RWSA BOARD OF DIRECTORS
Minutes of Regular Meeting
September 24, 2019

A regular meeting of the Rivanna Water and Sewer Authority (RWSA) Board of Directors was held on Tuesday, September 24, 2019 at 2:58 p.m. in the 2nd floor conference room, Administration Building, 695 Moores Creek Lane, Charlottesville, Virginia.

Board Members Present: Dr. Tarron Richardson, Kathy Galvin, Mike Gaffney, Dr. Liz Palmer, Jeff Richardson, Lauren Hildebrand.

Board Members Absent: Mr. Gary O’Connell.

Rivanna Staff Present: David Rhoades, Phil McKalips, Michelle Simpson, Austin Marrs, Andrea Terry, Victoria Fort, Jennifer Whitaker, Scott Schiller, Liz Coleman, Dr. Bill Morris, Dyon Vega, Katie McIwwee, Bill Mawyer.

Attorney(s) Present: Kurt Krueger, RWSA counsel

Also Present: Members of the public and media representatives.

1. CALL TO ORDER
Mr. Gaffney called the meeting to order at 2:58 p.m.

2. MINUTES OF PREVIOUS BOARD MEETINGS
a. Minutes of Regular Board Meeting on August 27, 2019
Mr. Gaffney invited members to comment or to offer changes.

Dr. Palmer moved that the Board approve the minutes of the August 27 meeting. The motion was seconded by Ms. Hildebrand and passed unanimously (6-0). Mr. O’Connell was absent from the meeting and the vote.

3. RECOGNITION
There were no recognitions.

4. EXECUTIVE DIRECTOR’S REPORT
Mr. Mawyer presented to the Board. He stated they continue to focus on the strategic plan goal of Communication and Collaboration and will have community outreach tomorrow with the United Way’s Day of Caring, for which they will help to clean up Camp Holiday Trails. He stated he met with the Blue Ridge Homebuilders Association the previous day and discussed both solid waste and the long-range community water supply plan. He stated he attended the Virginia Association of Municipal Wastewater Agencies quarterly meeting during which they discussed the monitoring of the State’s nutrient reduction requirements that are being drafted into
Phase 3 of the State’s water improvement plan, which includes the cleanup of the Chesapeake Bay. He indicated that wastewater treatment plants will be expected to do more to reduce nutrients.

Mr. Mawyer informed the Board that staff is working on many programs to address the strategic plan goal of Infrastructure and Master Planning, which includes master plans, easements, water lines, and leases for the Observatory Water Treatment Plant. He stated an informational pre-bid meeting will be held Thursday to generate interest in the upcoming Observatory and South Rivanna WTP construction project. He stated they continue to work diligently on the wholesale water meter project, for which they will install a meter today, next week they will correct a test port, and they expect to have all five main meters calibrated in the coming weeks and to start using the system next month. He stated they will report on the usage by the County and City one month after the system has been in effect.

Mr. Mawyer stated that the Consent Agenda includes a request to reallocate and optimize staff resources, a draft of general administrative procedures to provide structure and consistency to some processes, the awarding of a nonprofessional services contract to address the removal of large trees that may be floating against the dam and to provide investigative services, to authorize professional engineering services to begin work on the Route 29 water pump station design at Meeting Street and Airport Roads, and approval of the Observatory Water Treatment Plant Raw Water Pumping and Piping Upgrade Cost and Capacity Allocation Agreement. He stated that Mr. Tungate will address the Board about bio-solid waste disposal alternatives and Mr. Krueger has worked with attorneys from the County, Service Authority, and City, who are all on board to terminate the Buck Mountain Surcharge.

Mr. Mawyer emphasized that staff has been very busy and acknowledged the work of Jennifer Whitaker, Lonnie Wood, Scott Schiller, Victoria Fort, Michelle Simpson, Andrea Terry, Liz Coleman, and Dyon Vega. He observed that the weather has been dry, though they are not in a drought, and the South Rivanna Dam continues to overflow at a trickle, which they are watching. He pointed out that the northwest portion of the State has been abnormally dry while the middle James area has seen normal stream flow and reservoir water levels, as of September 22, while some other areas of Virginia are starting to experience below normal levels. He explained that, should the water level at South Rivanna drop one foot below the dam, they would increase production to the Observatory treatment plant. He stated they are currently making about 10M/gallons per day at South Rivanna and 2M/gallons per day at Observatory. They want to use all the water at South Rivanna that they can since it has been overflowing, and should the water level at South Rivanna drop they would increase production at Observatory to 4-5M/gallons per day and reduce South Rivanna to 8M/gallons per day. He concluded his report and invited questions.

