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Augusta Water

Regular Board Meeting, Thursday, June 15, 2023, at 1:30 p.m.
Board Meeting Room

PRESENT: Andrew C. Middleton, Chairman, North River District
Garry R. Gordon, Vice Chairman, Middle River District, *via conference call due to being out of town on vacation*
Harvey Almarode, South River District
Allen Dahl, Beverley Manor District
Matthew Egeli, Wayne District
Michael L. Shull, Riverheads District
Phil Martin, Executive Director
Brent Canterbury, Treasurer
Jean Marshall, Board Secretary

ABSENT: Timothy Simmons, Pastures District

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CALL TO ORDER

The Chairman called the meeting to order at 1:34 p.m.

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PUBLIC RATE HEARING

Dr. Middleton opened the Public Hearing at 1:35 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, 2023. This hearing and the proposed changes were properly advertised in The News Leader and The News Virginian on Wednesday, May 24, and Wednesday, May 31, 2023.

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-2024 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-2024 budget proposes an increase in water variable rates of 3% and an increase in sewer variable rates of 3%. The July 1, 2023 increase for the average residential user will be \$3.82 bi-monthly. The average combined public water and sewer residential bill will be \$169.78 bi-monthly. An unmetered residential sewer bill will be \$105.80 bi-monthly.

With no members of the public offering comments, the Public Hearing was declared closed at 1:39 p.m.

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There being no further discussion, Mr. Egeli moved, seconded by Mr. Dahl to adopt the proposed user rates as advertised, effective for all bills created after July 1, 2023.

Vote was as follows:

Yea:	Middleton, Gordon, Almarode, Dahl, Egeli, and Shull
Nays:	None

Motion approved.

There being no further business, Dr. Middleton adjourned the Public Hearing at 1:40 p.m.

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ADOPTION OF AGENDA

Mr. Shull moved, seconded by Mr. Almarode to adopt the Agenda as presented.

Vote was as follows:

Yea:	Middleton, Gordon, Almarode, Dahl, Egeli, and Shull
Nays:	None

Motion approved.

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APPROVAL OF MINUTES

Mr. Shull moved, seconded by Mr. Egeli, to approve the Minutes of the Regular Board Meeting of May 18, 2023, which have been mailed to the members.

Vote was as follows:

Yea:	Middleton, Gordon, Almarode, Dahl, Egeli, and Shull
Nays:	None

Motion approved.

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MATTERS PRESENTED BY THE PUBLIC

Mrs. Barbara Swisher of 64 Cricket Road, Staunton stated her house was built in 1990, at which time she and her husband chose to run a private water line from the intersection of Cricket Road and Barrenridge Road. There have been a couple leaks in the waterline over the years, but recently there was a major leak requiring the waterline be replaced completely, costing the Swishers \$11,000.00. Mrs. Swisher asked the Board for a reimbursement of \$330.00, which would be for excessive water usage during the time of the leak

Mr. Egeli asked Mrs. Swisher to confirm the amount she is asking to be reimbursed.

Mrs. Swisher stated she is asking for \$330.00, which is the excessive amount over her normal water bill.

Mr. Dahl asked Mrs. Swisher to confirm the year when Augusta Water previously donated waterline materials to them.

Mrs. Swisher stated Augusta Water donated the line when they had the last leak, but the leak had already been repaired before the donation was made and they did not want to tear out the line that had just been repaired. They were only given 740' by Augusta Water at the time, but the actual footage from the meter to the house is 900'.

Mr. Dahl asked for confirmation the waterline was donated in 2020.

Mrs. Swisher stated that was correct, and there have not been any other leaks until the most recent one.

Mr. Dahl stated the waterline donated in 2020 was to be installed and not to just lay in the yard.

Mrs. Swisher stated had they had the line prior to repairing it in 2020, they would have used it for the repair. With the most recent leak, they had to pay for additional line, all the casing, and the labor.

Mrs. Swisher informed the Board she and her husband were told at the time they built their house, they would have county water in six months.

Mr. Dahl asked Mrs. Swisher if she had anything in writing to prove they were promised county water.

Mrs. Swisher stated it's been 33 years since they were told county water would be available, and she does not remember who told them that.

Mr. Dahl stated there is no way to know who told the Swishers there would be county water or why someone would tell them that.

