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4 **RWSA BOARD OF DIRECTORS**
5 **Minutes of Regular Meeting**
6 **March 27, 2018**
7

8
9 A regular meeting of the Rivanna Water & Sewer Authority (RWSA) Board of Directors was
10 held on Tuesday, March 27, 2018 at 2:15 p.m. in the 2nd floor conference room, Administration
11 Building, 695 Moores Creek Lane, Charlottesville, Virginia.
12

13 **Board Members Present:** Ms. Kathy Galvin (arrived at 2:23 p.m.); Ms. Lauren Hildebrand;
14 Mr. Maurice Jones; Mr. Gary O'Connell; Dr. Liz Palmer and Mr. Jeff Richardson (left at 2:48
15 p.m.).
16

17 **Board Members Absent:** Mr. Mike Gaffney.
18

19 **Staff Present:** Ms. Miranda Baird, Mr. Tim Castillo, Mr. Dom Freeman, Mr. Bill Mawyer, Ms.
20 Katie McIlwee, Ms. Betsy Nemeth, Mr. Scott Schiller, Ms. Michelle Simpson, Ms. Andrea
21 Terry, and Mr. Lonnie Wood.
22

23 **Also Present:** Mr. Kurt Krueger, RWSA counsel.
24

25 **1. CALL TO ORDER**
26

27 Mr. Jones, as Vice Chair, presided in Mr. Gaffney's absence and called to order the Board of
28 Directors of the Rivanna Water and Sewer Authority at 2:15 p.m.
29

30 **2. MINUTES OF PREVIOUS BOARD MEETINGS**

31 *a. Minutes of Regular Board Meeting on February 27, 2018*
32

33 Mr. O'Connell moved to approve the minutes of February 27, 2018. Dr. Palmer seconded the
34 motion, which passed unanimously (5-0). Mr. Gaffney was absent from the meeting and the vote
35 and Ms. Galvin had not yet arrived at the meeting.
36

37 **3. RECOGNITION**
38

39 Mr. Jones noted that there were no recognitions this month and moved onto the Executive
40 Director's report.
41

42 **4. EXECUTIVE DIRECTOR'S REPORT**

43
44 Mr. Mawyer reported that four out of the five reservoirs were full, and Ragged Mountain was the
45 only exception at 91% full. He noted that Rivanna had started filling Ragged Mountain on
46 January 22, 2018 at which time it was about 80% full – so it has taken over two months to gain
47 10%, with another two months needed to fill the reservoir if Sugar Hollow stays full. He
48 referenced the state drought condition map, stating that the February 25th map showed
49 groundwater in a “warning” stage that continues to remain in that stage, but the streamflow has
50 improved from the “watch” to the “normal” level. Mr. Mawyer mentioned that precipitation,
51 reservoir levels, and streamflows were all normal, with the groundwater level still in a “watch”
52 stage.

53
54 Mr. Mawyer reported that Rivanna had met with DEQ on March 25 to discuss the drinking water
55 infrastructure plan for the Crozet area and to review calculations on safe yield, as well as the
56 minimum instream flow requirement that the regulators would have for Beaver Creek Reservoir.
57 He noted that this was part of the 50-year water supply plan for Crozet, and state and federal
58 agencies were receptive to Rivanna’s report. Mr. Mawyer stated that the RWSA had not yet
59 made official joint permit application but would in the next few months. He stated that the
60 primary topic was whether a larger water supply was needed for the Crozet area for the next 50
61 years, but preliminarily there seems to be an adequate supply. Mr. Mawyer noted that Rivanna
62 planned to meet with the Crozet Community Advisory Committee on June 20, 2018.

63
64 Dr. Palmer asked if Rivanna felt they had sufficient water for Crozet for the next 50 years.