Mr. Gaffney observed that Wintergreen has been under voluntary water restrictions for about 30 days.

Dr. Palmer observed that the weather report does not predict any precipitation for the coming week.
Mr. Krueger interjected that the Board report indicates the Authority was seeking consent of the bond trustee to the joint resolution to terminate the surcharge, and stated that they actually have this now and are all set to go.

5. ITEMS FROM THE PUBLIC

Mr. Gaffney opened the Items from the Public portion of the meeting. As no one came forward to address the Board Mr. Gaffney closed this portion of the meeting.

6. RESPONSES TO PUBLIC COMMENTS

7. CONSENT AGENDA

a. Staff Report on Finance

b. Staff Report on Ongoing Projects

c. Staff Report on Operations

d. Position Reclassification Request- Grounds Maintenance to Civil Engineer

e. General Administrative Procedures

f. Award of Nonprofessional Services Contract: On-Call Dam Maintenance Services -
   Bandersmith, Inc.

g. Authorization of Professional Engineering Services, Route 29 Water Pump Station and
   Water Main Project - Short Elliot Hendrickson Engineers

h. Approval of Observatory Water Treatment Plant, Raw Water Pumping and Piping
   Upgrade Cost and Capacity Allocation Agreement

Mr. Gaffney asked Board members if they would like to pull any items from the Consent Agenda.

Dr. Palmer referred to #12 under Ongoing Projects: Ragged Mountain to Observatory water treatment plant raw water line and raw water pump station. She quoted a portion from this section as follows: “The opportunity to integrate the Observatory water treatment plant raw water supply line with the proposed South Rivanna Reservoir to Ragged Mountain raw water main project is currently being investigated as part of the 50-year community water plan ....”

She stated she thought it was a given that the pump station would serve both water lines.

Mr. Mawyer replied that the new pump station lies in between the Ragged Mountain Reservoir and the treatment plant and will replace the two existing pump stations, as the new one would be capable of pumping raw water from Ragged Mountain to Observatory, would also pump raw water from Ragged Mountain back to South Rivanna Reservoir, and is one of two pump stations envisioned for the South Rivanna to Ragged Mountain waterline project.
Dr. Palmer asked for confirmation that there will still be one pump station building and the pumps to transfer water from Ragged Mountain to S. Rivanna WTP will be put in later.

Mr. Mawyer confirmed this. He reminded the Board that it had previously requested updates be in bold and so they have provided project updates in bold in the Ongoing Projects Report.

**Dr. Palmer moved that the Board approve the Consent Agenda. The motion was seconded by Ms. Galvin and passed unanimously (6-0). Mr. O’Connell was absent from the meeting and the vote.**

8. OTHER BUSINESS

   a. Presentation: Biosolids Disposal Alternatives; Dave Tungate, Director of Operations

   b. Presentation and Approval: “Joint Resolution” to Terminate the Buck Mountain Surcharge; Lonnie Wood, Director of Finance and Administration

Mr. Tungate presented. He acknowledged that the Board discussed composting and biosolids disposal during today’s RSWA meeting. He noted that this is part of the strategic plan under Operational Optimization. He presented a photograph of the Moores Creek facility and explained that the sewage comes in from the Moores Creek and Rivanna pump stations and the sewage goes through the headworks. He reviewed the different steps of the treatment process and pointed out clarifiers, aeration basins, digesters, gravity thickeners, and centrifuge. He explained that biosolids are nutrient-rich organic materials resulting from the treatment of domestic sewage, which can be recycled as fertilizer to improve and maintain productive soil and to stimulate plant growth. He stated the Department of Environmental Quality regulates sewage sludge and biosolids, including the land application program.

Mr. Tungate stated that he brought in a sample of biosolids collected the previous day, after spending 14 days in the digester and passing through the centrifuge, and stated it does not have an odor. He presented a photograph of sewage sludge in the aeration basin. He next presented a photograph of the three anaerobic sludge digesters located to the left of the entrance road. He presented a photograph of the newer of two centrifuges, noting that polymer is added to the sludge after the anaerobic digester to thicken the sludge, after which it is spun in the centrifuge and then discharged through a chute and spread out in a truck trailer owned by the Authority, which is taken by a contractor to McGill Environmental. He stated that Rivanna produces approximately 14,000 tons annually of Class B biosolids, which have a higher level of detectable pathogens than Class A. He stated the current contract expires January 31, 2020 and their annual transportation and disposal cost for the use of McGill Environmental disposal service is approximately $600,000 - $700,000/year.

