



MEMBERS OF THE BOARD

Sherwood G. Wilson, Chairman
Marc A. Verniei, 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
July 2, 2019

Board / Staff Members Present: Sherwood G. Wilson, Wayne O. Nelson, F. Craig Meadows, William R. Knocke, Caleb M. Taylor, Sharon T. Huff, Jim Gwynn, Gwynn, Waddell, Carroll, & Lockaby

Guests Present: Doug Hudgins, Stevie Steele, CHA; Sheryl Stephens, Draper Aden

Absent:, Marc A. Verniel

Location: NRV Regional Water Authority

1. The meeting convened at approximately 3:14 p.m.
2. Secretary's Report:
 - a. Board minutes for the Wednesday, May 15, 2019 meeting were reviewed.
 - b. A motion to accept the May 2019 meeting minutes was made by Craig and seconded by Bill. All were in favor.
3. Treasurer's Report:

The May financial reports were distributed to Board members prior to the meeting. There was some discussion about the financial reports. Everything was in order with the May financial reports. 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:

None at this time.

b. Metered Consumption:

Caleb provided the meter charts as well as the consumption reports for May in the Board packet. For the month of May, consumption was 10.3% higher respectively than compared to the past five year's consumption. Some of the members reports changed since Prices Fork pump station is now in service.

c. Previous and Current Business

i. Water Treatment Plant Modernization:

Construction on the administration building continues.

Doug will be making a presentation about this project at the end of the meeting.

ii. Joinder Project (Prices Fork):

Caleb has received the final invoice for this project. He plans on paying that invoice next week. This will close this project out. He will then request final reimbursement from VRA on 2013 Bond proceeds and then the bond will be closed.

Authority staff have been working with MCPSA staff to determine the cause of pressure spikes taking place in the Merrimac area of the MCPSA's system along Merrimac Road and Hightop Road.

iii. Joinder Project (Plum Creek):

Stevie Steele will be making a presentation about this project at the end of the meeting.

The Water Quality model is now complete. Stevie will be reaching out to all members to begin collecting sample data. VDH indicated that the MCPSA water system connection plans are not being reviewed until the study has been completed. The model is indicating that it is very hard to deliver water of good quality to the Riner area through the MCPSA system connection off of Mudpike Road traveling along the powerline easement to the Riner water system. Sherwood mentioned that April DeMotts would like for Sherwood and Stevie to attend a future Board meeting to discuss this project with the Board of Supervisors.

iv. Authority Transmission System:

Caleb and Jim Guynn made some minor changes to the revised and restated water agreement. A draft document was then presented to the Board with the changes highlighted. Bill made a motion to accept the document as presented. Wayne seconded

the motion. Wayne mentioned how the map is attached to the agreement. He indicated that the language needs to be changed in the document reflecting that the map may change in the future. Sherwood recommended that the document be approved pending the language reflecting that the map can be changed as needed in the future. All were in favor.

d. New Business

FY2018-2019 Annual Audit:

The FY2018-2019 Annual Audit is now underway. Preliminary work has started. The auditors will be on site next month.

6. Presentations:

Doug made a presentation to the Board updating them on the modernization project. A copy of the presentation is attached to the minutes.

Stevie Steele with CHA made a presentation on the Plum Creek project bid results that were recently received. A copy of the presentation is attached to the minutes. CHA has presented to Caleb a notice of award for all three contracts for the Board to approve.

Sherwood asked if the Authority has provided a letter from VRA approving the loan. Sherwood said he hasn't ever dealt with VRA before. Everyone believes this isn't going to be an issue. This led into a presentation from Sheryl Stephens from Draper Aden. A copy of the presentation is attached to the minutes. Sherwood recommended pulling the 5.3% rate increase sooner than what the presentation reflected (from FY2022 to FY2021). Then increasing the rates to 2.5% from FY2022 moving forward over the next several years. The reasoning behind this rate adjustment would enable the Authority to build cash reserves sooner to fund the smaller plant capital projects that were presented in CHA's presentation at the meeting. Everyone was in agreement with this idea. Caleb indicated that rates were previously approved through 2021. In order to move the projected 5.3% from 2022 to 2021, a new public hearing would have to be held. It was then recommended the rates increase to 2.5% each year from 2022 through 2025.

Bill made a motion to award all three contracts for the Plum Creek project. Craig seconded the motion. All were in favor.

Craig made a motion to approve the Bond Resolution as presented by Caleb to the Board. Bill seconded the motion. All were in favor.

Caleb wanted to make sure there is a consensus to move forward with the plant modernization project given the presentation and path for moving forward. Everyone was in agreement for Caleb to move forward with the plant modernization project.

7. Public Comments: None

8. The meeting adjourned at 4:50.

M. Veil
Chairman Vice Chairman

Wayne O. Nelson
Secretary