

VIRGINIA:

At a regular meeting of the King George County Service Authority Board of Directors, held on Tuesday, the 21st day of September 2021 at 5:30 p.m. in the Revercomb Building Board Room at 10459 Courthouse Drive, King George, Virginia:

PRESENT:

Annie Cupka, Chairman
James Morris, Vice-Chairman
Cathy Binder, Member
Carrie Cleveland, Member
Allen R. Parker, Jr., Member
Chris Miller, County Administrator/Interim General Manager
Ken Golski, Deputy County Attorney

0:00:06.6 Madam Chair: Sorry about that. I was waiting for the recording to be called. Thank you. So I did that again just so everyone is clear. I hereby call to order this meeting of the King George County Service Authority board of directors. We will begin with the invocation by Ms. Binder, followed by the Pledge of Allegiance by Mr. Miller.

0:00:27.1 Cathy Binder: May we please stand. Please, Lord, take care of everyone who lives in King George, and please be aware for those that have troubles and please take care of them and look over them in Lord's name. Amen.

0:00:39.6 ALL: Amen.

0:00:43.6 ALL: I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

0:01:04.1 Madam Chair: Alright, Mr. Miller, do we have any amendments to the agenda this evening?

0:01:05.6 Chris Miller: No, ma'am.

0:01:06.3 Madam Chair: Very good. We'll move on to 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, we ask that you offer those comments at the time of the public hearing. Is there anyone here in the audience who wishes to provide public comment this evening?

Seeing none, I'll move on to online. Mr. Dines, is there anyone online who wishes to provide public comment? Thank you. Directors, did anyone receive correspondence from customers who wishes it to be read into the record of the meeting? Alright, I'll now close public comment and move on to reports of members of the board. Mr. Parker, would you like to start us off, Sir?

0:01:53.2 Allen Parker: Just a minor report, I just wanna say thanks to all the members of the service authority, they know they got a lot of calls when the new bills came out. There's a whole lot of people in Hopyard that called you guys, and they straightened out a lot of stuff, there was some confusion that I think Ryan caused on several bills, and so I appreciate the help.

0:02:16.7 Madam Chair: Thank you, sir. Mr. Morris?

0:02:19.3 James Morris: No report, ma'am.

0:02:20.0 Madam Chair: Thank you, Ms. Binder?

0:02:22.0 C. Binder: No report.

0:02:24.6 Madam Chair: Thank you, Ms. Cleveland?

0:02:24.7 Carrie Cleveland: No report.

0:02:24.8 Madam Chair: Thank you. I wanna reiterate what Mr. Parker stated with regard to confusion in billing, and he probably heard from the same customer that I did earlier today. And please know we are here to listen to you, so if you have issues and you call staff and you are still concerned, please do reach out to us. The best way to get a hold of me is via email, just... It's easier for me to track, but I do have a county phone as well, and that is what we are here for. Thank you. Alright, consent agenda, please. Do I have a motion?

0:03:05.1 J. Morris: I make a motion we accept the consent agenda as presented.

0:03:09.5 C. Binder: Second.

0:03:10.7 Madam Chair: All those in favor, say Aye.

0:03:11.5 C. Binder: Aye.

0:03:12.9 C. Cleveland: Aye.

0:03:13.1 J. Morris: Aye.

0:03:13.5 A. Parker: Aye.

0:03:14.6 Madam Chair: Chair votes Aye, motion carries. Report from the County Attorney?

0:03:17.6 Ken Golski: No report, Madam Chair.

0:03:19.5 Madam Chair: Thank you, sir. Alright, we will move right along to discussion item

0914, CIP Work Sessions. Mr. Miller?

