



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

Service Authority

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

MINUTES OF BOARD OF DIRECTORS MEETING OF NOVEMBER 10, 2011

Board Members Present: William J. Becker, Janice R. Carr, Joyce P. Eagles, Durward E. Grubbs, Dr. K. Jack Kooyoomjian, Paul E. Ruecker (arrived at 7:48), David A. Rutherford and Alexander I. Vanegas

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

Legal Counsel : Mark Viani

Guests : Normand Goulet, Northern Virginia Regional Commission
David McGettigan, Prince William County Planning Office
Ms. Karen Wolf and Mr. Kevin White

Chairman Vanegas opened the meeting at 7:30 p.m. and announced an amended agenda to add *Adoption of Resolution concerning Non-Domestic Wastewater Discharge Permits* under Action Matters.

Motion: Mrs. Eagles moved to approve the Amended Agenda as presented.
Second: Dr. Kooyoomjian
Ayes : Eagles, Kooyoomjian, Becker, Carr, Grubbs, Rutherford, Vanegas
Absent: Mr. Ruecker

1. GENERAL MATTERS

a) Consideration of Approval of Minutes of October 13, 2011

Chairman Vanegas called for approval of the Minutes of the October 13, 2011 Board meeting.

Motion: Dr. Kooyoomjian moved to approve the Minutes of the October 13, 2011 Board meeting.
Second: Mr. Becker

Dr. Kooyoomjian was complimentary of the Minutes.

Ayes : Kooyoomjian, Becker, Carr, Eagles, Grubbs, Rutherford, Vanegas
Absent: Ruecker

b) Consideration of Announcements by Staff

Mr. Dickey advised that at the Board Members' places was a copy of the letter sent to the County Executive in response to her request for information during the meeting Chairman Vanegas and he attended last month concerning the proposed rate increases.

Mr. Dickey further advised the Service Authority received \$1.9 million in availability fees from Amazon to cover its increased water usage. Mr. Dickey commended staff for their efforts in this regard.

Also, Mr. Dickey advised that there were two news articles at the Board Members' places concerning the Chesapeake Bay, a copy of the PIPELINE newsletter which is mailed quarterly with the customer bills, the 2012 calendars and an upcoming events flyer about the Public Hearing on the proposed rate increase (December 8, 2011) and the Holiday Luncheon (December 14, 2011).

Mr. Dickey wished an early happy birthday to Mrs. Carr whose birthday is November 17th.

c) Citizens' Time

There were no citizens in attendance who signed up to speak.

2. COMMENDATIONS

Mr. Dickey advised that Messrs. Mitchell and Posten were not able to attend the Board meeting. Mr. Dickey asked that the Board of Directors approve the resolutions commending them for their years of service.

a) Bobby Mitchell

Motion: Mr. Becker moved that the Prince William County Service Authority Board of Directors does hereby commend Mr. Bobby J. Mitchell for his dedicated service to the customers of the Prince William County Service Authority and the citizens of Prince William County, and expresses best wishes for happiness in his retirement.

Second: Mrs. Eagles

Ayes : Becker, Eagles, Carr, Grubbs, Kooyoomjian, Rutherford, Vanegas

Absent: Mr. Ruecker

b) Randall Posten

Motion: Mr. Becker moved that the Prince William County Service Authority Board of Directors does hereby commend Mr. Randall P. Posten for his dedicated service to the customers of the Prince William County Service Authority and the citizens of Prince William County, and expresses best wishes for happiness in his retirement.

Second: Mrs. Eagles

Ayes : Becker, Eagles, Carr, Grubbs, Kooyoomjian, Rutherford, Vanegas

Absent: Mr. Ruecker

c) Kevin M. White

Chairman Vanegas presented Mr. White with a plaque commemorating his 33 years and 4 months of service.

Motion: Mr. Grubbs moved that the Prince William County Service Authority Board of Directors does hereby commend Mr. Kevin M. White for his dedicated service to the customers of the Prince William County Service Authority and the citizens of Prince William County, and expresses best wishes to him in his retirement.

Second: Mrs. Eagles

Ayes : Grubbs, Eagles, Becker, Carr, Kooyoomjian, Rutherford, Vanegas

Absent: Ruecker

Mr. White addressed the Board of Directors stating it was a privilege to have worked for such an outstanding organization. Mr. Dickey introduced Kevin's wife Karen who works in the Service Authority's laboratory.

