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Augusta Water
Regular Board Meeting, Thursday, June 20, 2024, at 1:30 p.m.
Field Operations Training Room

PRESENT: Andrew C. Middleton, Chairman, North River District
Garry R. Gordon, Vice Chairman, Middle River District – *Via phone conference due to being out of town*
Harvey Almarode, South River District
Allen Dahl, Beverley Manor District
Matthew Egeli, Wayne District
Timothy Simmons, Pastures District
Phil Martin, Executive Director
Brent Canterbury, Treasurer
Jean Marshall, Board Secretary

ABSENT: Michael L. Shull, Riverheads District

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CALL TO ORDER

The Chairman called the meeting to order at 1:49 p.m.

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PUBLIC RATE HEARING

Dr. Middleton opened the Public Hearing at 1:49 p.m.

The purpose of this hearing is to receive comments regarding the proposed increase in water and sewer user rates, becoming effective July 1, 2024. This hearing and the proposed changes were properly advertised in The News Leader on Wednesday, June 6, and Wednesday, June 13, 2024.

Mr. Canterbury reminded the Board they are tasked with setting and maintaining rates and fees high enough to comply with bond requirements and all state laws, as well as being fairly structured for rate payers, and sufficient to meet future capital needs.

The proposed budget for FY-2025 follows a carefully thought-out four-year plan set forth in the rate model and is preceded by many years of long-term financial planning and annual updates to the rate model. The FY-2025 budget proposes an increase in water variable rates of 3% and an increase in sewer variable rates of 3%. The July 1, 2024 increase for the average residential user will be \$3.96 bi-monthly. The average combined public water and sewer residential bill will be \$173.79 bi-monthly. An unmetered residential sewer bill will be \$108.31 bi-monthly.

With no members of the public being present to offer comments, the Public Hearing was declared closed at 1:50 p.m.

There being no further discussion, Mr. Simmons moved, seconded by Mr. Egeli to adopt the proposed user rates as advertised, effective for all bills created after July 1, 2024.

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Vote was as follows:

Yeas: Middleton, Gordon, Dahl, Egeli, and Simmons
Nays: None

Motion approved.

There being no further business, Dr. Middleton closed the Public Hearing at 1:50 p.m.

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ADOPTION OF AGENDA

Mr. Simmons moved, seconded by Mr. Egeli to adopt the Agenda of the regular Board meeting as presented.

Vote was as follows:

Yeas: Middleton, Gordon, Dahl, Egeli, and Simmons
Nays: None

Motion approved.

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APPROVAL OF MINUTES

Mr. Egeli moved, seconded by Mr. Simmons, to approve the Minutes of the Regular Board Meeting of May16, 2024, which have been mailed to the members.

Vote was as follows:

Yeas: Middleton, Gordon, Dahl, Egeli, and Simmons
Nays: None

Motion approved.

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MATTERS PRESENTED BY THE PUBLIC

No members of the public were in attendance to make comments and no public comments were brought forth by Staff.

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EXECUTIVE DIRECTOR'S HIGHLIGHTS

Mr. Martin informed the Board members an Open House will be held at 2:30 PM on July 18, immediately following the scheduled Board meeting in recognition of the completion of the Field Operations and Maintenance Facility building.

Mr. Martin informed the Board members the Agreement for the Airport Road water line expansion has been sent to all parties involved in the project for their signature.

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Mr. Martin stated the proposed Fishersville A solar project, which was presented to the Board at the March meeting, has not yet been presented to the Augusta County boards for approval due to delays by the applicant. After confirming with a representative from Augusta County there will be no changes to the original proposal, Mr. Martin plans to move forward with sending a Memo to the County boards relaying the potential impact of the project to Augusta Water.

There were no questions or discussion by the Board members.

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PROGRESS REPORT

The May Progress Report was included in the Board packet and reviewed with the Board members.

Mr. Martin gave an update on the Lyndhurst storage tank rehab stating several holes were found in the side and bottom of the tank. Repairs have been made to these areas.

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COMMITTEE REPORTS

Personnel Committee

Mr. Simmons stated the Personnel Committee met with Staff on June 19, 2024 to discuss security items for Augusta Water. The Committee and Staff discussed concerns regarding Board members using their personal email accounts instead of their Augusta Water email accounts to conduct Augusta Water business. Mr. Simmons reminded the Board members private emails and text messages on personal phones are subject to FOIA requests, if they are being used to conduct Augusta Water business.

The Board members and Staff discussed a potential date to cease communication regarding Augusta Water business through personal emails and text messages from personal phones. It was agreed Casey McCracken, Director of IT, will assist the Board members in setting up their Augusta Water email on their personal computers and phones.

After discussion, the Personnel Committee moved and seconded to direct Augusta Water Staff and the Augusta Water Board members to take the necessary steps to ensure all electronic communication concerning Augusta Water business be conducted exclusively through Augusta Water email accounts effective September 1, 2024.

