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4 **RWSA BOARD OF DIRECTORS**  
5 **Minutes of Regular Meeting**  
6 **February 27, 2018**  
7  
8

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

13 **Board Members Present:** Mr. Mike Gaffney – Chair, presiding; Ms. Kathy Galvin; Ms. Lauren  
14 Hildebrand; Mr. Maurice Jones; Mr. Gary O’Connell; Dr. Liz Palmer; and Mr. Jeff Richardson.  
15

16 **Board Members Absent:** None.  
17

18 **Staff Present:** Mr. Tim Castillo, Ms. Victoria Fort, Mr. Tom Freeman, Mr. Rich Gullick, Mr.  
19 Austin Marrs, Mr. Bill Mawyer, Ms. Katie McIlwee, Mr. Bill Morris, Ms. Betsy Nemeth, Mr.  
20 Scott Schiller, Ms. Michelle Simpson, Ms. Andrea Terry, Ms. Jennifer Whitaker, and Mr. Lonnie  
21 Wood.  
22

23 **Also Present:** Mr. Kurt Krueger, RWSA counsel and members of the public.  
24

25 **1. CALL TO ORDER**  
26

27 Mr. Gaffney called to order the Board of Directors of the Rivanna Water and Sewer Authority at  
28 2:37 p.m.  
29

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

31 *a. Minutes of Regular Board Meeting on December 19, 2017*  
32

33 Mr. Gaffney asked if there were any changes or comments on those Board minutes. None were  
34 offered.  
35

36 **Mr. Jones moved to approve the minutes as presented. Dr. Palmer seconded the motion,**  
37 **which passed unanimously (7-0).**  
38

39 **3. RECOGNITION**  
40

41 Mr. Gaffney asked Mr. Mawyer if there were any recognitions, and Mr. Mawyer stated that there  
42 were none.

43

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

45

46 Mr. Mawyer opened by stating that he was pleased to report that the water supply at Sugar  
47 Hollow continued to overflow, as well as a total of four reservoirs overflowing with the  
48 exception of Ragged Mountain. He reported that when Sugar Hollow was overflowing or less  
49 than 19 feet down during the winter, RWSA was filling Ragged Mountain. He stated that Ragged  
50 Mountain was currently at 88% full, and 10% would be 150 million gallons, with 3 million  
51 gallons per day net – so two more months would be needed to get Ragged Mountain full.

52

53 Mr. Mawyer stated that he felt the reservoirs were in very good shape, and RWSA had been  
54 filling Ragged Mountain since January 22. He stated the localities to the east were not in quite as  
55 good a shape as RWSA, and the Louisa County Water Authority still had mandatory water  
56 restrictions in effect and had been in effect since October 2017. He stated that they got their  
57 water from a reservoir and groundwater wells, and those levels were still low. Mr. Mawyer  
58 referenced a news report about Capetown, South Africa and the water rationing that they were  
59 having to do for their city of four million people. He stated that they had been enduring a three-  
60 year drought, which was leading to discussions of desalination and other programs to address  
61 that issue.

62

63 Ms. Galvin added that the Capetown situation was a serious situation of inequity because the  
64 very wealthy people were getting access to drilling wells and were able to buy water, and the  
65 lower income population was left with not even a general water supply source. She expressed  
66 gratitude for our local system and stated it was a fundamental function of local government.

67

68 Mr. Gaffney added that four or five years ago, Capetown had been lauded for having such an  
69 exemplary water supply system, which showed how quickly a three-year drought could turn  
70 things around.

71

72 Mr. Mawyer reported that as a result of the water restrictions from the fall RWSA planned meet  
73 with DEQ to review the permit requirements and the release requirements. He stated RWSA was  
74 were trying to get that scheduled for March in Richmond and, in addition to permit and release  
75 requirements, would also include a discussion about the drinking water infrastructure plan for  
76 Crozet and the findings RWSA had so far in draft about whether Beaver Creek Reservoir was  
77 sufficient to meet the growing needs of the Crozet community. Mr. Mawyer stated that he hoped  
78 to have more information on the issue to report to the Board in March or April.

79

80 Mr. Mawyer added one other data point on the weather and directed members to a graph that  
81 showed January 22 data for the middle James River area, in the center of the state. He indicated  
82 that the graph showed precipitation on the top left of the graph and stream flow on the bottom  
83 right both being in the red/emergency category. He stated the new state monitoring report for  
84 February 25 showed precipitation at normal levels, reservoir levels at normal, groundwater levels  
85 still in “warning” stage, and stream flows in the “watch” stage. Mr. Mawyer noted that the recent

86 rains had yielded improvements, but the entire center of the state was in a moderate drought  
87 condition.  
88

89 Mr. Gaffney noted that the groundwater had gotten worse and suggested that it may not have  
90 made its way down yet.  
91

92 Mr. Mawyer stated that the intern program had been successful last summer and Rivanna was  
93 recruiting for three more intern positions for help this upcoming summer. He reported that  
94 RWSA was able to hire Austin Marrs as a permanent employee, and in May he would assume  
95 the position of engineer in the capital projects group. Mr. Mawyer noted that Mr. Marrs would be  
96 following in the footsteps of Bethany Houchens, who was hired several years ago after  
97 completing the internship program.  
98

99 Mr. Marrs thanked the group for the opportunity to serve.  
100

101 Mr. Mawyer discussed community outreach publicity via the *Crozet Gazette* and *C'ville*  
102 publications regarding the water supply plan and infrastructure projects, and noted their  
103 interviews with members of RWSA. He stated that he felt the articles were very well written and  
104 stated that RWSA's water manager, Mr. Tim Castillo, had provided a demonstration with a third-  
105 grade class St. Anne's Belfield School; and the water resources manager had spoken to a class at  
106 Monticello High School about the Ragged Mountain reservoir and the community water supply.  
107 He indicated that Mr. Tungate had done a tour of the Observatory Water Treatment plant for a  
108 class from UVA.  
109

110 Mr. Mawyer reported that Rivanna had given a tour for Nikayah Walker, Mayor of  
111 Charlottesville; and Heather Hill, Vice-Mayor of Charlottesville. He stated the tour was a driving  
112 tour of the Observatory Treatment Plant, Ragged Mountain Reservoir, South Rivanna Reservoir,  
113 and the Rivanna Treatment Plant, as well as Moores Creek. Mr. Mawyer stated he appreciated  
114 the opportunity to discuss the facilities with them and give them a real-life perspective on the  
115 location and magnitude of those facilities.  
116

117 Mr. Mawyer reported that the granular-activated carbon system had gone into operation the  
118 previous Monday in Scottsville. He stated RWSA expected to bring the Crozet plant and the  
119 North Rivanna plant online by March, with the Observatory Treatment Plant and Rivanna to  
120 follow in April or early May. He stated RWSA hoped to have all systems online for the  
121 celebration of National Drinking Water Week, observed May 7 through 11. He added that  
122 RWSA was planning to have three celebrations at Rivanna, Scottsville, and Crozet, respectively,  
123 but probably not on the same day. Mr. Mawyer indicated that the following week was National  
124 Infrastructure Week, observed May 14 through 18, and a celebration was planned for the  
125 completion of the odor control facilities at Moores Creek. He continued that RWSA was trying  
126 to follow the national lead regarding these programs and hoped for it to coincide with RWSA's  
127 project completions.  
128

129 Mr. Gaffney asked for clarification as to where the celebrations would be held.  
130

131 Mr. Mawyer indicated that a final decision had not been made, but Riverview was the likely  
132 choice.

133  
134 Mr. Gaffney suggested a big picnic for the community.

135  
136 Ms. Galvin added that since the odor control project had been in progress for seven years, there  
137 were many residents in Woolen Mills, Belmont, Carlton, and Pantops that were unaware of how  
138 serious of a problem it had been. She suggested that Rivanna do some information outreach to  
139 inform them of what an accomplishment it had been.