Dr. Palmer asked which sewage treatment plants produce Class A biosolids and what makes the process different.

Mr. Tungate replied that it is heated longer.
Dr. Palmer asked if they use biological heating or add heat.

Mr. Tungate replied that they add heat to the digesters to maintain 100°F temperature for 15 days and then take the sludge and store it in a small storage tank from which it is pumped to the centrifuge.

Mr. Gaffney asked what the temperature is for Class A.

Mr. Tungate did not have this information but offered to find out.

Dr. Palmer wondered why some treatment plants produce Class A instead of Class B, since it is going to get composted.

Mr. Tungate replied that not all biosolids are composted, as some are land-applied, some are land-filled, and some get incinerated.

Mr. Tungate presented a map and pointed out the route taken by trucks to go from the Moores Creek facility to Waverly. He next offered alternatives to their current contract with McGill. He stated they could contract with one of two area full-service disposal providers, Synigrow or Nutriblend, to compost, land-apply, landfill, and/or incinerate the material, at the discretion of the provider.

Mr. Tungate presented biosolids transportation and disposal costs for 2017: 12,945 tons at $46.95/ton; and noted that the contract allows for escalator costs to account for factors such as increases in diesel fuel costs. He stated they could continue to compost at $50/ton, a landfill - land-apply option would run $30 - $35/ton for 14,000 tons, which would save $245K/year, landfill only would cost $35 - $40/ton, with potential savings of $175K/year. He stressed that these are only estimates obtained from discussions with partners and that a procurement process would determine the actual costs. He asked for Board guidance and invited questions.

Ms. Hildebrand asked if there is an advantage from any additional scenarios to produce Class A biosolids.

Mr. Tungate stated it would take some extra treatment steps, which they can investigate.

Mr. Gaffney asked what this would change and if there is a closer location to which they could take the biosolids.

Mr. Tungate responded that they didn’t price out that option and that they would use the same landfill.

Mr. Mawyer interjected that if they were to landfill or land-apply they would not want to incur the additional expense to make Class A, which would be appropriate if they were to sell it in bags to residents, since it contains fewer pathogens than Class B. He recalled that RWSA used to have a sales program for compost made from Class B biosolids.
Dr. Palmer pointed out that if they were to create Class A biosolids and sell them they would be competing with Class B for use in fields, which is cheaper than Class A.

Ms. Whitaker added that the Class A treatment scenario would be most appropriate for direct resale, since it has fewer vectors and pathogens.

Dr. Palmer noted that some Board of Supervisor members are very much against land application of biosolids.

Mr. Gaffney asked if the City and County would be opposed to land-apply – landfill or landfill-only, as opposed to composting.

Dr. Palmer replied that she suspected that with the Board of Supervisors’ new climate change initiatives they would prefer composting.

Mr. Gaffney pointed out the potential savings of $250K.

Dr. Palmer remarked that it will depend upon what price they place on greenhouse gas emissions.

Mr. Gaffney stated that discussion would be a part of the work session discussed at the Rivanna Solid Waste Authority Board meeting.

Dr. Palmer agreed.

Mr. Gaffney asked for the typical length of time of a contract with a hauler.

Mr. Tungate replied that the contract has been renewed since 2015 and they are now required to place it out for bid. He stated that in the past they have done one-year contracts with two or three renewals.

Mr. Krueger clarified that they must commit to at least a one-year contract and can have options to renew.

Mr. Mawyer pointed out that with a longer term commitment you tend to get a better price than with a one-year contract.

Mr. Gaffney emphasized that since the City and County want to hold a work session on this topic they can’t lock up a contract for too long a period. He estimates it will take about two years for them to make a decision so a contract up to two years would be appropriate.

Dr. Palmer suggested a one-year contract with options to renew.

Mr. Krueger pointed out that they would likely receive a better price from McGill if they were to commit to two, three, or five years.
Dr. Palmer stated she can bring this matter up for discussion with the Board of Supervisors, though she believes she knows what the answer will be as the Board does not support using the landfill option to save $175K and will not support land application. She pointed out that the savings will be shared with the City.

