

VIRGINIA:

At a regular meeting of the King George County Service Authority Board of Directors, held on Tuesday, the 1st day of June, 2021 at 5:30 p.m. in the Revercomb Building Board Room at 10459 Courthouse Drive, King George, Virginia:

PRESENT:

- Annie Cupka, Chairman
- Cathy Binder, Member
- Carrie Cleveland, Member
- Allen R. Parker, Jr., Member
- Jonathon Weakley, General Manager
- Travis Quesenberry, Interim County Administrator
- Matt Britton, County Attorney

REMOTE: James Morris, Vice-Chairman

0:00:01.2 Madam Chair: I hereby call to order this meeting of the King George County Service Authority Board of Directors, pursuant to the governor's emergency orders, appropriate social distancing or facial coverings may be applicable to certain attendees. The governor's orders are enforced by the Virginia Department of Health. If you choose to be physically present, you may be screened by authorized staff for signs and symptoms of illness. Based on the results of that screening, certain physical attendees may be denied entry. The following members are physically present.

0:00:33.8 Allen Parker: Allen Parker, physically present.

0:00:35.4 Cathy Binder: Cathy Binder, physically present.

0:00:38.4 Carrie Cleveland: Carrie Cleveland, physically present.

0:00:40.3 Madam Chair: Annie Cupka, physically present. The following members are participating through electronic and recorded means pursuant to the rules previously adopted by this board and through the governor's budget.

0:00:52.5 James Morris: James Morris, attending remotely.

0:00:57.2 Madam Chair: Thank you, Mr. Morris. I direct the clerk to include this statement and

any statement of remotely participating board members to be memorialized in the minutes. Now, if you will please stand as you are able for the invocation by Ms. Cleveland, followed by the Pledge of Allegiance by Mr. Weakley.

[Invocation and Pledge]

0:01:48.5 Madam Chair: Mr. Weakley do we have any amendments to the agenda sir?

0:01:52.3 Jonathon Weakley: No amendments, Madam Chair.

0:01:54.1 Madam Chair: Very good. Public comment. Comments will be limited to three minutes per person in order to afford everyone an opportunity to speak. If comments relate to a specific public hearing item, and we do have two public hearings today, we ask that you offer those comments at the time of the public hearing. Would anyone in the board room wish to provide public comment? Seeing none. Mr. Dines, do we have anyone online to provide public comment this evening? Very good. Directors, did anyone receive correspondence to be entered into the record of the meeting? Very good. Mr. Morris, did you receive any correspondence to be entered into the record?

0:02:40.7 J. Morris: No Ma'am, no correspondence.

0:02:42.4 Madam Chair: Thank you, sir. We'll move on to reports of members of the board. Mr. Parker would you like to start us off?

0:02:49.1 A. Parker: Alright. Thank you Ma'am. I just wanna say thank you to Mr. Weakley and his team for coming out on a weekend to attend to the water pressure issues in Hopyard, it was very appreciated. And I appreciate you keeping me informed to what was going on so that I could let the community know things are gonna be back online quickly. That's it, Ma'am.

0:03:14.3 Madam Chair: Thank you, sir. Ms. Binder?

0:03:15.9 C. Binder: The only thing I have is I've forwarded on to Mr. Weakley and some of our county staff, I attended the VACo energy subcommittee that's now gonna be a full committee as of July 1st, and submitted some information to them about battery storage and utility solar that might be coming their way including DQ, possibly require... Being involved with battery storage. So that's all, thank you.

0:03:36.6 Madam Chair: Thank you, Ms. Binder. Ms. Cleveland?

0:03:39.2 C. Cleveland: Just a thank you to Mr. Weakley and team for the beautiful fence that was installed in the Potomac Landing. I've received a lot of good feedback from the neighbors, so thank you for that.

0:03:53.3 Madam Chair: Thank you, and I also received some feedback from Potomac Landing residents about the fence, so thank you very much for that. I don't have anything else to add. Mr. Morris?

0:04:07.7 J. Morris: Yes, Ma'am. On May 24th, Mr. Williams of the Service Authority staff gave

me a tour of the Saint Pauls' well. It was very informative, and I thank him for his time in teaching me, that's it.

0:04:24.7 Madam Chair: Thank you, Mr. Morris. Alright, we'll move on to the consent agenda. Do I have a motion?

0:04:31.0 A. Parker: Motion to set the consent agenda has written.

0:04:33.6 C. Binder: Second.

0:04:35.3 Madam Chair: Any further discussion? All those in favor say, aye.

0:04:39.0 C. Binder: Aye.

0:04:39.5 C. Cleveland: Aye.

0:04:39.7 A. Parker: Aye.

0:04:40.3 J. Morris: Aye.

0:04:40.5 Madam Chair: Chair votes eye, motion carries. Report from the county attorney, Mr. Britton.

0:04:50.9 Matt Britton: I have no report Madam Chair.

