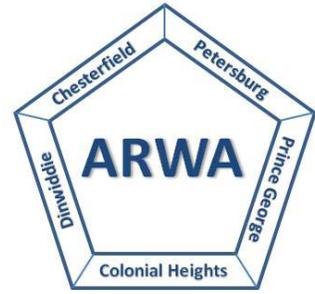


Appomattox
River
Water
Authority



21300 Chesdin Rd. - Petersburg, VA 23803 - Phone (804) 590-1145 - Fax (804) 590-9285

Appomattox River Water Authority Board of Directors Meeting

DATE: July 21, 2016

TIME: 2:00 PM

LOCATION: Appomattox River Water Authority
Board Room, Administration Building
21300 Chesdin Road
Petersburg, Virginia 23803

AGENDA

1. Call to Order/Roll Call
2. Approval of Minutes: Minutes of the Regular Board Meeting on June 15, 2016 and May 3, 2016
Special Meeting
3. Public Comment
4. Executive Director's Report:
 - Reservoir Status Update for June 2016
 - Board Items For Consideration: Raising the Brasfield Dam
 - Election of Authority Vice-Chair
 - Status Report: Ongoing Projects/Financials
5. Items from Counsel:
 - Mediation Service – Hon. J. Michael Gamble (Ret.)
6. Executive Director's Annual Review
7. Executive Session
8. Other Items from Board Members/Staff Not on Agenda
9. Adjourn

Cc:W. Dupler/George Hayes, Chesterfield
D. Harrison, Petersburg Public Works
C. England, Prince George
W. Henley, Colonial Heights
R. Wilson, Dinwiddie Water Authority
A. Anderson, McGuire Woods

1. Call to Order/Roll Call

2. Approval of Minutes: Minutes of the Regular Board Meeting on June 15, 2016 and May 3, 2016 Special Meeting

Following are the minutes of the May 3, 2016 Special Appomattox River Water Authority Board of Directors Meeting and the June 15, 2016 Appomattox River Water Authority Board of Directors

Absent any corrections or revisions, we recommend approval of the minutes as submitted.

BOARD OF DIRECTORS SPECIAL MEETING
Appomattox River Water Authority
May 3, 2016 at 2:00 p.m.
Location: Colonial Heights City Hall
Colonial Heights, Virginia

PRESENT:

Thomas L. Mattis, Chairman (Colonial Heights)
Percy Ashcraft, Secretary/Treasurer (Prince George)
James J.L. Stegmaier, (Chesterfield)
William Henley (Alternate, Colonial Heights)
Daniel Harrison (Alternate, Petersburg)
George Hayes (Alternate, Chesterfield)
William Dupler (Alternate, Chesterfield)
Charles England (Alternate, Prince George)
William E. Henley (Alternate, Colonial Heights)

STAFF:

Robert C. Wichser, Executive Director, (ARWA & SCWWA)
James C. Gordon, Asst. Executive Director (ARWA & SCWWA)

OTHERS:

William Robertson (Prince George Chairman)
Michael Buettner (Progress-Index)

Mr. Mattis, Chairman, called the meeting to order at 2:05 p.m.

Mr. Mattis referred to his email of April 22, 2016 that gave background as to what the discussion is about today. He further stated he had talked specifically with Mr. Massengill. He didn't hear from Ms. Belton but he told them both that the purpose of this meeting was to try to deal with the Branders Bridge Pump Station costs allocation between three members. What we have discussed to this point didn't involve either one of them.

Mr. Harrison arrived at 2:07 p.m.

Mr. Mattis wants Chesterfield, Prince George, and Colonial Heights to be clear on where their votes may or may not be headed relative to the budget that has different options in it and whether to include this project or not. He wants to move this discussion on to some kind of final decision. This is creating some tension/frustration shared amongst the members in either what we are doing or what we are not doing. Mr. Mattis stated that he is concerned about that. He wants members to recognize that we need to get on with a solution to this project blockage or move on to other things. It appears the only issue to getting the Branders Bridge project going is the money and how it is cost allocated. Dr. Wichser stated that \$5.15 million is the estimate for the project. Mr. Stegmaier said he thought it was \$4.3 million. Mr. Hayes said the original 3.5 mg pump station was a \$4 million project increased the capacity of the pump station which increased the dollar amount. Dr. Wichser said in our capital memo to the Board in January, the project was presented as a \$5.15 million project based on planning level estimated costs. Mr. Stegmaier said that's the larger pump station to handle Colonial Heights and Prince George's long term future needs. Mr. England said it also factors in future needs of Chesterfield. Dr. Wichser said the modeling output showed that we could reliably provide Chesterfield 20.5 for Swift Creek during peak day events with this pump station and ground tank.

Mr. Mattis asked if there was a debate about what was proposed to be built. The proposal is included in the budget. What he wants to put on the table to be talked about ends up being potentially a complete reversal of his thinking of this whole issue which started two years ago. At that time most of the Board was focused on a new Service Agreement and recognizing some of the issues of this whole issue of how capital projects move forward, how they are funded, and how costs are shared. Mr. Mattis stated that if we had the right kind of Service Agreement in place all those things would fall into place. The full discussion is what exactly operations are and what expansion is. He personally feels we are a long way from a new Service Agreement. He thinks there are significant issues from Colonial Heights perspective from what's been put on the table so far that's going to make it difficult for them to support the draft updated Service Agreement. He further stated that goes to the issue of the dam raise and the offsite storage. He feels these projects won't get done without an updated Service Agreement addressing how costs are shared. The Service Agreement won't get done without both of those projects. He is willing to go back to the old way of doing things to call out the proposed Branders Bridge Pump Station project and see if there's a way we can go ahead and get it done. What he is proposing is what he could get his Council to agree to. Colonial Heights is prepared based on the \$5.15 million number to pay 20%, which would be about \$1.1 million.

Mr. Robertson said this is something that has been on the table for about forty years. The present throttling valve arrangement is something that was indicated should have been done. He is not sure he agrees with the percentage if that's a starting point because it benefits all three jurisdictions. That is Prince George's standpoint and they have discussed it with others. Mr. Robertson stated that the Branders Pump Station would benefit not only Prince George but it would benefit Colonial Heights too during peak periods. He thinks the Pump Station and Ground Tank along with the Service Agreement both need to come together. It's not doing anybody any good to sit out there and nobody knows exactly what the rate or they own or whatever. Different people are putting different amounts of money into the ARWA organization. Actually a few years ago ARWA members were told, when they put out the 50 year plan as to exactly what people owned. They were told by ARWA at a Board meeting that Prince George would need additional water in the future and it would be to their advantage to buy capacity from Petersburg. They worked with Petersburg in the process of doing that and that's where it came up that nobody owned anything. They did a joint zoning thing with them and that was part of it. Prince George was going to buy water capacity from the City of Petersburg. Mr. Robertson stated that he thinks this is an opportunity to bring everybody together on what needs to be done. There are several other things that are going on with ARWA that needs to be dealt with. He stated it's time for the five jurisdictions to come together and decide if they are going to do it or not going to do it. What he is talking about is raising the

dam and the Service Agreement. All these things need to be settled. It's not good for any one of the five jurisdictions to have it unsettled.

