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Alexander I. Vanegas, Chairman
Joyce P. Eagles, Vice Chairman
Durward E. Grubbs, Secretary-Treasurer
Janice R. Carr, Member
Dr. K. Jack Kooyoomjian, Member
Paul E. Ruecker, Member
David A. Rutherford, Member
L. Ben Thompson, Member

Dean E. Dickey, General Manager
Leslie A. Griffith, Deputy General Manager/CFO

Service Authority

MINUTES OF BOARD OF DIRECTORS MEETING OF MAY 10, 2012

Board Members Present: Janice R. Carr, Joyce P. Eagles, Durward E. Grubbs, Dr. K. Jack Kooyoomjian, Paul E. Ruecker, David A. Rutherford, L. Ben Thompson and Alexander I. Vanegas

Staff : Dean E. Dickey, Leslie A. Griffith, Lyle Beefelt, Astrid Nelson, Theresa O'Quinn, Don Pannell, James Pflugshaupt, Chuck Weber, Evelyn Mahieu, Ph.D., Andrea Idol, Steve Bennett, Beau Caire, Joe Carney, Steve Clark and Cheryl Leiby

Legal Counsel : Mark Viani

Guests : Occoquan Forest Residents:
Ann Stampf, President of Occoquan Forest Owners Association
John Bailey
Peter Martin
Thomas E. Simonian
Bill Stampf

1. GENERAL MATTERS

Chairman Vanegas called the meeting to order at 7:30 p.m.

a) Consideration of Approval of Minutes of April 12, 2012

Motion: Chairman Vanegas called for approval of the Minutes of the April 12, 2012 Board meeting.
Dr. Kooyoomjian moved to approve the amended minutes which were at the Board Members' places.

Second: Mr. Ruecker

Ayes : Kooyoomjian, Ruecker, Carr, Eagles, Grubbs, Rutherford, Thompson, Vanegas

b) Consideration of Approval of Minutes of April 26, 2012 Work Session and Special Board Meeting

Chairman Vanegas called for approval of the Minutes of the April 26, 2012 Work Session and Special Board Meeting.

Motion: Mr. Ruecker moved to approve the Minutes of the April 26, 2012 Work Session and Special Board Meeting.
Second: Mrs. Carr
Ayes : Ruecker, Carr, Eagles, Grubbs, Kooyoomjian, Rutherford, Thompson, Vanegas

c) Consideration of Announcements by Staff

Mr. Dickey advised that there was an amended agenda at the Board Members' places; he added that the placement of the proposed Virginia Retirement System (VRS) resolution has been moved on the agenda, and a request has been added under Action Matters to issue a task order to repair the Featherstone Force Main.

Chairman Vanegas asked for approval of the amended agenda.

Motion: Mrs. Eagles moved to accept the amended agenda.
Second: Mr. Ruecker
Ayes : Eagles, Ruecker, Carr, Grubbs, Kooyoomjian, Rutherford, Thompson, Vanegas

Mr. Dickey further advised that also at the Board Members' places was the request and proposed resolution for the Featherstone Force Main repairs, samples of thank you notes from the elementary school students who toured the H. L. Mooney Advanced Water Reclamation Facility recently, and a list of upcoming events.

In addition, Mr. Dickey advised that at the Board Members' places was a copy of a letter concerning Vulcan Materials Company from McGuire Woods, LLP to Prince William County concerning Fairfax Water's plan to use the quarry for water storage, two news articles (one about the Rural Crescent and one about Piedmont II which the Board of County Supervisors recently approved) and a compilation of recent customer requests where Board Members were involved.

Mr. Dickey noted the Presentation of the Occoquan Forest Preliminary Engineering Report (PER) is listed on the agenda and advised that Occoquan Forest residents were in attendance.

d) Citizens Time

Mrs. Ann Stampf (President of the Occoquan Forest Owners Association) spoke during Citizens Time. She wanted to personally thank those who came to the Occoquan Forest Owners Association Annual Meeting on April 22, 2012 (Dr. Kooyoomjian, Ms. Andrea Idol and Messrs. Weber and Beefelt). Mrs. Stampf conveyed her appreciation for the open communication between the Occoquan Forest community and the Service Authority. She introduced Mr. Peter Martin and Mr. Tom Simonian who were also present. Mrs. Stampf noted that Mr. John Bailey, acting as a consultant for the community, has been very helpful.

No other citizens signed up to speak.

2. PRESENTATION

a) Occoquan Forest Preliminary Engineering Report (PER)

A brief presentation was given on the Occoquan Forest Preliminary Engineering Report.

