



695 MOORES CREEK LANE  
CHARLOTTESVILLE, VA 22902-9016  
TEL: 434.977.2970  
FAX: 434.293.8858  
WWW.RIVANNA.ORG

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**RWSA BOARD OF DIRECTORS**  
**Minutes of Regular Meeting**  
**July 26, 2016**

A regular meeting of the Rivanna Water & Sewer Authority (RWSA) Board of Directors was held on Tuesday, July 26, 2016 at 2:15 p.m. in the 2<sup>nd</sup> floor conference room, Administration Building, 695 Moores Creek Lane, Charlottesville, Virginia.

**Board Members Present:** Mr. Tom Foley, Mr. Mike Gaffney – Chair, presiding, Ms. Kathy Galvin, Ms. Judith Mueller, Mr. Gary O’Connell and Dr. Liz Palmer.

**Board Members Absent:** Mr. Maurice Jones.

**Staff Present:** Mr. Tim Castillo, Ms. Victoria Fort, Dr. Richard Gullick, Ms. Teri Kent, Mr. Doug March, Mr. Philip McKalips, Mr. Scott Schiller, Ms. Michelle Simpson, Ms. Andrea Terry, Ms. Jennifer Whitaker and Mr. Lonnie Wood.

**Also Present:** Mr. Kurt Krueger – RWSA Counsel, 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, July 26, 2016 at 2:15 p.m., and he noted that a quorum was present.

**2.0 Minutes of Previous Board Meeting**

*a) Minutes of the Regular Meeting of the Board on June 28, 2016*

**Mr. Foley moved to approve the minutes with typographical corrections as noted by Ms. Kent. Ms. Galvin seconded the motion, which passed 5-0-1, with Mr. O’Connell abstaining from the vote because he was not in attendance at the June 28, 2016 meeting. Mr. Jones was absent from the meeting and the vote.**

**3.0 Recognition – None This Month**

There were no recognitions this month.

#### **4.0 Executive Director's Report**

Mr. Wood reported that there was some good news on the financing front. He stated that several years ago the RWSA had participated in several clean water funding options through RWSA bond issues that are managed by the Virginia Resources Authority and DEQ. These bond issues financed several wastewater projects, including the Meadowcreek Parkway, Wet Weather Improvements and the Moore's Creek Pump Station projects. He stated that Rivanna now has the opportunity to refinance several of these bonds at lower interest rates. Staff would bring this item forward to the Board in August for approval of the legal documents (as to form) needed to restate the interest rates on these bonds. He stated actual savings will become effective in April or May 2017. Mr. Wood noted that the refinancing would save the Authority approximately \$120,000 per year in debt service and therefore more than \$1.6 million over the remaining life of the bonds.

Mr. Wood reported that there was nothing new to report for the Sugar Hollow Reservoir, and since the last Board meeting the reservoir had recently stopped spilling and the reservoir level was not decreasing nearly as fast as it did in the past. Mr. Wood stated that it appeared the calibration issues with the releases at the dam itself were the main problems and the changes put in place have been effective. He stated that Rivanna has resumed release to the levels stipulated in the DEQ permit, and noted staff is still working on some mechanical and construction-related matters with the meter and meter location on the release currently.

Mr. Gaffney commented that it was nice to know the old calculations in the permit worked.

Mr. O'Connell asked if at this point they were still not transferring to Ragged Mountain.

Mr. Wood confirmed that they were not, and said that the plan was to turn the transfer back on in the fall when Sugar Hollow is consistently spilling and filled again, and that staff expected that this would be the typical cycle for turning the transfer off and on.

Mr. Wood reported that the Board has the opportunity to have a "candidate calibration meeting" on August 15, and interviews with candidates emerging from that process for final interviews would take place between September 19-23.

Mr. Wood noted that with the executive search schedule just mentioned, September was going to be a busy month for several other reasons; one being vacations and another being conferences already scheduled. Staff has been targeting for the possibility of canceling the regular September meeting of the Board for which Mr. Wood would like the Board to consider. Ms. Galvin indicated that we do usually cancel a summer meeting. Mr. Wood noted that both Boards typically meet in August and the RSWA Board asked for an update on composting program. Therefore, a meeting is planned for August.

Mr. Gaffney asked if they needed to vote on the meeting change.

Mr. Krueger stated that they did not have to vote on it, but a public notice would need to be published that the meeting had been canceled.

Mr. Wood stated that if the Board agreed to cancel, the minutes could reflect such agreement and that would be enough. If the candidate selection went well the next month and there was a need for a meeting, the Chair could always call a meeting of the Board.

Mr. Foley asked for clarification that the interviews would be the week before that regular meeting.

Mr. Wood responded they were.

Mr. Foley stated that he would not be here during the week the interviews were scheduled.

Mr. Wood said that the consultant was finding it challenging to schedule those dates, and had been working with Board members individually to set those – but had not been working through staff on the schedule.