Mr. Stegmaier said he appreciated Mr. Mattis taking a big step today with working with his Council to get them to that point. He shares a lot of the sentiment about the need to get this thing (Branders Pump Station and Ground Tank) to move forward but from a very different perspective from Chesterfield. They are in a position where they have to make a decision to whether they are going to move forward. There are a lot of costs and benefit choices there, if they felt confident that ARWA was going to be a reliable provider of water for them in the future. Being as they have some costs in ARWA, there would be some advantages to try to maximize the value they have already put into ARWA. They would be willing to do some things to help this process. The difficulty for Chesterfield County is they have sunk a lot into ARWA and they are basically not happy with the service out of ARWA. It makes it problematic to put more money into it without some assurance that all these other issues were going to get resolved. That should be the pump station and a lot of other things. He told Mr. Mattis that he would be comfortable saying that Chesterfield would match your offer but for them it's going to have to include some of these other things. Otherwise they would rather take that money and put it towards a system that they know they can trust. He has spent a lot of time considering the option to get this thing going and what they could put into it. They have to weigh the option of ARWA water against the option of other sources of water or even ARWA water through other routes. As one example of something that is absolutely critical to them would be non-negotiable is that throttling valve has to come out. They will never again be put into a position of having ARWA throttle their water. Mr. Mattis asked if that is the project that is on the table and Dr. Wichser replied yes. Mr. Mattis said he agreed with Mr. Stegmaier and he thought this effort was to eliminate that valve. It will be removed from the system physically. Mr. Stegmaier said getting this Agreement done; they don't want to deal with this every time there is another project. He feels strongly that those things have to be worked out. He doesn't know how you can get that done without getting the Service Agreement straight.

Mr. Mattis said that is what we talked about two years ago. Mr. Mattis told Mr. Robertson that he didn't consider what they are proposing here today for the Branders Bridge Pump Station to be a starting point. He thinks their offer is fair as far as their part of it. As Mr. Stegmaier spelled out he sees the point about the bigger investment. He doesn't think we are anywhere near close to working the Service Agreement out. He referenced the point made about everyone sharing in the Branders Bridge project would benefit from it. He stated that Colonial Heights doesn't agree with that. They don't need that water. It will help supplement and stabilize their supply. It will certainly help them. Clearly, if they weren't between this throttling valve and Prince George they wouldn't even be in this conversation. Just because they are there and it goes into their system they will derive some benefit from it. They aren't the ones who need the water and they continue to be, and that's the underlying issue through all these other issues. All ARWA has to do is meet the contractual obligation to them. That's the way it has been since the beginning. Mr. Mattis stated that maybe as entities we are heading in two opposite directions. To continue thinking we can have this one organization to serve all our different needs, that's a different conversation to have.

Mr. Stegmaier asked Dr. Wichser if he had gotten a legal opinion on throttling Chesterfield's supply. He also asked if he considered what he was doing (ARWA's continuing operation of the throttling valve) is legal. Dr. Wichser replied he had never thought about it based on legal standing since a throttling valve at the Swift Creek meter vault had been in existence over 25 years. Discussion continued on the Swift Creek meter vault throttling valve history and relevance to the ARWA members. Mr. Stegmaier said as Mr. Mattis mentioned ARWA has contractual obligations. He doesn't believe that ARWA is meeting their contractual obligations with Chesterfield. Mr. Mattis said they are to them. His point is they need to continue to do that. Mr. Robertson said if the valve was removed that would solve Chesterfield's problem. Mr. Mattis said whether ARWA should have installed that and that was the right call then that is a different conversation. He further stated whether that should have been installed is a fair question but a different discussion. Mr. Stegmaier said he's not saying whether it should or shouldn't have been installed. There might have been a time when it should have been installed and ARWA could meet their obligations to the County. As it stands today they are not meeting their obligations to the County. (Editor's note: The Authority's past Executive Director Richard Hartman was questioned on his knowledge on the history of the Swift Creek throttling valve. He provided the following: "For as long as the Authority has been in operation, the Swift Creek valve has had to be closed to force water to Colonial Heights. To the best of my knowledge the Board approved the Swift Creek throttling valve so that water could be throttled at that location and feed both Chesterfield and Colonial Heights without having to shut Chesterfield off completely, as had been the case around that time. All of the Board was aware of this change but I do not believe any of the localities presented this item to their local governing bodies for approval. If the Chesterfield representative thought it was necessary to present it to its Board, we/he would have done so").

Dr. Wichser said there is a bigger item looming that is tied to this beyond the throttling valve and that's the large transmission main project. What our Engineers are telling us based on their analysis is that it's a very large project between, \$39 and \$44 million, which we would be forced to move upwards of potentially ten years earlier if this project (Branders Bridge Pump Station and Ground Tank) is not built. If this pump station and tank is built it can delay the need for the new transmission main to 2030 and beyond potentially at the existing and projected future demands that we have today. The need for the transmission main would be re-evaluated beginning in 2018, and then annually working with the project demand numbers provided by the ARWA members to determine a forecast and what impacts it would have for the need for another transmission main. The Authority is looking at a major project if this pump station and ground tank is not built. Mr. Ashcraft asked if that was the transmission main project with shared costs of all five jurisdictions. Dr. Wichser said their recommendation is that it would be shared by all five as presented in the January 2016 Capital Program Plan by beneficial use. Dr. Wichser said Chesterfield would be looking at approximately \$30 million to fund the transmission main project.

Mr. England said even if you built the transmission main the throttling valve has to stay in place. Mr. Hayes said you could potentially operate two different hydraulic grade lines on each of the mains. Hayes stated there are different ways to operate the system. Mr.

Ashcraft said removing the throttling valve and building the station from a practical stand point; what does that mean for Colonial Heights and Prince George? What is the down side of removing the valve and the station being built? Dr. Wichser said his concern if the removal of the valve would be if we had a potential contamination event, for example a terrorism event, the Authority potentially could not stop the water flow to Chesterfield quick enough without the throttling valve being present. He stated that if the Authority needed to deactivate it manually, the back-up manual valve behind the existing SCADA controlled throttling valve would take approximately 275 manual turns. It was estimated that it would take the Authority almost three hours to shut down flow to Chesterfield County using the back-up manual valve. You have to be aware that there is always the potential for contamination of water. If there was a pipe line break, ARWA could lose the pressurized water system if we couldn't shut the valve off. His recommendation would be to go ahead if we built the pump station project and keep the valve in-place and deactivate it, let it sit open through high demand periods and watch what happens. Mr. Robertson said if the throttling valve was completely opened, it will not restrict any flow. The question was asked if the valve could be re-activated could it be an emergency shut off and Dr. Wichser replied yes. He stated that the ARWA Operators are constantly adjusting the SCADA controlled Swift Creek throttling valve. Mr. Dupler stated he didn't understand the issue about the throttling valve because it is suggested it should stay as an emergency shut off. It's not being used as a shut off and if it was needed for Chesterfield it is needed for you all too. Mr. Hayes said the throttling valve was a short term fix in his opinion as opposed to building another pump station.