0:04:53.3 Madam Chair: Thank you, sir. Go ahead and move on to our first public hearing, Dominion Energy Easement. Let me read the statement. The King George County Board... King George County Service Authority Board of Directors will now hold a public hearing that has been properly advertised to receive public input regarding a proposed Dominion Energy Easement. I will first ask for the staff report, I will then open the floor for public comment. Public comment is limited to three minutes per speaker in order to afford everyone an opportunity to speak, please state your name and address before you comment. Upon completion of public comment, I will bring the matter back to the board for consideration. The board may or may not take action tonight depending on information received during public comment. So, Mr. Britton, it's my understanding you're handling the staff report for this? Go ahead, sir.

0:05:46.8 M. Britton: Manager, this is the same easement request... It's an expansion of an existing easement by Dominion Power that the board of supervisors has already entered into. And Dominion Power has easements to run power as well as to run broadband, but they can only use those easements to run broadband to their own facilities, and what they wanna do now is to be a middle mile provider. The statute does not currently allow for an energy company to be an end provider of broadband, but they can be a middle mile provider. We drilled down on this pretty heavily on the county side to ensure that they actually had an end mile contract and that that contract was going to serve King George, and there was a robust presentation, heat maps where it was gonna serve, but basically... And I think they're correct. Dominion has taken the position that the current easement that they have does not, isn't broad enough to allow them to run broadband, fiberoptic cable, whatever cables they want, and of course, this has every opportunity to expand rural broadbanding in George County. I also spoke with, I think, their general counsel, or certainly one of their lawyers

or executive vice presidents with Dr. Young, and they assured us that they have contracts with this end mile provider in a lot of other jurisdictions, so they have reason to be able to hold their feet to the fire if this end mile provider, last mile provider, excuse me, didn't live up to the heat map that was going to be in King George County. So I recommended that the Service Authority hold a public hearing because it is a disposition of publicly held land for some of these easements, and although there's a debate about whether that's required for authorities because the county had held a public hearing, I thought that definitely was appropriate in this case, but it's really not a controversial matter, it's wasn't controversial I do recall at the board level. Thank you.

0:08:00.3 Madam Chair: Thank you, Mr. Britton. Do I have questions from directors before we move on and open the floor for public comment? Mr. Morris, did you have any questions about Mr. Britton's presentation?

0:08:12.6 J. Morris: No, Ma'am. No questions.

0:08:13.8 Madam Chair: Very good. I'll now open the floor for public comment. Anyone in the board room wishing to come forward to provide public comment at the public hearing on this matter, please come forward. Seeing none, Mr. Dines, do we have anyone online who wishes to speak at the public hearing? Thank you. Has anyone received any written statements regarding this matter for the public hearing? Alright, then I will now close the public hearing, and I will open it for discussion by the board. Is there a motion?

0:08:54.6 A. Parker: I make a motion to approve the Supplementary Communication Rights Easement Agreement with Dominion Energy.

0:09:09.4 C. Binder: Second.

0:09:12.6 Madam Chair: Any further discussion?

0:09:14.9 M. Britton: Madam Chair, I'm not sure...

0:09:15.8 Madam Chair: Yes, Mr. Britton?

0:09:16.5 M. Britton: But you may wanna authorize the General Manager to sign.

0:09:21.0 Madam Chair: Would you amend your motion please, Mr. Parker?

0:09:22.5 A. Parker: I would like to amend my motion to allow the General Manager to sign.

0:09:27.4 C. Binder: And I'll second again.

0:09:28.3 Madam Chair: And thanks, Ms. Binder. Alright. Any further discussion? I'll go down the line. Mr. Parker? Ms. Binder? Ms. Cleveland? Mr. Morris, any further discussion on the matter?

0:09:39.3 J. Morris: No, ma'am.

0:09:41.9 Madam Chair: Alright. We have a motion properly seconded, all those in favor say, aye.

0:09:48.6 C. Binder: Aye.

0:09:48.8 C. Cleveland: Aye.

0:09:49.0 A. Parker: Aye.

0:09:49.4 J. Morris: Aye.

0:09:49.7 Madam Chair: Any opposed? Chair votes aye, motion carries. Thank you. Alright. Moving on to our second public hearing, Fiscal Year '22 proposed budgets and rate amendments. The King George County Board of... Service Authority Board of Directors will now hold a public hearing that has been properly advertised to receive public input regarding the Fiscal Year '22 proposed budgets and rate amendments. I will first ask for the staff report, I will then open the floor for public comment. Public comment is limited to three minutes per speaker in order to afford everyone an opportunity to speak. Please state your name and address before you comment. Upon completion of public comment, I will bring the matter back to the board for consideration, the board may or may not take action tonight depending on information received during public comment. Mr. Weakley, would you please present the staff report?

