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## South Central Wastewater Authority

### Board of Directors Meeting

**DATE:** January 19, 2017  
**TIME:** 2:00 PM  
**LOCATION:** Appomattox River Water Authority  
Board Room, Administration Building  
21300 Chesdin Road  
South Chesterfield, Virginia 23803

### AGENDA

1. Call to Order/Roll Call
2. Approval of Minutes: Minutes of the Regular Meeting of the Board on November 17, 2016.
3. Public Comment
4. Executive Director's Report:
  - Review of Six Month Work Plan Summary
  - Proposed FY2017/18 Operating Budget
  - Implementation of Market Based Adjustment
  - Status Report: Ongoing Projects/Operational/Financial/I&I
5. Items from Counsel
  - Review and Approval of Authority Freedom of Information Policy
  - Financial Disclosure Statement
  - VLS/Local Limit Revision update
6. Closed Session
7. Other Items from Board Members/Staff Not on Agenda:
8. Adjourn

Cc:W. Dupler/George Hayes, Chesterfield  
D. Harrison, Petersburg Public Works  
C. England, Prince George  
K. Massengill, Dinwiddie County  
A. Anderson, McGuire Woods

**1. Call to Order/Roll Call**

**2. Approval of Minutes: Minutes of the Regular Meeting of the Board on November 17, 2016.**

Following are the minutes of the Regular Meeting of the South Central Wastewater Authority Board of Directors on November 17, 2016.

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

# **BOARD OF DIRECTORS MEETING**

**South Central Wastewater Authority**

**November 17, 2016 at 2:00 p.m.**

**Location: South Central Wastewater Authority  
900 Magazine Road, Petersburg, Virginia**

## **PRESENT:**

Robert B. Wilson, Chairman (Dinwiddie)  
Percy Ashcraft, Vice-Chairman (Prince George)  
William Henley, (Colonial Heights)  
Joseph Casey, (Chesterfield)  
Tom Tyrrell, (Petersburg)  
Kevin Massengill, (Alternate, Dinwiddie)  
Charles England, (Alternate, Prince George)  
Daniel Harrison (Alternate, Petersburg)  
George Hayes, (Alternate, Chesterfield)

## **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)  
Cindy Nester, Administrative Assistant (ARWA)

## **OTHERS:**

Leslie Roberts, (Dixon Hughes Goodman)

## **ABSENT:**

William Dupler, (Alternate, Chesterfield)

Mr. Wilson, Chairman, called the meeting to order at 3:34 p.m.

### **1. Call to Order/Roll Call.**

The roll was called.

### **2. Approval of Minutes: Minutes of the Regular Board Meeting on September 15, 2016 and Minutes of the Joint Special Meeting of the South Central Wastewater Authority and the Appomattox River Water Authority Boards on October 20, 2016:**

Upon a motion made by Dr. Casey and seconded by Mr. Henley the following resolution was adopted:

**RESOLVED, that the minutes of the Regular Meeting of the Board on September 15, 2016 and Minutes of the Joint Special Meeting of the South Central Wastewater Authority and the Appomattox River Water Authority Boards on October 20, 2016 are hereby approved:**

**For: 5            Against: 0            Abstain: 0**

### **3. Public Comment**

There were no public comments.

### **4. Executive Director Report**

#### **• Potential U.S.EPA Regulatory Impact on the SCWWA**

Dr. Wichser reported that there was one item we want to keep the Board updated on related to the potential nutrient project cost impact at the SCWWA. He stated that from 2006 to 2010 the Authority entered preliminary design on this project with a consulting engineering firm with a cost incurred close to three million dollars and that project design effort was never utilized. The Board at that time chose to buy nutrient credits rather than to proceed into a major facility upgrade project. Dr. Wichser stated that on September 30, 2016 we were made aware that the U.S. EPA planned to potentially proceed with additional effluent wasteload reductions to James River wastewater facilities based on the existing Chesapeake Bay Total Maximum Daily Load. An in-depth scientific modeling Chlorophyll study has been undertaken on the tidal fresh segments of the James River (from the Interstate 95 Fall Line down to the Hampton Roads area), and has been ongoing for three years. This study was undertaken specifically towards the James River and not tied directly to the Chesapeake Bay. If U.S. EPA is successful in reducing the tidal James River wastewater facilities nutrient wasteload allocations, this action has the potential to require the James River point source wastewater dischargers including SCWWA to reach a new level of treatment technology for removal of nitrogen and phosphorus nutrients. SCWWA could meet a lower phosphorus requirement, however, that would require that we have to feed more chemicals to remove the phosphorus. We cannot denitrify, or presently reduce our total nitrogen final effluent concentrations without major costly process modifications. Presently the SCWWA plant strips ammonia and converts it to other nitrogen forms (nitrate and nitrite). After that stage of treatment, the treatment process would need to conduct additional biological treatment to those two nitrogen species and convert these compounds to off-gas nitrogen, which is then discharged to the atmosphere. We

don't presently have this third step treatment process. It's going to be expensive for SCWWA to modify the exiting treatment process to accomplish the advanced nutrient removal mode of treatment. We feel if U.S. EPA is successful in further reducing the tidal James River wastewater facilities wasteload allocations, then SCWWA could be impacted and may have to reach compliance with the lower nutrient discharge concentration levels potentially by January 1, 2023. In discussing this item with individuals from our member wastewater association, they tell us that this action is coming and we had better get ready and plan for it. In November 2014, we presented this issue to this Board that we expected that the SCWWA wasteload might be reduced to a Total Nitrogen level of 3 mg/L and Total Phosphorus level of 0.1 mg/L, and that a cost estimate had been developed by Hazen & Sawyer our engineering consultant on this item. They estimated in 2014 that it could cost SCWWA over forty million dollars to reach this level of nutrient removal treatment. We also will have to address issues of aging infrastructure at SCWWA. This plant is the original City of Petersburg primary plant which was upgraded to a secondary level of treatment in 1996. The Authority was formed and another upgrade was done, but now the equipment is older and must be addressed. We are looking at over twenty million dollars to potentially address aged infrastructure. The other issue we have is inflow and infiltration. During wet weather events, SCWWA is inundated with wet weather flows which can increase our inflow from twelve mgd to sixty mgd in less than forty-eight hours. To address those issues is another seventeen million dollars. SCWWA needs to address wet weather flow as we can't run an advance denitrification nutrient removal plant and meet the potential lower nutrient levels without addressing this issue. Down the road we could expect a planning level project costs in the seventy to eighty million dollar range. Presently the SCWWA Virginia Pollution Discharge Permit is up for renewal. We also know that by June 30, 2018 the Water Quality Improvement Fund (WQIF grant fund) which SCWWA qualified for almost twenty million dollars in 2010, is going to have an estimated shortfall of sixty million dollars.