0:03:32.0 C. Miller: Madam Chair, what I'm passing out will be the CIP that Mr. Weakly had put together, the CIP projects. There's really... In my understanding, there's really no process that you all really have kind of similar... It's not similar at all to what the Board of Supervisors goes through, but these are the projects that Mr. Weakly had outlined, and so I'm moving forward with those, or at least wanting you to consider them. I think at the last meeting, I may have mentioned that one of the things that I'd like is to have some of the representatives from Davenport and Associates come on the... And they indicated they could come on the 19th of October. So I'm giving you this now, but I think that the best thing to do would be to hold that meeting as an opportunity to discuss these things in more in-depth, and you can see how these projects are related to the financial situation in terms of the board, in terms of the service authority, and I think that it would be just probably better to do that if we want to do some consideration, some discussion on this, we could do it at the next meeting too, if you want, but I would think we need to adopt this probably... Maybe one, for sure, one, but maybe two meetings, so that you get the opportunity to do that. And maybe we do the 19th, we do a presentation on the CIP projects, and then on the following... Sometime in November, you could... If you're ready to adopt it, then you'd be in a position to do that, you'd have all the information from Davenport, you could consider those things, and we could bring it back for the next meeting on that. I'm happy to talk about this at another meeting as well, if you wanna do that, but I do think that it probably comes into a little better clarity when you see how it relates to what they're doing for us.

0:05:44.4 Madam Chair: Thank you, Sir. Any questions from members? Go ahead, Ms. Cleveland.

0:05:53.1 C. Cleveland: I just had a question as I forgot about this. What is the dollar amount that makes it to CI... The CIP? What does the dollar amount have to be?

0:06:03.8 C. Miller: There's no real dollar amount, it's gonna be what you have the ability to do. And clearly, the issue financially for the service authority is what kind of money is set aside for capital projects. Capital projects usually are projects that have a long-lasting life, like for instance, the decommissioning of Perkins corner wastewater treatment plant, that's a long-term project. And so really, there's no limit yet, other than what we have the ability, based on what the financials show. And at this point, I guess my long answer to your question is that there's a couple of specific projects that do need to be considered, and I think we can work them in, and that's where we've already been in touch with the folks from Davenport, and they'll be able to show us how it works and all that, is that...

0:07:03.9 C. Cleveland: That is helpful, but I think maybe I need to state it differently. So if it's not in the regular budget, isn't there a certain dollar amount where it would have to go to CIP?

0:07:16.1 C. Miller: Yes, yes and no. So when you look at... Typically, when you look at operations versus CIP, a definition of a capital item is something that you can expense over time, whereas an operating expense is something that would be done immediately and it immediately takes the hit. You can spread out capital projects. The typical example would be building a new waste water treatment plant, that would be a capital project. Operating project would be the supplies or the personnel that goes into operating that thing, so that wastewater treatment plant, so that... There is no real cut off...

0:08:03.3 C. Cleveland: I got you.

0:08:04.5 C. Miller: But you can obviously see that these are big ticket items compared to say somebody's salary, but I think that the important thing is, as I understand this organization and the service authority over the number of years was, there has been a real aggressive attempt to try to right-size some of the financials so that we could begin to make some headway in terms of retiring debt, make some headway in terms of self-sufficiency and things like that. And so I believe that last year, you didn't really have any major CIP projects that were presented, and so this will be the first year. And most all of these have... Somehow, they have been figured into the financial analysis that the Davenport folks have had. And as you know, the Davenport folks... And the reason I keep referring to them is Davenport obviously has been very much of an assistance to the service authority in terms of the big picture financials and where you need to be in terms of raising revenue, where you need to be in terms of rate structures and things like that, and so I think they're very much aware of this.

0:09:27.1 Madam Chair: Thank you, Sir. So can we make sure... I'm assuming that Davenport, they're always well-prepared, but that they and the county attorney are gonna be prepared to provide us some guidance too, on what available ARPA funding might be able to be used for this? And then, of course, if we're talking about our localities' slice of the pie, we would need to also meet with the Board of Supervisors to see if the Board of Supervisors was willing to donate it to a political subdivision, which they can 'cause we're a political subdivision. And then also, I know the service authority doesn't have a grant writer on staff right now, and I know when Mr. Weakly... Or I'm sorry, Mr. Worley was on there, he was really good about looking for... And writing grants, so if perhaps we could have staff look at... If there are other opportunities at the EPA from the Drinking Water State Revolving Fund and places like that, that also received a cut of ARPA money from the state, that we could apply for those funds, for a grant from those funds to... Even if it ends up being a match, I think that would be extremely helpful 'cause we need to do whatever we can to not place any more burden on our customer base.