Mr. Ashcraft asked Mr. Hayes if Chesterfield County was suffering today because of the valve and Mr. Hayes replied that during peak days there are times they have to shut their pump stations off because the tanks are dropping and they are not being provided the water that they think the Agreement should provide for. It isn't an everyday occurrence but there have been peak days when they had to shut their pump stations off because of the Authority throttling them as they are losing tanks. Mr. Stegmaier said aggravating for them is that some ARWA users are using a high percentage of their allocated ARWA capacity. Chesterfield is still using relatively low percentage of their capacity. They paid for a lot of capacity that today they can't get to. Mr. Ashcraft referred to Mr. Mattis' comment about there has to be a need for this project. Absent that valve not being there, then there has to be some kind of solution Prince George and Colonial Heights have to work out if we are not going to have the throttling valve and let Chesterfield do what they need to do.

Mr. Stegmaier stated that he thought the throttling valve was going to be removed. It's just a question of under what circumstances. He thinks we need to come up with the best solution for removing the throttling valve. Mr. Mattis asked if Chesterfield County was in the position to arbitrarily remove that valve at any time and Mr. Stegmaier replied he thinks they are in a position to force the Authority to meet the obligation of the contract (Service Agreement). He stated there are two ways they can do that. They aren't needed today so they can remove the throttling valve. They can decommission the throttling valve and build a new pump station or they can build another line. Mr. Mattis said then they agree that it's an ARWA problem. The whole conversation about beneficial use was new to him. Mr. Stegmaier said he wanted to back up to one of the things that Mr. Mattis said. One of the things that he struggles with is where they are sitting today where they bought a certain share of capacity in ARWA. They are only able to utilize a small percentage of what they have bought and paid for. They paid for that capacity thinking it would be available to them (Editor's note: ARWA Members paid for Plant Allocation with the knowledge that the existing ARWA transmission capacity was not able to presently deliver this allocation without additional transmission main capital projects constructed). If they have a big user come into this area of their system then they have a real problem. They can find water someplace else or they can work with ARWA, which would be their first choice, to try and get it resolved. Their Board is saying how come they bought all of this capacity that we can't access. In the case of Colonial Heights, which you have issues explaining what is going on to your Board, of all the entities in ARWA, Colonial Heights is using the largest share of the capacity that it paid for. They are getting a huge share of their capacity compared to what everybody else is either using or getting out of the capacity that Chesterfield paid for. He asked Mr. Mattis if he thought his Board understands that the rest of the localities have some pretty legitimate reasons for feeling like they are effectively, and has been for a long time, subsidizing Colonial Heights. Mr. Mattis said he didn't follow that. He questioned the statement that they are getting the most and Chesterfield is not. Mr. Stegmaier said if they want more water today off of this line they have a problem. He stated that ARWA is not meeting their Service Agreement. Mr. Stegmaier said they increase their rates about 5% a year, every year. He is willing to match Colonial Heights at twenty-percent contribution towards the Branders Street project costs but if other issues aren't resolved, who is going to pay to operate the pump station. Is it ARWA's responsibility or the localities responsibility? (Editor's note: ARWA proposed in January 2016 that the Branders Street Pump Station annual maintenance and operation costs be allocated based on plant allocation)

Mr. Ashcraft asked if there were any annual costs tied to that and Dr. Wichser replied yes and that the estimated amount is \$65,000 and it was recommended in January 2016 that all five ARWA members pay for it based on plant allocation. Chesterfield would be about \$45,000 per year, Colonial Heights \$2,800 per year, Dinwiddie \$4,300 per year, Petersburg \$10,800 and Prince George \$1,800 per year. Mr. Stegmaier said their pumping costs are well over half a million dollars per year. Mr. Stegmaier said they were giving ARWA a deal by eating all of their pumping costs. He stated if we had the right Service Agreement in place we wouldn't be discussing this project. Mr. Mattis said there are probably some questions that aren't being answered from a legal position. Mr. Stegmaier said he thought the Council for Colonial Heights should have some appreciation for the fact that up to now they have never had to pay for a pump station, but everybody else has. Mr. Ashcraft said this issue is two years old and it has not been resolved. He asked if anyone would give some consideration to a mediator who would come in, review all the facts and set up what's necessary and all the Councils and Boards would live with it. The recommendation would be non-binding. Mr. Mattis asked how that was different from what was already done. Didn't we do a beneficial use analysis with a third party? Mr. Robertson said if you went as far as legal action as far as the throttling valve to have it removed, the courts would say that you have to go to mediation. Mr. Stegmaier said he would rather spent \$1 million to solve the problem.

Mr. Ashcraft asked about budget being presented in two weeks and the Branders Bridge project is outside of the capital plan. Dr. Wichser said there are three budget scenarios. The first is a base budget with no projects in. The second is a base budget with the four

in-plant projects included. The third includes the base budget, plus four in-plant projects plus Branders Bridge Pump Station and Ground Tank. The Board is at its leisure to pick any one of the three scenarios. Mr. Ashcraft asked if Budget Scenario number three was approved, would the whole Authority have approved the Branders Bridge project. Dr. Wichser replied the pump station funding split is in there with even shares based on beneficial use to three members. Mr. Ashcraft asked if the base budget takes a simple majority to approve and Mr. Gordon said correct. Mr. Ashcraft asked if Scenario 2 containing the base budget plus the "In-Fence" projects take a unanimous vote and Dr. Wichser replied it would require three out of five ARWA members approval. Mr. Ashcraft stated Branders Bridge is a separate project on its own. Mr. Stegmaier asked Dr. Wichser what he could do with the \$11.8 million and Dr. Wichser replied he could begin work on all four of the "In-Fence" projects.

Mr. Stegmaier said they would like to salvage ARWA as a water supply. They need to know fairly quickly if they are agreeing to move on or they would have to start routing water other ways. Once they start down the road to those investments it would be hard for them to turn back. Right now ARWA is their least expensive way to get it done if they know they have an agreement they can count on. If they help everyone solve the Pump Station funding issue, get it done today and they bring some big water users in this part of the county and tomorrow they need that transmission main and there are arguments about how the transmission main is going to be paid for then we have not done ourselves any good at all. It won't be his problem but professionally he doesn't want to leave that problem for somebody else.

Mr. Mattis thanked everyone for coming to this Special Board Meeting and stated that from Colonial Heights standpoint, as we move this conversation forward he doesn't think we have a completely final position on any of this. His City Council can always change his mind. He has shared his issues of what he is up against. He stated they all agree there is nothing much more that staff can do on Branders Bridge.

Mr. Ashcraft asked being as Mr. Anderson wasn't there if a decision to go to mediation would need all five members and Dr. Wichser said he thought so and we could reach Mr. Anderson by phone. Mr. Ashcraft stated if the three localities can't agree, that mediation is the right course, then he is going to ask the whole Authority to weigh in at the upcoming ARWA Board Meeting.