0:10:49.1 Jonathon Weakley: Thank you, Madam Chair. Members of the board, some of this presentation you've already seen, so, again, I wanna give the public an overview of the budget and rates that were presented prior. So, first, this is the Service Authority FY'22 expenditure summaries. The Service Authority has two budget categories, those are water and sewer, so that handles operations, maintenance, repairs, and so forth. The expenditures for water is expected to be \$1,776,352, sewer expenditures \$3,363,221, transfers to capital, so that's our debt service projects and reserves, that's a little over \$1.8 million for FY'22, or total expenditures of \$6,990,077. And just to give the public a perspective, this is an increase from FY'21 for expenditures of a little over \$250,000. Just to point out with that \$250,000 increase, we're looking at an increase of \$79,000, almost \$80,000 from FY'21 in the water budget. Some key focal points there, we'll be doing some upgrades to wellhouse programs and some control upgrades, kind of speaking to some of the things Mr. Parker talked about, we'll have better notification and monitoring systems that do not exist now. Some of the sewer budget item increase, that was a \$325,000 increase from FY'21, we're doing a lot of upgrades and repairs this year out of operating funds, no debt service, those are SCADA upgrades for Hopyard and Fairview Beach, so those are the programs that run those facilities. As well as some mixing equipment that needs to be replaced at the Dahlgren Wastewater Treatment Plant. So, those are your overall expenditures for FY'22, the big ticket items, the reason for the increase.

Here's a breakdown of the expenditure summaries. So, we have three categories here. You can see water makes up about 25% of expenditures, the transfers of debt makeup 27%, and the biggest portion of the pie is our sewer, we have some older systems, and as you saw earlier, it's almost double what our water budget is, it takes a lot to run our sewer operations and maintenance. On the revenue side, so this is fund projections coming in, these categories break down to what our bimonthly billable item, so your water and sewer user fees, and then your debt service fees as well as any connection fee. So we primarily have two revenue sources that is, again, your bimonthly billable services, and then any new connection, and every year we have a projection of 50 connections that's full service connections water and sewer, our budget is built around that, so anything over helps our bottom line and our reserves. So, total revenue is equal to the expenditures at \$6,990,077. Again, the service connections are based around 50 connections for the year. It is

good to point out that some of the rates, and I'm gonna go to another slide, are reflected in here, so you'll see that breakdown right now, this is total annual revenues...

Let's go back. Excuse me. So an increase of last year's budget of \$186,802; this is roughly \$80,000 short because we took out the late fees. 'Cause without knowing when the local declared emergency would be waived, and right now during the local declared emergency the Board of Directors adopted last year in their regulation amendments, that during a local declared emergency all late fees would be waived and there would be no service disconnection. So we're still operating under that model until that local declaration is lifted, so we did not include that in this year's budget. There is a 4% rate increase, so back in June of 2019 the Board of Directors adopted a five-year rate plan. We are entering year three of that five-year rate plan. The percentage increases over those years was 10% the first year, 4% the second year. We're entering year three; it's another 4%. The following year four is 4%, and the fifth year will be at 3%. So these are the approved five-year rate plan back from June 2019. The rate increase as I just stated is based on the five-year rate plan.

While it becomes effective July 1st, the customers will not see that until their September bill because we do bill bimonthly, so that's every 60 days. Here's a breakdown of our revenue summary, so you can get an idea of percentages and the fees that are received. Water fees at 22%, the sewer fees are at 30%, the water debt fees... And again, the water debt fees and sewer debt fees in the, what is know as the capital reserve fee, those are fixed fees for all customers. So if you are a water and sewer customer you pay those fixed fees for both. If you're one or the other you pay the fixed fee for that service that's being provided. And then you can see the availability fees, the connection fees, those make up a small portion. The water connection fee is at 4%, so a very, very small portion coming from connection fees overall.

So budget summary. The minimum bill rate increase, just to give you a perspective, 'cause again, we do bill bimonthly, it's an overall \$6.09. It's an increase from a minimum bill, so if you're a customer that uses between zero to 3000 gallons every 60 days, that's the increase that you will see on your bill in September. If you're average bimonthly user, that's up to 10,000 gallons, you are seeing an increase on your bimonthly bill of \$10.92. Again, just a little recap, our projections are 50 water and sewer, zero commercial, zero water only. FY'22 rates. So this is what shows up in Section 30. It's more of a narrative, but Section 30, our rates effective July 1, assuming the board will take action to adopt and appropriate the water fees... Consumption fees up to 10,000 gallons, the new rate will be at \$5.39 per 1000 gallon. For the waste water consumption fee, so that's the sewer portion up to 10,000 gallons, that rate will increase to \$12.58 per 1000. When you start getting above 10,000 gallons, the rate changes for every 1000 over 10,000. So that water consumption fee above 10,000 gallons will be at a rate of \$6.15 per 1000 gallon. On the waste water side over 10,000 gallons will be a rate of \$13.67 per 1000. Your water debt user fee, again, these are fixed fees on your bill, on every customer's bill that's a water customer, that will increase to \$38.86. The sewer debt user fee, again, that's a fixed fee, that increase will be \$63.43 for a total of your bimonthly bill. The capital reserve fee increases as well. That's a fixed fee, that's \$2.38. And the goal, just for the public and those that are in the viewing here tonight, back a few years ago the Board of Directors adopted this as a new fee structure to put back money for capital reserves. So we realize this will have to grow over the years, but its intent is to put that back into capital projects. So overall we do have a cash reserve. This adds to that for future projects and repairs, so trying to stay away from any new debt.