140  
141 Mr. Mawyer agreed with that suggestion and added that when Rivanna did the tour with the  
142 Mayor, she did get a close-up view – and smell – of the facility, and explained that it was  
143 considerably better than it used to be.

144  
145 Mr. Mawyer stated that Rivanna would be introducing the water/wastewater CIP at today's  
146 meeting, and stated that in March staff would propose the operating budget for water and sewer,  
147 as well as providing a master staffing plan to cover a six-year period for staffing needs, along  
148 with the operating budget that would include next year's staffing needs as well as the next five-  
149 year period. He added that he was hopeful the board would authorize staff to advertise the  
150 operating budget and stated in April, staff would be back in front of both Rivanna boards  
151 regarding the first-year strategic plan projects and what those priorities would be. He stated he  
152 was looking forward to the Board's input on those priorities, and in April staff hoped to have  
153 DiNatale back to provide information on part two of the reservoir management report regarding  
154 how to take care of the reservoirs.

155  
156 Mr. Mawyer reported that in May, he was hopeful that the CIP and operating budgets would be  
157 adopted for both the RWSA and RSWA.

158  
159 Mr. Gaffney asked if there were any further questions for Mr. Mawyer. There were none.

160  
161 **5. ITEMS FROM THE PUBLIC**

162  
163 Mr. John Martin from Free Union addressed the board and stated that the water supply planning  
164 process had very active and involved citizen participation. He pointed out that the process had  
165 gone on for years and was very difficult for citizens and was very painful for citizens along the  
166 way. He stated that the end result, when the water supply plan was adopted, was that some  
167 people were happy with it and others were not – but the important thing was that citizens  
168 working together yielded an outcome of what was possibly the most thoroughly vetted water  
169 supply plan in the history of the state. Mr. Martin commented that it was a system that worked  
170 and stated that a few months ago, Mr. Mawyer had introduced various alternative schedules for  
171 completion of the Ragged Mountain pipeline as part of the water supply plan. Mr. Martin  
172 requested that as the decision-making process advanced, a written report be published with a  
173 recommendation of the decision with detailed rationale for the decision, so the public could read  
174 it and determine for themselves whether it posed any detriment to the public and public interest.  
175 He stated that given the amount of citizen involvement in the water supply planning process, he  
176 did not think that such a request was unreasonable. Mr. Martin also requested that following the

177 publishing of the report, a public hearing be scheduled and held so all citizens could come in  
178 after reviewing the plan and offer comments. He stated that he also felt that process would be  
179 beneficial to the DEQ and the State Water Control Board.

180  
181 Mr. Gaffney thanked Mr. Martin for his comments.

## 182 183 **6. RESPONSES TO PUBLIC COMMENTS**

184  
185 There were no responses to public comments.

186  
187 Dr. Palmer noted that they should consider Mr. Martin's suggestions at a later date.

## 188 189 **7. CONSENT AGENDA**

190 *a. Staff Report on Finance*

191  
192 *b. Staff Report on Ongoing Projects*

193  
194 *c. Staff Report on Operations*

195  
196 *d. Recommendation for Approval of Purchasing Manual Update*

197  
198 **Dr. Palmer moved to approve the consent agenda. Mr. Jones seconded the motion, which**  
199 **passed unanimously (7-0).**

## 200 201 **8. OTHER BUSINESS**

202  
203 *a. Presentation to the RWSA / RSWA on the Compensation & Classification Study*  
204 *Recommendations: Director of Finance & Administration, Lonnie Wood and*  
205 *Consultant David Bollenback with Evergreen Solutions*

206  
207 Members of the RSWA joined the meeting for this presentation.

208  
209 Mr. Wood reported that the previous summer, staff initiated a compensation study that included  
210 reviewing job titles, classifications and job descriptions which had not been done for about ten  
211 years. He stated it was also initiated to conduct a market survey analysis which was in the  
212 process of going out to the market and getting information on compensation levels,  
213 compensation ranges, and pay grades. Mr. Wood stated that the last time an adjustment had been  
214 done to the pay raise system was in 2015, and the personnel policy required this to be reviewed  
215 every three years. He noted that it was also in line with the strategic plan, and even though the  
216 strategic plan was initiated at the same time, one of the conclusions in the plan that was adopted  
217 by the RSWA and RWSA in late 2017 was to conduct a comprehensive compensation and  
218 staffing study. He stated he expected the staffing study to come when the budget was introduced  
219 next month. Mr. Wood indicated that the consultant that was hired to help with the survey,  
220 Evergreen Solutions, would give a brief presentation on how the study would be conducted.

222 Mr. David Bollenback of Evergreen Solutions stated that he would discuss some of the findings  
223 from the study process and some of the recommendations that were before the boards. He  
224 reported that one of the primary pieces of the process was data collection and stated they had to  
225 gather information from HR and Finance, as well as collect data from employees. He stated they  
226 used a Job Assessment Tool (JAT) process that was sent out to all employees asking them to  
227 complete what was essentially as summary of their position, which allowed Evergreen to make  
228 sure they understood each position and the various functions that they were in charge of, as well  
229 as being able to determine the relative compensation levels of those positions.

230  
231 Mr. Bollenback stated that there were also some outreach and orientation sessions wherein they  
232 interviewed and discussed with employees what they liked or didn't like with issues that they  
233 were experiencing with the scope of the study, and introduced them in the orientation sessions to  
234 their study as well as to the JAT process.

235  
236 Mr. Bollenback reported that Evergreen had also done an analysis of the current conditions,  
237 which assessed the nature of the pay scales as to whether they were close enough to each other in  
238 terms of the various grades, as well as being far enough apart, and other various best practice  
239 pieces that were investigated as they related to those scales. He stated that they also conducted a  
240 market survey, which was a big piece everyone was interested in hearing about, and he would  
241 talk about those results, as well as recommendations.

242  
243 Mr. Bollenback explained that the study was launched in June 2017, followed by orientation  
244 focus groups onsite as well as with employees asked to attend focus groups, in July 2017. He  
245 stated there were 11 focus groups with 55 employees – so just over half of the employees  
246 participated in the focus groups. He also stated that the JAT process ran from July 21 to August  
247 15. He stated that the JAT participation rate was 83.5% out of a total 91+ employees who were  
248 asked to participate, which was considered a very strong completion rate as 70% was the desired  
249 rate.

250  
251 Mr. O'Connell asked if the JAT was like a job description.

252  
253 Mr. Bollenback confirmed that and stated that the JAT was introduced by having employees  
254 literally write their own job description, but it was asked to be done from the employee's  
255 individual perspective – so that if employees share a job title, it would be Evergreen's  
256 expectation that those JATs would look slightly different. He added that in some cases if there  
257 was a classification issue, they would look very different. He noted that those differences and  
258 similarities were what Evergreen was trying to see in the JAT process, and then use that  
259 information to determine the compensation composition.

260  
261 Mr. Bollenback stated that he wanted to present several notes on what employees shared when  
262 they came onsite. He stated that many of them stated that they appreciated the stability that  
263 working for the Authorities provided them. He also noted that there were some mid to upper-  
264 level compensation compression issues (i.e., people's opinions that salaries were too close to one  
265 another based on certain variables such as experience, tenure, performance, etc.). He reported  
266 that whatever metric they were using, employees stated they still felt that salaries were not  
267 differentiated from one another in a manner they felt was appropriate. He stated that Evergreen

268 heard many different reasons for that compression, but stated those were fairly common  
269 complaints and that was one of the things Evergreen was looking to address. Mr. Bollenback  
270 stated that some employees felt their job descriptions were not accurate due to job duties having  
271 evolved over the years, and that Evergreen was asked to review those job descriptions, which  
272 they were still in the process of finalizing.  
273

274 Mr. Bollenback indicated that there was a single salary schedule, which was sometimes  
275 presented separately, with solid waste in one schedule and water and wastewater in another one,  
276 but overall, they were shared dollar figures and nomenclature. He reported that there were 56  
277 unique classifications, so different job titles slot into that plan, with 99 budgeted positions – but  
278 he clarified that their numbers were not 99 because they were dealing with the actual employees  
279 present at the time of the study initiation, so those numbers did not match perfectly all the time  
280 with budgeted positions.  
281