Mr. Mattis told Dr. Wichser he hoped he would be sharing with Mr. Anderson a lot of the comments about legal issues. He doesn't think anybody is really saying we have to do this or we'd be forced to do that. We may be getting to the point where we need a little more specificity on the record about what is our position on some of these legal issues. Mr. Stegmaier said to express it as what ARWA's obligations are and the localities. Mr. Mattis said maybe there's another meeting on a list of questions that we want answered. He thinks the conversation of today is indicative of another problem with the Service Agreement. He feels Mr. Anderson should be thinking that way and to provide some guidance.

The meeting adjourned at 3:45 p.m.

MINUTES APPROVED BY:

Percy Ashcraft
Secretary/Treasurer

BOARD OF DIRECTORS MEETING
Appomattox River Water Authority
June 15, 2016 at 2:00 p.m.
Location: Appomattox River Water Authority
21300 Chesdin Road, Petersburg, Virginia

PRESENT:

Thomas L. Mattis, Chairman (Colonial Heights)
Percy Ashcraft, Secretary/Treasurer (Prince George)
Kevin Massengill, (Dinwiddie)
James J.L. Stegmaier, (Chesterfield)
Dironna Belton, (Petersburg)
George Hayes, (Alternate, Chesterfield)
William Dupler, (Alternate, Chesterfield)
Charles England, (Alternate, Prince George)

ABSENT:

Robert B. Wilson (Alternate, Dinwiddie)
William Henley (Alternate, Colonial Heights)
Daniel Harrison (Alternate, Petersburg)

STAFF:

Robert C. Wichser, Executive Director, (ARWA & SCWWA)
James C. Gordon, Asst. Executive Director (ARWA & SCWWA)
Arthur Anderson, (McGuire Woods)
Melissa Wilkins, Accounting/Office Manager (ARWA & SCWWA)
Kathy Summerson, Administrative Assistant (SCWWA)

OTHERS:

Herb White, WW Associates
Ted Cole, Davenport
Benjamin May, Womack Publishing
Mark Rubin, The McCammon Group

Mr. Mattis, Chairman, called the meeting to order at 2:05 p.m.

1. Call to Order/Roll Call.

The roll was called.

2. Approval of Minutes: Minutes of the Regular Meeting of the Board May 19, 2016.

Upon a motion made by Mr. Massengill and seconded by Mr. Ashcraft the following resolution was adopted:

RESOLVED, that the minutes of the Regular Meeting of the Board on May 19, 2016 are hereby approved:

For: 4 Against: 0 Abstain: 0

3. Public Comment

There were no public comments.

4. Executive Director Report

• **Reservoir Status Update for May 2016**

Dr. Wichser reported on the reservoir status update for May 2016. Mr. Stegmaier asked Dr. Wichser about the \$5 million grant and Dr. Wichser replied that the Authority has until June 2017 to make a decision. If accepted, it's a matching grant. Our recommendation now as it was in November 2015 is that the Authority is not moving forward at this time. Mr. Stegmaier asked the other members if they had a problem with Chesterfield going after the \$5 million. Dr. Wichser said he didn't think the present narrative in the grant could be changed back to the original wording. Mr. Ashcraft stated that in November it was understood that there would be an annual review of the dam raise. Dr. Wichser said after the modeling is done at the end of October, he would bring the annual review to the Board in November. Mr. Mattis suggested the grant item be put on the Agenda for the next Board meeting. Dr. Wichser said according to the matching grant provisions, as long as an action is approved to move forward with the raising of Brasfield Dam by June 30, 2017 the matching funds should be available. Mr. Stegmaier said they would have a proposal that would say under these circumstances Chesterfield would be interested in pursuing the raising of the dam. He asked Dr. Wichser to outline any hurdles that Authority members would have to consider before agreeing with Chesterfield to raise the dam and go into the permit process. Dr. Wichser said he provided this kind of information in January 2015 with some of the issues facing ARWA members but will certainly provide this kind of information again in a memo for Board review in the July Board Meeting package. Mr. Anderson stated that we are sending out another revised Service Agreement within the next two weeks. Dr. Wichser has reached out to the Engineering Staff to set up a meeting to review the draft Service Agreement on July 13th before the next Board meeting.

• **Presentation by WW Associates on Value Engineering Results: Branders Pump Station and Ground Tank**

Dr. Wichser introduced Herb White of WW Associates. Mr. White presented the Value Engineering results on the Branders Pump Station and Ground Tank. After Value Engineering the preliminary design, and by obtaining more detailed price quotes, and consulting with contractors the original construction cost estimate of \$5.15 million was decreased \$1.6 million to \$3.55 million.

Ms. Belton arrived at 3:05 p.m.

- **Presentation by McCammon Group on Mediation Services Related to Branders Pump Station and Ground Tank**

Dr. Wichser introduced Mark Rubin of The McCammon Group who gave a presentation on mediation services and how he would expect to proceed in relation to the Branders Pump Station and Ground Tank.

Upon a motion made by Mr. Ashcraft and seconded by Mr. Stegmaier the following resolution was adopted:

BE IT RESOLVED, that the proposal with McCammon Group is hereby approved with corrections and adding an amendment to include all topics related to the Service Agreement and potential recommendation for a resolution thereof:

For: 4 Against: 1 (Mattis) Abstain: 0

- **Presentation by Davenport's Ted Cole on Financing Options and Proposed Schedule Related to the \$11.8M In-Plant Capital Projects**

Dr. Wichser introduced Ted Cole with Davenport who reported on financing options and the proposed schedule related to the \$11.8 million In-Plant Capital Projects. Dr. Wichser stated he was asking the Board to let Davenport move forward to issue an RFP to the banks and also to prepare and submit an application for the fall VRA pool. Dr. Wichser stated that when the RFP responses are returned, we will brief the Board with the interest rates and terms proposed. Mr. Cole said they could write it in a way that talks about the upper end of the amount and will call it \$12 million. That would allow all of you to say that we've got an opportunity to participate through ARWA at a percent and that would allow you to make a determination if you wanted to do that or bring your own funds to the table. Davenport can write the RFP where the jurisdictions have that flexibility to opt out. There would be no cost to develop the RFP or submit an application to VRA for the Fall Pool.

Upon a motion made by Mr. Ashcraft and seconded by Mr. Massengill the following resolution was adopted:

RESOLVED, that the Board approves Davenport to move forward to issue an RFP to the banks and also prepare and submit an application for the fall VRA pool.

For: 5 Against: 0 Abstain: 0

- **Election of Authority Vice-Chair**

This item will be discussed by the Board at the July 21, 2016 meeting.

- **Discussion by the Board on Authority Legal Services**

Dr. Wichser reported on the discussion by the Board on seeking outside interest in providing ARWA/SCWWA Authority Legal Services. He asked if Board members had anyone they wanted to recommend to email the list to him. He also handed out a draft copy of the RFP to Mr. Ashcraft.

Upon a motion made by Mr. Ashcraft and seconded by Mr. Massengill the following resolution was adopted:

RESOLVED, that the Executive Director put out an RFP for legal services.

