The Board of the Western Virginia Water Authority (WVWA) met on Thursday, March 21, 2019, in the Board Room at 601 S. Jefferson Street, Roanoke, Virginia. Board Chair Randall Hancock called the meeting to order at 3:00 p.m.

ROLL CALL:

PRESENT:  Board Members Randall Hancock, John Bradshaw, Harvey Brookins, Bob Cowell, Don Davis, Dan O’Donnell and Hunter Young ----------------------------------------------- 7.

ABSENT:  Shirley Holland-----------------------------------------------1.

OTHERS PRESENT:  Gary Robertson, Executive Director, Water Operations; Mike McEvoy, Executive Director, Wastewater Services; Gayle Shrewsbury, Secretary; Harwell M. (Sam) Darby, Jr., Counsel for the Authority; Tammy Lawfield, Assistant Director of Finance; and Sarah Baumgardner, Public Relations Manager and Freedom of Information Act Officer.

Other guests were: Roger Blankenship, Director Water Operations; Scott Kroll, Director Engineering Services; Jennifer Meeks, Senior Accountant; Will Bulloss, Chief Engineer-Design and Construction; Jamie Morris, Water Production Manager; Nicholas Robertson, Draper Aden; Cayelan Carey, Assistant Professor, Virginia Tech; and Whitney Woelmer, Student, Virginia Tech.

APPROVAL OF MINUTES:  Mr. Davis moved approval of the February 21, 2019 Board Meeting Minutes. Mr. Brookins seconded the motion. Hearing no discussion, the minutes of the February 21, 2019 Board Meeting Minutes were approved by voice vote.

Mr. Cowell arrive to the meeting at 3:01 p.m.

UPDATE ON RESERVOIR RESEARCH:  Dr. Cayelan Carey, Assistant Professor at Virginia Tech, gave a Power Point Presentation. Her research includes understanding water quality in reservoirs, and her presentation focused on predicting water quality issues.

COMMUNICATION FROM EXECUTIVE DIRECTORS:  Mr. Robertson gave a summary of the February 2019 Executive Directors’ report. The summary included the Water System, Wastewater
System, Administration and Regional Efforts/Contract Operations. The Administration section includes billing, engineering, human resources and miscellaneous financial information. A copy of this report in its entirety is filed with the approved minutes.

Due to continued precipitation, reservoir levels at both Carvins Cove and Spring Hollow are above average for this time of year.

Staff at the Smith Mountain Lake Water Treatment Facility (SMLWTF) produced a total of 25.06 MG of treated water during the month of February.

Mountain Valley Pipeline construction activity at the Roanoke River crossing upstream of the raw water intake appears to be on hold. Staff continues to monitor the turbidity of the raw water prior to pumping from the Roanoke River into Spring Hollow Reservoir. To date, no changes have been observed.

Mr. Robertson shared a letter that he sent to Delegate Sam Rasoul in response to a meeting where Delegate Rasoul spoke. Mr. Robertson felt that he needed to provide clarification regarding effect on water quality from the Mountain Valley Pipeline. A copy of the letter is filed with the approved minutes.

The total number of water main breaks for this month is 36 which is the same as February 2019. The majority of main breaks (14) were on 6-inch lines. The next highest was nine breaks on 2-inch mains, followed by four breaks each on 4-inch and 8-inch mains. This represents a 33% decrease in the total number of water main breaks in comparison to January’s total of 54 and a 28% decrease in comparison to the five-year historical average of 50 for the month.

The number of leaks on water services for this month totaled 26. This represents a 33% decrease in the total number of water service leaks in comparison to January’s total of 39 and no change in comparison to the five-year historical average of 26 for the month.

Construction Maintenance (CM) crews replaced a total of 58 LF of water main (various sizes) this month due to main breaks with 20 LF of 6-inch main being the highest total of LF replaced per line size. A total of 932 LF of water main (all sizes) has been replaced by CM crews so far in FY19.

CIP crews installed a total of 250 LF of 1-inch service line and 50 LF of ¾-inch service line this month. A total of 5,221 LF of water main (all sizes) and a total of 3,824 LF of service line has been installed by CIP crews so far in FY19.

The primary water transmission mains from Spring Hollow Water Treatment Facility (the North and South Loops) were installed over 20 years ago. A large portion of these mains are located in remote areas that are difficult to access today due to topography and tree growth. Recently, staff solicited bids and secured contractors to begin clearing right-of-way in these areas.

