

MEMBERS OF THE BOARD

Sherwood G. Wilson, Chairman
Marc A. Verniel, Vice Chairman
Wayne O. Nelson, Secretary
F. Craig Meadows, Treasurer
William R. Knocke

Caleb M. Taylor, P.E.
Executive Director

Meeting Minutes
NRV Regional Water Authority Board

January 23, 2019

Board / Staff Members Present: Sherwood G. Wilson, Marc A. Verniel, Wayne O. Nelson, F. Craig Meadows, William R. Knocke, Caleb M. Taylor, Sharon T. Huff

Guests Present: Gary Fern, Whitman, Requardt, & Associates; Paula Moore, Whitman, Requardt, & Associates; Doug Hudgins, CHA; Jim Gwynn, Gwynn, Waddell, Carroll, & Lockaby

Absent:

Location: University Gateway Center - Room 4000

1. The meeting convened at approximately 4:03 p.m.
2. Secretary's Report:
 - a. Board minutes for the Wednesday, December 19, 2018 meeting were reviewed.
 - b. A motion to accept the December 2018 meeting minutes was made by Wayne and seconded by Bill. All were in favor.

3. Treasurer's Report:

The December financial reports were distributed to Board members prior to the meeting. There was some discussion about the financial reports. Craig noted at the December meeting that the office supplies budget was over 70% and that he and Caleb would meet to review. Following the December meeting, Caleb reviewed the office supplies account in QuickBooks. Caleb noted an entry that was part of FY18 yearend being captured in FY19. Caleb and the accountant discussed what needed to be done to correct this error. The accountant made the correction and it was reflected in the December financials. Craig and Caleb had not been able to meet prior to the January meeting to review the FY2018-2019 Budget and determine if any mid-year adjustments needed to be made. Craig and Caleb agreed to meet before the February

meeting. A motion to accept the financial reports, as presented, was made by Craig. Bill seconded the motion. All were in favor.

4. Executive Director's Report

a. Operations Highlights:

Raw water pump #5 has been rebuilt and is back in operation.

b. Metered Consumption:

Caleb provided the Board Members the December water reports prior to today's meeting. There was some discussion about the reports. In December, the Authority was 13% higher than the past 5 years consumption for the month of December. Sherwood mentioned that the PSA had a line break at the Blacksburg-VPI Sanitation Authority site. Two (2) million gallons of water was lost before the break was noticed and corrected. For the year to date, the Authority's anticipated revenue is slightly ahead of the budgeted revenue.

c. Previous and Current Business

i. Water Treatment Plant Modernization:

Phase 1 Contract 1, which is the plant site civil work, continues to move forward. The inclement weather has caused delays in the work schedule. The residence next to the plant has now been demolished. Phase 1 Contract 2, which is the admin and maintenance building construction and final grading for these buildings, was advertised on January 6, 2019. A pre-bid meeting was held on January 16, 2019. There were approximately 12 companies in attendance. Six of those were contractors that can construct the buildings. Bids are due February 6, 2019. Caleb intends on having a recommendation at the February meeting. CMAR Pre-Construction services have been initiated. Sixty percent design documents will be ready around the first party of February. CHA and the architect met with Authority staff on January 17, 2019 to review architectural items for the plant. Information conveyed is being used towards the 60% design documents.

ii. Joinder Project (Prices Fork):

Construction is complete. The power has been installed at the control valve vault on Hightop Road. Testing is being performed on control valve actuators and other equipment has been initiated. The test schedule dates are February 11th and 12th to test the pump Variable Frequency Drives (VFDs) and the pumps. Caleb had Gary and the contractor email the PSA and inform them of the anticipated schedule dates.

iii. Joinder Project (Plum Creek):

Easements negotiations and acquisitions are continuing for the Phase II portion of the alignment. Easement acquisitions are nearing completion. Design plans along with contract documents and specifications were submitted for agency review and approval on December 11, 2018. VDH has provided minor comments to the plans and specifications. Caleb anticipates that this project will advertised for bid in February 2019.