282 Mr. Bollenback reported that the current range structure was very solid. He reported that  
283 generally you would expect to see a range spread of 50 to 70 %, and stated that the range spread  
284 was essentially the percentage increase from the minimum to the maximum of a pay range. He  
285 stated that it represented the lower to upper limit of compensation, and how much compensation  
286 could grow as an employee throughout the time of employment. He reported that the Rivanna  
287 Authorities were sitting right at 66%, which was considered excellent. He also directed the  
288 boards' attention to grade progression, which was the percentage increase from one grade to the  
289 next, and stated it was fairly consistent for the Rivanna Authorities at about 5%, which was  
290 within best practice limits. Mr. Bollenback noted that this was relevant because there was a grade  
291 structure that they then had to slot classifications onto, so having those pay ranges relatively  
292 close to one another allowed them to slot them as close to market as possible. He added that  
293 being 5% apart from one another would allow them to slot them closer to their target value than  
294 if they were 10% apart from one another. He indicated that this was good news, and Evergreen  
295 had sought to build on the strengths that were identified during the Analysis of Current  
296 Conditions (AOCC) process, while also bringing up the ranges and some individual positions to  
297 market.  
298

299 Mr. Bollenback reported on the market survey and stated they had benchmarked 63  
300 classifications, with some speculative ones that were also included for data purposes. He  
301 reported that they went to 26 market peers, including cities, counties, school systems, and other  
302 utilities – casting a wide net to try to get a feel for the labor market that the Rivanna Authorities  
303 compete in. Mr. Bollenback stated that overall 607 market matches were made, which was fairly  
304 strong for a study of this size and was just under 10 responses per position. He stated that the  
305 findings showed that overall, positions were on average 5% below market at minimum, 6.3%  
306 below at midpoint, and about 7.4% at maximum. He reported that this was an average of market  
307 responses using published pay ranges compared to Rivanna's published pay ranges, and these  
308 were not representative of employees' actual salaries but were structural comparisons. Mr.  
309 Bollenback also stated that when they referred to 5% below market on average they meant on  
310 average, and there were several positions that were compensated in terms of the pay range above  
311 the market average and several that were below that 5%.  
312

313 Mr. O'Connell asked if the survey included any local employers besides another utility, such as  
314 contractors or UVA.

315  
316 Mr. Bollenback responded that they had a private sector component but could not compel private  
317 organizations to provide them with that data, so they utilized a service from the Economic  
318 Research Institute that provided localized private sector salaries and ranges based on experience  
319 and time with organization to really mirror that using private sector data. He stated they did not  
320 have a direct response from a specific entity but did have an aggregated response from the  
321 private sector.

322  
323 Mr. Henry asked if this was a consistent peer group as the last evaluation from three years ago.

324  
325 Mr. Bollenback presented the list of comparative entities and stated that there were 26  
326 organizations surveyed.

327  
328 Mr. Wood confirmed that this was very similar to the previous survey and stated that they took  
329 what they could find with the city and county markets, so they were consistent with what the  
330 localities did.

331  
332 Mr. Bollenback addressed the cost of living index and stated that there was a service called  
333 coli.org, an entity that provides regional cost of living indexes, and their metric 100 is the  
334 national average cost of living – whereas anything over 100 is above average and below 100 is  
335 below average. He stated that there was list of county-level cost of living index results and stated  
336 they used that information to essentially inflate or deflate peer responses. Mr. Bollenback used  
337 an example by comparing Rivanna at 106.4 and an organization that was below that, and stated  
338 that the actual dollar figure that came from them would have been inflated slightly by an  
339 equivalent percentage to make sure they were comparing apples to apples as closely as possible.  
340 He referred to the City of Lynchburg, which was just below 100, and stated that to try and  
341 compare that with Rivanna's salaries would lead to some inequities by the nature of the cost of  
342 living in that area. He noted that those were county-level cost of living indexes.

343  
344 Mr. O'Connell asked if Western Virginia on Mr. Bollenback's slide was Roanoke, and whether  
345 their cost of living was higher than Albemarle's.

346  
347 Mr. Wood confirmed this.

348  
349 Mr. Bollenback asked if there were any further questions before moving on.

350  
351 Mr. Henry asked what the asterisk on the slide represented.

352  
353 Mr. Bollenback explained that the asterisked entities represented organizations – the South  
354 Central Wastewater Authority and Appomattox County Water – and the asterisks indicated that  
355 the administration of the water plans was shared.

356  
357 Mr. Bollenback then referred to Evergreen's recommendations. He stated that the first  
358 recommendation was to adopt their revised unified grade structure and the revised class list. He



359 added that the revised class list included some job title changes, as well as a few grade placement  
360 changes.

361  
362 Mr. Bollenback stated that the grade structure being recommended started with Rivanna's  
363 current grade structure and represented a 4% increase from the current structure, but that was not  
364 the sole summary to be taken from the survey. He reported that not only were the grades  
365 themselves adjusted by 4%, but there was a more detailed class list in the report that would detail  
366 where Evergreen recommends each position should be placed. He stated that some of those were  
367 in higher grade placements than they were currently, so even though there was only a 4%  
368 adjustment shown on the scales, for individual positions that adjustment may be greater.

369  
370 Mr. Bollenback stated that the second recommendation was to utilize the JAT and Point Factor  
371 System process to revise or establish pay grades going forward for positions. He stated that  
372 Evergreen has used that structure and methodology to compare each position to determine the  
373 appropriate pay level for the position, and it would be Evergreen's recommendation that Rivanna  
374 continue using that methodology going forward as needed. He added that he had been working  
375 with Ms. Nemeth as to how that would be done, and Evergreen would be available to ensure that  
376 the adoption of that practice was smooth and expressed hope that Rivanna would continue to use  
377 that.

378  
379 Mr. Bollenback stated that the final recommendation would be that Rivanna conduct a  
380 comprehensive compensation and classification study every three to five years – with three being  
381 the most ideal and five being the absolute outside limit. He noted that the reason for that was that  
382 market trends sometimes move very quickly, and it was important to stay aware of what was  
383 happening. He cited an example as being an increase for certain operators where their  
384 compensation went up regionally, but this didn't necessarily affect every other position and it  
385 might not be immediately seen but could have some long-term ramifications if not addressed.  
386 Mr. Bollenback stressed the importance of staying on top of the market every few years, and he  
387 asked for any comments or questions.

388  
389 Dr. Palmer asked that if everything was adjusted 4% up, how the three indicators that were given  
390 as 5% below the market average minimum would be changed.

391  
392 Mr. Bollenback replied that he did not have the exact figures but stated that the figure would be  
393 closer to zero. He stated that as mentioned earlier, he was hesitant to give updated figures  
394 because really they were looking at jobs. He clarified that when they actually slotted those  
395 positions in the pay structure, they looked at it at the individual job level to make sure that the  
396 actual job was closer to market, so he felt they were closer to the zero mark. He reiterated that he  
397 did not have the exact figure at present but could provide it to them.

398  
399 Mr. O'Connell stated that the ultimate goal was for the pay structure to reflect the market  
400 Evergreen surveyed for that particular job where it was slotted.

401  
402 Mr. Bollenback confirmed this and stated that when they looked at an individual job, they would  
403 hope that the job would be even closer to market, if not actually at market.