So, what will the new minimum bimonthly residential bill look like after July 1st? It's \$158.58. Again, that's based on a minimum of zero up to 3000 gallons. An average bimonthly bill which is based on 10,000 gallons, that bimonthly cost is at \$284.37. There are no changes for bulk water sale. We do sell bulk water. It's not a lot of revenue. I think we projected about \$12,000 this year, over, I believe, about \$9000 last year. So we do sell some water. We can't go out there excessively

because of our ground water withdrawal permit, but it does help keep our lines clean in certain area. And a benefit of being able to sell some water that is available.

There are no proposed increases to water and sewer account for the deposit, so if you are...Having a new account for water and sewer, that would be a \$250 deposit. If you're just a water-only account, new accounts require \$125 deposit. And also, if you're a sewer-only, it's a \$125 deposit. Right now, those deposits stay with the Service Authority in the accounts. When a customer moves out or sells a property, that's where you see a refund report, a lot of times a year in your monthly warrants, that's what that represents, so they get that deposit back at that time, and we look at their last bill and we do a true-up afterwards. On meter connections, so that's at \$284.37 for water and sewer based on 10,000 gallons. Water-only is at \$95.14. The new rate for sewer-only will be \$191.61, again, that's based on 10,000 gallons. There's no change to fire suppression availability fees or the debt fee associated with that. And, Madam Chair, that concludes the staff report.

0:21:41.5 Madam Chair: Thank you, Mr. Weakley. I now open the floor for public comment. Does anyone in the boardroom wish to provide public comment during the public hearing? Seeing none. Mr. Dines, do we have anyone online who wishes to speak?

0:21:57.1 Chris Dines: No, ma'am.

0:21:58.8 Madam Chair: Alright. Do we have any written correspondence? No? Alright. I will close the public hearing and bring it back to the board for consideration. Does anyone have questions first for Mr. Weakley? Is there a motion?

0:22:17.7 A. Parker: I make a motion to accept the Fiscal Year 2022 budget as presented as well as the rate amendments.

0:22:26.9 C. Binder: Second.

0:22:29.0 Madam Chair: Mr. Morris, I'm sorry Sir. So, we have a motion properly seconded, did you have something to add?

0:22:36.7 J. Morris: No, ma'am.

0:22:38.0 Madam Chair: Very good. Alright. I'll now open it for discussion. Mr. Parker? Ms. Binder? Ms. Cleveland?

0:22:47.5 C. Cleveland: Madam Chair, I will revert back to some of the information that I shared when we first discussed the budget. And that is, that I feel like we should be making good business decisions and for the long-term success of the Service Authority and when I mentioned good business decisions when we're thinking about the budget, we should control the things that we can control. And I feel like, in this down economy and the state of the Service Authority, we should be supporting only a 2% increase for salary increases, because that is what the cost of living is, the cost increase of living is for this past year. And given just where we are in this environment, I feel like any additional monies should be applied to the debt service.

0:23:41.6 Madam Chair: Thank you, Ms. Cleveland. Mr. Morris?

0:23:45.2 J. Morris: Nothing to add, ma'am.

0:23:47.6 Madam Chair: Alright then, we have a motion properly seconded. All those in favor say Aye.

0:23:52.9 C. Binder: Aye.

0:23:53.5 J. Morris: Aye.

0:23:54.1 A. Parker: Aye.

0:23:55.6 Madam Chair: Any opposed?

0:23:57.2 C. Cleveland: Nay.

0:23:58.5 Madam Chair: Thank you. Chair votes Aye. Motion carries. Let the record show, motion carried 4-1. Ms. Binder, you're the clerk.

0:24:06.7 C. Binder: Yes.

0:24:07.1 Madam Chair: Thank you, ma'am. Alright. We'll move on to presentations and reports. KGI, here this evening on behalf of KGI is Mr. Sumner Terry. Welcome.

0:24:28.0 Sumner Terry: Thank you very much. Thank you very much and thank you for having me here and invite us to be here. I wanna start... And sometimes they say, we can start apologizing. But the thing is correct, I start in some way apologizing because first, I am in the job less than two months, and when I come on board and I started installing all the KGI, the relationship and stuff for that, I find about King George. And my goal immediately was to try to come to a good agreement or a good position in that we can really serve the awesome community much better than we had been doing, and that we can really work together to serve better our work contingents. So I want to tell you that KGI is 100% open to work in the best way possible to make that a reality. And I know, maybe this is not the forum, the whole county, but I know that the informed is going to be in that forum, too, so that's first. Second, as you see, I'm Hispanic. I'm American, but I'm Hispanic-American. So if there is something that I say that isn't understand, please tell me, "Repeat," and I will be happy to repeat it, okay?