Mr. Dickey requested amending the agenda to move the action item "Authorization to Release Occoquan Forest PER to the Virginia Department of Environmental Quality (DEQ)" so action could be taken at this time rather than later in the meeting. Mr. Dickey advised that once the PER is released to DEQ, the PER would be made available to the general public through the public libraries and the Service Authority's website.

Motion: Mrs. Eagles moved to amend the agenda to move action item "Authorization to Release Occoquan Forest PER to the Virginia Department of Environmental Quality (DEQ)" so the Board of Directors could take action on that matter at this time.

Second: Mr. Ruecker

Ayes : Eagles, Ruecker, Carr, Grubbs, Kooyoomjian, Rutherford, Thompson, Vanegas

Mr. Dickey requested that the Board of Directors approve June 28, 2012 or July 26, 2012 as the first public comment meeting regarding the Occoquan Forest Water Reclamation Facility.

Chairman Vanegas surveyed the Board Members and afterwards advised that it is the consensus of the Board of Directors to hold the first public comment meeting on Thursday, June 28, 2012. Mrs. Eagles advised she will be out of town at that time. Discussion followed about acceptance of verbal and written comments and the possibility of a second public comment meeting on July 26, 2012.

b) Lien Legislation

Mr. Dickey advised that as reported previously, the Virginia legislature has passed new requirements in order for authorities to place liens on properties where individuals have not paid or do not pay in a timely manner.

Mrs. Nelson, Director of Finance, then provided a brief overview of the changes to the Virginia Code relative to the lien process.

A brief discussion followed on notifying owners, paying interest on the security deposits and protecting the Service Authority's lien rights.

3. ACTION MATTERS

a) Virginia Retirement System (VRS) Employer Contribution Rates for Counties, Cities, Towns, School Divisions and Other Political Subdivisions

Mr. Dickey advised that with the resolution provided by VRS, the Service Authority must choose the Authority's VRS rate option. He recommended the Service Authority take Option 1 at a rate of 11.35% for the employer contribution and recommended the Board of Directors select the 1% employee contribution rate for FY 2013 and revisit the matter in FY 2014.

Motion: Mr. Ruecker moved that the Prince William County Service Authority Board of Directors does hereby approve the 11.35% employer contribution rate and the employee contribution rate of 1% for FY2013; the Board of Directors will revisit the employee rate in FY 2014.

Second: Dr. Kooyoomjian

A brief discussion followed.

Ayes : Ruecker, Kooyoomjian, Carr, Eagles, Grubbs, Rutherford, Thompson, Vanegas

b) Approval of Capital Improvements Program (CIP) FY 2013 – FY 2017

Motion: Dr. Kooyoomjian moved that the Prince William County Service Authority Board of Directors does hereby approve the FY 2013 – FY 2017 Capital Improvements Program as presented with the minor modifications provided and authorizes it for distribution.

Second: Mrs. Carr

Dr. Kooyoomjian advised he has some notes and suggestions for next year's CIP, and he has spoken with Mr. Beau Caire in this regard.

Chairman Vanegas complimented Mr. Weber and his staff for their efforts in compiling the CIP.

Ayes : Kooyoomjian, Carr, Eagles, Grubbs, Ruecker, Rutherford, Thompson, Vanegas

c) Approval of FY 2013 Budget

Mr. Dickey advised that as presented at the Budget Work Session, the Board of Directors just voted for the 1% phase in of the VRS rate change in the FY 2013 Budget. Mr. Dickey also recommended that the Board of Directors approve equalization of the Service Authority's health insurance contribution across all Health Insurance Plans at 80% of the enhanced PPO premium.

Chairman Vanegas presented additional modifications to the FY 2013 Budget for the Board Members' consideration.

Motion: Mrs. Eagles moved that the Prince William County Service Authority Board of Directors does hereby approve the FY 2013 Budget as presented with the following modifications:

- 1% phase-in VRS change and 1% increase in salary,
- equalization of the Service Authority's contribution across all Health Insurance Plans at 80% of enhanced PPO premium,
- increase average compensation to 3.5%,
- add boom truck to capital budget, and
- add induction draft fan to capital budget.

Second: Mr. Ruecker

Ayes : Eagles, Ruecker, Carr, Grubbs, Kooyoomjian, Rutherford, Thompson, Vanegas

d) Approval of Funding Agreement with Prince William County for Water and Sanitary Sewer Betterments in Conjunction with the Route 1 Improvement Project (Neabsco Mills Road to Featherstone Road)

Mr. Weber advised that this project was approved by Prince William County in 2007 and then it was placed on hold. The County now plans to undertake this road project which presents an opportunity for the Service Authority to replace the 10-inch cast iron pipe in this area and also replace the old, pre-stressed concrete 24-inch transmission main which transports water from Fairfax Water to the Garfield Pump Station with a 36-inch transmission main in addition to providing betterments to the water and sewer system in this area. Mr. Weber recommended approval of this project.