65
66 Mr. Mawyer confirmed that they did but was still going through the calculations of safe yield
67 and how much would be required in a stream release. He stated that Rivanna was hoping for a
68 reasonable application of DEQ requirements, balanced with RWSA needs, and that no expansion
69 of water supply in Crozet would be required.

70
71 Dr. Palmer asked if RWSA had not had instream flow requirements below the dam to date.

72
73 Mr. Mawyer confirmed that this was the case, adding that Beaver Creek was a grandfathered
74 facility with no official minimum instream requirement. He noted that Rivanna was still working
75 through the numbers with DEQ and other regulators in terms of how much water was coming in
76 to the reservoir, how much had to be released to the stream, and what safe yield would be
77 available. Mr. Mawyer commented that this water supply assessment fit in with plans for
78 expanding the water treatment plan in Crozet from 1 MGD to 2 MGD, as some peak day
79 demands were challenging the 1 MGD production. He stated that the RWSA was already
80 designing that project.

81
82 Mr. O’Connell asked if the community meeting was set in June.

83
84 Mr. Mawyer responded that it was scheduled for June 20 at 7 p.m. at the Crozet Library.

85
86 Mr. Mawyer reported that Rivanna had met with the UVA Foundation regarding the South
87 Rivanna Reservoir to Ragged Mountain Reservoir pipeline and the likelihood it would cross

88 Birdwood Golf Course, with coordination needed related to the Foundation’s planned
89 construction there and the possibility of getting Rivanna’s pipeline in as part of that golf course
90 project. He stated that UVA plans to start construction in July, so Rivanna is doing everything
91 possible to get the pipeline coordinated with that effort.

92
93 Mr. Mawyer reported that the RWSA has had active community outreach, and Wastewater
94 Department Manager Tim Castillo, Water Department Manager Dave Tungate, and Director of
95 Engineering and Maintenance Jennifer Whitaker have all spoken to classes at UVA, as well as
96 given tours. He stated that Water Resources Manager Andrea Terry and Water Quality Specialist
97 Bethany Houchens had participated in the City of Charlottesville’s “Fix a Leak 5K,” with Ms.
98 Terry and Katie McIlwee also participating in the World Water Day events sponsored by the Ivy
99 Creek Foundation. Mr. Mawyer noted that he was scheduled the following day to speak to the
100 League of Women Voters and the Sierra Club about Rivanna’s water treatment and water supply
101 programs.

102
103 Mr. Mawyer stated that Rivanna has scheduled celebration events for the granular-activated
104 carbon project, with invitations to be extended soon. He stated that there would be an event held
105 on May 8, 2018 at the South Rivanna Water Treatment Plant in conjunction with National
106 Drinking Water Week May 7-11, and there would be a similar ceremony and celebration at the
107 Crozet Water Treatment Plant on May 9, and at the Scottsville Water Treatment Plant on May
108 10. Mr. Mawyer reported that May 14-18 was National Infrastructure Week, and Rivanna plans
109 to celebrate completion of its odor control project with a ceremony and cookout at Riverview
110 Park on May 17 at 12 noon.

111
112 Mr. Mawyer reported that Rivanna was continuing to participate in the Alum litigation with
113 other utilities in Virginia, and Aqualaw PLC in Richmond and Ballard-Spahr from Philadelphia
114 were serving as Rivanna’s counsel on that project.

115
116 Mr. Mawyer noted that Scottsville had begun treating water with the GAC system in February,
117 and Crozet and the North Rivanna plants would begin treating water with the GAC system in
118 March; the South Rivanna and Observatory plants would begin at the end of April.

119
120 **5. ITEMS FROM THE PUBLIC**

121
122 There were no items from the public.

123
124 **6. RESPONSES TO PUBLIC COMMENTS**

125
126 There were no responses to public comments from the previous month.