For: 5 Against: 0 Abstain: 0

Note: The ARWA/SCWWA Request for Legal Services RFP was advertised on June 26, 2016 in the RTD & Petersburg newspapers, and posted on the ARWA/SCWWA websites.

- **Status Report: Ongoing Projects/Financials**

Mr. Gordon presented the Status Report of Ongoing Projects/Financials.

5. Items from Counsel

There were no items from Counsel.

6. Executive Session

There was no Executive Session.

7. Other Items from Board Members/Staff Not on Agenda

There were no items from Board Members/Staff Not on Agenda.

8. Adjourn

Upon a motion made by Mr. Massengill and seconded by Mr. Stegmaier the meeting was adjourned at 4:22 p.m.

The next Board meeting is scheduled for Thursday, July 21, 2016 at 2:00 p.m. at the Appomattox River Water Authority.

MINUTES APPROVED BY:

Percy Ashcraft
Secretary/Treasurer

3. Public Comment

The Guidelines for Public Comment are:

GUIDELINES FOR PUBLIC COMMENT AT SCWWA/ARWA BOARD OF DIRECTORS MEETINGS

If you wish to address the SCWWA/ARWA Board of Directors during the time allocated for public comment, please raise your hand or stand when the Chairman asks for public comments.

Members of the public requesting to speak will be recognized during the specific time designated on the meeting agenda for "Public Comment Period." Each person will be allowed to speak for up to three minutes.

When two or more individuals are present from the same group, it is recommended that the group designate a spokesperson to present its comments to the Board and the designated speaker can ask other members of the group to be recognized by raising their hand or standing. Each spokesperson for a group will be allowed to speak for up to five minutes.

During the Public Comment Period, the Board will attempt to hear all members of the public who wish to speak on a subject, but it must be recognized that on rare occasion presentations may have to be limited because of time constraints. If a previous speaker has articulated your position, it is recommended that you not fully repeat the comments and instead advise the Board of your agreement. The time allocated for speakers at public hearings are the same as for regular Board meeting, although the Board can allow exceptions at its discretion.

Speakers should keep in mind that Board of Directors meetings are formal proceedings and all comments are recorded on tape. For that reason, speakers are requested to speak from the podium and wait to be recognized by the Chairman. In order to give all speakers proper respect and courtesy, the Board requests that speakers follow the following guidelines:

- Wait at your seat until recognized by the Chairman;
- Come forward and state your full name and address. If speaking for a group, state your organizational affiliation;
- Address your comments to the Board as a whole;
- State your position clearly and succinctly and give facts and data to support your position;
- Summarize your key points and provide the Board with a written statement or supporting rationale, when possible;
- If you represent a group, you may ask others at the meeting to be recognized by raising their hand or standing;
- Be respectful and civil in all interactions at Board meetings;
- The Board may ask speakers questions or seek clarification, but recognize that Board meetings are not a forum for public debate; Board Members will not recognize comments made from the audience and ask that members of the audience not interrupt the comments of speakers and remain silent while others are speaking so that other members in the audience can hear the speaker;
- The Board will have the opportunity to address public comments after the Public Comment Period has been closed;
- At the request of the Chairman, the Executive Director may address public comments after the session has been closed as well; and
- As appropriate, staff will research questions by the public and respond through a report back to the Board at the next regular meeting of the full Board. It is suggested that citizens who have questions for the Board or staff submit those questions in advance of the meeting to permit the opportunity for some research before the meeting.

4. Executive Director's Report:

- **Reservoir Status Update for June 2016**

- **Board Items For Consideration: Raising the Brasfield Dam**

Following is a memorandum in regard items for consideration by the Authority Board to raise Brasfield Dam

MEMORANDUM

**TO: APPOMATTOX RIVER WATER AUTHORITY
BOARD OF DIRECTORS**

**FROM: ROBERT C. WICHSER, EXECUTIVE DIRECTOR
JAMES C. GORDON, ASSISTANT EXECUTIVE DIRECTOR**

**SUBJECT: RAISING THE BRASFIELD DAM: ITEMS FOR CONSIDERATION
BY THE AUTHORITY'S BOARD**

DATE: JULY 21, 2016

At the June Board Meeting the ARWA Board of Directors requested that the Executive Director develop for Board discussion potential concerns to be considered that could be related to raising the Brasfield Dam.

The questions/issues listed below for Board review and consideration are overarching items that could potentially impact the Authority's ability in continuing to manage the reservoir, and potentially are not all inclusive. Costs on many of these potential impacts are unknown at this time.

1.) Existing Authority Virginia Water Protection Permit

- What changes would occur on the Authority's existing Virginia Water Protection Permit (VWP) that terminates on October 31, 2028? It states in the Authority's existing VWP permit in Part I, Page 3 of 8 Section 4.b. that "Should the Authority undertake a project (raise the dam) under this appropriation, a **major modification to this permit is required.**"
- Additional modeling and technical studies, etc. will be required to modify the VWP permit.
- Additional public comments and hearings will be required.
- In accordance with Section 401 of the Clean Water Act, wetland and/or stream impacts must be avoided and minimized to the maximum extent practicable, thus extensive mitigation costs are expected.
- What impacts on Surface Water Withdrawals and Chesdin Reservoir Flow Release existing permit conditions would be impacted? Will additional stored reservoir water be required to be released down-stream beyond the existing permit release requirement since the existing permit states "Release shall be provided until such time the normal target pool elevation is increased above 158 feet above normal sea level".
- What impact on the Authority's existing Drought Management Plan (Conservation Action Levels) might occur?
- January 15, 2015 total opinion of probable project costs was \$25,500,000 (this does not include cost impacts on private boat docks, boat houses, bulkheads, the two public marinas, impacts on the FEMA

100-year floor zones (residential insurance impact), septic systems, water wells, public recreation areas).

- Costs to address the above. Who pays for the consulting work?

2.) Recent Scientific/Engineering Findings

- The results of 2013 extensive water resource modeling on the Chesdin Reservoir resulted in conclusive findings that additional raw water was not needed until after the existing VWP expires in 2028.

3.) Raw Water Allocation (Assuming raw water in the Chesdin Reservoir can be allocated)

- Is the reservoir water above full pool (157.2 feet) allocated based on existing plant allocation or would only ARWA members paying for the dam raise project receive this additional raw water allocation? Who receives the additional water allocation? How would the Authority track the different allocations to know who has what remaining?
- During a drought event, when the reservoir pool level drops to a mandatory or emergency conservation level, do all ARWA members enter these restrictive water conservation levels, or only the ARWA members that did not fund the dam raise project?
- Who pays for any additional annual operation and maintenance costs related to raising the dam? Who is responsible for any required inspections (annual) related to alterations to the dam?

4.) Regulatory

- Since the primary agency that will oversee and grant approval on this project will be the Federal Energy Regulatory Commission (FERC) in Washington, D.C., what impacts on meeting dam related technical (PMF/SDB, Failure Mode Analysis) flood mitigation requirements will be required by the FERC on the Authority?
- Would FERC/USEPA/COE consider this project the least environmentally damaging practicable alternative towards additional raw water supply?
- Would FERC/USEPA/COE reject the need for this project based on recent Authority water resource modeling? On January 15, 2015 the Authority found a lack of purpose and need for this project in the 2015-2030 time period.