Motion: Dr. Kooyoomjian moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager to execute a standard agreement with Prince William County for utility adjustments in conjunction with the Route 1 Project (Neabsco Mills Road to Featherstone Road) to include staff recommended betterments at an estimated cost of \$3,816,843, plus a ten percent contingency, for a total authorization not to exceed \$4,198,527.

Second: Mr. Ruecker

A discussion was held on the current cost, the amount of development currently in the Route 1 area, the water line in the vicinity owned by Fairfax Water, replacing the water line in the area of the Woodbridge Town

Center and Sentara (Potomac) Hospital, and from which fund the payment of project costs would be derived.

Ayes : Kooyoomjian, Ruecker, Carr, Eagles, Grubbs, Rutherford, Thompson, Vanegas

e) Issuance of Eleven Task Orders for Sewer Main Line Relining

Motion: Mr. Thompson moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager to issue eleven task orders to AM-Liner East for a total amount not to exceed \$1,948,000, which includes a five percent contingency, based on the prices shown in the unit bid schedule.

Second: Mrs. Carr

Ayes : Thompson, Carr, Eagles, Grubbs, Kooyoomjian, Ruecker, Rutherford, Vanegas

f) Issuance of a Task Order for Featherstone Force Main Repairs

Mr. Dickey reported that upon inspection, a significant amount of corrosion was found in 300 feet of this very critical 36-inch force main which goes directly to the H. L. Mooney Advanced Water Reclamation Facility. Staff is requesting the Board of Directors approve the work be accomplished with a Basic Ordering Agreement. Unit prices have been obtained from two separate contractors in order to obtain the best price.

Motion: Dr. Kooyoomjian moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager to issue a task order for the Featherstone Force Main Repairs to W. C. Spratt in the amount of \$347,175, plus a 10 percent contingency, for a total authorization not to exceed \$381,892.

Second: Mrs. Eagles

A discussion followed on air release valves, the location of this force main, whether any breaks have been experienced with this force main, and the evaluation of other force mains to determine if there may be others in need of repair. Mr. Dickey advised that upon completion of the evaluation, future repairs would be brought to the Board of Directors.

Ayes : Kooyoomjian, Eagles, Carr, Grubbs, Ruecker, Rutherford, Thompson, Vanegas

4. GENERAL MANAGER'S REPORT

a) Town of Occoquan Sewer Matter – Mr. Dickey advised that the Service Authority is in receipt of a letter from a resident in the Town of Occoquan complaining about sewer odors at his property. Service Authority staff have investigated and determined that the sewer lines in question are private laterals. The Service Authority is not responsible for private laterals.

b) Vehicles – Mr. Dickey responded to the question raised at the FY 2013 Budget Work Session concerning the number of vehicles in the Service Authority's fleet. Mr. Dickey confirmed that the Service Authority owns 175 vehicles. He reported that the vehicle inventory consists of 99 light-duty vehicles, 57 medium-duty vehicles and 19 heavy-duty vehicles.

c) Sale of Surplus Equipment – Mr. Dickey also responded to the question about the sale of surplus equipment. Mr. Dickey advised that the Warehouse staff arranges for the sale of surplus equipment and vehicles through a contractor. Mr. Beefelt added that surplus items are sold through the website www.govdeals.com.

Mr. Dickey advised it is necessary to hold a closed meeting.

5. ATTORNEY'S TIME

Mr. Viani confirmed the necessity for a closed meeting.

6. CONSIDERATION OF MATTERS PRESENTED BY MEMBERS

Mr. Rutherford complimented Mr. Rob Wilson on the CCTV article which appeared in CONDUIT, the Virginia Environment Federation periodical and asked if there is interest in wider dissemination. Mr. Dickey advised staff is looking into that matter. Mr. Dickey further advised that Mr. Keenan Howell is returning to the Service Authority; he starts Monday and that is one of the things he will be working on.

Mr. Rutherford added that it is a good idea to do more publicity as to the Service Authority's capability in a catastrophic occurrence. He said he believes there would be general local interest in this.

Mrs. Eagles advised that the Audit Committee met and had a good meeting with Mr. Garber. The auditors are ready to start. Mr. Thompson has joined the Audit Committee. This is the last year for PBGH, LLC under the existing contract. The Service Authority will then go out to bid for a new auditor.