405 Ms. Galvin inquired as to the impact to the operating budget and expenditures.  
406  
407 Mr. Wood stated it would have no effect as it was for next year. He stated that it would not have  
408 any effect at all, as no one would receive a pay raise explicitly because of the study. He noted  
409 that what the study found was that Rivanna's pay grade for the incumbent employee was actually  
410 a little bit above market and a little bit above the current pay grade system, so shifting the grade  
411 was all that was happening. He stated that people stayed where they were but would receive  
412 better position within the grade that they were currently in now, with more room to grow. He  
413 stated that the only budget impact would be when discussions were held for the budget and the  
414 recommended merit increases. Mr. Wood stated that there were a few positions that were  
415 significantly below the market, and stated those were usually the newer positions. He stated  
416 those would be addressed administratively internally, and he stated that if you pulled those data  
417 points out of the market analysis, those 5 to 6 to 7% above or below market that Mr. Bollenback  
418 mentioned would decrease a little bit. He stated that it was a combination of the 4% increase and  
419 then dealing with some of the larger outliers within the market survey itself.  
420  
421 Mr. O'Connell added that from the employee perspective, it would create more growth and make  
422 them better able to compete in the market place.  
423  
424 Mr. Wood agreed and stated that it would allow for keeping the market as a range in line with  
425 what the outside world was doing, so they could better compete within that market.  
426  
427 Mr. Henry asked Mr. Wood to clarify the second recommendation in regard to utilizing  
428 Evergreen's JAT tool and point factor system to revise and establish pay grades. He also asked if  
429 that looked at the individual job assignment and whether it might involve a reclassification of  
430 that position.  
431  
432 Mr. Wood confirmed that and stated that when there is turnover in a position it creates an  
433 opportunity to look at that position in terms of what it is doing, what you want it to do, and if it  
434 was fitting the skill set for the person in that position. He added that if during the budget process  
435 you are asking for a new position, it helped HR to determine where to slot that within the rest of  
436 the pay grade structure and classification. He noted that it was good for new positions, as well as  
437 to review any open ones they might have an opportunity to fill.  
438  
439 Mr. Henry asked whether it could result in a reclassification.  
440  
441 Mr. Wood confirmed that it could if there was a good enough reason for it. He stated that if all of  
442 their operators were terribly graded, for example, they would do a JAT on all four of the  
443 different positions, and it could be done administratively at any time.  
444  
445 Mr. O'Connell stated that through the study, everybody participated as to where they were put in  
446 the appropriate position – so it should be corrected.  
447  
448 Mr. Wood confirmed that and added that one of the things that would come out of this would  
449 that was that there would be brand new job descriptions, which was based on a lot of the JAT  
450 input that came during the employee meetings. He also wanted to note that the supervisors had a

451 chance to review what the employees stated but did not approve, negate, or override it – but they  
452 did have a chance to comment on what the employee feedback was.

453  
454 Mr. Richardson asked if he had addressed the fact that the grades were moving but people would  
455 stay where they currently were, and asked about an employee who had been with the  
456 organization less than two years who may be near the entry level.

457  
458 Mr. Wood stated that had been considered and no one was “hitting the floor.”

459  
460 Mr. Richardson asked about the compensation compression because there were some  
461 compression concerns. He asked about someone who might be close to the minimum who had  
462 been there a couple of years – because if they moved the grades and not the person, they might  
463 be hiring someone in the future at the same rate as someone who had been there just a year or  
464 two.

465  
466 Mr. Wood stated that those would be addressed administratively if they thought they were way  
467 off base on their tenure and skill set and where they fall in there.

468  
469 Mr. Richardson asked if that would be handled on a case by case basis and that would be looked  
470 at.

471  
472 Mr. Wood confirmed that a lot of times it would be handled that way.

473  
474 Mr. Mawyer stated that they would have a merit discussion next month that would be considered  
475 within the operating budgets, so employees that might just be starting this week would not be  
476 eligible for a merit – but if they started a year ago, they would get a merit with the new scale to  
477 create some space. He added that if they hired someone in August, the new employee would not  
478 be on step one with the existing employee.

479  
480 Mr. Richardson stated that he was not concerned about someone that had been there 10 to 20  
481 years, as there were lots of reasons over a period of decades where people separate out in terms  
482 of pay and such – but when there was an employee hired within the last 24 months, that learning  
483 curve is very steep. He stated that if that person was near or at the minimum and someone else  
484 was brought in, there was a lot of difference between a brand new employee and a two-year  
485 employee in terms of what they have learned. He asked if there would be a mechanism in place  
486 where that could be addressed and still keep what was an appropriate amount of spacing between  
487 someone brand new versus someone who had been there 18 to 24 months.

488  
489 Mr. Mawyer stated that was correct.

490  
491 Mr. Wood stated that the Authorities historically for the past 15 to 18 years had always done pay  
492 increases based upon a merit system, and had never been a 1% cost of living adjustment plus  
493 merit – so the system rewards the high performers. He commented that if an employee was at the  
494 bottom, there was usually a reason that they were at the bottom or have stayed down towards the  
495 bottom, instead of getting shifted up automatically.

496

497 Mr. O'Connell stated that one of the positions that he had heard they were having trouble hiring  
498 were water plant operators, and wondered if this approach would help with that and if that was  
499 still an issue.

500  
501 Mr. Wood responded that he did not feel that they were having a hard time finding people that  
502 were interested in working for Rivanna in a water operator job, but stated they were having a  
503 hard time finding people that had an Operator Class 1 License. Internally, he stated they knew  
504 they needed to grow those employees and to hire employees that were capable of moving up that  
505 chain and taking tests, as this was a test-driven license. He stated that some people just didn't test  
506 well, so Rivanna had to help them with that. Mr. Wood stated that after recently talking to the  
507 water manager, he stated that he was now in a place where he could start moving people that had  
508 been there one or two years into those 1 and 2 operator slots. He added that the way they have  
509 tried to address that is to grow them from inside.

510  
511 Ms. Galvin asked if they had vocation programs at the community college or some place where  
512 people can actually get those credentials.

513  
514 Ms. Nemeth stated that they used a Sacramento State program online.

515  
516 Mr. Wood added that there were also some state programs at Virginia Tech.

517  
518 Mr. Mawyer stated that Mountain Empire College also offers online classes.

519  
520 Mr. Castillo noted that there were some programs offered in person within the state, but they  
521 were very hard to keep going because there usually were not enough students for water/waste  
522 water to keep those kind of training programs.

523  
524 Mr. Wood stated that the recommendation for this meeting was to adopt the proposed pay grade  
525 structure that was noted in the presentation, with a copy with the comparison of the current pay  
526 grade structure in the cover memo. He stated it would be helpful to adopt the cover memo and  
527 second schedule, which was where people would be placed in the new pay grade structure based  
528 on the recommendations as a result of the market study.

529  
530 Dr. Palmer asked if they were going to deal with the other recommendation from Evergreen  
531 regarding the JAT.

532  
533 Mr. Wood responded that he felt that could be dealt with administratively and if they wanted to  
534 use it and found it beneficial they could keep using it – and if not, they would stop using it.

535  
536 Mr. Wood stated that this was helpful for the employees to step out of what they were doing and  
537 assess what they were doing. He noted that several other things in the study that were not  
538 addressed that could be done administratively were a couple of recommendations to shift some  
539 positions from non-exempt to exempt, as well as several title shifts. He stated that some of their  
540 assistant managers were not graded equally, so they have redone some of them to bring them  
541 closer in line with each other as they were all doing the same thing as far as management skills.

542

543 Mr. Gaffney asked how all of this could be tied into the strategic plan and how what was just  
544 done has helped to get to this point.

545  
546 Mr. Mawyer explained that workforce development was key to the strategic plan in making sure  
547 that they have a qualified professional, highly skilled, dedicated, and versatile team. He added  
548 that they needed to maintain competitive pay to do that, so they needed their scales to be  
549 competitive as well as their actual salaries. He reported that Mr. Wood and the study both  
550 indicated their scales were less than competitive so they were recommending increasing it. He  
551 stated that their actual salaries were very competitive with the market and were slightly above  
552 the market. Mr. Mawyer stated that they would still recommend a pay increase in March but  
553 were looking at both things, so this supported workforce development in the strategic plan.

554  
555 Mr. Richardson asked about an exemption status with hourly versus annual wage earners, and  
556 asked if they had made recommendations pointing in both direction and what they were able to  
557 find.