3. PRESENTATION

a) Northern Virginia Regional Water Supply Plan (Plan)

Mr. Dickey turned this matter over to Mr. Beau Caire. Mr. Caire advised that this Plan has been compiled over the last five years by local jurisdictions in conjunction with the Northern Virginia Regional Commission (NVRC). Mr. Caire introduced Mr. Normand Goulet of the Northern Virginia Regional Commission who was the lead on this project and Mr. David McGettigan of the Prince William County Planning Office.

Mr. Goulet advised that the Plan in its final draft is a requirement of the Virginia state legislature. The Plan will be submitted to the Virginia Department of Environmental Quality (DEQ) as a regional plan which includes Prince William County. This Plan is a partnership between the jurisdictions, authorities in Northern Virginia and NVRC. Prince William County was tasked to do the work; the Service Authority was the lead on the data collection and paid for Prince William County's portion of the Plan. NVRC collected the remainder of the data and prepared the Plan. This Plan must be updated every five years.

Mr. Goulet stated the Plan, which is an inventory of water resources available in the Northern Virginia region was a result of concerns raised during the droughts of the 1990's and early 2000. The Plan contains an assessment of how existing water resources are being used; it also serves as a planning tool for future demand and contains alternatives based on that demand. Once the Prince William Board of County Supervisors adopts the Plan; it will be submitted to DEQ.

After the presentation, a discussion was held on demand assessments, surface water supplies, private water supplies, conservation measures, and quarry water storage and the recreational component.

Chairman Vanegas thanked Mr. Goulet for the presentation and for all the work he had done. Chairman Vanegas also thanked Mr. Caire, Mr. McGettigan and Prince William County staff for their efforts in this endeavor.

4. ACTION MATTERS

a) Recommendation to Adopt Northern Virginia Regional Water Supply Plan

Mr. Dickey recommended that the Board of Directors pass the resolution for the adoption of the Northern Virginia Regional Water Plan by the Prince William Board of County Supervisors.

Motion: Dr. Kooyoomjian moved that the Prince William County Service Authority Board of Directors does hereby recommend to the Prince William Board of County Supervisors that they approve and adopt the Northern Virginia Regional Water Supply Plan as it pertains to

Prince William County and authorize the Plan's submission to the Virginia Department of Environmental Quality.

Second: Mrs. Carr

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

b) Award of Construction Contracts Under a Basic Ordering Agreement
Miscellaneous Water and Sewer Construction and Grinder Pump Installations

Mr. Dickey turned this item over to Mr. Weber to present to the Board of Directors. Mr. Weber advised that this Basic Ordering Agreement method has been used successfully by the Operations and Maintenance Division for maintenance projects and for small Capital Improvements Program (CIP) projects required by the Engineering Department.

Mr. Weber further advised that this type of contract offers flexibility because it has unit prices for all the types of projects required by the Service Authority. Staff is recommending the Board of Directors authorize the General Manager to award a contract to Prince William Pipeline Corporation and also to W. C. Spratt, Inc. for performing construction task orders based on the prices shown in the unit bid prices and the extra work value schedules.

Motion: Mr. Ruecker moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager to award contracts to Prince William Pipeline Corporation and W. C. Spratt, Inc. for performing construction task orders based on the prices shown in the unit bid prices and the extra work value schedules.

Second: Dr. Kooyoomjian

A discussion was held on how often the unit prices escalate, if there were any other bidders and bonding the jobs.

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

c) Issuance of a Task Order for Design of the Colchester Sewer Interceptor Replacement

Mr. Dickey advised that this project is part of the Consent Order with DEQ and it affects the eastern part of the County. Mr. Dickey recommended approval of this request and then turned the floor over to Mr. Weber.

Mr. Weber advised that this interceptor feeds into the Featherstone Pump Station which sends flows to the H. L. Mooney Advanced Wastewater Facility; it was built in 1967 and is in need of rehabilitation. In addition, according to projections, this interceptor will be significantly undersized for the future. With the Consent Order, DEQ representatives went through the Service Authority's CIP and selected projects they thought would eliminate infiltration and inflow (I&I). This is a complex project next to the railroad tracks. The interceptor is 18 to 20 feet deep on the lower end. The project is a combination of a new small pump station, lining part of the gravity sewer and making it a force main, and replacing some of the gravity sewer above the old existing sewer. The project is estimated at six or seven million dollars and Baker's proposal was roughly 8% of that which seems to be a fair estimated cost. The Baker contract is a level of effort contract, so they just invoice the Service Authority for time and materials during the design at an amount not to exceed \$556,770, which is the amount not to exceed value that they provided.