Mrs. Swisher stated they were issued a temporary cistern permit at the time they built their house, because they thought they would eventually have county water. Had they known county water would not be available, they would have put in a well.

Mr. Martin stated Staff spent time searching for documentation stating county water would be available to residents in the area of Cricket Road. There was no documentation found indicating public water would be available to them.

Mr. Egeli stated Mrs. Swisher seems to be suggesting there is a relationship between the issuance of the cistern permit and the representation that public water would be available. He asked Mr. Martin to comment on whether there is any relationship between the cistern permit and the idea water service would be available.

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Mr. Martin stated he is not familiar with the permitting process for a cistern or even who issues them.

Mr. Shull stated a cistern permit would more than likely be issued from the Department of Health.

Mr. Egeli stated Augusta County Service Authority, now Augusta Water, has certain authority and certain jurisdiction in which we strive to fulfill a commitment to our customers. We try to charge them a fair rate for the services they receive and we try not to waste money. It can be confusing as to which part of the system is responsible for which services. Mr. Egeli further stated his impression is there is no relationship between being issued a cistern permit and a representation the Swishers would receive public water service.

Mrs. Swisher stated when the issues first arose, Augusta County Service Authority realized there was too much water pressure going into the Barrenridge area, and the high water pressure was causing the leaks in their water lines. The Service Authority then installed a water pressure reducing station to service the community of Barrenridge.

Mr. Dahl asked Mr. Martin what the water pressure was in the Barrenridge area when the issue was discovered.

Mr. Martin stated he believed the water pressure was in the 150 to 160 psi range. There are other areas in the county within this range as well. Plumbing code requires customers with new construction to install a pressure reducing valve (PRV) if the pressure exceeds 80 psi. Mrs. Swisher previously installed a PRV in her house, however, this does not protect the water line between the meter and the house. Augusta Water installed a PRV at the meter in 2020. Mr. Martin reminded the Board that he, Mr. Dahl and Board of Supervisor member Butch Wells met with Mrs. Swisher in 2020 regarding the water leak she had then. It was agreed upon at that meeting Augusta Water would provide 700' of pipe upon the Board's approval, which they gave at the March 2020 Board meeting. Staff talked with Mrs. Swisher a couple months ago regarding the recent leak and her request for a reduction on her bill. Mr. Martin stated he reviewed the current policy at the time, which states if a customer has an underground water leak, Augusta Water can give a credit towards the sewer bill, because the water is seeping into the ground and not going into the sewer, however, Mrs. Swisher is not a sewer customer, so the policy would not apply to her situation. This is why she is addressing the Board today.

Mr. Egeli asked Mrs. Swisher if the line that was donated in 2020 was used to replace the line damaged by the most recent leak.

Mrs. Swisher stated yes, the donated line was used during the most recent installation. They also had to add 160' of additional line, plus all the casing during the installation.

Dr. Middleton stated this is a unique situation which Augusta Water's policies and procedures could not have anticipated, and it adds to the experience base. He stated he appreciates Mrs. Swisher's presentation.

Board members agreed this is a unique situation and not a generalization. This situation will not set a precedent for any other future proposals coming before the Board, and any other situations will be heard on a case by case basis.

Mr. Dahl stated while he was not opposed to the request, if the \$1,000.00 worth of pipe donated in 2020 had been installed then, there probably would not be an issue now.

Dr. Middleton asked Mrs. Swisher if she agreed there would be no further discussion regarding this matter if the Board approves her request to be reimbursed \$330.00.

Mrs. Swisher stated if the Board approves her request, there will be no further discussion on the matter.

Mr. Egeli moved, seconded by Mr. Shull to reimburse Mrs. Swisher \$330.00, with the understanding this decision concludes the matter and there will be no further discussion on it.

Vote was as follows:

Yea:	Middleton, Gordon, Almarode, Dahl, Egeli, and Shull
Nay:	None

Motion approved.

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EXECUTIVE DIRECTOR'S HIGHLIGHTS

Employee Recognitions

Mr. Martin informed the Board members June 17 – 23 is Waste and Recycling Workers Week and the Landfill employees will be recognized during this week. June 30 is Drinking Water and Wastewater Professionals Day in which all employees will be recognized.

CPI & PPI Update

Mr. Martin stated the Consumer Price Index increased by 0.1% in May resulting in a 4.0% increase year to year. The Producer Price Index decreased by 0.3% resulting in a 1.1% increase year to year.