Mr. Wilson asked members if they wanted to look at thirty year financing and see what the numbers come back as to give staff some kind of direction and what numbers to put on the table. Board members were not interested in this at this time. Dr. Casey asked if there were other projects like this that needed to avoid DEQ consent orders or is this the project that we keep referring to. Dr. Wichser stated that it's this major project. Mr. Wilson asked if this was for the entire plant. Dr. Wichser said based on our consultant's review and estimates in November 2014, this would address everything he is aware of. Dr. Wichser said the only thing that may be added in is the Headworks Building remediation. Dr. Wichser stated that the major impact from this potential upgrade project will be on the City of Petersburg at 54% of the cost of the project. Mr. Tyrrell stated they are going to try to put a five year plan together before they leave as consultants to the City of Petersburg. Mr. Wilson stated that this project would fall in that time frame as we are talking 2023 to reach compliance or at least the impact on engineering design would start before then. Dr. Wichser said our understanding from our wastewater association is the EPA might agree to a time extension due to uncertainties related to the Chlorophyll study. Mr. Henley stated he assumed this Board would support contesting the order since the Virginia Association of Wastewater Agencies has questions about the Chlorophyll study. Dr. Wichser asked Mr. Henley if he meant the technical reason for the upgrade and Mr. Henley replied yes. Dr. Wichser stated that SCWWA is the last plant in the entire James River that hasn't upgraded to Total Nitrogen process removal. Dr. Casey said if you don't do something DEQ wants or EPA is making you do they have a right to issue a Consent Order. He asked what the duration of acting is once you get a Consent Order. Dr. Wichser said that is usually negotiated. Generally the time span can go from an immediate action within twelve months to a five year upgrade project.

- **Presentation of Annual Financial Report: Dixon Hughes Goodman**

Dr. Wichser introduced Leslie Roberts with Dixon Hughes Goodman LLP who gave a presentation on SCWWA's annual financial audit.

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

**RESOLVED, that the annual financial audit are hereby approved as presented:**

**For: 5      Against: 0      Abstain: 0**

- **Recommendation on Legal Services**

Dr. Wichser reported on the Legal Services Provider for the Authority. This was the same item approved in ARWA's Board meeting.

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

**RESOLVED, that the Executive Director of ARWA and SCWWA is authorized to enter into a Legal Services Contract with McGuire Woods for a three year period with the option for an annual extension up to two additional years at the determination of both ARWA and SCWWA:**

**For: 5      Against: 0      Abstain: 0**

- **Proposed 2017 Board Meeting Dates**

Dr. Wichser presented the proposed schedule for 2017 Board of Directors for SCWWA and ARWA. This was the same item approved in ARWA's Board meeting.

Upon a motion made by Dr. Casey and seconded by Mr. Henley the following resolution was adopted:

**RESOLVED, that the Board approves the proposed schedule of regular meeting dates for 2017 as presented starting at 2:00 p.m. to be posted on websites:**

**For: 5      Against: 0      Abstain: 0**

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

Mr. Gordon went over the Ongoing Projects and Financials status. He stated each jurisdiction provides him with the wastewater flows from their meters. If anyone would like to see those, we can provide them.

- **Petersburg Budget Impact Update**

Ms. Wilkins discussed the Petersburg Budget Impact Update on SCWWA. She stated now that we have the Resolution in place for the \$996,000 she didn't feel it was relevant anymore to focus on the cash flow that shows what we would look like without that, but more so to take a look at what we're going to look at with being able to utilize that \$996,000. Based on the payment that we did receive from the City of Petersburg in October and we were able to post that in the first week of November, it looks like we will be able to maintain a positive cash flow status through probably the mid part of January while utilizing the \$996,000. That is keeping all the operating expenses in check and operating on a bare bones budget.

- **Election of Authority Officers**

**Chairman: Robert Wilson  
Vice-Chairman: Percy Ashcraft  
Secretary/Treasurer: VACANT**

Officer terms expire at the end of year of even numbered years. Elections were held and the results are as below.

The following officers were elected for 2017 starting January 1, 2017 for a term of two years:

Percy Ashcraft was elected Chairman of SCWWA's Board of Directors on a motion made by Dr. Casey:

**For: 5      Against: 0      Abstain: 0**

William Henley was elected Vice-Chairman of SCWWA's Board of Directors on a motion made by Dr. Casey:

**For: 5      Against: 0      Abstain: 0**

George Hayes was elected Secretary/Treasurer of SCWWA's Board of Directors on a motion made by Dr. Casey:

**For: 5      Against: 0      Abstain: 0**

## **5. Items from Counsel**

Mr. Anderson stated that before the Board meeting, he felt purposed to take this discussion into Closed Session, but now doesn't see a need for it. He stated that SCWWA filed a lawsuit back in September against the City of Petersburg. At that time the arrearage was somewhere around \$1.2 million that has now grown to over two million dollars. SCWWA had received one payment at the end of October. We were exchanging settlement offers for the past two to three weeks with the City of Petersburg. On this past Friday night we received an offer that came about from Petersburg's legal representatives. We sent it out electronically to everyone and on Monday we were comfortable enough because of some timing issues with interim financing that justified dismissing the SCWWA law suit, which the settlement offer allowed us to do without prejudice. This means that we can re-file the lawsuit at any time. Mr. Anderson stated that SCWWA has agreed not to do that for now. The key elements of the settlement offer are starting in December the City of Petersburg will agree to make the normal monthly payments of about \$370,000 per month on a timely basis. The November payment will not be made. On or before December 15 we expect to receive an amount of \$1,291,918.17, and that is a payment that we will be applied to the arrearage at what is now a little over two million dollars. He understands that the Virginia Resource Authority has released \$1.2 million to the City of Petersburg and the City is going to utilize those funds to address payroll. At any rate, the City's real estate taxes come in early December and that will be the primary source of the payment of the \$1.2 million to SCWWA. Between now and December 15<sup>th</sup>, the City and the Authority staff will sit down in good faith and figure out exactly what is owed and SCWWA will propose a two year repayment schedule for addressing the arrears. The settlement sheet was signed by Mr. Tyrrell, Acting Petersburg City Manager and by Mr. Wilson, Chairman of SCWWA. We did dismiss the lawsuit as requested on Tuesday

morning. That action then cleared the City to make the representations it needed to get the interim financing it had applied for. Mr. Anderson stated that he understands the interim financing to close sometime in the next two weeks. Mr. Tyrrell stated the closing date is December 5, 2016. Mr. Anderson prepared a short Resolution because the Settlement Agreement is subject to ratification by both Petersburg City Council and the SCWWA Board. He then read the Resolution and explained it. Mr. Ashcraft stated one thing important to him is procedure and process. We are appointed as members here to make decisions that are important to both Authorities. He personally does not like to have the process interrupted because we are being told to. He understands that timing is very important and there is no one in this room that doesn't want the City of Petersburg to accomplish and move forward. He didn't like to have any entity outside of us make the decision. Even though we gave the nod to the SCWWA Chairman to sign the Settlement Agreement and it was appropriately done and he supports it. He just felt like three days is really what it came down to that we could have had this meeting that we could have all voted appropriately to move forward to satisfy all the documents, and satisfy all the decisions that had been made. He appreciates all the work that went into it. He applauds Mr. Tyrrell and the Bobb Group team that is trying to get to where the City of Petersburg needs to go. At no time did he ever want anyone that saw the emails to think that he was in opposition to anything that has been presented or the actions of anybody that was appropriately placed in positions to make the decisions that we did. He feels strongly that we should have been allowed to not ratify this document but to approve the settlement on its merits and then we would forward our actions to the appropriate body especially as he has now learned that there was no closing of documents so it sounds like it could have waited three days.