0:11:06.2 C. Miller: Yes, ma'am. I will say this, that so much of what goes on with ARPA is gonna really be dependent on how the Board of Supervisors reviews that and the direction that you provide us. I know there are some... There may be one or two of these projects could qualify for ARPA, and we've kind of figured those things in our staff approach, but we also... We're gonna present everything next week, and I think that'll clear up a lot of what your interest is as supervisors in terms of what funds are available for the ARPA project, which then triggers how these projects kind of fit. So yes, we will have that analysis ready to go.

0:11:52.1 Madam Chair: Great, thank you. Alright, then we'll move on to your general manager's report, Sir.

0:12:00.1 C. Miller: Okay. Okay, so as you recall at the last meeting, we had the folks from Potomac landing, actually, we have two of those representatives, developer, Mr. Taylor and Mr. Bracco are here. And so I have been in contact with Mr. Cleveland and with Mr. Reese about the plan right now and where we stand, and... Is that we have turned the proposal over to our engineer, Draper Aiden, Mike Haggerty, and they are running through the proposal and looking at it in terms of what is needed and what things will work and what things we don't need and vice versa. And so we expect sometime, perhaps at the next board meeting, we will have an answer, but that is where

we are with that, and I think that the most important thing is that we have a real strong grasp on the improvements that need to be made and the methodology of how we would do a credit rebate program, and that's what we're working on. Dahlgren Wastewater Treatment Plant generator, just to let you know that we are in a situation right now where we're renting a generator at Dahlgren, these are really big units like almost the size of this room size, and so it's gonna exceed \$50,000.

That's something I'll work with Donna on with the finance department, but we may be in need of doing a bid at some point, or it could be a future CIP project, but right now, we're renting it, and that cost is obviously about \$11,000 a month, and so we are in need of looking at it in a different way. The other item up there is the turn-offs is... Mr. Parker referred to the bills coming out, well, you know at the same time, we also had a number of people that were delinquent for significant amounts of time, and I will say this, our staff did a great job of one, working with people to get them to pay up and to reconnect those folks to work out payment plans, whatever we could do. They did everything they could.

As I said, I think we started the day... I think we started the week after our last board meeting, and we had delayed it about a week because of the impending storm that was apparently gonna affect us, but it never did. But we basically reserved about two days to do the turn-offs. They do not turn anybody off on Friday, I think that's very important for you all to know they do not turn anybody off on Friday, and probably the majority of the turn-offs are turned back on later that day, so we have people basically on call that are going and turning people back on who work out a payment plan and do whatever.

I don't have the number of the people that... The amount for the CARES Act, but there were a number of people that qualified for that as well. I think that the most important thing is that people were given opportunities, and I really think that our staff did a great job of bending over and working as well as they could with people to get them service. And we're certainly not gonna turn anybody off that may have the need for water, for medical reasons or things like that, we'll try to work through with those people as well.

The other item that I would just add would be the OIC, which is the Operator In Charge. As you know, we're contracted with Inboden Services to do the wastewater treatment services, where they come in two times a month and they're doing our reports that then get sent to DEQ. And that is in lieu of a wastewater treatment manager, we are doing background check on one particular employee, or potential employee, and it's just... This has been a long process. I hope that this one works out, but if not, then we'll start the process again.

It's very frustrating to find somebody that has those kind of credentials and... In the meantime, we're in good shape. The Operator In Charge, Inboden Services, and I, had a conversation on Friday, and they are... They're handling things, they're not seeing any major issues, they're not seeing any kind of violations that could get us into trouble with DEQ, and they're very much empowered to let me know those kind of things, so all things are working there in that respect. And that, I believe, is it.