558  
559 Mr. Bollenback responded that they found there were several positions that were listed as non-  
560 exempt that could qualify as exempt status. He clarified that they were not labor attorneys and  
561 that this was just their understanding of what was presented to them by employees, and he stated  
562 it certainly needed to be reviewed. He stated that some positions that went from non-exempt to  
563 exempt and there were positions that went from hourly to annual, not from annual to hourly.

564  
565 Mr. Richardson responded that this was the side that opened up the liability, and asked whether  
566 Evergreen was comfortable in moving a position from hourly to annual wage status, and whether  
567 they were in good shape in that regard.

568  
569 Mr. Mawyer stated that they were and would double check based on those comments. He stated  
570 they had assistant managers, some of whom were non-exempt – meaning they got paid overtime  
571 – while other assistant managers were not. He stated that those particularly were the ones they  
572 looked at from a consistency standpoint. He added that those should be exempt – meaning there  
573 was no requirement to pay them overtime.

574  
575 Mr. O'Connell pointed out that the budget recommendation on pay would be around individual  
576 performance – also called merit – as an evaluation that determined whether there would be a pool  
577 of money.

578  
579 Mr. Mawyer explained that next month they would bring the operating budget to the Board with  
580 a recommendation for a 3% merit pool. He explained that they would take 3% of the salary  
581 dollars that they had and put them in a pool. Mr. Mawyer stated every employee would go  
582 through the merit evaluation program and would get a score between 1 and 4 – with 4 being high  
583 performers and 1 being the minimum performers – and those 3% dollars would get allocated to  
584 employees based on their score. Mr. Mawyer stated that 3% would likely be the average  
585 increase, higher performers would get more than 3%, and lower performers would get less than a  
586 3% increase. He added that this was what the Authorities had done for many years.

587  
588 Mr. O'Connell asked if they needed a motion for approval.

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Dr. Palmer asked if they needed two motions or one.

Mr. Krueger clarified that it would be better to have two motions, one for each Authority, and stated the motions could be paired as one motion for each Authority to recommend both the adoption of the pay salary grade scale for FY18-19, and the proposed job title placements.

**Dr. Palmer moved for the RWSA to adopt the attached proposed pay grade scale for FY18-19 table one, and to approve the proposed job title placements as shown in the attached table two as recommended by the study. Mr. O’Connell seconded the motion, which passed unanimously (7-0).**

**The RSWA Board adopted its own motion and then adjourned its meeting.**

*b. Introduction of the FY 2019 – 2023 Capital Improvement Program: Executive Director, Bill Mawyer and Director of Engineering and Maintenance, Jennifer Whitaker*

Mr. Mawyer stated that he wanted to give some general comments about the CIP for FY19-23, and then Jennifer Whitaker would provide details.

Mr. Mawyer reported that they had a proposed CIP with new projects, and previously approved projects that were all in the CIP. He stated that the amounts totaled \$152.7 million, slightly higher than it was in the last five-year CIP at \$135.9 million. Mr. Mawyer stated that the \$152.7 million actually represented \$97.3 million in expenditures, because the the \$152.7 million included the total project budgets for previously approved projects that would have expenditures in FY19-23. He noted that an example might be GAC, as even though it was substantially finished, Rivanna was not ready to take it off the books because there were a few things they would be doing in July that would have associated costs, so Mr. Wood would keep the entire \$25 million in the CIP. He noted that they were not truly dollars that would be spent in 2019 – 2013, and that most of the funds had already been spent in the past.

Mr. Mawyer stated that \$32.1 million would be added as additional funds for previously approved projects that were in prior CIP’s that now needed adjustments. He stated that some or most were added to the budget and a few were credits, resulting in the total adjustment of \$32.1 million.

Mr. Mawyer reported that thirdly, they were adding \$23.3 million in funds for new projects, and that was the way they totaled the CIP. He noted that in general there was about \$100 million in new expenditures in the five-year CIP, and stated that \$50 million had already been approved and budgeted.

Mr. Mawyer indicated that major objectives in the CIP were to increase the drinking water treatment capacity at Observatory and Crozet treatment plants, to renew their largest water treatment plant at South Rivanna, to improve the water supply redundancy/reliability in accordance with the community water supply plan by continuing to work on the right of way

635 procurement for the pipeline from South Rivanna to Ragged Mountain, and to replace the piping  
636 and pumping that convey raw water from Ragged Mountain to Observatory Treatment Plant. He  
637 also stated that there was a major project at Beaver Creek, which was driven by regulatory  
638 compliance.

639  
640 Mr. Mawyer directed the Board to a graph from the previous month, with the lime green color  
641 indicating current debt service profile that they were paying about \$12 million per year in debt  
642 service on the current 2019-2023 CIP. He stated that to finance the 2019-2023 CIP, they would  
643 have to add on the top dark green bars on the graph, which would increase the debt service to  
644 \$15.7 million for FY 2019. He stated it added about \$96 million in debt to the current debt load  
645 of \$160 million. Mr. Mawyer noted that of the approximately \$100 million they were adding in  
646 new expenditures for the next five years, 93% was debt financed and 7% was cash financed. He  
647 added that the dark green bars at the top of the graph add the \$96 million to the current debt  
648 service payments. Mr. Mawyer stated that their revenues came from the City of Charlottesville  
649 and the Albemarle County Service Authority, and he referenced the rates that were projected for  
650 those two customers, including the operating budget, and the total rate increases projected for the  
651 next 5 years.

652  
653 Ms. Galvin asked if they could be presented also in dollar amounts in terms of what it meant for  
654 the rate payer.

655  
656 Mr. Mawyer stated that Ms. Hildebrand and Mr. O'Connell had to translate the rate increases to  
657 the customers, as their rate changes would be different than those proposed by Rivanna.

658  
659 Ms. Galvin stated that the public looks at the percentages and think "Oh, that's terrible," but then  
660 they find out it really is a small amount.

661  
662 Dr. Palmer stated that it was good for them to know the sense of the wholesale rate too.

663  
664 Mr. Mawyer confirmed that and stated that staff would have that information in their budget for  
665 March, which would show the wholesale rate per thousand gallons.

666  
667 Mr. O'Connell stated that they wouldn't have the ACSA retail rate until April, but he could  
668 assure them that it would not be 10.2%.

669  
670 Mr. Mawyer concluded his remarks and introduced Ms. Whitaker.

671  
672 Ms. Jennifer Whitaker stated that there were several things in the board packets regarding the  
673 CIP, and she would highlight a few projects were the most notable or had seen the most change.  
674 She added that there were a tremendous number of projects and information contained within the  
675 book itself, and she would be happy to answer any detailed questions on any individual projects.  
676 Ms. Whitaker reported that the introduction did go through a discussion of projects that have  
677 been completed in the past year, projects where funding had been added, and also projects where  
678 the funding had changed or they added new projects. She stated they were trying to present the  
679 data in about three or four different ways so that depending on what the priorities were, that  
680 information could be looked up. Ms. Whitaker stated that the body of the document was divided

681 basically along the lines of which system the work was happening in, and stated there were four  
682 or five tables in the back of the book that “sliced and diced” the rates in a variety of different  
683 ways.

684  
685 Ms. Whitaker stated that part of the discussion this year was that there were a lot of new projects  
686 in the CIP, and some of those projects were projects that had been lingering in concept for a long  
687 period of time, and some of them were being brought forward now to really try to improve the  
688 system. She stated that the first project was Ragged Mountain Reservoir to Observatory  
689 Treatment Plant raw water line and pump station, which was fundamental to how the urban water  
690 system operated on the raw water side. She stated that this project was part of the raw water  
691 supply plan, and the intent was to replace the two 18-inch cast iron mains that go from Ragged  
692 Mountain to the Observatory plant. Ms. Whitaker noted that one of those mains was over 110  
693 years old and the other was about 70 years old. She stated this would also allow them to deliver a  
694 reliable, solid, 10 mgd of raw water to Observatory so that when Observatory is upgraded they  
695 can deliver, receive, and treat the water. She stated that part of their concern when they started  
696 talking about upgrading Observatory to 10 mgd was that they could build a plant to treat 10 mgd  
697 and could get 10 mgd into the system, but were not certain on the raw water side whether they  
698 could consistently and reliably get that to the plant. Ms. Whitaker stated that there were  
699 questions about that, which was why over the course of their discussion in the last few months,  
700 that was moved up the priority list. She stated that they wanted to upgrade the raw water pump  
701 stations with a single new raw water pump station that also had the capability of serving as the  
702 south end of the Ragged Mountain Reservoir to South Fork Rivanna Reservoir pipeline pump  
703 station. She stated that when they did the original 2010 Wiley-Wilson report, there was a  
704 discussion about how to optimize the needs to pump east/west with the needs to pump  
705 north/south, and that pump station would be able to serve both of those purposes at a single site.