Mrs. Eagles thanked whoever was involved in painting the fire hydrant at Rippon Boulevard and Farm Creek Drive. Her concern was whether or not it was operable. Mr. Dickey noted that the fire hydrant in question was tested in April and found to be in proper working order.

Dr. Kooyoomjian advised he is working with Mr. Dickey on Mr. Farmer's complaint (Town of Occoquan). He thanked staff for being so professional. Dr. Kooyoomjian also referred to the Park Shore Court complaint and thanked Mr. Pannell and his staff for their efforts in that regard. Dr. Kooyoomjian noted that kudos were received from Supervisor May's office for the Service Authority's work on the Park Shore Court customer's complaint. Dr. Kooyoomjian complimented staff, Messrs. Pannell and Clark, and Dr. Mahieu for attending the NVRAC meeting at the Virginia Department of Environmental Quality offices in Woodbridge which he also attended. Dr. Kooyoomjian advised he has worked with staff on the CIP; he thanked Mr. Beau Caire for his assistance.

Chairman Vanegas thanked Ms. Griffith for arranging a tour of Loudoun Water's facility for Board Members Eagles, Carr, Grubbs and himself. Chairman Vanegas also thanked Mrs. Nelson and Mr. Weber for providing the recently requested information so quickly.

7. ADMINISTRATIVE REPORTS

Chairman Vanegas advised if any Board Member has questions on the administrative reports, to please contact Mr. Dickey and he will see that the appropriate staff member is notified.

8. CLOSED MEETING

Chairman Vanegas announced a closed meeting at 8:39 p.m. citing Code of Virginia §2.2-3711A1 (personnel), §2.2-3711A3 (real property acquisition) and §2.2-3711A7 to discuss potential litigation.

Motion: Mrs. Eagles moved to enter a closed meeting to discuss Code of Virginia §2.2-3711A1 (personnel), §2.2-3711A3 (real property acquisition) and §2.2-3711A7 (potential litigation).

Second: Mr. Grubbs

Ayes : Eagles, Grubbs, Carr, Kooyoomjian, Ruecker, Rutherford, Thompson, Vanegas

Upon conclusion of the closed meeting at 9:50 p.m. and in compliance with the Freedom of Information Act, a motion was made by Mrs. Eagles and seconded by Mr. Thompson to return to an open meeting certifying that to the best of each member's knowledge, the only matters considered were those that were appropriate

to be discussed under Code of Virginia §2.2-3711A1 (personnel), §2.2-3711A3 (real property acquisition) and §2.2-3711A7 (potential litigation).

Motion: Mrs. Eagles
Second: Mr. Thompson
Ayes : Eagles, Thompson, Carr, Grubbs, Kooyoomjian, Ruecker, Rutherford, Vanegas

CERTIFICATION FOR CLOSED MEETING

WHEREAS, the Prince William County Service Authority Board of Directors has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and,

WHEREAS, §2.2-3712 of the Code of Virginia requires a certification by the Prince William County Service Authority Board of Directors that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Prince William County Service Authority Board of Directors hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered in the closed meeting.

Motion: Mrs. Eagles
Second: Mr. Thompson
Ayes : Eagles, Thompson, Carr, Grubbs, Kooyoomjian, Ruecker, Rutherford, Vanegas

Chairman Vanegas called for a Motion to authorize advertising and holding a Public Hearing for the Board of Directors to consider exercising the Service Authority's right of Eminent Domain for the condemnation of property required to secure an easement in conjunction with the Woodbridge Low Service Level System Improvement Project.


Motion: Mrs. Eagles moved that the Prince William County Service Authority Board of Directors does hereby authorize advertising to hold a Public Hearing to consider exercising the Service Authority's right of Eminent Domain for condemnation of the JD Highway, LLC property in order to secure the required easement(s) in conjunction with the Woodbridge Low Service Level System Improvement Project.
Second: Mr. Ruecker
Ayes : Eagles, Ruecker, Carr, Grubbs, Kooyoomjian, Rutherford, Thompson, Vanegas

Chairman Vanegas called for a Motion to authorize finalizing negotiations and the agreement for the sale of the surplus property.

Motion: Mr. Ruecker moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager and legal counsel to negotiate and finalize the agreement for the sale of the surplus property (parcels GPIN 8392-24-8245, 8392-34-0915 and 8392-34-1229) located at 2011 Horner Road, Woodbridge, Virginia 22191.
Second: Mr. Thompson
Ayes : Ruecker, Thompson, Carr, Eagles, Grubbs, Kooyoomjian, Rutherford, Vanegas

9. ADJOURNMENT

Motion: Mrs. Eagles moved to adjourn the meeting at 9:55 p.m.
Second: Mrs. Carr



Durward E. Grubbs
Secretary-Treasurer