Mr. Tyrrell stated he could tell everyone what the Bobb Group has in mind relative to this and other things. They had one respondent. His concern is that if the City of Petersburg disclosed that they were under receivership that any bank potentially providing the interim financing would walk away. Then the City of Petersburg would have been in a lurch to replace that \$6.5 million dollar short term note. That is part of the exercise that they were pressed up against. The scenario the Bobb Group set up for the City of Petersburg is the best that they could come up with the cooperation of the governing body, Commonwealth Secretary of Finance, Commonwealth Secretary of Education. Right now they will be able to be current through the end of the fiscal year if the interim financing is received. They solved the liquidity problem with one other bond action with cooperation with the Virginia Resources Authority. Mr. Tyrrell stated, as you know, what has apparently been completely absent from the City of Petersburg for a number of years is that you can only spend as much as you take in. Mr. Tyrrell is proposing that obvious discipline on the City of Petersburg will not be as easy or painless as they think it is. He stated, we'll see how it works. It has to happen to go forward. Mr. Tyrrell stated that Robert Bobb has forty years of sitting in these manager's chairs for several different cities. The idea of what he is faced with here is not new. Those battles with the vendors and business owners are the same, just different numbers. The Bobb Group feels like they have a team that is capable of telling the story that needs to be told and does not allow people to say no; this is not acceptable to them. Mr. Tyrrell stated that the Governor's office is behind that. The Bobb Group has a plan and they are in a little bit of a honeymoon period that is ending this week. They are posting their City Council presentations on the website. They are putting everything out there so the citizens and public can review. The Bobb Group took their first presentation and started a recall petition for some using that as evidence. Mr. Tyrrell stated that there is so much opportunity. The adjustment the City did to their budget doesn't get them there, not even halfway there. The City of Petersburg made what they thought was a twelve million dollar adjustment to the budget based on some recommendations that have netted less than five million dollars. The Bobb Group will be going back in to City Council with an amended adjustment to the budget in January. Mr. Tyrrell stated that he doesn't care if they don't like him; he is just going to do the work. He stated that the Bobb Group does have a path forward for the City of Petersburg.

Dr. Casey stated it would be helpful to the Authority if Mr. Tyrrell would let them know of a closing date on the financing instead of reading about it in the paper. Mr. Henley requested that Mr. Tyrrell openly communicate and keep us in the loop and that this would go a long way. Dr. Wichser said he appreciated the City's effort but in looking to December 15th and realizing the Christmas holiday and New Year's holiday impact on available time, and the realization that Ms. Wilkins estimates that mid-January SCWWA be dry on cash, if the City's interim financing plan fails, he stated that we would have only a short period to do the required public notice. With the holidays, timing would get extremely critical. Mr. Tyrrell said we would know something by December 5<sup>th</sup> or before. There are other things going on and he doesn't know how well it's going to pan out. Dr. Casey said this Authority was the most stressed among all of the public entities tied in with the City of Petersburg and needed funds the most right now. Mr. Tyrrell said they could write it to you because they should or they could write it to you through the Judge. He is not trying to be cryptic but everything is looking really good. He thinks the interim financing is well above ninety percent chance of occurring. If it starts to back track, Mr. Tyrrell stated he will let us know immediately. He stated that they have considered in their cash flow paying everybody current, not just SCWWA. Mr. Tyrrell stated that there is another nineteen million dollar bogie out there in FY16 arrearage. There next step the Bobb Group will take is restructuring debt. Dr. Casey said he knew we had a large bill from our legal team and hoped we wouldn't pay that until we get the Petersburg amounts. Mr. Anderson said that's correct.

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

**RESOLVED, that the Board approves the Resolution that the Chairman and Executive Director are authorized to cause South Central to cooperate with the Appomattox River Water Authority in such proceedings, including the filing of joint or corresponding complaints and other pleadings:**

**For: 5 Against: 0 Abstain: 0**

**6. Closed Session**

There was no Closed Session.

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

Dr. Casey asked about the two Authorities using the same Auditors and was told we tried that but it was cheaper this year to do it separately. Dr. Wichser stated we would be going out with an RFP in March.

**8. Adjourn**

Upon a motion made by Mr. Henley and seconded by Mr. Ashcraft the meeting was adjourned at 4:37 p.m.

The next Board meeting is scheduled for Thursday, January 19, 2017 at 2:00 p.m. at the Appomattox River Water Authority.

MINUTES APPROVED BY:

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**George Hayes**  
**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:**

- **Review of Six Month Work Plan Summary**

Following for your review is a six month work plan from staff.

# South Central Wastewater Authority

## Executive Level Strategic Work Plan Summary

January 1, 2017 to June 30, 2017

**Purpose:** Provide the South Central Wastewater Authority with a plan to ensure 100% total compliance with the Virginia Pollution Discharge Elimination System Permit discharge limitations.

This information is provided at the request of the Board and is intended to highlight key/critical activities that are planned and expected to be accomplished during the next six months. We realize that unplanned circumstances could occur that impact the Authority's financial capability to complete the tasks and projects, and are totally out of the control of Authority management. Projects are dependent on funding, engineering consultants and contractors.

**Overarching Goal:** The Authority will continue to meet permit discharge limits by operating and maintaining the wastewater plant system in an efficient and economical manner, consistent with good business and operating practices.

The Authority's goal is to meet or exceed the requirements of the Virginia Pollution Discharge Elimination System Permit discharge limitations.