DEQ Pilot Program

The Department of Environmental Quality (DEQ) has a new pilot program called Pay for Demonstrated Performance. VAMWA is in favor of as many localities as possible participating in the program. Under the program, DEQ sets a baseline for nitrogen and phosphorus removal and if a locality feels they can get under the baseline, they can offer a bid to be paid for nutrient credits. Staff believes there are two plants that can come in under the baseline. Bids have been submitted for those two plants, and even though not all the numbers have come back yet, it appears our bid may be accepted. There is no penalty if you bid but do not achieve the reduction.

Dr. Middleton asked for the amount of the bids Augusta Water placed.

Mr. Martin stated the bids were \$13.00 per pound for nitrogen and \$16.00 per pound for phosphorous.

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Damage to Sewer Line

Mr. Martin stated on June 9 a contractor cut through the 30" sewer line connecting City of Staunton to Middle River WWTP. Crews from Field Operations temporarily repaired the line and no wastewater reached any body of water. Crews made a complete repair on Monday. This is a regional line, with Staunton and Augusta Water each owning a percentage.

Dr. Middleton asked who the contractor cutting the line worked for.

Mr. Martin stated the contractor worked for VDOT. There were some issues with how the line was marked since the line is owned by both Staunton and Augusta Water. Augusta Water's GIS showed the line is Staunton's; however, Staunton believed the line belonged to Augusta Water.

Dr. Middleton asked if Augusta Water would be reimbursed for any expenses which may have been incurred for the repair.

Mr. Martin stated Staunton will pay for the percentage of the line they own, and Augusta Water will pay for the remaining percentage.

Dr. Middleton asked if the sewer line was marked by Miss Utility.

Mr. Martin stated Miss Utility does not mark the lines. They contact the utility to have them mark it. Both Augusta Water and City of Staunton were contacted by Miss Utility. Neither locality marked the line, believing it was the other locality's responsibility.

Dr. Middleton asked what corrective action is being taken so this does not happen again.

William Monroe, Director of Engineering, stated the GIS has been changed to show the lines are Augusta Water's, for now. There will be a meeting with staff from the City of Staunton in the coming weeks to determine how to handle situations like this in the future. There needs to be some coordination to make sure everything in the county is looked at and marked appropriately.

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PROGRESS REPORT

There were no questions or discussion by Board members regarding the Progress Report.

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COMMITTEE REPORTS

Mr. Gordon stated the Nominating Committee's report will be presented during the next Agenda item, Board Elections.

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BOARD ELECTIONS

The Nominating Committee presented the following slate of officers for Board approval to take effect July 1, 2023:

Chairman	Dr. Andrew Middleton
Vice Chairman	Mr. Garry Gordon
Treasurer	Mr. Brent Canterbury
Secretary	Mrs. Jean Marshall

There being no nominations from the floor, the Board unanimously approved Dr. Middleton as Chairman, Mr. Gordon as Vice Chairman, Mr. Canterbury as Treasurer, and Mrs. Marshall as Secretary.

Mr. Gordon moved to recommend appointments be filled as presented.

Vote was as follows:

Yea:	Middleton, Gordon, Almarode, Dahl, Egeli, and Shull
Nay:	None

Motion approved.

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CONSIDER ADOPTION OF FY-24 BUDGET

Mr. Canterbury stated there have been no changes to the proposed budget since it was presented to the Board at the May 18 meeting.

There being no discussion by the Board members, Mr. Almarode moved, seconded by Mr. Egeli to adopt the FY-2024 budget as presented.

Vote was as follows:

Yea:	Middleton, Gordon, Almarode, Dahl, Egeli, and Shull
Nay:	None

Motion approved.

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BOARD COMMENTS

Dr. Middleton thanked staff for repairing the damaged sewer line quickly. He also stated the Board recognizes and appreciates the employees at the Landfill and all Augusta Water employees during Waste and Recycling Workers Week, as well as Water and Wastewater Professionals Day.

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There being no further business, Mr. Shull moved, seconded by Mr. Almarode to adjourn the meeting at 2:20 p.m.

Vote was as follows:

Yea:	Middleton, Gordon, Almarode, Dahl, Egeli, and Shull
Nays:	None

Motion approved.

Board Secretary

Chairman