Mr. Weber recommended the Board of Directors authorize the General Manager to issue a Task Order to Michael Baker Jr., Inc. for design of the Colchester Interceptor Sewer System Replacement. The work shall be performed on an hourly basis, with a not to exceed fee of \$506,156, plus a contingency of \$50,614, for a total authorization not to exceed \$556,770.

Motion: Mr. Becker moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager to issue a Task Order to Michael Baker Jr., Inc., for design of the Colchester Interceptor Sewer System Replacement with work to be performed on an hourly basis with a not to exceed fee of \$506,156, plus a contingency of \$50,614, for a total authorization not to exceed \$556,770.

Second: Mrs. Eagles

A discussion followed on the age of the interceptor, the type of pipe, and infiltration and inflow. Also, Mr. Rutherford asked about acquisition of the required easements. Mr. Weber responded one easement is needed from the Prince William County Park Authority for a pumping station. The pipelines are within the existing easements.

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

d) Approval of Contract and Funding for Construction of Dumfries Sewage Pump Station Headworks Improvements

Mr. Dickey advised the Board of Directors has been briefed over the past few years on the sewer back-up problems in the lower eastern portion of the County next to the river. Mr. Dickey asked the Board of Directors to approve this design contract to help alleviate that problem and recommended award of the contract.

Mr. Weber added this is an improvement to the headworks at the existing pump station. Mr. Weber recommended approval of this request.

Motion: Mr. Becker moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager to approve the form of Contract with Bay Country Contractors of Fredericksburg, Virginia and to execute it upon satisfactory receipt and legal review of required insurance documents and payment/performance bonds in the amount of \$362,441, plus a ten percent contingency, for a total authorization not to exceed \$398,685.

Second: Mr. Ruecker

Mr. Rutherford pointed out that this contractor's bid is significantly lower than the bids of other contractors who perform work in this area, and asked if staff scrutinized the submittal. Mr. Weber responded that he did not personally contact the references; however, Mr. Ron Tatariw, a competent engineer on his staff, did contact some of the references and he is confident that this company can do the job.

Mr. Grubbs inquired about the bond; Mr. Weber confirmed that a bid bond has been received and performance/payment bonds will be required.

A discussion was held on the current economy and construction market.

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

e) Adoption of Resolution concerning Non-Domestic Wastewater Discharge Permits

Mr. Dickey advised this item was added to tonight's agenda. Working with the Potomac Landfill, Inc. (PLI) matter emphasized the importance of getting a pretreatment permit to control the discharge of non-domestic wastewater into the Service Authority's sanitary sewer system. This is the first permit being issued and staff is going through the process with great due diligence so the Board of Directors is kept apprised of the matter. Mr. Dickey asked the Board of Directors to approve the resolution before them so that Service Authority staff can recoup the costs for administering the Pretreatment Program.

Dr. Mahieu reported that PLI has lowered its hydrogen sulfide levels. Service Authority staff has conferred with an expert on landfills so the Service Authority has a very defensible permit which is part of the cost.

Motion: Mr. Ruecker moved that the Prince William County Service Authority Board of Directors does hereby authorize the General Manager to update all necessary fees, documents, policies and procedures and to capture all associated costs, including personnel, administrative, operational, capacity and insurance costs, incurred by the administration of non-domestic wastewater discharge permits.

Second: Mrs. Carr

A discussion followed on this permit request, the last time pretreatment of non-domestic wastewater was an issue, who would be required to obtain a permit, the five-year pretreatment survey, and the enforcement of the non-domestic wastewater permits.

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

5. GENERAL MANAGER'S REPORT

a) Public Hearing on Proposed Rate Increase—Mr. Dickey advised that the Public Hearing on the proposed user rates and availability fees is scheduled for the next Board meeting which is December 8, 2011.

b) Holiday Luncheon—Mr. Dickey further advised that the Holiday Luncheon will be held on Wednesday, December 14, 2011 from 11:30 a.m. until 2:30 p.m. in the Auxiliary Building.

c) Education Display (display) at the new laboratory building at the H. L. Mooney Advanced Water Reclamation Facility—Mr. Dickey advised that because of the previous concerns addressed by the Board of Directors, Mr. Dickey wanted to make certain the Board of Directors concurred with proceeding with some conceptual designs for the educational area. Mr. Dickey noted that the educational display is planned to be incorporated into the new lab building that the Service Authority will be constructing. Examples of other educational displays were sent to the Board of Directors in the Board package. Mr. Dickey advised he would like the opportunity to create the conceptual design perhaps with some Board Members on a committee.