### **Construction Projects:**

1. Implement and complete the ON-HOLD grit classifier project that was programmed for the FY 2016/17 year
2. Implement and complete the ON-HOLD Waterline replacement project that was programmed for the FY 2016/17 year

### **Administration:**

1. January-May 2017: Develop, present, defend and public notice proposed 2017/18 Operations & Maintenance Budget including Capital Projects proposed

### **Virginia Pollution Discharge Elimination System Permit**

January 2017-July 2017: Development of renewal permit application to be submitted to VA-DEQ and U.S.E.P.A. for review, approval and issuance of permit limits

### **Facility Instrumentation/SCADA Upgrades:**

- January-June: Replace the servers that are >5 year old.
- Fill the two vacant IT/Computer Positions by May 2017

**Financial Auditing:** March 2017- Issue RFP for annual financial auditing services for both ARWA & SCWWA and recommend three year contract by June 2017

**Facility Process Chemicals:** January 2017- Issue new contracts based on the annual ARWA IFB on major process chemicals: Complete award of annual chemical supplier contracts by February 1, 2017.

May 2017-issue IFB for SCWWA specific process chemicals. Complete award of annual chemical supplier contracts by July 1, 2017.

**Facility Warehouse Office Temporary Relocation:** Complete move into trailer out of Headworks Building by March 2017.

## **Department Goals**

### **Administration/Warehouse:**

- Develop digital archiving system for all documents that fall under record retention requirements
- Implement inventory control processes and procedures so that “Cycle Counts” of inventories can be performed throughout the year
- Develop and implement a compensation plan that will allow the Authority to pay employees “In Arrears” while providing minimal financial impact during such implementation

### **Maintenance Department:**

- Complete mechanical/electrical training for employees as needed
- Maintain schedule of preventive maintenance activities
- Effective and rapid response on corrective actions towards equipment failures
- Maintain parts and equipment inventory in a cost effective manner

### **Laboratory Department:**

- Maintain Discharge Permit analytical testing requirements
- Maintain effective Pre-Treatment Program which includes supporting SCWWA Member needs related to DEQ’s Pre-Treatment regulatory requirements

### **Operations Department:**

- Maintain wastewater plant effluent quality at all times to meet federal/state discharge permit limits
- Ensure all Operators maintain DPOR required annual training requirements
- Ensure all Operators continue to strive for Class 1 Wastewater Operator license
- Maintain Wastewater Facility in a clean and orderly manner

### **IT/Instrumentation Office:**

- Ensure all process instrumentation is functional and accurate
- Ensure the Supervisory Control and Data Acquisition System is functioning to enable Operations Department to operate the process control equipment
- Determine if a contracted IT provider similar to what we currently have is needed once the department is fully up and running. If so, obtain proposals for the service(s) needed.

- **Proposed FY2017/18 Operating Budget**

Following is a memorandum concerning the proposed SCWWA FY2017/18 budget. Also included for your review is the proposed budget.

## MEMORANDUM

**TO: SOUTH CENTRAL WASTEWATER AUTHORITY  
BOARD OF DIRECTORS**

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

**SUBJECT: FISCAL YEAR 2017-2018 PROPOSED BUDGET**

**DATE: JANUARY 19, 2017**

We are pleased to present to you the South Central Wastewater Authority proposed 2017-2018 budget for your review and consideration.

The proposed annual expenses for FY 2017/18 are decreasing by \$513,312 (-5.3%) from the current fiscal year budget due to the decreases in Operations & Maintenance [Equipment Replacement -\$334,900], Operations & Maintenance [Nutrient Credit Purchases -\$160,000], Reserve Policy (-\$70,317) and the Equipment Replacement and Reserve Fund (-\$21,095).

Costs impacting the operating budget are:

- Increase in Legal Service by \$20,000
- Increase in Advertising: \$3,500
- Increase in Hospitalization: \$43,500

### **Debt Service:**

Debt service for FY 2017/18 is zero.

### **Salaries & Wages:**

It is important to understand the maintenance and operations of our wastewater infrastructure, not only by implementing the latest technologies, but also by investing in a skilled workforce. Thus we are requesting a performance based salary increase. As you are aware, a significant portion of the Authority's workforce will exit the field in the next three to five years (Hazen and Sawyer Merger Analysis, April 2014), depleting the pool of experienced certified and licensed professionals. The job sector in the wastewater field is now necessitating a more skilled workforce. The upcoming retirement of experienced mentors who can train new personnel further exacerbates the problem. The anxiety will grow higher as both retiring employees, aging infrastructure, competition for certified and licensed employees between other local utilities and the incoming private sector (paper manufacturing) will force the Authority to make tough budget decisions to attract and maintain new employees. We must continue to invest in our skilled employees and maintain market competitive salaries. Overall the Authority Salary line item is not changing from 2016/2017 even though we have placed a three percent pay for performance increase into the proposed budget.

Each employee will be rated in May 2017 on the following:

- Knowledge & Ability

- Productivity
- Initiative
- Interpersonal Relationships
- Time Management
- Communication
- Attendance
- Judgment
- Adaptability
- Meeting defined goals

An average employee would receive a 2% salary increase with only the highest scoring employees eligible for an increase higher up to 3% maximum. Non-performing employees will receive less than 2% with certain employees that score lower being placed into a required performance improvement probation period.

**O&M Equipment Replacement and Equipment Repair and Replacement Fund:**

The Replacement Fund is decreased \$334,900 to a total of \$2,105,100 and contains a number of projects including caustic piping replacement, miscellaneous process instrumentation and SCADA/communication equipment. Additionally, funding is needed for computers and server replacement, two vehicle replacements, general concrete repairs, scum concentrator replacement, roof repairs for two major buildings, new warehouse with office, etc.

**REVENUE:**

	<b>PRESENT FY2016/17 Costs</b>	<b>PROPOSED FY2017/18 Costs</b>	<b>ANNUAL Cash Diff.</b>	<b>% Difference</b>
City of Petersburg	\$4,513,609	\$4,211,291	-\$320,318	-6.70
City of Colonial Heights	\$1,708,689	\$1,574,965	-\$133,723	-7.83
Chesterfield County	\$745,350	\$669,668	-\$75,682	-10.15
Prince George County	\$550,564	\$524,835	-\$25,729	-4.67
Dinwiddie County	\$683,984	\$639,124	-\$44,860	-6.56
<b>Total</b>	<b>\$8,202,196</b>	<b>\$7,619,884</b>	<b>- \$582,312</b>	<b>-8.12%</b>

**Note:** Based on the size of the potential rate reduction, the Board has at its discretion the ability to maintain the existing FY2016/17 rates and transfer this additional revenue into the SCWWA reserve account for future needs while still maintaining the normally calculated annual contributions to the reserve fund. By taking this action, the SCWWA Reserves would reach 50% of the FY17/18 O&M by the end of that fiscal year (year 3 or 5).

**BOARD ACTION REQUESTED:**

No budget approval action is required by the Board at this time. Board approval to advertise the FY2017-2018 proposed budget is requested. The public hearing on the proposed budget will be at the March 16, 2017 BOD meeting (to be held at SCWWA). Final Board action on budget approval is scheduled to be taken at the May 18, 2017 ARWA Board of Directors meeting (to be held at ARWA). Any budget changes or edits required or requested by the Board can be taken before or during the May Board of Directors meeting.