127
128 **7. CONSENT AGENDA**

- 129 *a. Staff Report on Finance*
130
131 *b. Staff Report on Ongoing Projects*
132
133 *c. Staff Report on Operations*

134 *d. MCAWRRF Second Centrifuge Project – Request for Additional Construction*
135 *Change Order Authorization and Project Budget*
136

137 **Dr. Palmer moved to approve the Consent Agenda as presented. Mr. Richardson seconded**
138 **the motion, which passed unanimously (6-0). Mr. Gaffney was absent from the meeting**
139 **and the vote.**
140

141 **8. OTHER BUSINESS**
142

143 *a. Presentation from Rivanna Conservation Alliance, Executive Director, Robbie Savage*
144

145 Ms. Savage reported that she had come before the RWSA Board in 2017 to talk about the
146 Rivanna Conservation Alliance in terms of what the organization was doing to enhance its water
147 quality monitoring – and they have exceeded all goals and expectations. She stated that the Level
148 3 Bacteria Monitoring Program was achieved and approved by the DEQ, and the Alliance is at
149 the highest levels for both benthic and bacteria programs, as well as being the only nonprofit that
150 has this program. Ms. Savage noted that they may also be the only one who has it within the
151 Chesapeake Bay area, and with programs nationally being reduced, eliminated, or decreased in
152 rigor, it was important at the local level to have the kind of monitoring that enables them to
153 maintain environmental programs over time. She stated that what it means for Level 3 is that all
154 the data collected by staff and volunteers is equivalent to anything the state, USGS, or EPA
155 provide. She stated that those organizations use that data for decision making for things like
156 TMDL, water quality inventory, or development of water quality standards.
157

158 Ms. Savage mentioned that the Alliance received the Virginia Earth Team award in December
159 for its outstanding use of citizen volunteers, and would receive the Southwest Regional NRCS
160 award in April; the American Fisheries Society awarded her with a Virginia “Conservationist of
161 the Year” award in February. She noted that she would be retiring as of December 31, 2018, but
162 she had a wonderful staff that would continue providing an excellent level of service to the
163 community. Ms. Savage stated that their new office would be located on 1150 River Road, and
164 they would be sharing this building with The Nature Conservancy.
165

166 RWSA Board members thanked Ms. Savage for her service to the community.
167

168 *b. Introduction of Proposed FY 2018 – 2019 Budget: Executive Director, Bill Mawyer*
169

170 Mr. Mawyer recognized staff for their work in putting the budget together, stating that he would
171 briefly present it to the Board. He mentioned that in the past year, Rivanna completed the GAC
172 project and had substantially finished the odor control project. Mr. Mawyer stated that they
173 completed their strategic plan, and Lonnie Wood and Betsy Nemeth had finished the
174 classification and compensation study presented to the Board in February. He stated that there
175 had been 14 out of 84 water and sewer positions turn over in the last year, with Ms. Nemeth’s
176 staff recruiting replacements, and there were 3 new positions added that were also filled. Mr.
177 Mawyer noted that Rivanna had improved some staff credentials, particularly water operators
178 who increased their license levels – with the highest being Class 1 – and this would help with
179 licensing requirements at the Observatory and South Rivanna plants.