706  
707 Mr. Gaffney asked for clarification of the capacity.

708  
709 Ms. Whitaker confirmed that it could pump 25 million gallons per day from SRR to RMR, 10  
710 mgd to Observatory and 16 mgd back to the north, so they could return the full capacity of South  
711 Fork back to the South Fork plant to utilize that full capacity.

712  
713 Ms. Whitaker stated that the pipeline would take 25 million gallons per day to the south and 16  
714 back north.

715  
716 Ms. Whitaker referred to several pictures of the current state of infrastructure on the raw water  
717 system. She stated that the Royal Pump Station was built in 1920, and she stated the inside  
718 looked a little better than the outside. She did say that it was the original pump, and some of the  
719 valves and equipment in the building was also original. Ms. Whitaker stated that the Stadium  
720 Road Pump Station was a newer pump station and had replaced an older piece of infrastructure  
721 that was in that location in 1987 and stated it would require some substantial upgrades in order to  
722 operate that system in the future.

723  
724 Ms. Whitaker referenced pictures showing the lower Sugar Hollow raw water main and the  
725 Ragged Mountain raw water main. She stated that the issue was that the main itself was in fairly  
726 decent shape, but that the big issue was that when the pipe was installed, it was installed until it



727 hit rock, so that the pipe was laid on top of the ground in some places. She stated that when they  
728 hit soft soils, they dug three feet deep, and the pipe went in underground fully protected – then  
729 hit rock at a stream crossing and it got laid right across the stream at grade. Ms. Whitaker  
730 commented that when streams and creeks move, the pipe was susceptible to coming apart. She  
731 stated that when there were two mains that operate in parallel and two pump stations that operate  
732 in parallel, they are redundant to each other as long as Observatory is at 2 mgd of production.  
733 She stated that they were now designing Observatory to treat 10 mgd on any given day, reliably  
734 and efficiently – and they then lose the redundancy of being able to afford to have one of those  
735 pipelines go out of service, which happens about once a year. Ms. Whitaker added that under  
736 their current scenario, they could switch production to the other side, make the repair, and switch  
737 back. She noted that in the future they would not have that luxury and it would actually lead to a  
738 reduced production on that side, which was why it was recommended to upgrade that particular  
739 facility.

740

741

742 Ms. Whitaker directed members to view a diagram depicting how Ragged Mountain tied to  
743 Observatory. She stated that the pipeline itself was about three miles of raw water pipeline, and  
744 the full CIP amount would not be available in the budget because the budget was only for five  
745 years. She stated that the project was expected to take longer than those five years and it was  
746 about \$14.5 million for the pipeline work and almost \$5 million for the pump station work.

747

748 Dr. Palmer stated that she was confused about the term “lower” Sugar Hollow water main, and  
749 asked Ms. Whitaker to clarify that term.

750

751 Ms. Whitaker explained that the Sugar Hollow Reservoir was a distance away and came down  
752 through Ivy and traversed at Cherry Hill Farm and then came into the back of Ragged Mountain.  
753 She stated that it used to go around the edge of Ragged Mountain and tie in, and they could take  
754 water directly from Sugar Hollow into the treatment plant without ever going into the reservoir.  
755 She added that when the Ragged Mountain Dam was built, they actually demolished the piece  
756 that connected those two together, so there was now two pipelines at what was all called Sugar  
757 Hollow – but now they tried to differentiate between upper Sugar Hollow, which was above  
758 Ragged Mountain; and lower Sugar Hollow, which was the 18-inch pipe that comes from the  
759 Ragged Mountain to the Observatory Treatment Plant. Ms. Whitaker stated it was to differentiate  
760 between the two 18- inch mains that were along Reservoir Road.

761

762 Mr. O’Connell asked if the new project would be one single line from the Ragged Mountain  
763 Reservoir to a new pump station location.

764

765 Ms. Whitaker affirmed that and stated one single line would be there, and stated there were a few  
766 locations they were investigating – with the most likely candidate being near the marshaling site  
767 when they built the Ragged Mountain Dam.

768

769 Dr. Palmer asked if there would be two pump stations.

770

771 Ms. Whitaker stated that on that pipeline, they would be replacing the two existing pump stations  
772 with a single pump station.

773  
774 Mr. Mawyer added that there would be two sets of pumps in the new pump station.  
775  
776 Ms. Whitaker pointed out the Stadium Road and Royal pump stations and stated they were on  
777 two separate pipelines, and stated the new one would basically replace those two with a single  
778 pipeline and a single pump station in that general vicinity.  
779  
780 Mr. O'Connell asked for confirmation that the backup would be inside the pump station with  
781 multiple pumps.  
782  
783 Ms. Whitaker confirmed that and stated they would be full service, with a quiet pack generator,  
784 and constructed to all modern standards, with much improved electrical systems compared to the  
785 1920's Royal Pump Station.  
786  
787 Dr. Palmer asked again to clarify that there were two select projects listed – Ragged Mountain  
788 Reservoir/Observatory Treatment Plant, with the second one being the one that would operate as  
789 the north/south and east/west.  
790  
791 Ms. Whitaker clarified that one pump station would be able to serve both directions, and another  
792 pump station would be up at South Fork at some future point.  
793  
794 Ms. Galvin asked if this represented existing conditions.  
795  
796 Ms. Whitaker stated that the map was for existing conditions, and they would be replacing those  
797 existing conditions.  
798  
799 Dr. Palmer asked her to point out where the select new projects were going to go on the existing  
800 conditions map.  
801  
802 Ms. Whitaker explained that the pipeline itself would go from Ragged Mountain Reservoir along  
803 the alignment to the Observatory Treatment Plant and would be a single pipeline. She clarified  
804 that they had two 18-inch pipelines there currently, and they would likely have a single 36-inch  
805 pipeline that would run the entire length. Ms. Whitaker stated that it would not be visible and  
806 would be completely subterranean. She stated they were also looking at a pump station site  
807 somewhere in the vicinity of the old marshaling site for the Ragged Mountain Dam construction,  
808 which was near Foxhaven Farm at the turn onto Reservoir Road from Fontaine Avenue.  
809  
810 Mr. O'Connell asked if the new long term pipeline from South Fork would come into that pump  
811 station and pump into Ragged Mountain.  
812  
813 Ms. Whitaker stated that was correct and stated to think of it as a "T", stating that what they were  
814 talking about was where the two arms meet, that would be where the pump station would go. She  
815 stated the pipeline would be built east/west, and in the future when they brought the north/south  
816 pipeline in, it would tie in right at that pump station site – and with some valving and plumbing,  
817 they would be able to use that pump station site to serve all of the purposes that would be needed

818 on the south end of the project. She added that it would save quite a bit of money to optimize  
819 how that pump station operated.

820  
821 Ms. Whitaker reported that the next series of projects were the South Rivanna River Crossing  
822 and the North Rivanna Transmission Main. She stated that currently, they had a single 12-inch  
823 crossing of the South Rivanna River that served everything north of the river. She stated with the  
824 VDOT's new Route 29 widening and Rio Road and Berkmar projects, Rivanna put a new 24-  
825 inch main up the side of Route 29 in the multi-use path that went all the way up to Kohl's. She  
826 reported that this was basically completing the loop of that project by bringing in a 24-inch line  
827 across the river and interconnecting the north and south pressure zones. Ms. Whitaker stated that  
828 it would allow them to build off of that to create a future Airport Road zone. She stated they  
829 currently had pressures in that north area that were almost 200 pounds per square inch of  
830 operating pressure, which was a very high operating pressure. Ms. Whitaker stated they would be  
831 able to reduce those operating pressures, which also reduces electrical cost as well as improving  
832 general maintenance systems.