So thank you again for allowing me to be here with you guys. Well, I gave some ideas to you, and I know again, this is nothing that is going to be like discussed or approved here, but I really want you to see what our path is and what we are looking in, and what we want to do to serve the community. As you see, King George has 72,000 acres as forest. That make a little difficult for our job in providing internet that need a line in between the antenna and the end. And we are working hard in fixing or trying to get that. My sales, what I do... And again, I'm trying to be a little bit fancy at the beginning trying to get involved in everything. Aqua Towers, we have basically two aqua towers. One, that have eight customers and one that don't have any equipment on it, and we have another tower... And this is Gail, Gail is our new marketing liaison in the company, she can say, "Please help me. I'm new and I don't wanna make a mess." So we have two right then a pair of one. Can you come with me?

0:28:36 Madam Chair: So, Ms. Woodring, you are welcome to stand at the podium, and that way you'll have the benefit of the microphone and anyone here, as well as, anyone watching online, as well as, the YouTube recording, will be able to hear what you're saying.

0:28:51.2 Gail Woodring: Thank you.

0:28:51.7 Madam Chair: Thank you.

0:28:51.8 G. Woodring: Alright, so if I understand Mr. Britton correctly, the Fairview Beach Tower is not being serviced at the present moment.

0:29:00.5 J. Weakley: There are two towers in our agreement, it's Oakland Park and Arnolds. Oakland Park is in service, Arnolds Corner is not at this time.

0:29:08.2 G. Woodring: Oh, okay.

0:29:09.7 S. Terry: Thank you. Thank you, Ms. Gail. So, we are looking to serve the whole county in a big project we are preparing.

0:29:24.0 Madam Chair: Okay, so before we get too far ahead of ourselves, let's stop on this slide. So this is why I invited you here tonight because I thought that it would benefit our Board of Directors to learn what the status is of this project, those two towers as it relates to the service agreements. So, Mr. Weakley, you just said there is equipment on the Oakland Park tower, and from your map, I gather you have generated eight customers from that, correct?

0:30:00.0 J. Weakley: Yes, ma'am.

0:30:01.1 Madam Chair: And repeat for me again, part of the terms of the agreement that our facilities were to be provided internet service, correct?

0:30:14.7 J. Weakley: That is correct. So it's a total of two towers that KGI, would co-locate their equipment on in turn of four wastewater treatment plants, Dahlgren was nixed from the original review because of the communication concerns with the base. So it's, out of the other four, we currently have service at the Oakland Park Wastewater Treatment Plant and the Hopyard Farm Wastewater Treatment Plant.

0:30:43.2 Madam Chair: Alright, so can you tell us before... 'Cause it looks like you are gonna do a pitch for us that probably is... This is not the appropriate board to do that. Do you acknowledge that?

0:30:56.8 S. Terry: Yeah, I acknowledge that. Yeah.

0:30:58.2 Madam Chair: But before you do that, can we hear about what the plans are to make good on the existing agreement that you have with this body?

0:31:07.4 S. Terry: Yeah. As I told you, I wanna come and I told Mr. Jonathan, I wanna come to this meeting to really know 100% and understand 100% what the agreement and everything was and have a better answer in a next meeting. And not necessarily next next, but in another opportunity. I know for sure that we are doing our best in that tower that have equipment. We are looking forward and we have some project prepare to be able to give the service all around and have a better service provide to the county. And we are looking for some funds, extra funds that we are

looking around, so we can really have more cover to be able to fulfill that. And as far as I know, we are paying for the renting of the tower in a timely manner because we don't want the group thinking that we don't want to do it, we want to do it. Again, I have two months, less than two months in the service. And I'm doing my best to be really... Know 100% what's going on, how we can fix it, and I can tell you, and not just you that are present, everybody that is watching me, that we are working hard to accomplish that. And I appreciate the way Mr. Jonathan is communicating with us and yourself, Ms. Anne. And I am working hard on that, and I'm planning continuing having that hard work and more communication now with you guys.

0:33:25.2 Madam Chair: So I'm not really hearing a firm plan or a timeline. I hear that you're working on it, I heard something about funding, that you are seeking funding, but I'm not really hearing that there is a plan. And now it's June 1st, so this agreement, I believe, has been enforce for a little more than a year, am I right, Mr. Weakley? Was it February?

0:34:00.3 J. Weakley: It was...

0:34:00.9 Madam Chair: January?

0:34:02.6 J. Weakley: Basically February the 3rd, 2020.

0:34:06.7 Madam Chair: So Ms. Woodring, do you have anything to add about, as far as, the service agreements go for getting equipment on that other tower and the ability to provide the wastewater treatment plants with service per the terms of the agreements.

0:34:31.0 S. Terry: We don't have that answer now, but I have the question.

0:34:36.0 Madam Chair: Okay, okay.

0:34:36.6 S. Terry: And I assure that I will have to answer, and if you are gracious to give me another opportunity to be here in next meeting that you can have, I promise you that I will have all that answered because now we have all of the questions.