The water quality study is a part of this study as well. CHA has been meeting with different members on their models. Stevie has the complete regional water model up and running. He has met with Christiansburg and has scheduled to meet with Virginia Tech. He still needs to schedule a meeting with Blacksburg and MCPSA.

iv. Request for Proposals (RFP) for Legal Services:

The RFP was prepared after receiving input from County and Blacksburg attorneys. The RFP was advertised on December 2, 2018 and proposals were due on December 20, 2018. The Authority only received one submittal from Gwynn, Waddell, Carroll, & Lockaby. Caleb has been working with Jim on getting a contract completed. Jim will be legal counsel for the Authority.

v. Authority Transmission System:

At the December meeting, a discussion was held about documenting what the Authority's system consists of and the reasons behind it. Having some formal documentation on what the Authority's transmission system is and what it consists of will be helpful for all Authority members as well as the Authority. Jim indicated there is room in the legal documents where this can be added. Craig indicated that he has expressed to the Board of Supervisors that the fire hydrants are a public safety issue and in the end the County may should own and maintain the hydrants. Marc indicated, that as Blacksburg's Board representative, their vote would be that the MCPSA would own and maintain the hydrants along Authority transmission mains in the County jurisdiction.

Caleb indicated that the residence next to the Authority had a residential water connection to the MCPSA. At the time when the termites were discovered, the water was shut off to the house. However, the water service connection with the MCPSA was not disconnected. Since that time in 2014, the Authority had been paying the monthly base service fee until a plan for what would happen to the residence was finalized and construction activities were initiated. In November 2018, Sharon contacted the MCPSA customer service (Sarah Reed in the Finance department) and asked what needed to be done to have this water service disconnected. Sarah advised Sharon that Caleb would need to come into the office and handle this in person. Caleb went and saw Sarah a few days later and asked for the water service to be disconnected. Sarah told Caleb that this would have to go through Bob Fronk first before it could be disconnected. Caleb told Sarah that he understood. Sarah asked if Bob had Caleb's contact information. Caleb told Sarah that he did. Sarah told Caleb that if Bob had any questions, that he would contact him. In December 2018, the Authority received another water bill for the residence. When the Authority received the bill on December 18, Caleb had Sharon call Sarah and ask why the Authority received another bill. Sarah told Sharon that Caleb has to talk to Bob about discontinuing the water service at the residence. When Sharon conveyed that information to Caleb, Caleb sent an email to Bob copying Sarah, Craig

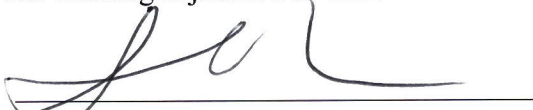
and Sharon documenting the processes he had been through trying to get the water service deactivated. Bob responded to Caleb's email and asked if the Authority wanted the account discontinued or made dormant. Caleb emailed Bob back and told him he wanted the account "closed out and discontinued". Since the emails on December 19, 2018, Caleb had not heard anything else from Bob about discontinuing the water service. This week of January 21, 2019, the Authority received another water service bill for the residence. There was some discussion about why this process is taking so long to discontinue a single water service and why Caleb has had to do so much work just to get the account closed.

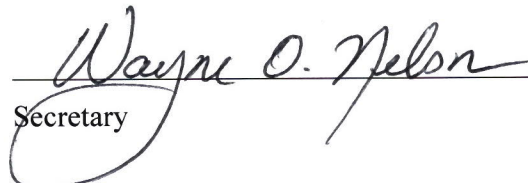
Bill spoke up and said that he has sat and "observed" over the past six months the business of the Authority. Bill mentioned that he has observed how much time Caleb and the Board spends discussing and dealing with issues associated with the MCPSA. Bill believes this shouldn't be happening given the level of work that the Authority is undertaking to work regionally with the Authority members as well as the work at the plant that is needed to ensure that the region is supplied with water of a high quality that everyone is accustomed to receiving. Wayne mentioned, that as a representative of the Town, how he would be embarrassed if the Town had a reputation for being so difficult to work with the need to escalate issues to the Board level for resolution. He also mentioned how pleased he is that the Authority and the Town have always maintained a positive working relationship.

d. New Business

None at this time.

6. Public Comments: Gary Fern indicated that Prices Fork will be testing out the next month. Gary told everyone that next month he will be semi retiring and moving out of state. Paula Moore will be taking over his duties at the Blacksburg office.
7. Comments from Board: Marc mentioned the Financial Statements are due February 1st. Sharon indicated that she will check and see whose she hasn't received yet and send emails to the ones that she still needs to receive.
8. The meeting adjourned at 4:52.


Chairman


Secretary