833  
834 Ms. Whitaker explained that there were three key components. She stated that on the south end it  
835 would give them a new 24-inch river crossing. She referred to the overall map and pointed to the  
836 close-up depictions of each section. She stated that the pipeline from the South Fork water  
837 treatment plant tied into a connection at Polo Grounds and Rio Mill, when the new pipeline was  
838 built they built out across the road with a new 24" pipe and they would come in and tie into that  
839 pipe. Ms. Whitaker stated that the second component was the existing 24-inch main that was just  
840 built. She explained that the northern portion of that project was to connect behind Kohl's and  
841 stated there was a little piece of pipe that was built with the Berkmar project. She stated it then  
842 would continue down Meeting Street and they would build a pump station near the cell tower  
843 site, then tie the pipeline in to Airport Road. She stated that basically this allowed them to  
844 connect the north and south zones and stated they would like to make the Kohl's temporary  
845 pump a permanent connection, so that with a flip of a switch they could deal with north/south  
846 conductivity issues. Ms. Whitaker commented that eventually the northern part of Albemarle  
847 County would grow to a point where they could not supply it with the North Fork treatment  
848 plant, so this would allow for continued growth along Route 29 as well.

849  
850 Mr. O'Connell asked if the northern point where the pump station was located would be where  
851 the tank would go.

852  
853 Ms. Whitaker stated that was correct and the first step would be to get that all tied in and the  
854 pump station operational. She pointed to a picture of the Route 29 pump station site and pointed  
855 to the cell tower site and the end of Meeting Street, which provided a redundant feed to the North  
856 Rivanna zone and all of Route 29 North. Ms. Whitaker stated that it provided for future growth  
857 in the Places 29 Master Plan area, which was one of the key components that the County was  
858 looking for, and it also created the Airport Road pressure zone in the future, which allowed them  
859 to deal with the extremely high operating pressures and drop those down. She added that there  
860 was a site plan to show what that site would look like – with Meeting Street coming in from the  
861 left, Airport Road being east/west, and eventually be two tanks on that site and a pump station to  
862 be built.

863

864 Ms. Whitaker reported that the next project was a review and revamp of the administrative space  
865 for the RWSA. She stated that the engineering building was across the parking lot and was  
866 modular trailers, quickly approaching 15 years old and never really intended to be permanent  
867 space. She noted that the space was somewhat limited as they expanded capabilities within the  
868 Authority and was not good utilization of the space. Ms. Whitaker stated that currently, IT and  
869 laboratory space did not meet modern operating standards, and there was a need to upgrade those  
870 spaces. She stated they would like to improve their public meeting space and their ability to have  
871 educational and environmental outreach with a classroom-type environment where they can  
872 bring people to the facility and showcase some of the great work being done. Ms. Whitaker  
873 added that they wanted to have their space needs meet the requirements of the plant expansion,  
874 so as they looked to expand the plant at some future date, they can ensure that what they built  
875 and what they had for administrative space didn't hamstring the plant from being able to expand.  
876

877 Ms. Whitaker addressed mechanical thickeners, which she described as sludge thickening, and  
878 stated that there had been tremendous improvements made over the last 10 years that included  
879 how they treated nutrients and how they dealt with wet weather, but stated they still had some  
880 issues where they were trying to deal with their solids handling at the plant. She noted that there  
881 were several projects in the CIP that were geared toward enhancing that. Ms. Whitaker stated  
882 one of the projects they looked at with odor control was taking in-plant clarifiers out of service,  
883 and they did a tremendous amount of work around the rest of the plant and decided to take the  
884 in-plants out of service. She noted that most of the time they were able to do that; however, they  
885 have found that there were times where they just couldn't, so the in-plants had to go back in  
886 service, which was the odor noticed as you turned the corner coming into the plant. She stated it  
887 didn't generally travel really far off the plant site but it was a pretty noxious smell. Ms. Whitaker  
888 noted that other piece of that puzzle was that it hamstrung the operators, and their plan and need  
889 was to either revamp those in-plant clarifiers or come up with another way to deal with the solids  
890 thickening. She added that this project allowed them to do mechanical thickening so they could  
891 process the solids more efficiently as they put them through the centrifuge. She noted that it was  
892 a step they were hoping not to take because it was a cost avoidance measure, but at this point  
893 there was still a lot of question marks as to whether or not it was sustainable in the long run  
894 without it.  
895

896 Ms. Whitaker addressed the next project of security enhancements at \$2.5 million dollars in the  
897 CIP this year, and some of those recommendations came out of their vulnerability assessment  
898 done did in conjunction with the City and the Service Authority. She stated it allowed them to  
899 have access control across all of their facilities, which they felt was absolutely necessary. Ms.  
900 Whitaker noted that some of it was as simple as fences, barbed wire, lock sets and exterior doors  
901 versus interior doors, but stated that it also included cameras, lighting and surveillance. She  
902 added that the big dollar amount was access control for every facility – every hatch, door, and  
903 window – to make sure they knew who was going in and out.  
904

905 Ms. Whitaker stated that the previously approved projects that had a fairly substantial increase in  
906 dollar value were the upgrades to the Observatory Water Treatment Plant, with \$8-10 million  
907 designated the previous year and a current cost of \$18.6 million, with the idea that they would go  
908 to 10 mgd production capacity and would make the improvements necessary to do that. She  
909 noted that when they went from 7 to 10 mgd, it was likely that they would need a finished water

910 pump station – so that was a big part of this. She added that currently the system was beautifully  
911 designed, but it all flowed by gravity down into town, and when they would attempt to push  
912 more water into the system from town, they needed to include a pump station.

913  
914 Ms. Whitaker stated that regarding the Avon to Pantops water main, the budget had always been  
915 \$13 million but slid another year on to the plan, so therefore the funding started to show up more  
916 significantly.

917  
918 Ms. Whitaker addressed the South Rivanna Water Treatment Plan improvements and stated  
919 those have increased a little bit as they continued to assess issues at the facility, so that had  
920 increased costs a little bit.

921  
922 Mr. O’Connell asked for clarifications as to what kinds of things would be done.

923  
924 Ms. Whitaker confirmed that there was no capacity upgrade planned and stated that the South  
925 Rivanna Treatment Plant had initially started by identifying five or six areas that needed non-  
926 capacity related improvement. She noted that they had minimal alum storage and would like to  
927 have two to three times that amount. She referred to underground facilities and stated that when  
928 they had pipe breaks, it flooded and shorted the whole facility out. She noted that they had four  
929 or five of these projects and their initial approach was to get those projects done. Ms. Whitaker  
930 stated that as they looked at the facility, they questioned where there were electrical  
931 shortcomings with the facility, and as they started to add another piece of electrical gear on top  
932 of another piece of electrical gear, storage and air conditioning for the equipment became an  
933 issue.

934  
935 Mr. O’Connell suggested that it was more of a wholistic approach to addressing the problems.

936  
937 Ms. Whitaker agreed.

938  
939 Mr. Mawyer stated that they didn’t want to spend \$5 million for a facility that still didn’t really  
940 optimize what they were trying to do, so staff was encouraged to identify the things they needed  
941 to do for it to work effectively.

942  
943 Dr. Palmer asked Ms. Whitaker where the Observatory Hill Treatment Plant pump was going to  
944 be located.

945  
946 Ms. Whitaker stated that it would be placed in the treatment plant project.