180
181 Mr. Mawyer reported that Rivanna would be implanting its strategic plan in the coming year and
182 at the April RWSA Board meeting would describe projects and implementation. He stated that
183 Ms. Nemeth and her staff have met with Piedmont Virginia Community College and have
184 developed a leadership development program, with many staff – especially middle managers –
185 taking half-day classes through a PVCC instructor.
186
187 Mr. Mawyer reported that Rivanna would continue with the South Rivanna to Ragged Mountain
188 pipeline right-of-way project; the Avon to Pantops pipeline; South Rivanna and Observatory
189 water treatment plant improvements; Crozet Water Treatment Plant upgrades including a water
190 treatment plant upgrade, construction of a water pump station, a wastewater flow equalization
191 tank near Route 250, and Beaver Creek Dam modifications.
192
193 Mr. Mawyer stated that Rivanna has about \$306 million in assets, including the five reservoirs,
194 five water treatment plants, four wastewater treatment plants, wastewater and water pump
195 stations, and water/wastewater distribution piping. He stated that they also manage Lickinghole
196 Creek Basin as a storm water impoundment. Mr. Mawyer stated that the proposed budget for
197 FY19 is \$33,277,000, with 47% comprised of debt service to pay for construction projects,
198 personnel costs at 25% or \$8.2 million; general services, including utilities, insurance, permits,
199 professional fees at 12%; and operation and maintenance comprising the remaining 16%. He
200 stated that the current proposed budget was \$2.3 million greater than last year, or a 7.3%
201 increase, and that includes an operating expense increase of \$1 million and debt service expense
202 increase of \$1.3 million.
203
204 Mr. Mawyer stated that to fund these increases in expenses, Rivanna is proposing an increase in
205 revenue or charges to the City of approximately \$681,000 – a 5% increase; and a \$1.6 million
206 increase to the Albemarle County Service Authority, representing a 10.4% increase. He stated
207 that the operating budget of \$1 million is comprised of a 3% merit pool for personnel, three
208 additional positions for FY19 – a water plant operator, an instrumentation specialist to assist in
209 monitoring and managing the devices in the water treatment plants and the meters in the system,
210 and a software analyst to help manage SCADA, GIS, document management, and financial
211 management systems. Mr. Mawyer noted that their health insurance consultant states that
212 Rivanna should anticipate a 10% increase in health insurance rates.
213
214 Mr. Mawyer stated that personnel costs align with Rivanna’s strategic plan goal of workforce
215 development, and \$115K is included in the budget to help with strategic plan implementation
216 and provide resources to help achieve stated goals – which could include paying for Raftelis,
217 training with PVCC, necessary software to help enhance both internal and external
218 communications, and safety improvements. He reported that reservoir management reflects a
219 cost increase, primarily for bathymetric studies to remeasure the volume of the Ragged Mountain
220 and South Rivanna reservoirs – supporting the strategic plan goal of environmental stewardship.
221 Mr. Mawyer stated that the urban wastewater system has a cost increase, largely due to the new
222 Rivanna Sewage Pump Station. He stated they have been exceeding their prior budget in the
223 Crozet interceptor system as they convey sewage back and forth, with odor concerns along the
224 way that have been mitigated by vendor chemical costs.
225

226 Mr. Mawyer reported that he has been advocating for a technology master plan, and as Rivanna
227 considers purchasing a new asset management system and has multiple administrative systems,
228 Rivanna needs to have a plan as to how these systems will all work together – ensuring that they
229 are able to be integrated. He commented that they want GIS to serve as asset inventory, with data
230 pertaining to pumps and pipes maintained within the GIS and asset management integrated with
231 GIS so it can pull data out and help with predictive maintenance and replacement through GIS.
232

233 Mr. Mawyer referenced an organizational chart reflecting the three divisions as approved by the
234 Board in 2018 and the three new positions included in the budget. He stated that debt service is
235 the other part the \$2.3 million increase, largely due to upgrades to treatment plants, the Avon to
236 Pantops pipeline, and the Ragged Mountain to Observatory pipe and pump station replacement.
237 He noted that there was a lot of work pending in Crozet and a lot of work for the urban water
238 systems, which were collectively creating the debt service increase. Mr. Mawyer stated that
239 Rivanna talked about the Ragged Mountain/Observatory project in their CIP discussion in
240 February, noting that they replaced the pipes from Ragged Mountain Reservoir to the
241 Observatory Treatment Plant. He explained that the existing pump stations pump the untreated
242 raw water from Ragged Mountain to Observatory, which is about 100 years old, and as they
243 upgrade that plant they want to make sure they can get the water to the plant. Mr. Mawyer
244 referenced a map showing the new water line that would replace the two existing water lines and
245 the new pump station that would serve the dual purpose of pumping water from Ragged
246 Mountain Reservoir to the Observatory Treatment Plant and would pump back to the north to the
247 South Rivanna Treatment Plant – serving as the southern terminus pump station as needed, when
248 the pipeline is constructed.
249