5.) Environmental

- The known impacts to the reservoir's jurisdictional wetlands and streams are extensive; who will bear the environmental groups/public's potential "Bad Press" based on the project's environmental impacts? Who pays for potential legal costs?
- Will the ARWA member jurisdiction raising the dam be fully responsible to the citizens, press, environmental groups, and federal and state agencies as the project "Owner"?
- Impacts on Dinwiddie County citizens; will the ARWA member jurisdiction raising the dam be fully responsible to handle?

- The 2015 estimated wetlands and streams impacts are at 144 acres of wetlands and 17,149 linear feet of streams with the potential for \$10.75M-\$14.33M in mitigation costs.
- If there are annual maintenance costs on the mitigation (wetlands & streams) sites, who bears the costs?

6.) Citizens

- Who will pay for any impacts on private boat docks, boat houses, bulkheads, marinas?
- Who will pay for the potential impacts on the FEMA 100-year flood zones (residential insurance impact), septic systems, water wells, public recreation areas?
- Who will pay for any private real estate reduction in value if this occurs?
- Who pays to raise the Dinwiddie VDOT bridges if necessary?

7.) Cultural/Historical Resources

- Potential impacts on historical/archeological/private cemeteries sites?
- Potential cost of required studies needed?

8.) Authority Flood Easement

- What impacts will raising the dam have on the Authority's existing 164 foot flood easement?
- Additional modeling most likely required to determine impacts of potential flooding above the 164 easement contour.
- Does the Authority risk its current favorable riparian rights position?

9.) Reservoir Sediment Flux/Water Quality

- What impacts by changing the Chesdin Reservoir hydraulics will occur to the reservoir's sediment passing or sediment storage capabilities?
- The ARWA raw water intakes will be at a lower level if the dam is raised. Is there a potential water quality impact (manganese, iron, turbidity) that may impact the raw water quality and cause higher water treatment chemical usage (O&M impacts)?

10.) State Grant Money (\$5,000,000 Matching Grant)

- How will ARWA pass on the state grant money to Chesterfield County? Should the Grant narrative be edited by the DEQ/General Assembly to provide Chesterfield County the grant money directly?

11.) Authority Board Policy

- Does this project conform to the Authority's Water Service Agreement obligation of "ARWA shall expand, operate and maintain the ARWA System in an efficient and economical manner, consistent with good business and operating practices".

- October 2010 the Authority's Board adopted a resolution on the Management of the Chesdin Reservoir: "Prudent management of Lake Chesdin requires a balancing between and among three priorities which are:
 - 1.) Preservation and enhancement of a reliable source of high-quality treated water to meet the current and future needs of the residents and businesses of the Member Jurisdictions;
 - 2.) Protection of the environmental health of Lake Chesdin;
 - 3.) Protection of the environmental health of the six-mile non-tidal stream reach of the Appomattox River below the Brasfield Dam"

12.) Design Factors for Consideration

- Is the rock that constitutes the dam foundation and abutments strong enough to carry the forces imposed by the increased height of the dam with stresses well below the elastic limit at all places along the contact planes?
- Is the bearing power of the geologic structure along the existing dam foundation and abutments great enough to carry the total loads imposed due the raising the dam height?
- Is the existing base of the dam thoroughly keyed into the rock formations along the dam foundation and abutments?
- Is the existing concrete in the dam homogenous in all parts of the existing structure?
- Is the concrete in the existing dam uniformly elastic in all parts of the structure, so that the additional deformation due to the additional applied load (raising the dam) may be calculated?
- Are the existing construction joints property grouted so that the dam may be considered to act as a monolith?
- No section of the United States may be assumed to be entirely free from the occurrence of earthquake shocks.
- The distribution of loads in the existing dam versus the increased height of the dam will be determined by analyzing the potential change in deflections of the different systems of load transference into agreement at all conjugate points in the structure.

13.) Structural Analysis Factors for Consideration

- Re-computation of the impacts on dam righting and overturning
- Re-computation of the vertical normal stresses and each plane of analysis
- Re-computation of the principal and shearing stresses at the dam's downstream face
- Re-computation of the probable distribution of uplift pressure on the foundation
- Re-computation of the effects of uplift on the sliding factor

Note: It might be important to re-determine the intensities and directions of the principal and maximum shearing stresses at various points throughout all dam sections

14.) Total Project Costs

- Will the ARWA member jurisdiction(s) raising the dam be fully responsible for **all** project related costs and impacts?

- **Election of Authority Vice-Chair**

- **Status Report: Ongoing Projects/Financials**

Following are memoranda concerning the Ongoing Projects and Financials of the ARWA.

MEMORANDUM

TO: APPOMATTOX RIVER WATER AUTHORITY BOARD OF DIRECTORS

FROM: ROBERT C. WICHSER, EXECUTIVE DIRECTOR
JAMES C. GORDON, ASST. EXECUTIVE DIRECTOR

SUBJECT: STATUS REPORT

DATE: July 21, 2016

Financial Report:

- The Budget Performance Statement for the period ending June 30, 2016 is attached for your review.

Funds:

- The ARWA Operating Checking account balance was \$ \$1,327,826.71as of June 30, 2016.
- The ARWA Replacement Fund account balance was \$12,510.10 as of June 30, 2016.
- The ARWA Trust Revenue account balance was \$3,125,479.72 as of June 30, 2016.
- The ARWA Trust Reserve account balance was \$1,209,895.12 as of June 30, 2016.
- The ARWA Trust Replacement account balance was \$344,079.22 as of June 30, 2016.

Status Report

General:

- The next Board of Directors Meeting is scheduled for 2:00 PM on **Thursday August 18, 2016** at the Appomattox River Water Authority.

Operations:

- Finished water met all permit requirements for the month of June. Copies of the VDH monitoring reports are available if anyone would like to see them.
- In June 2016 the Authority produced over 1 billion gallons.
- AWWA Partnership Data was submitted and the ARWA filtered turbidities were <0.09 ntu 99% of the time.
- Staff is preparing to wash the settling basins once the WET testing is complete.

Maintenance:

- Staff is investigating power drops at the dam Motor Control Center that are kicking off our raw water pumps. Electrical Power Inc. has been brought in for night time shutdowns to perform testing. It is suspected that there are bad relays.
- Staff is finishing the install of the new alum pumps
- Emerge, ICSE, and staff have successfully installed and activated the new Chlorine PLC.
- The Inventory Clerk office in the new warehouse is near completion and staff will soon be moving in.

Laboratory:

- WET sampling is ongoing the week of July 11 with the final sample collected on Friday July 15th.
- Algae currently are remaining low based on Dam and Lake sampling
- THM and HAA samples are being received and analyzed by staff.