After further discussion, the vote was as follows:

Yeas:	Middleton, Gordon, Almarode, Dahl, Egeli, and Simmons
Nays:	None

Motion approved.

CONSIDER ADOPTION OF FY-25 BUDGET

Mr. Canterbury stated there have been no changes to the proposed budget since it was presented to the Board at the May 16 meeting.

After discussion by Staff and the Board members, Mr. Almarode moved, seconded by Mr. Simmons to adopt the FY-2025 budget as presented.

Vote was as follows:

Yeas:	Middleton, Gordon, Almarode, Dahl, Egeli, and Simmons
Nays:	None

Motion approved.

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PROPOSED REVISIONS TO AUGUSTA COUNTY SERVICE AUTHORITY BY-LAWS

Mr. Martin explained the Augusta County Service Authority By-laws contain language in “Article III – Officers” specifying a Nominating Committee shall be appointed at the May meeting and Officers shall be elected at the June meeting each year.

This schedule creates some potential issues, particularly if the Augusta County Board of Supervisors does not appoint or reappoint members to the Augusta Water Board before the May meeting, when the Nominating Committee would begin its work, or the June meeting, when elections take place. As a case in point, this year there are four Augusta Water Board members whose current term expires on June 30, 2024. As of June 10, 2024, only one appointment/reappointment has been made.

Staff has worked with Augusta Water Legal Counsel to revise the By-laws to address this potential issue. The proposed revisions move the appointment of a Nominating Committee to the June meeting and move the elections to the July meeting. Stipulations have also been added that the members of the Nominating Committee will not be members whose terms end in that current fiscal year, and the Chair of the Nominating Committee will act as Temporary Board Chair at the July meeting. The Temporary Board Chair shall conduct the Board Elections before the new slate of Officers is installed. Finally, the Nominating Committee shall remain intact until the June meeting of the following year, when a new Nominating Committee shall be appointed.

Staff recommends the revised Augusta County Service Authority By-laws be approved.

There being no discussion by the Board members, Mr. Simmons moved, seconded by Mr. Egeli to approve the revisions to the Augusta County Service Authority By-laws as stated.

Vote was as follows:

Yeas:	Middleton, Gordon, Almarode, Dahl, Egeli, and Simmons
Nays:	None

Motion approved.

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APPOINTMENT OF THE NOMINATING COMMITTEE

Dr. Middleton appointed Mr. Simmons and Mr. Gordon as the Nominating Committee, with Mr. Gordon serving as chair. The election will take place at the July 18, 2024 Board meeting.

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AUTHORIZATION TO ISSUE PURCHASE ORDER FOR MIDDLE RIVER WWTP DIGESTER BLOWER

Mr. Martin stated, the approved FY-24 Middle River Capital Budget included \$125,000 for a new Digester Blower. Specifications were developed and sealed bids were solicited to purchase one new blower now, and the option to purchase another one of the same type within the next 18 months.

Bids for the blower were opened on March 6, 2024. Bids were received from Universal Blower PAC and Vand Solutions. Of the two, Universal Blower PAC had the lowest life-cycle cost and received the highest score on the specified rating scale. Both bids were substantially over budget, with Universal Blower PAC being the lowest at \$216,300 for one blower.

Staff engaged in negotiations with Universal and were able to modify the blower size to secure a deduction of \$47,249. The resulting bid amount is \$169,051.00.

Wiley|Wilson, the Consultant Engineer for Augusta Water, has recommended awarding the contract to Universal. Since this is a purchase for the Middle River Regional WWTP, the City of Staunton will be covering 72.1% of the cost. David Irvin, City of Staunton Acting Director of Public Works, has stated Staunton’s agreement with moving ahead on this.

Augusta Water’s Purchasing Policies and Procedures state in §1.3 SIGNATURE AUTHORITY, Paragraph 1.3.4 “Authorizations up to the approved budget amount for purchases fully funded in an approved budget can be approved by the Executive Director.” Since the amount for the P.O. to Universal would be greater than \$100,000 and exceeds the funds from the FY-24 Middle River Budget, authorization to issue a purchase order must come from the Board.

Staff recommends the Board authorize Staff to execute a Purchase Order in the amount of \$169,051.00 to Universal Blower PAC for the Middle River Regional WWTP Digester Blower.

After discussion, Mr. Egeli moved, seconded by Mr. Dahl to authorize Staff to execute a Purchase Order in the amount of \$169,051.00 to Universal Blower PAC for the Middle River Regional WWTP Digester Blower.

Vote was as follows:

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Yeas: Middleton, Gordon, Almarode, Dahl, Egeli, and
Simmons

Nays: None

Motion approved.

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BOARD COMMENTS

There were no comments from the Board members.

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ADJOURNMENT

There being no further business, Mr. Egeli moved, seconded by Mr. Dahl to adjourn the meeting at 2:45 p.m.

Vote was as follows:

Yeas: Middleton, Gordon, Almarode, Dahl, Egeli, and
Simmons

Nays: None

Motion approved.

Board Secretary

Chairman