250 Mr. Mawyer noted that Board members had been interested in the cost per gallon that would be
251 translated to retail customers, but Ms. Hildebrand and Mr. O’Connell would need to provide that
252 information.
253

254 Dr. Palmer responded that the ACSA was working on their rate structure and would not be
255 passing all of those costs at once onto customers.
256

257 Mr. O’Connell explained that for an average 4,000-gallon-per-month residential customer, the
258 ACSA would be looking at an 3.31% increase, equating to just over \$2.00 per month per
259 customer. He noted that depending on the season of the year, people used about 3,200 to 3,400
260 gallons per month. Mr. O’Connell clarified that the increase was for both water and sewer,
261 bringing the Rivanna wholesale rate to the retail rate being charged to customers, and this would
262 go before the ACSA Board on April 19.
263

264 Mr. Jones mentioned that the City would be considering water rates in May.
265

266 **Dr. Palmer moved to approve the proposed rate resolution authorizing the RWSA to**
267 **advertise water and sewer rates and set a public hearing for May 22, 2018. Ms. Galvin**
268 **seconded the motion, which passed unanimously (6-0). Mr. Gaffney was absent from the**
269 **meeting and the vote.**
270

271 **9. OTHER ITEMS FROM BOARD/STAFF NOT ON AGENDA**

272
273 Mr. O'Connell asked Mr. Mawyer to address the status of the Observatory lease.
274 Mr. Mawyer explained that Rivanna had evolved from one lease for all University facilities to
275 two leases with a separate lease for the Alderman Road pump station, as well as an easement for
276 waterlines in between. He stated that the discussions with UVA were going positively, with Mr.
277 Krueger drafting documents and Ms. Whitaker preparing the plats for the easements. He stated
278 that after reviewing easements, staff was now ready to meet again with Mr. Krueger to discuss
279 those – then would go back to UVA in April and again in May. He noted that they would involve
280 the City to review the documents as they separate the lease, with the City having agreements on
281 water rates and the RWSA having the lease for facilities. Mr. Mawyer stated that the lease went
282 from being one document to at least three, but in the long run would be a good thing and was a
283 99-year lease, with UVA's details regarding lighting and noise to be integrated in the new
284 documents.

285
286 Mr. Krueger mentioned that the original lease from 1922 was amended multiple times, and there
287 have been add-on easements since then. He stated that Ms. Whitaker had catalogued the entire
288 list of assets and they have been categorizing items into what goes into the plant lease, the other
289 lease, and the easements, etc. Mr. Krueger noted that the survey Rivanna has commissioned
290 would be a visual picture of all the pieces that need to go into various documents.

291
292 Mr. Mawyer commented that they hoped to have it wrapped up by the end of the year.

293
294 Ms. Galvin asked if the strategic plan had been helpful.

295
296 Mr. Mawyer responded that it had, stating that when different topics arise, they look to see how
297 this fits and what guidance the plan can provide. He stated that the six goal teams were actively
298 meeting now and were putting together the more detailed projects, thinking collectively about
299 improvements and how to get there – so the plan was helping communications and networking,
300 as well as results.

301
302 **10. CLOSED MEETING**

303
304 There was no closed meeting held.

305
306 **11. ADJOURNMENT**

307
308 **Ms. Hildebrand moved to adjourn the meeting. Mr. O'Connell seconded the motion, which**
309 **passed 4-0. Mr. Gaffney was absent from the meeting and the vote and Dr. Palmer and**
310 **Mr. Richardson had left the meeting at 2:48 p.m. and were not present for the vote.**

311
312 Respectfully submitted,



Mr. Jeff Richardson
Secretary-Treasurer