0:34:52.8 Madam Chair: Okay, yeah, so that's really what we were looking for, 'cause this body, the Service Authority Board of Directors has authority over our towers, and that agreement was entered into with the Service Authority Board of Directors, so that's what we're looking for. As far as anything else that you wanna do to try to provide internet service and/or seek funding because the next slide, next couple of slides are definitely in that direction.

0:35:27.1 S. Terry: Yeah.

0:35:27.4 Madam Chair: Yeah, that would be something to take to the Board of Supervisors, but... So, at this time, I do wanna go ahead and ask my colleagues on the Board of Directors if they have any questions for you. Ms. Binder, do you wanna start? Because you were one of the original Board of Directors members that was here when this was enacted, and I believe you were also the chairwoman of the Service Authority at the time, so go ahead.

0:35:49.6 C. Binder: Yeah. So, one question I have is, previously, we had Ms. Wydo who would come in, is she no longer with the company?

0:35:56.5 S. Terry: She's no longer with the company, I took her place, yeah.

0:36:01.5 C. Binder: Got you, thank you. And this is a very time-consuming, Mr. John... Mr. Weakly could remind me, it was 2019 when we started this, or maybe even 2018?

0:36:11.7 J. Weakley: When I came on board in November 2018, this was in the works, Mr. Worley informed me about it.

0:36:17.2 C. Binder: Right, so this has been around quite a while, and it took a lot of work to get to this agreement to be able to provide. Have you had a challenge getting customers?

0:36:27.2 S. Terry: Well, we had some challenge and maybe it's like passing... We have some challenge, we was able to discuss those challenge, and we are looking forward to overcome those challenges. And that's why I really wanna come and hear from you exactly what has been required, what happened, and I basically apologize and say that we are going to take... Or we already took over this and we are planning in having a better service for that.

0:37:14.2 C. Binder: So, part of what I'm hearing is you're under new ownership, is what I'm getting.

0:37:18.1 S. Terry: Well, no ownership, is the same ownership, but the...

0:37:22.4 C. Binder: Management team?

0:37:23.1 S. Terry: Yes.

0:37:24.0 C. Binder: Okay. And how many customers do you have overall?

0:37:28.2 S. Terry: 274.

0:37:29.8 C. Binder: In the whole of King George?

0:37:31.3 S. Terry: Yes, ma'am.

0:37:32.0 C. Binder: Okay, thank you very much.

0:37:33.6 S. Terry: You are welcome, ma'am.

0:37:35.2 Madam Chair: Ms. Cleveland?

0:37:37.0 C. Cleveland: I don't have any additional questions other than the ones that you've already asked.

0:37:40.8 Madam Chair: Thank you. Mr. Parker?

0:37:44.6 A. Parker: I was just looking at the map, and I'm not a computer guy per se, but it looks like you're... We've located on the Oakland Tower, and if I'm understanding this correctly, it's line

of sight, basically these towers have to be looking at each other to be able to go direct lines of sight to talk to each other. So, I'm assuming from what you're saying you're having a lot of trouble getting to customers 'cause over in that area of the county is rather hilly up and down and you're not getting transmission to them. So, that leads me to the next question, why was that the first location that was looked at? And this is me being a layman on this stuff, I would look for the flat part of the county where you could obviously mount these things on something and get a wide eye, so to speak. And I think Arnold's Corner is probably a little bit closer to that flatter portion of the county. So, one, I guess, what are you doing to get that system up so that you can reach more people? And then, two, is there a number of customers you have to hit on that first tower to be able to jump to the next series of towers?

0:39:02.1 S. Terry: Well, thank you for the question. We are looking for have some repeaters put in a strategic point so we can bounce from tower to repeater to tower, tower to repeater to tower onto the end mile that are the customers, and that was happening. We has find... We find tower, trees, trees, trees, towers, and I, again, I don't wanna talk about the original agreement, I don't wanna talk about anybody or anything. Yeah, I assure you I'm looking to solve more than you say, or somebody did it wrong or why did it in some way. But the situation was that in the way that the original tower was tall it's impossible to serve a direct line to the customer unless you cut the trees, and we don't want to cut the trees. So if you allow us time to figure it that, again, I had less than two months doing this, and I'm working hard to find a solution and bringing you a solution for everything, and that's why we continue paying for the other tower no matter we are not using it, because we are... We have a big hole that we can fix it in a proper time and manner, I cannot tell you because I don't like say something that I cannot hold. I cannot come here and say, "It's okay, in three months, we will have such and such," no, I assure you for next meeting, I will have something more solid. I know now what's going on, and, again, I tell you, we are willing to work together and have not just for what we had in the first agreement, but have internet for all our county, but they deserve.

0:41:21.5 Madam Chair: Anything else, Mr. Parker?

0:41:24.3 A. Parker: No, ma'am.

0:41:25.3 Madam Chair: Alright. Mr. Morris, can you hear, sir? Do you have any questions?

0:41:28.3 J. Morris: Yes, ma'am. I noticed it was asked and answered, I just didn't hear the answer. How many customers did they have?

0:41:38.1 S. Terry: 274, sir.

0:41:41.6 J. Morris: 274?

