**RESOLVED that the Board of Directors of the Rivanna Water and Sewer Authority enter into a closed meeting for consultation with legal counsel with respect to legal advice regarding Buck Mountain tenant leases as permitted by Section 2.2-3711.A.3 and Section 2.2-3711.A.7 of the Code of Virginia.**

**The motion was approved by a 6 - 0 vote, and the Board of Directors of the Rivanna Water & Sewer Authority went into a closed meeting at 2:36 p.m. Mr. O’Connell did not participate in the vote.**

Attendees: Ms. Ambler, Mr. Boyd, Mr. Fern, Mr. Gaffney, Mr. Krueger, Ms. Mueller, Mr. Norris, Mr. Tucker, Mr. Wood, and Dr. Wichser. Mr. O’Connell was absent from the closed meeting.

### **Resumption of Open Meeting**

The Rivanna Water & Sewer Authority Board of Directors meeting was reconvened at 3:26 p.m.

**Mr. Tucker moved that the Rivanna Water & Sewer Authority Board of Directors vote to approve the following resolution, seconded by Mr. Fern:**

**WHEREAS, the Rivanna Water & Sewer Authority has convened a closed meeting 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 that such closed meeting was conducted in conformity with Virginia law;**

**NOW, THEREFORE, BE IT RESOLVED that the Rivanna Water & Sewer Authority hereby 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 executive meeting to which this certification resolution applies, (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.**

**Mr. Gaffney called for a roll call vote: Ms. Mueller - Aye, Mr. Norris - Aye, Mr. Gaffney - Aye, Mr. Boyd - Aye, Mr. Tucker - Aye, and Mr. Fern - Aye. Mr. O'Connell did not participate in the vote.**

#### **10.0 Adjournment**

**There being no further business, Mr. Fern moved that the meeting be adjourned, seconded by Mr. Tucker. All members present voted aye, and the meeting was adjourned at 3:27 p.m.**

Respectfully submitted,

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Mr. Robert W. Tucker, Jr.  
Secretary-Treasurer