**SOUTH CENTRAL WASTEWATER AUTHORITY**

PROPOSED: January 19, 2017

**APPROVED:**

OPERATION & MAINTENANCE BUDGET 2017/2018

Acct #	ITEM	Fiscal Year 2016/2017 Budget	Fiscal Year 2017/2018 Budget	Change	
				Increase/ (Decrease) FY16/17 to FY17/18	Reason for changes
<b>51000</b>	<b>SALARY</b>	<b>\$ 1,835,000</b>	<b>\$ 1,835,000</b>	<b>\$ -</b>	Budget includes up to a 3.0% pay for performance increase.
<b>52000</b>	<b>EMPLOYEE BENEFITS</b>	<b>\$ 746,000</b>	<b>\$ 794,500</b>	<b>\$ 48,500</b>	Increase is due to expected increases in health insurance.
52100	Employer FICA	\$ 138,000	\$ 140,000		
52200	Virginia Retirement System	\$ 160,000	\$ 162,000		
52300	Hospitalization Insurance	\$ 416,500	\$ 460,000		
52400	Group Life	\$ 23,000	\$ 23,000		
52450	Supplemental Group Life	\$ 1,500	\$ 1,500		
52500	Health Insurance Credit	\$ 1,500	\$ -		
52700	Employee Promotions	\$ 5,500	\$ 3,500		
52900	OPEB Health Insuranc ARC Adj		\$ 4,500		
<b>53000</b>	<b>Contractual Services</b>	<b>\$ 321,500</b>	<b>\$ 338,300</b>	<b>\$ 16,800</b>	
53121	Auditing Services	\$ 17,000	\$ 15,000		
53122	Accounting Services	\$ 10,000	\$ 7,000		
53123	Administrative Service		\$ 1,700		
53140	Consulting Engineers	\$ 60,000	\$ 60,000		
53150	Legal Services	\$ 60,000	\$ 80,000		
53152	Software Support	\$ 40,000	\$ 40,000		
53160	Medical	\$ 3,500	\$ 3,500		
53162	Bank Service Charges	\$ 3,500	\$ 3,500		
53170	Payment in Lieu of Taxes (City of Petersburg)	\$ 33,500	\$ 33,500		
53190	Samples and Testing	\$ 44,500	\$ 44,500		
53220	VPDES Permit Fee	\$ 9,500	\$ 9,600		
53320	Maintenance Service Contracts	\$ 15,000	\$ 15,000		
53600	Grounds Maintenance	\$ 25,000	\$ 25,000		
<b>55000</b>	<b>Other Charges</b>	<b>\$ 996,900</b>	<b>\$ 989,900</b>	<b>\$ (7,000)</b>	
55050	Advertising	\$ 4,500	\$ 8,000		
55110	Electricity	\$ 450,000	\$ 450,000		
55120	Natural Gas	\$ 20,000	\$ 22,000		
55130	Solid Waste	\$ 2,500	\$ 2,500		

55140	Water (City of Petersburg)	\$ 10,000	\$ 10,000		
55150	Storm Water (City of Petersburg)	\$ 5,500	\$ 5,500		
55160	Sludge Disposal	\$ 360,000	\$ 350,000		
55210	Postage and Freight	\$ 2,500	\$ 5,000		
55230	Telecommunications	\$ 15,000	\$ 15,000		
55308	General Liability Insurance	\$ 70,000	\$ 65,000		
55410	Lease/Rent of Equipment	\$ 11,000	\$ 11,000		
55530	Meals and Lodging	\$ 7,500	\$ 7,500		
55540	Education and Training	\$ 19,400	\$ 19,400		
55550	Safety Supplies	\$ 19,000	\$ 19,000		
<b>56000</b>	<b>Materials and Supplies</b>	<b>\$ 1,170,500</b>	<b>\$ 1,185,200</b>	<b>\$ 14,700</b>	Increases are due to IT maintenance supplies, Dues and Subscriptions and Vehicle and Equipment Fuels. Repair and Maintenance Supplies - IT was split off of Repair and Maintenance Supplies - Shop.
56001	Office Supplies	\$ 17,500	\$ 15,000		
56004	Laboratory Supplies	\$ 49,000	\$ 50,500		
56005	Process Chemicals	\$ 560,000	\$ 560,000		
56006	Repair and Maintenance Supplies - IT		\$ 50,000		
56007	Repair and Maintenance Supplies - Shop	\$ 440,000	\$ 400,000		
56008	Vehicle and Equipment Fuels	\$ 32,000	\$ 34,000		
56010	Janitorial Supplies	\$ 8,000	\$ 8,000		
56011	Uniforms	\$ 22,500	\$ 22,500		
56012	Dues and Subscriptions	\$ 33,000	\$ 36,700		
56015	Small Equipment Purchases	\$ 8,500	\$ 8,500		
<b>57000</b>	<b>Equipment Replacement</b>	<b>\$ 2,440,000</b>	<b>\$ 2,105,100</b>	<b>\$ (334,900)</b>	
<b>58000</b>	<b>Nutrient Credit Purchases</b>	<b>\$ 1,020,000</b>	<b>\$ 860,000</b>	<b>\$ (160,000)</b>	
	<b>Total(Operations &amp; Maintenance)</b>	<b>\$ 8,529,900</b>	<b>\$ 8,108,000</b>	<b>(\$421,900)</b>	
	<b>Reserve policy (50% O&amp;M)</b>	<b>\$ 676,801</b>	<b>\$ 606,484</b>	<b>(\$70,317)</b>	3rd of 5 year collection of 50% O&M.
	<b>ERRF (5% of Operations &amp; Maintenance)</b>	<b>\$ 426,495</b>	<b>\$ 405,400</b>	<b>(\$21,095)</b>	Service Agreement Requires 5% until \$2.5m is reached
	<b>Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$0</b>	
	<b>Total</b>	<b>\$ 9,633,196</b>	<b>\$ 9,119,884</b>	<b>(\$513,312)</b>	