0:41:43.4 S. Terry: Yes, sir.

0:41:44.7 J. Morris: Okay. Correct...

0:41:45.8 A. Parker: And it's eight off of the one tower that's here, correct?

0:41:51.4 J. Morris: Right.

0:41:51.7 S. Terry: Yeah.

0:41:52.4 J. Morris: And my only other thing is just this a statement, whether they're using or not, they're renting the space on the tower. If they don't want that space, then we can rent it to somebody else, so whether it's used or not, you're renting that space. That's all, thank you.

0:42:17.3 Madam Chair: Sure, and that's all laid out in the agreement. So, I do have a question. Are you able to provide any service to our citizens along the river in the area of Belvedere Beach or Fairview Beach, pinging off of the projects that you have in Marlboro Point in Stafford County? Do you have any customers that receive service up there?

0:42:47.1 G. Woodring: As of right now, and again, I'm even shorter than two months with this project, but we just did our first at Fairview Beach off of... It's actually up at Widewater, it's coming down from Widewater. And then, we have a tower in Fairview Beach that shoots to Marlboro Point, and we're in the process... And we can service the east side of Marlboro Point off of that tower. But, yeah, we are... We can service all the way from basically where that line is, I guess that would be the Maryland water, all the way to the bridge, anybody who lives along the water, we can service them.

0:43:26.2 Madam Chair: Okay, thank you. And then, if I could just note, so one thing in your antenna site lease, if you all can just make sure to update on page nine, any party shall change its address, the address and the president's name, and it's listed on there how to give notice of that, if you all can make sure that that happens, that'd be your responsibility to inform, notify our county attorney and our Service Authority general manager, please make sure that happens. And then, I think it's pretty clear what we're looking for tonight, so there won't be any misunderstanding when we schedule for you to come back, it's gonna be, "Here's where we're at, and here's our plan to try to do what we said we were gonna do," and I get the point that you're paying, whether you have... You're paying to rent that other tower whether you have the equipment on it or not, that's fine, if you wanna keep paying and not put your equipment on our stuff, well, okay, we'll keep collecting the money every month, but the other part of this agreement was that you were to provide service for our wastewater treatment facilities, and if that hasn't happened yet, that's what I'm concerned about.
Yeah, yeah, so that's what we're looking for.

0:44:56.9 G. Woodring: So, the water facility is not...

0:45:00.7 J. Weakley: It's two Wastewater facilities, so you have provided the service to the Hopyard Farm Wastewater Treatment Plant off Port Conway, you've provided service to the Oakland Park Wastewater Treatment Plant, which is near the tower you have, outstanding is Fairview Beach Wastewater Treatment Plant, so if you have service out there that may be... Well, the terrain is a little different, it's off Potomac Lane and Drive, but then you also have service that's needed at Purkins Corner Wastewater Treatment Plant.

0:45:34.5 Madam Chair: So, Ms. Binder, did you have one more question?

0:45:37.2 C. Binder: Yes. Mr. Weakley, so when I originally signed this agreement last year, the KGI got free rent on the towers, correct, for one year? And when did they start paying rent?

0:45:50.2 J. Weakley: I believe that commenced February of this year.

0:45:52.8 C. Binder: Okay, thank you, I just wanted to confirm that for the public.

0:45:57.3 Madam Chair: Alright. So, I do understand there was more in your presentation, but that is for the Board of Supervisors, and you're not on our agenda for that meeting tonight. We can get you on there if you would like to do that, but I think before you get on the Board of Supervisors' agenda, it would behoove you to come back to the Board of Directors to show that you honor the commitment you had to this board in good faith, and then we can go from there.

0:46:29.0 S. Terry: I agree.

0:46:29.5 Madam Chair: Okay?

0:46:29.6 S. Terry: I totally agree.

0:46:29.6 Madam Chair: Okay, alright, thank you very much for coming out. Yes, Ms. Woodring?

0:46:33.7 G. Woodring: So, just so I'm hearing correctly, I have not read any of the results, so basically we got rent for a year for free in exchange of giving you service, and we didn't give you service, is that really the point?

0:46:45.2 Madam Chair: Mr. Weakley has copies that you all can take with you, yeah.

0:46:48.3 S. Terry: Yeah, that's true.

0:46:51.6 G. Woodring: Okay.

0:46:52.4 J. Weakley: That's the crux of it.

0:46:55.4 Madam Chair: Alright, thanks very much for coming out. So, seeing no neither action nor discussion items, we will move on to the General Manager's report. Mr. Weakley?

0:47:07.8 J. Weakley: I'll be very brief, Madam Chair, I know we have a closed session.

[pause]

Mr. Parker spoke a little bit already about the water system issues, so basically we're able to find and get system notifications, monitoring systems we'll be able to know about that before the customer, so we're sorry for any delay. Usually folks have to call in when we're made aware if we're not on shift. So we're replacing some communication cables, that's what happened there, the wells have to communicate with the storage tank level to know when to come on, when to cut off. So as the levels drop, pressure drop, which is what the community experienced. Still working with the developer at the Potomac Landing, and I think I made changes. I think I'm learning that it's called Potomac Overlook, so that's the 84 lot by-right Development. Current status, the developer's attorney is working towards a draft service agreement to get over to Mr. Britton now to review initially and then bring it to the board for review and your choice after that. DEQ has been involved.