Construction continues at the site of the Muse Spring Water Treatment Facility.
Construction continues on the Carvins Cove filter upgrade project. In addition to work inside the filters, the contractor is installing new valves and actuators below the filters in the pipe gallery. Outside work continues on the piping and motor controls at the new blower building.

With approval of the Town Manager, staff recently completed upgrades at the Boones Mill Water Treatment Facility.

NON-REVENUE WATER

During February, staff focused effort in four District Metered Areas (DMAs). Using a combination of line locators, data loggers and correlation equipment, a total of four leaks were found, and one existing DMA meter was replaced.

DMA 23 – Two leaks were located, both on water services.
DMA 101 – Grandin: Replaced broken 8-inch DMA meter that quantifies water contributed from DMA 101 to DMA 110.
DMA 103 – South County: Located a leak inside a commercial meter vault.
DMA 148 – Orchard Villas: Located a leak on fire hydrant.

Wastewater System

February’s higher than normal rainfall and continued saturated ground conditions resulted in a spike in flows at the Water Pollution Control (WPC) Plant. Average Daily Flows for February increased to 58.2 mgd. No wet weather plant overflows were recorded. A total of fifteen wet weather overflows did occur associated with the snow and rain event of February 20th to 24th. Field Operations staff reported four dry weather overflows and assisted with four private property overflows. No biosolids were applied during the month. A total of 263 loads of septage were discharged to the plant during February.

Staff had a productive meeting with AEP staff regarding connection to AEP’s high voltage transmission system. Negotiations continue with regard to the contract for this connection.

WPC staff have been working with the consulting firm Bartlett and West, Inc. on a preliminary engineering report for upgrades to the WPC Plant’s anaerobic digesters and gas production systems. A draft report is expected in March.

For the third consecutive year, bulk sewer rates for the City of Salem and Town of Vinton decreased. The projected FY20 rate is $549.23 per million gallons ($0.55 per thousand gallons), a reduction of 8.4%.

Field Operations responded to 87 customer calls for assistance with sewer problems in February. Sewer CIP crews continued the directional drill of a new 14-inch gravity sewer main adjacent to Azalea Road in Botetourt County. CIP Crews completed the pipe bursting project in an alley off Gordon Avenue and continued work on the Youngwood Drive sewer rehabilitation project.
Representatives of the Commonwealth’s Department of Mines, Minerals and Energy visited the Bancroft slide site for a second time in February at the request of a resident. They noted soil at the top of the slope has settled vertically but shows minimal horizontal movement. Engineering Services and Field Operations continue to evaluate solutions to repair the existing sewer main or find an alternative route for a new main. Field Operations did request AEP set an electrical service for the temporary pumping system so the generator powering the bypass pump can be shut down.

Phase 2 of the Harvest Lane Area Sewer Improvements is 65% complete. The Lick Run Interceptor Lining Project is 70% complete. Rehabilitation of sewer mains in Crystal Spring Avenue and Westside Boulevard are 60% complete.

Administration

Testing of the new version of the Authority’s financial management system, Munis, continues in preparation for a March implementation date. Staff have continued work on the FY20 budget and plan to present updated expense information as well as revenue and debt projections at the March meeting. Staff requested that the Authority’s benefit broker, Mark III, update projections for medical self-insurance should the Authority wish to go that route.

Staff has contracted with Hughes & Associates on a feasibility report for the Coulter Building’s old electric elevator. Thyssen Krupp has previously quoted $310,000 to modernize the elevator.

Billing staff re-issued a Request for Proposals (RFP) for Electronic Payment Processing and received two responses. These are being evaluated by staff.

For a third straight month, billed water consumption was just over 400 million gallons. Retail sales for February were $4.8M with total revenues of $5.5M. Billing and Customer Service reported answer rates of 92% on lower call volumes. Average wait times improved to 1 minute and 19 seconds. Service terminations for non-payment were 375.

Regional Efforts / Outreach

Work is progressing well on Phase 1 of the Summit View Utility Project with approximately 30% of the work being completed. Phase 2 of the Summit View Utility Project has also begun. This effort includes completing the water main connection to the Town of Rocky Mount and extending sewer forcemain from the Wirz area to Shady Lane near the Town’s Water Treatment Plant. Gary Robertson attended the February Franklin County Board of Supervisors meeting to secure easements for the Grassy Hill water main extension.