**South Central Wastewater Authority  
Replacement Fund Budget - 57000  
FY 17/18**

Acct#	Proposed FY ITEM	Budget 16/17	Proposed Budget 17/18	INFORMATIONAL & PLANNING				Beyond	
				18/19	19/20	20/21	21/22	FY	Estimate
57010 - Machinery & Equipment	Emergency / Miscellaneous Repairs	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000		
	Major Component Replament Parts		\$ 185,000						
	Generator Control Panel Upgrade		\$ 30,000						
	Convert Caustic Feed lines with stainless steel		\$ 50,000						
	Replace RAS and Headworks Moyno Seals		\$ 25,000						
57020 - Instrumentation	Misc. Instrumentation Equipment/Supplies	\$ 35,000	\$ 35,000						
	Misc. Process Instrumentation		\$ 8,500						
57030 - SCADA	Misc. SCADA/Communication Equipment	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000		
	Replacement of 3 non-supported 90-30 PLC with new RX3i PLC		\$ 21,000						
57040 - Computer Hardware & Software	Replacement Computers/Servers	\$ 10,000	\$ 6,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000		
	2 new servers + SANS storage		\$ 14,600						
	License renewal and software	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000		
57050 - Motor Vehicles	Maintenance F-150		\$ 40,000						
	Trailblazer		\$ 35,000						
	Case Loader (Big Loader)			\$ 160,000					
	Operations Dodge Pickup				\$ 35,000				
	Operations Colorado					\$ 35,000			
57060 - Construction	Headworks Rehab	\$ 1,200,000							
	Grit Classifier (2)	\$ 650,000							
	Spare Diffusers	\$ 15,000							
	Clarifier Launder Covers	\$ 100,000							
	General Concrete Repair	\$ 50,000	\$ 50,000						
	8" waterline from gate to solids bldg	\$ 300,000							
	Scum Concentrator (2)		\$ 500,000						
	Roof Replacement - PB 5, Sodium Bi, Blower, Vehicle Storage, and Sodium Hypo						\$ 250,000		
	Roof Repairs		\$ 15,000						
	Plastic Chain in Primary Tanks		\$ 39,000						
	Lime conveyor screws (10)		\$ 17,000						
	Live Bottom Bin 1 Overhaul		\$ 25,000						
	Warehouse with office		\$ 800,000						
	Biosolids Technical Study			\$ 200,000					
	Perimeter Fence				\$ 100,000				
	Elec. Actuators for CCT gate (6)		\$ 94,000						
	Electrical Eval work - Year 3					\$ 2,000,000			
Asphalt overlay from gate to Septage					\$ 100,000				
RAS Pumps								FY22/23 \$ 1,000,000	
57070 - Special Studies	Local Limit Study		\$ 35,000						
<b>TOTALS:</b>		<b>\$ 2,440,000</b>	<b>\$ 2,105,100</b>	<b>\$ 450,000</b>	<b>\$ 225,000</b>	<b>\$ 2,225,000</b>	<b>\$ 340,000</b>		

NOTE: FY 17/18 TO BE APPROVED WITH BUDGET

**South Central Wastewater Authority**  
**Nutrient Credit Purchase - Acct # 58100**  
**FY17/18**

Acct# 58100	ITEM	Budget 16/17	Proposed Budget 17/18	INFORMATIONAL & PLANNING					
				18/19	19/20	20/21	21/22	22/23	23/24
	Private Purchase - Henrico County	\$ 452,920							
	Private Purchase - Chesterfield County	\$ 567,080	\$ 460,000	\$ 460,000	\$ 236,300				
	Contengency - Exchange Purchase if needed		\$ 400,000	\$ 400,000	\$ 263,700	\$ 115,000	\$ 115,000	\$ 115,000	\$ 115,000
	Private or Exchange					\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000
	<b>Totals</b>	<b>\$ 1,020,000</b>	<b>\$ 860,000</b>	<b>\$ 860,000</b>	<b>\$ 500,000</b>	<b>\$ 505,000</b>	<b>\$ 505,000</b>	<b>\$ 505,000</b>	<b>\$ 505,000</b>

NOTE: FY 17/18 TO BE APPROVED WITH BUDGET

**South Central Wastewater Authority**  
**Capital Budget**  
**FY17/18**

ITEM	Budget 16/17	Proposed Budget 17/18	INFORMATIONAL & PLANNING					
			18/19 (3)	19/20 (3)	20/21	21/22	22/23	23/24
Nutrient Upgrade			\$ 5,000,000	\$ 25,000,000	\$ 50,000,000			
Replace Hypochlorite with UV							\$ 7,500,000	
<b>Totals</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000,000</b>	<b>\$ 25,000,000</b>	<b>\$ 50,000,000</b>	<b>\$ -</b>	<b>\$ 7,500,000</b>	<b>\$ -</b>

NOTE:

- 1) The above items for information only. Approval required from Board of Directors at time of project award.
- 2) Bond Funding will be required for these Proposed Capital Project.
- 3) Project cost defined by regulator requirements.

**SOUTH CENTRAL WASTEWATER AUTHORITY**

**FY 2017/2018 Proposed Budget**

**Proposed Monthly Billing**

**Operations and Maintenance, Equipment Repair and Replacement Funds and Debt Service billing per July 2, 1996 Service Agreement**

<b>Operation and Maintenance, Section 10, Para. 2</b>					<b>Budget:</b>	<b>\$6,608,000.00</b>
<b>Community</b>	<b>Petersburg</b>	<b>Colonial Heights</b>	<b>Chesterfield</b>	<b>Prince George</b>	<b>Dinwiddie</b>	
% O&M (1)	55.691%	20.772%	8.603%	6.794%	8.141%	
O&M	\$ 3,680,051.79	\$ 1,372,588.59	\$ 568,479.83	\$ 448,943.72	\$ 537,936.06	

<b>Equipment Repair and Replacement Fund, Section 11, Para. E, 5% of O&amp;M</b>					<b>Budget:</b>	<b>\$ 405,400.00</b>
%ERRF(2)	52.5%	20.0%	10.0%	7.5%	10.0%	
ERRF	\$ 212,835.00	\$ 81,080.00	\$ 40,540.00	\$ 30,405.00	\$ 40,540.00	

<b>Debt Service, Section 11, Para. A.2</b>					<b>Budget:</b>	<b>\$ -</b>
% Participation	0.00%	0.00%	0.00%	0.00%	0.00%	
P&I Owed	\$ -	\$ -	\$ -	\$ -	\$ -	
Deferred	\$ -	\$ -	\$ -	\$ -	\$ -	
Total P&I	\$ -	\$ -	\$ -	\$ -	\$ -	

<b>Reserve Policy</b>					<b>Budget:</b>	<b>\$606,484.38</b>
% Participation (3)	52.5%	20.0%	10.0%	7.5%	10.0%	
Reserve Policy	\$ 318,404.30	\$ 121,296.88	\$ 60,648.44	\$ 45,486.33	\$ 60,648.44	

<b>Annual Total</b>	<b>\$ 4,211,291.09</b>	<b>\$ 1,574,965.47</b>	<b>\$ 669,668.27</b>	<b>\$ 524,835.05</b>	<b>\$ 639,124.50</b>	
O&M Due Monthly	\$ 306,670.98	\$ 114,382.38	\$ 47,373.32	\$ 37,411.98	\$ 44,828.01	
ERRF Due Monthly	\$ 17,736.25	\$ 6,756.67	\$ 3,378.33	\$ 2,533.75	\$ 3,378.33	
Reserve policy Due Monthly	\$26,533.69	\$10,108.07	\$5,054.04	\$3,790.53	\$5,054.04	
P&I Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total Due Monthly</b>	<b>\$ 350,940.92</b>	<b>\$ 131,247.12</b>	<b>\$ 55,805.69</b>	<b>\$ 43,736.25</b>	<b>\$ 53,260.37</b>	