Mr. Gaffney stated that he would touch base with the consultant on that to see if accommodations could be made.

Mr. Krueger asked what the calibration meeting on August 15 would involve.

Mr. Wood stated that the consultant would be reviewing the resumes of pre-final candidates with the Board.

Mr. Krueger noted that it would qualify as a closed meeting of the Board and because it is a Board meeting it would need to be advertised.

Mr. Wood said that he has been trying to clarify with the consultant whether the August 15 date is firm and is sounded like it is a firm date.

Mr. Gaffney suggested that as Chair he would go ahead and call for the special meeting upon receipt of that confirmation.

## **5.0 Items from the Public**

There were none presented.

## **6.0 Responses to Public Comments – No Responses This Month**

There were no responses to public comments this month.

## **7.0 Consent Agenda**

- a) *Staff Report on Finance*
- b) *Staff Report on Operations*
- c) *Staff Report on Ongoing Projects*
- d) *Work Authorization – Crozet WTP Expansion Per*
- e) *Work Authorization – MCAWRRF Roof Replacements*

Ms. Mueller commented that there appeared to be a large surplus in the urban wastewater category and asked if that surplus all rolled over.

Mr. Wood responded that each year after the audit he went through a process in September or October that disclosed to the Board any excesses or deficits. An allocation is performed at that time to or from individual rate center fund reserves, and this surplus would likely go into the urban wastewater fund which in effect does roll over for the surplus to that rate center.

**Ms. Mueller moved to approve the Consent Agenda as presented. Mr. Foley seconded the motion, which passed by a 6-0 vote. Mr. Jones was absent from the meeting and the vote.**

## **8.0 Other Business**

### *a) Request for Board to approve revised Glenmore WRRF Service Agreement*

Dr. Gullick reported that this was a request from the Albemarle County Service Authority related to a request from a developer who had the rights to use the wastewater service, as it impacted the restrictions in the original agreement with the owners of Glenmore itself. He explained that to be able to expand and get outside of the boundaries of the Glenmore development, the ACSA would need to change the original agreement because it contained a requirement to reserve capacity for Glenmore to be built out, which has not been done. Dr. Gullick emphasized that there was no detriment or cost to Rivanna, and the plant would continue to operate as usual, with consideration of future needs for expansion.

Mr. O'Connell stated that the ACSA Board had addressed this item the previous week and had approved it, and the ACSA attorney had reviewed it. He explained that the ACSA is trying to put Glenmore in the same position as the rest of the system, so if someone develops in an area designated for development, they would pay a connection fee. Mr. O'Connell noted that the original plant was overbuilt in anticipation of future development, and connection fees would be waived for the few remaining buildable properties. He noted that the ACSA has done the financial analysis and has met with Rivanna several times and has toured the plant to look at future capacity. A detailed engineering study was done two years ago to assess future needs and costs. He stated that the ACSA's assessment is that any increase in the plant's capacity beyond what is there now would be related to new growth, and that would be paid for with connection fees. Mr. O'Connell stated that he was in support of this revised agreement. Mr. O'Connell noted that the ACSA would assume the cost for any future upgrades, but there was a lot of room for additional capacity with the current infrastructure. The plant just got re-permitted effective August 1 – with one small improvement planned to put a sound barrier around one of the blowers but no other capital improvements are foreseen.

Dr. Gullick noted that there was a new raw water pump station needed for redundancy, but that would be going in regardless – and the plant was running at about a quarter of its permitted capacity, not considering wet weather flows.

Mr. O'Connell stated that during wet weather events, there was excess water coming into the system, and the ACSA Board has approved a full sanitary sewer evaluation study (SSES) to identify any problems and there would likely be a collection system rehabilitation as part of that.

Dr. Gullick noted that if the ACSA Board had not approved the study at their meeting last week, it would have been pulled from the RWSA's agenda.

Dr. Palmer asked how long the permit is good for.

Dr. Gullick responded that it was good for five years, and there was no liability to Rivanna.

Mr. Krueger stated that the Glenmore plant only serves ACSA customers, so the cost of any upgrades needed in the future that Rivanna incurred would be passed onto the Service Authority as the retailer.

**Ms. Mueller moved to authorize the Executive Director to execute the proposed revised Glenmore service agreement as presented. Dr. Palmer seconded the motion, which passed by a 6-0 vote. Mr. Jones was absent from the meeting and the vote.**

#### **9.0 Other Items from Board/Staff not on Agenda**

There were none presented.

#### **10.0 Closed Meeting**

There was no closed meeting held.

#### **11.0 Adjournment**

**Mr. Foley moved to adjourn the RWSA Board meeting. Ms. Mueller seconded the motion, which was approved by a vote of 6-0. Mr. Jones was absent from the meeting and the vote.**

There being no further business, the meeting adjourned at 2:31 p.m.