947  
948 Ms. Whitaker addressed the Beaver Creek Dam alteration and stated that more of the funding  
949 had come onto the CIP. She stated additionally they have included a new raw water pump station  
950 and a hypolimnetic aeration, and those things would be discussed as the DWIP progresses and as  
951 the DiNatale study came before the RWSA Board in April. She stated they would also be  
952 discussing reservoir health and water quality, so they included some capital funding in the  
953 Beaver Creek Dam project to address some of those concerns.

954  
955 Dr. Palmer asked for clarification on what the DWIP was.

956  
957 Ms. Whitaker stated it was the Drinking Water Infrastructure Plan for Crozet, so it was the water  
958 supply plan for Crozet.  
959  
960 Mr. O'Connell asked how much was being spent on the pump station there.  
961  
962 Ms. Whitaker stated that they had budgeted \$2.5 million for the finished water project.  
963  
964 Mr. Krueger asked if the Avon to Pantops Water Main project was basically a completion of the  
965 Southern Loop.  
966  
967 Ms. Whitaker stated that was correct, and it was the same concept but a different route.  
968  
969 Ms. Whitaker stated that the last item to be addressed was the Crozet Water Treatment Plant  
970 expansion. She stated they had placed some study money in the previous budget and now the  
971 actual water treatment plant expansion was now on the budget. She added that she also had a lot  
972 of tables and stated Mr. Wood was prepared to speak to them if there were questions about some  
973 of the budgeting, rates, etc.  
974  
975 Mr. Mawyer stated that in January they had discussed the Community Water Supply Plan but did  
976 not have any of the piping project for South Rivanna Reservoir to Ragged Mountain Reservoir in  
977 the five-year CIP. He stated those dollars were in a placeholder for 2027 to 2035 in the long-  
978 range financial model. He stated that this represented what they thought was needed to keep the  
979 facilities going, expand capacity, and provide reliability.  
980  
981 Mr. Gaffney asked if the pipeline had easements included.  
982  
983 Mr. Mawyer responded that it was in the five-year 2019 – 2023 CIP.  
984  
985 Mr. O'Connell stated if the pump station was also included.  
986  
987 Mr. Mawyer confirmed that it was, along with the water line replacement.  
988  
989 Mr. Gaffney asked how this tied into the strategic plan.  
990  
991 Mr. Mawyer responded that this was about infrastructure planning, as well as building reliability  
992 into their system and maintaining it. He stated that a preview of the CIP budget had been  
993 completed with Mr. O'Connell and Ms. Hildebrand a week or two earlier, and they went through  
994 all the projects as a draft board committee.  
995  
996 Mr. O'Connell stated that he felt this was really thoughtful as it was a lot of money, and stated it  
997 also went back to 2006, with the original water supply plan having a lot of these projects in it. He  
998 commented that for whatever reasons, they were not coming to the surface until now.  
999  
1000 Mr. Gaffney noted that they had to do the wastewater projects first.  
1001

1002 Mr. O'Connell agreed, adding that this put all of the pieces together and in place.

1003

1004 Ms. Galvin asked what the total asset value would be when this was done.

1005

1006 Mr. Mawyer stated that the assets were at \$300 million currently.

1007

1008 **9. OTHER ITEMS FROM BOARD/STAFF NOT ON AGENDA**

1009

1010 Mr. O'Connell stated that because of the way their meetings fell, he was able to brief the  
1011 Albemarle County Service Authority Board at their January meeting based on the conversation  
1012 and discussion that the Rivanna Board had, particularly around the timeline for the RMR-SFRR  
1013 pipeline, but also the overall water supply plan and all the different projects that were part of  
1014 that. He stated that at their February meeting a week earlier, their board had reached a conclusion  
1015 that they wanted him to share the information with the RSWA Board. He stated it was in the  
1016 form of a motion that was basically trying to look at the projects that they had been talking  
1017 about, plus looking at the pipeline. Mr. O'Connell stated that with regard to the timing for the  
1018 pipeline, they were concurring with the recommendation to focus on Schedule B – which would  
1019 be the time frame of 2027 to 2035. Mr. O'Connell stated they saw that as the most favorable  
1020 option and were suggesting removing option A, which the RWSA Board has actually done, and  
1021 also option D. He stated that they also felt that the 12-foot fill level increase at the Ragged  
1022 Mountain Reservoir should be in place upon completion of the pipeline. He stated they were  
1023 trying to tie together all the different projects, and he was trying to get a better understanding  
1024 from the ACSA Board's perspective as to what position they would want him to represent on the  
1025 RWSA Board. Mr. O'Connell stated that the ACSA Board had asked ACSA staff to look at  
1026 Schedule B. He noted that ACSA was doing a rate study currently that was a 10-year review of  
1027 rates and capital projects, and ACSA was also working with Mr. Wood, the Rivanna staff, their  
1028 staff, and the consultant who was also doing the City's and Rivanna's rate studies, to look at the  
1029 impacts of the pipeline and how they could begin to plan today for that expense.

1030

1031 Dr. Palmer asked if they were planning to program their surplus into their rates.

1032

1033 Mr. O'Connell responded that they were looking at a way to fund the debt service for some of  
1034 the Rivanna projects, including the pipeline, and they had it as just a model right now but felt it  
1035 was their hope that they had a 10 or 12-year plan that didn't have big rate spikes in it and  
1036 allowed all those projects to get done in a timely fashion.

1037

1038 Mr. Gaffney stated that they had passed the water supply plan in 2010, and that stated they  
1039 would complete the Community Water Supply Plan in 25 years, based on 2010 to 2035. He  
1040 commented that he felt that 25 years was probably long enough to get that implemented.

1041

1042 Dr. Palmer agreed and stated she was very appreciative of Mr. O'Connell getting the ACSA  
1043 Board together on this and giving them the letter for some direction.

1044

1045 Mr. O'Connell stated that the decision to do that was not unanimous.

1046

1047 Dr. Palmer stated it was close and they would have to see if the other person would come on  
1048 board after they could see the rate study and programming. She stated that she remembered when  
1049 she first got on the ACSA Board in 2006, she questioned the big surplus from the connection  
1050 charges and was told by the chairman at that time that she didn't understand and they needed to  
1051 be putting money aside and that was what the connection charges were for, and that they had big  
1052 projects coming forward. She stated she didn't think that it would be that long before they started  
1053 looking at that, and she was glad to hear that they were now at that point. Dr. Palmer suggested  
1054 that they give Mr. Mawyer direction on this at their March meeting for future planning purposes  
1055 from this board.

1056  
1057 Ms. Galvin stated that City Council still needed to discuss it.

1058  
1059 Mr. O'Connell responded that he recognized that, emphasizing that he was a single voice to  
1060 some extent.

1061  
1062 Dr. Palmer stated that the Board of Supervisors had been having some one-on-one discussions,  
1063 and Mr. Richardson had been discussing it with Board members, so this would provide some  
1064 time to make sure they were all on the same page.

1065  
1066 Mr. O'Connell commented that an issue for all of them was the rate planning piece of it, which  
1067 would be going to City Council fairly soon.

1068  
1069 Ms. Galvin clarified that it would come to them in May.

1070  
1071 Dr. Palmer suggested taking options A and D off the table and narrowing it to the other options,  
1072 adding that this would provide guidance as to when they are getting easements for the pipeline,  
1073 as this was important to the public affected by it.

1074  
1075 Mr. Richardson recognized the staff for their hard work on all of the agenda items.

1076  
1077 **10. CLOSED MEETING**

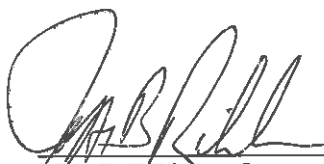
1078  
1079 There was no closed meeting.

1080  
1081 **11. ADJOURNMENT**

1082  
1083 **At 4:05 p.m., Mr. Jones moved to adjourn the meeting. Dr. Palmer seconded the motion,**  
1084 **which passed unanimously (7-0).**

1085  
1086  
1087 Respectfully submitted,

1088  
1089  
1090  
1091  
1092

  
\_\_\_\_\_  
Mr. Jeff Richardson  
Secretary-Treasurer