0:17:21.3 Madam Chair: Thank you, Mr. Miller. Any questions from directors regarding his report? Go ahead, Mr. Parker.

0:17:27.8 A. Parker: Yeah, just a question. Right, 'cause I've also got a few things on the shut-offs, and nobody really said anything other than it was their fault for not paying. But a question on it, 'cause they didn't realize that it had been shut off, do we leave like a notice in their mailbox, on their door?

0:17:47.4 C. Miller: It's my understanding that they all received some kind of a written notice like in the middle of August, and then there were a number of things done on the KG alert, there were a

number of things done in terms of... On the website.

0:18:01.0 A. Parker: No, yeah, they didn't pay... These particular people didn't pay attention. I'm saying, when we actually turn the water off, do we leave like a note on the door? 'Cause several people couldn't figure out why their water wasn't working, and then they called and realized they didn't pay the last bill, and were very embarrassed to have posted that their water wasn't working, but they didn't... It wasn't like there was a notice on their door that they realized it was off, it just... They went to flip the tap. So I was just wondering if we leave a note somewhere when we do that.

0:18:35.5 C. Miller: We did not do that, but we will in the future. I was not aware that they didn't do that, but that is a good point and we can certainly give them that kind of courtesy that, "Look, your water's off now." But mostly, what happens is, is that they're doing it, they go to the tap to turn it off and then they seal it, or they zip-tie it or whatever they do, and then they... And then the person realizes they don't have the water, and then they call and then they'll go out, and if they've made payment, they'll go out and do the whole thing over again and turn them on. But it shouldn't be a big deal. We can do that. I think that's a good point.

0:19:20.0 A. Parker: That was the only thing I got... Nobody said they got their water turned off unfairly, it's just they didn't realize it until they called.

0:19:29.7 C. Miller: I think I had another thing on my report that I failed to mention, I know that Ms. Cleveland and I have talked about getting back to the regular... Giving you financial information. I think it was set up to do as a quarterly. Ms. Hahn and I have had a conversation about this, and I think the feeling is, is that this time, we just need to... We need to wait to get our books closed, and that's something that we're working through, but that's something that we'll get you... Then we can give you budget-to-actual and year-to-date and those kind of things, so that we can give you a sense of where things are. I know that that has been a question, and so I'd like to shoot for one of those meetings in October where we can give you that information. Is that fine? I'm not gonna speak for you, but...

0:20:24.3 Madam Chair: Alright. Mr. Morris, questions?

0:20:27.9 J. Morris: No, ma'am.

0:20:28.1 Madam Chair: Ms. Binder?

0:20:28.9 C. Binder: No.

0:20:29.3 Madam Chair: Ms. Cleveland?

0:20:30.5 C. Cleveland: When we were talking about the wastewater treatment manager, it made me think about the GM. Is there any updates on that position or...

0:20:38.8 C. Miller: Well, I'll be honest with you, there are things that I'm working through, and we are evaluating where things need to be in terms of that. There are some operational issues that just need to be addressed before we do that, but that is a situation that I'm very much aware of and I know that you all wanna address that concern. There are things in that organization that need to be addressed probably before the next person comes on board, to be honest with you, and that's where I

am right now.

0:21:22.6 Madam Chair: I don't have any questions, thank you, Mr Miller. Alright, I believe that is the last item so I will entertain a motion to adjourn, please.

0:21:33.8 J. Morris: I make a motion we adjourn till October 5th, 2021, 5:30 PM here in the boardroom.

0:21:41.8 Madam Chair: All those in favor, say Aye.

0:21:43.5 C. Binder: Aye.

0:21:43.9 C. Cleveland: Aye.

0:21:44.1 J. Morris: Aye.

0:21:44.5 A. Parker: Aye.

0:21:45.0 Madam Chair: Chair votes Aye, motion carries. We are adjourned.