Notes:

(1) Participation percentage based on flow data for period from FY12 to FY16

(2) Participation percentage based upon Section 6 of the Service Agreement

(3) A Reserve Policy of 50% O&M was adopted with the FY15/16 Budget to be funded initially over a 5 year term. Participation is based on Plant Allocation

SOUTH CENTRAL WASTEWATER AUTHORITY

**FY 2017/2018 Proposed Budget**

Proposed Revenues

<u>Proposed Revenues</u>	<u>Petersburg</u>	<u>Colonial Heights</u>	<u>Chesterfield</u>	<u>Prince George</u>	<u>Dinwiddie</u>	<u>Total</u>
Estimated Share of Plant Flow	55.691%	20.772%	8.603%	6.794%	8.141%	100.000%
Estimated Share of Operations & Maintenance	\$ 3,680,051.79	\$ 1,372,588.59	\$ 568,479.83	\$ 448,943.72	\$ 537,936.06	\$ 6,608,000.00
Share of Plant Capacity (%)	52.50%	20.00%	10.00%	7.50%	10.00%	100.00%
Share of Equipment Replacement Reserve Fund	\$ 212,835.00	\$ 81,080.00	\$ 40,540.00	\$ 30,405.00	\$ 40,540.00	\$ 405,400.00
Reserve Policy (50% O&M)	\$ 318,404.30	\$ 121,296.88	\$ 60,648.44	\$ 45,486.33	\$ 60,648.44	\$ 606,484.38
Share of Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Amount	\$ 350,940.92	\$ 131,247.12	\$ 55,805.69	\$ 43,736.25	\$ 53,260.37	\$ 634,990.36
Annual Total	\$ 4,211,291.09	\$ 1,574,965.47	\$ 669,668.27	\$ 524,835.05	\$ 639,124.50	\$ 7,619,884.38
Electrical Credit						\$ -
Funds Carried over from Previous FY						\$ -
Miscellaneous Revenue - Includes Septage at \$115,000 and leachate at 12 trucks/day @ \$0.070/gal						\$ 1,500,000.00
<b>Total Budget</b>						<b>\$ 9,119,884.38</b>

**Budget Comparison**

	<b>FY17/18 Proposed Budget</b>	<b>FY16/17 Budget</b>	<b>FY17/18 - FY16/17</b>	
<b>Locality</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Difference</b>	
City of Petersburg	\$ 4,211,291	\$ 4,513,609	\$ (302,318)	-6.70%
City of Colonial Heights	\$ 1,574,965	\$ 1,708,689	\$ (133,723)	-7.83%
Chesterfield County	\$ 669,668	\$ 745,350	\$ (75,682)	-10.15%
Prince George County	\$ 524,835	\$ 550,564	\$ (25,729)	-4.67%
Dinwiddie County	\$ 639,124	\$ 683,984	\$ (44,860)	-6.56%
Sub-totals	\$ 7,619,884	\$ 8,202,196	\$ (582,312)	
Deferred Debt (Petersburg)	\$ -	\$ -	\$ -	
Deferred Debt (Colonial Heights)	\$ -	\$ -	\$ -	
Deferred Debt (Prince George)	\$ -	\$ -	\$ -	
Electrical Credit	\$ -	\$ 20,000.00	\$ (20,000.00)	
Funds Carried over From Previous FY	\$ -	\$ 996,000.00	\$ (996,000.00)	
Miscellaneous Revenue	\$ 1,500,000.00	\$ 415,000.00	\$ 1,085,000.00	
<b>Total Budget</b>	<b>\$ 9,119,884.38</b>	<b>\$ 9,633,196.05</b>	<b>\$ (513,311.67)</b>	

**50% Reserve Policy:**

Reserve Fund Calculation (Year 3 of 5)

	Total expected reserves on June 30, 2017	Recommended 50% O&M Reserves	Charges required to achieve 50% reserves	Annual Charge spread over 3 years (adjusted annually)
SCWWA O&M Budget	\$8,108,000	\$2,234,546.86	\$4,054,000.00	\$1,819,453.14
				\$606,484.38

- **Implementation of Market Based Adjustment**

Following is a memorandum concerning the implementation of the budgeted market based salary adjustment

## MEMORANDUM

**TO: APPOMATTOX RIVER WATER AUTHORITY  
SOUTH CENTRAL WASTEWATER AUTHORITY  
BOARD OF DIRECTORS**

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

**SUBJECT: FY2016-2017 - IMPLEMENTATION OF MARKET BASED ADJUSTMENT**

**DATE: JANUARY 19, 2017**

In November 2015, the Boards for the Appomattox River Water Authority and the South Central Wastewater Authority were presented with the results of the combined Compensation Study performed by Springsted Incorporated. The purpose of the study was to:

- Update the current salary schedule and respond to changing market conditions
- Ensure equity and consistency among similar positions
- Ensure that salaries are competitive with comparable employers in the labor market
- Identify relevant compensation factors that accurately reflect the value of different kinds of work
- Ensure the proper internal relationship among all job classes

Based on the Springsted Compensation Study, the FY2016/2017 Approved Budgets included a revised salary schedule and a two percent market based salary adjustment for all employees. Springsted's November 2015 compensation study showed:

- The Authorities' salary levels are slightly below the Central Virginia Utilities market;
- To develop consistency for the Authorities and to maintain competitiveness within the regional labor market, a new salary schedule needed to be adopted;
- Presently ten percent of Authority employees are paid below the minimum of the proposed new salary schedule.

The need for the salary adjustment has been documented by the Springsted Study to address job equity in comparison to market or "labor market." Labor market is defined as the area within which local Central Virginia utilities compete for labor. The market was composed of those utilities from which the Authorities recruit or would logically recruit. Justification for an increase due to labor market/external equity has been substantiated by the Springsted Compensation Study findings.

The market-based adjustment included in the Approved FY 2016/17 Budget entailed the following:

- *Move employees to the Minimum Salary Rate or 2% Salary Increase, whichever is greater.*
  - Employee salaries are brought to the minimum of the proposed pay grade or provided a 2% increase, whichever is greater.

- The estimated annual cost of this option is \$30,631 for the SCWWA and \$27,329 for the ARWA. This is equal to less than two percent of the Authority's approximate \$1.8 million annual payroll for employees.