Chairman Vanegas selected Board Members Carr, Grubbs and Ruecker to serve on that committee to have oversight of the actual conceptual project.

A discussion was held concerning the plans for the educational display, how many visitors are anticipated to view the display, space requirements, the cost, moving forward with the conceptual design, outreach to the community, children taking information home to their parents, consideration being given to having an educational display in the lobby of the Spittle Building, and investigation of a possible grant for the construction.

After taking a poll of the Board Members, Chairman Vanegas advised that it is the consensus of the Board of Directors to move forward to have the committee meet on the conceptual design. Staff will schedule a meeting with the design consultant and the committee.

d) Occoquan Forest Owners Association—Mr. Dickey referred to the letter he received from the President of the Occoquan Forest Owners Association (Owners Association) which stated that the Occoquan Forest Owners Association wants to meet about its desire to have water service brought to the Occoquan Forest area. The Owners Association wants to incorporate that water line into any project the Service Authority may have in 2015, either building a pump station at the Occoquan Forest Wastewater Treatment Plant site or building the water line separately. Staff is still in the process of investigating the wastewater treatment plant issue. A brief discussion was held. Mr. Dickey will advise the Board of Directors of the outcome of the meeting.

e) Availability fees and capacity—Mr. Dickey reiterated that Amazon has paid \$1.9 million in availability fees for the excess capacity it has been using. Mr. Dickey further advised that the developer for George Mason University (GMU) Prince William Campus has been negotiating with Service Authority staff in an attempt to reduce the availability fees for GMU's student housing. A brief discussion was held.

f) Mr. Dickey advised there is a need for a closed meeting.

6. ATTORNEY'S TIME

Mr. Viani had nothing to report.

7. CONSIDERATION OF MATTERS PRESENTED BY MEMBERS

Dr. Kooyoomjian commented on the news article about silt in the Bay which depicted Mother Nature's swamping the whole ecosystem when a 1,000-year storm occurs. Dr. Kooyoomjian added that he is looking forward to the Christmas Luncheon. Dr. Kooyoomjian thanked staff for the excellent presentation and continued diligence to be the best.

Mrs. Carr wished everyone a Happy Thanksgiving. She was pleased that retiree Mr. Kevin White stated it was a privilege to work at the Service Authority. Mrs. Carr asked about the parking lot lights and security of the Service Authority property. Mr. Dickey advised that new parking lot lights are being constructed for added security.

Mr. Ruecker thanked the Veterans for their service and wished all the Veterans on the Board and staff a Happy Veterans Day.

Mr. Rutherford thanked Mrs. O'Quinn for the information on the workers' compensation experience rating.

Mrs. Eagles, Chairman of the Audit Committee, advised that the Audit Committee met this evening on the Comprehensive Annual Financial Report (CAFR) which is on schedule to be provided to the Board of Directors in December with request for approval to take place in January. Mrs. Eagles thanked Mrs. Nelson, Mr. Kartel and all the staff members that worked on the CAFR.

Mrs. Eagles wished everyone a Happy Thanksgiving and a Happy Veterans Day.

Mr. Ruecker inquired as to whether any studies on bid prices have been conducted to determine how close a job price compares with the original bid, and how often contingency funds are used. Mr. Dickey advised that this information is tracked and reviewed at the Service Authority's Project Review Board meetings. Mr. Weber further advised that for the last 13 years he has been reviewing the prices and has found that the difference between the original amount and closing amount is less than 2%.

8. ADMINISTRATIVE REPORTS

Chairman Vanegas advised if any Board Member has questions or comments on the Administrative Reports, to please refer them to Mr. Dickey for direction to the appropriate staff member.

9. CLOSED MEETING

Chairman Vanegas announced a closed meeting at 8:50 p.m. citing Code of Virginia §2.2-3711A7 to discuss litigation.

Motion: Mrs. Eagles moved to enter a closed meeting under Virginia Code §2.2-3711A7 to discuss potential litigation.
Second: Mr. Becker
Ayes : Eagles, Becker, Carr, Grubbs, Kooyoomjian, Ruecker, Rutherford, Vanegas

Upon conclusion of the closed meeting at 8:55 p.m. and in compliance with the Freedom of Information Act, a motion was made by Mrs. Eagles and seconded by Mr. Becker 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 §2.2-3711A7 (potential litigation).

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

10. ADJOURNMENT

Motion: Mr. Ruecker

The meeting adjourned at 8:56 p.m.



William J. Becker
Secretary-Treasurer