We're working through the permitting process, the engineering for the developer needs to provide some valuation information, so we know what cost share, or if there is any potential cost share involved. So we'll keep working diligently on our behalf to help move this project along. I'm in the process of issuing a RFP for engineering surface, services for the purpose of rural water study. Again, we have a lot of ground water withdrawal permits coming up for renewal, so we really need to look beyond 2027 permits, and what is the long-term sustainability for the county. The Aquifer Test Plan that has been submitted to DEQ, we're waiting for their comments to come back. That's for a Canterbury system, so we'll do an observatory well and some geophysical logging there.

On the waste water side, thank you for the fence. That's been a long time coming. We looked at pricing it in house, the materials alone was astronomical. And that had an eight-week lead time from the time we scheduled that with the contractor. We're happy with the outcome and we believe that's been communicated with the HOA as well. I'm currently interviewing for vacant wastewater operator positions; planning to make a decision on that at the end of this week. I met with Davenport, Mr. Quesenberry and myself. I am projecting a lead change staff report at the July 13th meeting. If you may recall, we had this public reveal and I know there's been some time, and I apologize, we had the public reveal, you authorized me to get an engineering analysis and market study. We have done that, we have reviewed that; however we needed the pro forma information, the business model information from Heartland, so we can have Davenport review it, we can review it and have context. So, that will be coming back for July 13th staff report.

Lastly, capital projects we're working on that. I know the county every year has their capital plan, so we wanna be actively involved in that and obviously any capital improvement list and final say is at this board level, so that will be coming up soon. Madam Chair, that's all I have for the general managers report.

0:50:45.3 Madam Chair: Thank you, Mr. Weakley. Questions, Mr. Parker?

0:50:49.2 A. Parker: No questions, ma'am.

0:50:51.0 Madam Chair: Thank you, Ms. Binder?

0:50:52.0 C. Binder: No questions.

0:50:52.9 Madam Chair: Ms. Cleveland?

0:50:53.4 C. Cleveland: No questions.

0:50:54.3 Madam Chair: Thank you. Mr. Morris, do you have any questions about Mr. Weakley's general manager's report?

0:50:58.9 J. Morris: No question, ma'am.

0:51:01.2 Madam Chair: Thank you, sir. I have no questions. Thank you very much, Mr. Weakley. Do I have a motion?

0:51:10.0 C. Binder: I move that the King George County Service Authority Board of Directors, convene and close meeting pursuant to state code Section 2.2-3711(A)8 for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the

provision of legal advice by such council. Namely the proposed amended consent order relating to Oakland Park, Purkins Corner, Dahlgren and Fairview Beach wastewater treatment plants. I invite the general manager and county attorney because they are deemed necessary and/or their presence will reasonably aid the board in its consideration of the topics to be discussed pursuant to VA Code Section 2.2-3712(F).

0:51:54.1 A. Parker: Second.

0:51:55.0 Madam Chair: Thank you. All I was in favor, say Aye.

0:51:57.8 C. Binder: Aye.

0:51:58 C. Cleveland: Aye.

0:52:00.7 A. Parker: Aye.

0:52:00.8 J. Morris: Aye.

0:52:03.0 Madam Chair: Chair votes Aye, motion carries. We are in closed session.

0:52:04 C. Binder: I move that the King George County Board of Directors return to Public Meeting and certify by vote that only public business matters lawfully exempted from open meeting requirements by Virginia law, and only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered during the closed meeting.

0:52:23 A. Parker: Second.

0:52:25 Madam Chair: Thank you. I'll need each director to roll call certify please.

0:52:40 A. Parker: Allen Parker. I so certify.

0:52:42 C. Binder: Cathy Binder. So certify.

0:52:43 C. Cleveland: Carrie Cleveland. So certify.

0:52:46 J. Morris: James Morris. So certify.

0:52:47 Madam Chair: Annie Cupka. So certify. We are in open session. Do I have a motion to adjourn?

0:52:50 C. Binder: I'll make a motion to adjourn to June 15th, 2021 at 5:20 PM in the Board Room.

0:52:52 A. Parker: second

0:52:55 Madam Chair: All those in favor say aye

0:52:58 C. Binder: Aye.

0:52:59 C. Cleveland: Aye.

0:53:00 A. Parker: Aye.

0:53:05 J. Morris: Aye.

0:53:07 Madam Chair: Chair votes aye. Motion carries. This meeting is hereby adjourned to the next regularly scheduled meeting on June 15th, 2021 at 5:30 PM in the Board Room. That meeting may be held by electronic means and or remote participation only and may be closed to the public being physically present. All citizens are encouraged to participate in advance in the meeting by electronic means as provided by the county. We are adjourned.

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