**Appomattox River Water Authority
Year to Date Budget Performance**

	<u>Jun 16</u>	<u>July 2016</u>	<u>% of Budget</u>	<u>Jul '15 - Jun 16</u>	<u>YTD Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense							
Income							
31601 - Water Sales	2,609,393.42	798,341.00	326.85%	9,302,723.17	9,580,101.00	97.11%	9,580,101.00
31602 - Rent Income	0.00	6,666.00	0.0%	39,863.09	80,000.00	49.83%	80,000.00
31800 - Miscellaneous Revenue							
31801 - Dock Permits	0.00			200.00			
31802 - Restitution Received	200.00			2,000.00	0.00	100.0%	0.00
31805 - Other Income	0.00			40,022.98	0.00	100.0%	0.00
31810 - SCWWA Recovered Costs-Salaries	103,373.72			198,482.90	0.00	100.0%	0.00
31800 - Miscellaneous Revenue - Other	0.00			1,834.27			
Total 31800 - Miscellaneous Revenue	103,573.72			242,540.15	0.00	100.0%	0.00
Total Income	2,712,967.14	805,007.00	337.01%	9,585,126.41	9,660,101.00	99.22%	9,660,101.00
Gross Profit	2,712,967.14	805,007.00	337.01%	9,585,126.41	9,660,101.00	99.22%	9,660,101.00
Expense							
41000 - Personal Services							
41100 - Salary and Wages	197,180.30	122,091.00	161.5%	1,634,573.51	1,465,100.00	111.57%	1,465,100.00
Total 41000 - Personal Services	197,180.30	122,091.00	161.5%	1,634,573.51	1,465,100.00	111.57%	1,465,100.00
42000 - Employee Benefits							
42100 - Employer FICA	9,345.97	9,584.00	97.52%	115,431.08	115,000.00	100.38%	115,000.00
42200 - Virginia Retirement System	7,749.32	8,334.00	92.98%	90,254.73	100,000.00	90.26%	100,000.00
42210 - Deferred Compensation 457(b)	621.83	416.00	149.48%	5,882.49	5,000.00	117.65%	5,000.00
42300 - Hospitalization Insurance	33,479.00	30,834.00	108.58%	362,714.50	370,000.00	98.03%	370,000.00
42400 - VRS Group Life Insurance	1,454.55	1,584.00	91.83%	17,459.14	19,000.00	91.89%	19,000.00
42500 - Group Term Life	0.00	125.00	0.0%	1,948.20	1,500.00	129.88%	1,500.00
42600 - Unemployment Insurance	0.00			473.13			
42900 - Other Fringe Benefits	0.00			2,249.91	0.00	100.0%	0.00
Total 42000 - Employee Benefits	52,650.67	50,877.00	103.49%	596,413.18	610,500.00	97.69%	610,500.00
43000 - Contractual Services							
43121 - Auditing Services	0.00	834.00	0.0%	7,100.00	10,000.00	71.0%	10,000.00
43122 - Accounting Services	281.97	1,000.00	28.2%	7,526.22	12,000.00	62.72%	12,000.00
43140 - Consulting Engineers	0.00	5,000.00	0.0%	83,607.00	60,000.00	139.35%	60,000.00
43150 - Legal Services	8,226.24	4,166.00	197.46%	53,104.17	50,000.00	106.21%	50,000.00
43152 - Medical	140.00			1,640.00			
43155 - Other Consulting Services	0.00			14,224.57			
43160 - Trustee Services	0.00	834.00	0.0%	5,280.00	10,000.00	52.8%	10,000.00
43162 - Bank Service Charges	156.46	125.00	125.17%	1,816.29	1,500.00	121.09%	1,500.00
43170 - Research	0.00	1,292.00	0.0%	30,111.36	15,500.00	194.27%	15,500.00
43180 - Potable Water Contract	27,695.00	27,084.00	102.26%	323,070.00	325,000.00	99.41%	325,000.00
43190 - Samples and Testing	4,999.50	2,084.00	239.9%	24,837.41	25,000.00	99.35%	25,000.00
43200 - Lake Patrol	0.00	334.00	0.0%	4,500.56	4,000.00	112.51%	4,000.00
43210 - Software Support	287.50			11,797.68			
43310 - Repair Services	163.75			2,253.75	0.00	100.0%	0.00
43320 - Maintenance Service Contracts	1,994.55	1,666.00	119.72%	37,398.45	20,000.00	186.99%	20,000.00
43500 - Printing and Binding	0.00	209.00	0.0%	411.50	2,500.00	16.46%	2,500.00
43600 - Grounds Maintenance	3,200.00	2,666.00	120.03%	46,310.97	32,000.00	144.72%	32,000.00
Total 43000 - Contractual Services	47,144.97	47,294.00	99.69%	654,989.93	567,500.00	115.42%	567,500.00