Phase 2 of the Rutrough Road Utility Project is substantially complete. Engineering and Finance staff are completing account reviews in preparation for final billing to the project partners that include the Roanoke Valley Resource Authority and Roanoke County.

A notice to proceed has been issued by the Roanoke Valley Broadband Authority for extension of fiber optic cable to the Spring Hollow Water Treatment Plant and the Regional Jail. The fiber
extension will allow Spring Hollow to have full network functionality as well as allow Spring Hollow to serve as a disaster recovery site for the Authority’s IT systems. This is a cooperative venture with the Broadband Authority and the Western Virginia Regional Jail Authority.

The WWA hosted a tour of our facilities for 14 potential high school apprenticeship students and their families on Saturday, March 9. In addition to learning about careers in water and wastewater treatment, the students had a chance to see the equipment used by Field Operations staff and operate the excavator simulator. Competitive interviews will be scheduled the weeks of March 18-29 at the home school of each interested candidate, and a signing day for selected students will be held on April 30.

FINANCIAL REPORT FOR THE MONTH OF FEBRUARY 2019: Mr. McEvoy noted that year-to-date, February 2019 represented 67% of the fiscal year. A copy of this report in its entirety is attached to the approved minutes.

Operating revenues for the Water and WPC funds were 64% and 66%, respectively, of budget. Retail revenues for the Water fund were 64% and WPC fund were 64%. Non-operating revenues for Water were 88% and WPC were 68% of budget. Some of these revenues (Investment Income, Office Building Lease Income) lag a month in reporting. Operation & Maintenance expenses for the year-to-date for the Water system were 61% and WPC were 58%. The Operating Margins for Water and WPC were 76% and 77%. Combined Operating Margin was 76%. The Water system has paid 50% of budgeted interest expense and 91% of principal payments. WPC has paid 65% of interest expense and 78% of principal payments.

REPORT FROM AUTHORITY COUNSEL: Mr. Darby reported on the following:
1. City of Roanoke Cost Sharing;
2. Water Shut-Off and Health Issues;
3. Carilion Clinic;
4. Franklin County Water System, and
5. Negotiations with America Electric Power.

REPORT FROM COMMITTEE CHAIRS: None.

BUDGET DEVELOPMENT FOR FY20-DEBT, RATES & REVENUES: Ms. Lawfield, Mr. Roberson and Mr. McEvoy gave a Power Point presentation and answered questions regarding Budget Development for FY20. A copy of this report in its entirety is filed with the approved minutes.

CITIZENS COMMENTS: None
CLOSED SESSION: At 4:38 p.m. Mr. Brookins made a motion to go into closed session to consult with legal counsel retained by the Authority regarding a specific legal matter involving potential liability of the Authority to one or more citizens pursuant to Section 2.2-3711.A.8 of the Code of Virginia, 1950, as amended; and regarding personnel matters relating to the transitioning of one or more staff pursuant to 2.2-3711.A.1 of the Code of Virginia, 1950 as amended. The motion was seconded by Mr. Cowell.

The Board approved the motion by the following roll call vote:

AYES: Board Members Bradshaw, Brookins, Cowell, Davis, O'Donnell, Young, Hancock——7.

NAYS: None-----------------------------------------------------------------------------------------------0.

At 5:15 p.m. on a motion by Mr. Brookins, seconded by Mr. Bradshaw, the Authority returned to open session.

The Board approved the motion by the following roll call vote:

AYES: Board Members Bradshaw, Brookins, Cowell, Davis, O'Donnell, Young, Hancock——7.

NAYS: None-----------------------------------------------------------------------------------------------0.

CERTIFICATION OF CLOSED MEETING: At 5:15 p.m. Mr. Brookins moved for a roll call vote certifying that only legally exempted matters covered by the Closed Meeting motion were taken up in the closed meeting. It was seconded by Mr. Cowell.

The Board approved the motion by the following roll call vote:

AYES: Board Members Bradshaw, Brookins, Cowell, Davis, O'Donnell, Young, Hancock——7.

NAYS: None-----------------------------------------------------------------------------------------------0.

Mr. Hancock adjourned the meeting at 5:16 p.m.
APPROVED: April 25, 2019

Gayle Shrewsbury, Secretary
WVWA Board of Directors