Mr. Mawyer added that it is a 50/50 cost sharing component with the City, based on current retail flows.

Dr. Palmer remarked that with their climate initiative they are not going to want to replace composting with landfill.

Mr. Gaffney proposed they seek a two-year contract with three one-year renewal options.

Ms. Galvin agreed with this proposal, as City Council is not prepared to conduct an exhaustive review of this and has an RFP out, for what will be a more regional approach.

Mr. Mawyer pointed out that, under the middle hybrid option of land-apply/landfill, they may have to landfill the material during some winter months when there is snow cover, though they have quantities that must be disposed of almost every day. He added that Department of Environmental Quality has a list of approved sites that can accept biosolids for land application.

Ms. Galvin pointed out that the City has less agricultural surface area.

Mr. Tungate added that biosolids from other municipalities are applied in Albemarle County.

Ms. Hildebrand remarked that there would have to be very large tracts of land that have a need for nutrients.

Dr. Palmer recognized that this is a political issue and also has health-related aspects. She stated there are those on the Board of Supervisors who don’t believe DEQ should allow for land application of biosolids, though she acknowledged that she does not know enough about the pathogens to be able to speak to this.

Mr. Mawyer reminded the Board that in 2010 it considered the same question and decided to not allow land application of Rivanna biosolids. He stated they can continue to compost for a couple of years and see where it goes from there.

Dr. Palmer remarked that they may find a private company that wants to do this and they just don’t know how this is going to evolve.

Mr. Mawyer remarked that Harrisonburg-Rockingham Regional Sewer Authority (HRRSA) has a large wastewater treatment plant and land applies 100% of its biosolids.

Mr. Tungate added that HRRSA has just begun a new treatment process and produces Class A biosolids.
Mr. Richardson attempted to summarize the Board’s position. He stated he has heard that the Board would explore going from Class B to Class A biosolids.

Mr. Gaffney added that they need to learn what the Board of Supervisors thinks, since if they still don’t want to do land-applied then it doesn’t make sense to spend more money to treat it.

Mr. Mawyer informed the Board that he will present on the matter of terminating the Buck Mountain surcharge. He reminded the Board that staff presented to the Board in June on this issue. He reminded them that they acquired 1,300 acres for the proposed Buck Mountain Reservoir, found the James Spiny Mussel, they could not construct a water supply reservoir, and have used 600 acres preserved as a mitigation effort for the environmental impacts of the Ragged Mountain Reservoir Dam project.

Mr. Mawyer stated the 1983 agreement between the City and Service Authority asked Rivanna to buy the property and the City and Service Authority committed to the imposition of a Buck Mountain Surcharge for every new water connection in the City or County, with these funds to be transferred to Rivanna to help pay for the bonds, which they have been for the last 36 years. He stated the bonds have been paid off, they feel that it is time to terminate the surcharge, and a joint resolution has been drafted by Mr. Krueger, after conferring with City, County, and Service Authority attorneys. He continued that, should the Board approve the resolution, it would then be taken up by the Board of Supervisors, City Council, and Service Authority. He stated the surcharge fee is about $230 for a 5/8” lot residential connection and increases with larger meter sizes.

Mr. Krueger emphasized that they can’t say exactly when the bonds have been paid off, due to the way they were refinanced before Lonnie came on board, and there is no way to trace it, though they all know that at this point it has been paid. He stated they need to certify to the bond trustee that the elimination of the surcharge would not have an impact on the Authority’s ability to pay its bond debt and operational costs, which has been certified by the engineer.

Dr. Palmer moved that the Board approve the joint resolution to terminate the Buck Mountain surcharge. The motion was seconded by Ms. Galvin and passed unanimously (6-0). Mr. O’Connell was absent from the meeting and the vote.

9. OTHER ITEMS FROM BOARD/STAFF NOT ON AGENDA

There were none presented.

10. CLOSED MEETING

There was no closed meeting held.

11. ADJOURNMENT

At 3:35 p.m., Mr. Richardson moved that the Board adjourn the meeting. The motion was seconded by Ms. Galvin and passed unanimously (6-0). Mr. O’Connell was absent from the meeting and the vote.
Respectfully submitted,

Mr. Jeff Richardson  
Secretary-Treasurer