**Appomattox River Water Authority
Year to Date Budget Performance**

	<u>Jun 16</u>	<u>July 2016</u>	<u>% of Budget</u>	<u>Jul '15 - Jun 16</u>	<u>YTD Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
45000 - Other Charges							
45110 - Electricity - Pumping	37,070.79	37,500.00	98.86%	428,829.11	450,000.00	95.3%	450,000.00
45111 - Electricity - Purification	20,761.59	20,834.00	99.65%	227,864.95	250,000.00	91.15%	250,000.00
45120 - Heating Fuel	0.00	6,250.00	0.0%	104,412.64	75,000.00	139.22%	75,000.00
45130 - Trash Pickup	921.54	666.00	138.37%	10,055.34	8,000.00	125.69%	8,000.00
45210 - Postal Services	89.46	209.00	42.8%	2,666.72	2,500.00	106.67%	2,500.00
45230 - Telecommunications	2,627.71	2,291.00	114.7%	29,994.94	27,500.00	109.07%	27,500.00
45308 - General Liability Insurance	0.00	6,666.00	0.0%	171,814.00	80,000.00	214.77%	80,000.00
45410 - Lease/Rent of Equipment	4,943.60	625.00	790.98%	13,457.30	7,500.00	179.43%	7,500.00
45510 - Mileage Allowance	75.33			1,448.48	0.00	100.0%	0.00
45530 - Meals and Lodging	1,779.98	416.00	427.88%	6,992.11	5,000.00	139.84%	5,000.00
45540 - Education and Training	3,605.00	1,666.00	216.39%	14,553.80	20,000.00	72.77%	20,000.00
45810 - Miscellaneous	0.00			-8,045.14	0.00	100.0%	0.00
45899 - Reconciliation Discrepancies	0.00			-300.84	0.00	100.0%	0.00
Total 45000 - Other Charges	71,875.00	77,123.00	93.2%	1,003,743.41	925,500.00	108.45%	925,500.00
46000 - Materials and Supplies							
46001 - Office Supplies	1,513.23	1,000.00	151.32%	15,863.96	12,000.00	132.2%	12,000.00
46004 - Laboratory Supplies	5,453.35	5,834.00	93.48%	66,367.14	70,000.00	94.81%	70,000.00
46005 - Process Chemicals	135,050.15	183,334.00	73.66%	1,844,565.98	2,200,000.00	83.84%	2,200,000.00
46006 - Purification Supplies	989.16	875.00	113.05%	11,421.52	10,500.00	108.78%	10,500.00
46007 - Repair and Maintenance Supplies	10,286.94	8,334.00	123.43%	127,741.88	100,000.00	127.74%	100,000.00
46008 - Vehicle and Equipment Fuels	290.12	2,916.00	9.95%	12,412.85	35,000.00	35.47%	35,000.00
46009 - Vehicle and Equipment Supplies	147.22			9,877.30	0.00	100.0%	0.00
46010 - Equipment Parts	4,126.14	5,834.00	70.73%	64,251.01	70,000.00	91.79%	70,000.00
46011 - Uniforms	919.53	334.00	275.31%	9,783.88	4,000.00	244.6%	4,000.00
46012 - Dues and Subscriptions	486.95	2,084.00	23.37%	22,470.03	25,000.00	89.88%	25,000.00
46014 - Other Operating Supplies	0.00			0.00	0.00	0.0%	0.00
46015 - Small Equipment Purchases	0.00	834.00	0.0%	2,344.99	10,000.00	23.45%	10,000.00
46016 - Purification Building Maint	0.00	834.00	0.0%	7,465.00	10,000.00	74.65%	10,000.00
46000 - Materials and Supplies - Other	0.00			1,962.39			
Total 46000 - Materials and Supplies	159,262.79	212,213.00	75.05%	2,196,527.93	2,546,500.00	86.26%	2,546,500.00
66000 - Payroll Expenses	0.00			0.00			
Total Expense	528,113.73	509,598.00	103.63%	6,086,247.96	6,115,100.00	99.53%	6,115,100.00
Net Ordinary Income	2,184,853.41	295,409.00	739.6%	3,498,878.45	3,545,001.00	98.7%	3,545,001.00
Other Income/Expense							
Other Income							
31501 - Interest Income							
3150101 - Water Revenue Acct 20727	417.51			1,719.44	0.00	100.0%	0.00
3150103 - Replacement Acct 20730	51.95			272.28	0.00	100.0%	0.00
3150104 - Reserve Acct 20732	156.49			776.38	0.00	100.0%	0.00
3150109 - 2007 Bond Principal Acct 19098	30.12	0.00	100.0%	138.68	0.00	100.0%	0.00
3150110 - 2007 Bond Interest Acct 19097	0.14			3.46	0.00	100.0%	0.00
3150111 - Debt Service Reserve Acct 20731	200.16			1,001.58	0.00	100.0%	0.00
3150112 - Series 2010 Ref Bond - 47000	0.37			63.84	0.00	100.0%	0.00
3150113 - Series 2010 Loc Prin 47001	22.98			105.52	0.00	100.0%	0.00
3150114 - 2012 Bond Const 84002	0.00			6.07	0.00	100.0%	0.00
3150117 - 2012 Bond Interest 84000	0.26			15.53	0.00	100.0%	0.00
3150118 - 2012 Bond Principal 84001	13.66			62.79	0.00	100.0%	0.00
Total 31501 - Interest Income	893.64	0.00	100.0%	4,165.57	0.00	100.0%	0.00
Total Other Income	893.64	0.00	100.0%	4,165.57	0.00	100.0%	0.00

Appomattox River Water Authority Year to Date Budget Performance

	Jun 16	July 2016	% of Budget	Jul '15 - Jun 16	YTD Budget	% of Budget	Annual Budget
Other Expense							
50000 - Capital Outlay							
58010 - Machinery & Motors	7,465.00	22,916.00	32.58%	100,799.01	275,000.00	36.65%	275,000.00
58020 - Instrumentation	0.00	2,916.00	0.0%	27,756.80	35,000.00	79.31%	35,000.00
58030 - SCADA	0.00	6,250.00	0.0%	0.00	75,000.00	0.0%	75,000.00
58040 - Computer Equipment	0.00			4,054.40			
58050 - Furniture & Fixtures	0.00			17,160.93			
58060 - Motor Vehicles	0.00			0.00	0.00	0.0%	0.00
58090 - Construction-Replacement							
58090-1 - Flocculation Basins	0.00			2,070.00			
58090 - Construction-Replacement - Other	37,394.59	90,416.67	41.36%	455,939.71	1,085,000.00	42.02%	1,085,000.00
Total 58090 - Construction-Replacement	37,394.59	90,416.67	41.36%	458,009.71	1,085,000.00	42.21%	1,085,000.00
50000 - Capital Outlay - Other	0.00			1,851.71	0.00	100.0%	0.00
Total 50000 - Capital Outlay	44,859.59	122,498.67	36.62%	609,632.56	1,470,000.00	41.47%	1,470,000.00
60000 - Debt Service*							
69210 - Principal - 2007 Bonds	0.00	0.00	0.0%	460,600.00	517,898.00	88.94%	517,898.00
69220 - Interest - 2007 Bonds	0.00			26,224.13	0.00	100.0%	0.00
69240 - Principal - 2012 Bonds	0.00	0.00	0.0%	301,983.50	301,984.00	100.0%	301,984.00
69250 - Interest - 2012 Bonds	0.00			0.00	0.00	0.0%	0.00
69310 - Principal - 2010 Bonds	0.00	0.00	0.0%	758,055.00	758,055.00	100.0%	758,055.00
69330 - Interest - 2010 Bonds	0.00			0.00	0.00	0.0%	0.00
Total 60000 - Debt Service*	0.00	0.00	0.0%	1,546,862.63	1,577,937.00	98.03%	1,577,937.00
Total Other Expense	44,859.59	122,498.67	36.62%	2,156,495.19	3,047,937.00	70.75%	3,047,937.00
Net Other Income	-43,965.95	-122,498.67	35.89%	-2,152,329.62	-3,047,937.00	70.62%	-3,047,937.00
Net Income	2,140,887.46	172,910.33	1,238.15%	1,346,548.83	497,064.00	270.9%	497,064.00

MEMORANDUM

TO: APPOMATTOX RIVER WATER AUTHORITY BOARD OF DIRECTORS

FROM: ROBERT C. WICHSER, EXECUTIVE DIRECTOR
JAMES C. GORDON, ASSISTANT EXECUTIVE DIRECTOR

SUBJECT: STATUS REPORT – ON-GOING PROJECTS

DATE: July 21, 2016

The following projects are underway. This report includes sections on Capital projects and large replacement projects.

Warehouse Building

- Awaiting fiber connections to complete network connected in the office.

Lime Silo Improvements

- Shop drawings have been approved and are awaiting equipment fabrication.
- A construction progress meeting was held on June 30, 2016.
- Anticipate equipment delivery around September 1, 2016.
- Contractor will start demolition in mid-August. The change order for improvements to sedimentation basin no.'s 1 and 3 for reversing the drains and overflows has been issued and approved.

5. Items from Counsel:

- Mediation Service – Hon. J. Michael Gamble (Ret.)

6. Executive Director's Annual Review

7. Executive Session

8. Other Items from Board Members/Staff Not on Agenda

9. Adjourn