On July 1, 2016 the Authorities proceeded to implement the Board approved new salary schedule and made minimal adjustments to those select employees that were below the new starting salaries for their positions. When approving the budget, the Board voiced concerns with uniformly issuing a two percent salary increase to all employees. *It was requested at that time that staff return mid-year with an alternate proposal for the implementation of the market based salary adjustment that will more effectively address salary compression.* With that in mind, staff is proposing the following;

- Beginning January 23, 2017, department heads will compare the salaries, experience, and performance of their staff and provide the Executive Director with written justifications for whom within their department should receive a market based salary adjustment;
- By March 1, 2017, the Executive Director, Assistant Executive Director, and Accounting/Office Manager will evaluate the justifications and make the final decision as to who will receive any adjustment and the salary increase amount;
- The total amount of increase for each department will not exceed two percent of the current salary total for that department.

By using this method, not everyone will receive an increase. However, the Authorities will be able to begin addressing compression issues based on the experience and performance of our current employees. This action would also enable the Authorities to maintain regionally competitive salaries so qualified staffing can be retained at each Authority.

**BOARD ACTION REQUESTED:**

Staff recommends the Board of Directors grant approval for the Authorities to proceed with this alternative proposal for the implementation of the market based salary adjustment with total adjustments not to exceed the budgeted annual costs allotted in the Approved FY 2016/17 Budgets.

- **Status Report: Ongoing Projects/Operational/Financials/I&I**

Following are memoranda concerning the status of Ongoing Projects, Operations, Financials, and Inflow and Infiltration.

## MEMORANDUM

**TO:** SOUTH CENTRAL WASTEWATER AUTHORITY BOARD OF DIRECTORS

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

**SUBJECT:** STATUS REPORT – ON-GOING PROJECTS

**DATE:** JANUARY 19, 2017

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

### Electrical Project Phase 2

- Electrical Phase 2 project is substantially complete.
- Project closeout is ongoing

### Wastewater Treatment Plant Improvements Project

- Wastewater Treatment Plant Improvements Project is substantially complete. Project closeout is ongoing.

# MEMORANDUM

**TO: SOUTH CENTRAL WASTEWATER AUTHORITY BOARD OF DIRECTORS**

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

**SUBJECT: OPERATING & FINANCIAL STATUS REPORT**

**DATE: JANUARY 19, 2017**

## Operating Status Report:

### General:

- The next scheduled Board of Directors Meeting is scheduled for 2:00 PM on Thursday March 16, 2017 at the South Central Wastewater Authority.
- The plant is currently accepting up to 22 loads of leachate originating from the Charles City, Amelia, and Atlantic (Sussex) landfills. No more than 4 loads of leachate from Waste Management's Atlantic Landfill in Sussex.
- Waste Management arranged for asphalt millings to be applied to the truck swing out in front of the island. Some residence were complaining about dust clouds coming from this area. This should address these complaints.
- Staff has confirmed with DEQ that it is acceptable to include weekend nutrient samples with our routine weekday sample. Since we started to receive leachate daily, we noticed that we are not representing days when the nutrient load is lower (the weekend). This should be more representative of our weekly effluent and may reduce our nutrient discharge numbers.
- Staff has expanded our current nutrient sales agreement with Chesterfield to include additional nutrient credits for 2017. This agreement will provide the SCWWA with needed nutrient credits for a lower price than the Exchange.

### Status of Nutrient Waste-load

- Total Phosphorus (TP)
  - Waste-load allocation Total Phosphorus: 35,024 lbs. on a calendar basis
  - The SCWWA discharged 26,959 lbs in 2016. This is 8,065 lbs **below** our allocation.
  - Note: The SCWWA is locked-in to purchasing an additional 17,576 credits for 2016.
- Total Nitrogen (TN)
  - Waste-load allocation Total Nitrogen: 350,239 lbs. on a calendar basis
  - The SCWWA discharged 480,597 lbs in 2016. This is 130,358 lbs **over** our allocation.
  - Note: The SCWWA is locked-in to purchasing an additional 283,352 credits for 2016

### Operations:

- Plant effluent met all discharge permit requirements for the month of November and December. Copies of the discharge monitoring reports (DMR's) for the VPDES permit and the general permit are available if anyone would like to see them.
- Staff is in the process of planning to take an aeration train out of service to install the new diffusers.
- Monitoring TP residuals closely to ensure we are meeting the newly reduced allocation for 2017.

### Maintenance:

- Staff reported over the weekend to remove snow and ice for operational staff.
- Working with operations to schedule new grit pipe replacement.
- Assisting the new IT department with the new construction of their new offices in the Admin Bldg.
- Finished the piping for the new Sodium Bisulfite feed pumps.

- Running power to the Inventory clerk office trailer.

**Instrumentation**

- Installing controls for the new Sodium Bisulfite feed pumps
- Running communications to the inventory clerk office trailer.
- Working with the contractor to finish the Network Upgrade.

**Laboratory**

- Arranging for the analysis of the additional Nitrogen weekend samples
- Has scheduled HRSD sampling for Permit required testing.

**Financial Status Report:**

Following is the Executive Summary of the Monthly Financial Statement that includes the YTD Budget Performance and the Financial Statement for October 2016.

South Central Wastewater Authority  
Monthly Financial Statements-December 2016

Wastewater Rate Center

Revenues and Expenses Summary

<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>
<i>FY 16/17</i>	<i>Year-to-Date</i>	<i>Year-to-Date</i>	<i>vs. Actual</i>	<i>Percentage</i>

**Operating Budget vs. Actual**

**Revenues**

Septage/Misc Revenue	\$ 435,000	\$ 217,500	\$ 807,323	\$ 589,823	271.18%
O&M Revenue	\$ 7,098,900	\$ 3,549,450	\$ 3,549,450	\$ -	0.00%
Reserve Policy	\$ 676,801	\$ 338,401	\$ 338,401	\$ (0)	0.00%
ER&RF Revenue	\$ 426,495	\$ 213,248	\$ 213,248	\$ 0	0.00%
<b>Total Operating Revenues</b>	<b>\$ 8,637,196</b>	<b>\$ 4,318,599</b>	<b>\$ 4,908,421</b>	<b>\$ 589,823</b>	<b>13.66%</b>

**Expenses**

Personnel Cost	\$ 2,581,000	\$ 1,294,000	\$ 1,183,693	\$ (110,307)	-8.52%
Contractual/Professional Services	\$ 326,000	\$ 181,250	\$ 275,222	\$ 93,972	51.85%
Utilities	\$ 488,000	\$ 244,000	\$ 193,311	\$ (50,689)	-20.77%
Communication	\$ 17,500	\$ 8,750	\$ 7,405	\$ (1,345)	-15.37%
Office/Lab/Purification Supplies	\$ 74,500	\$ 37,250	\$ 29,899	\$ (7,351)	-19.73%
Insurance	\$ 70,000	\$ 52,500	\$ 45,850	\$ (6,651)	-12.67%
Lease/Rental Equipment	\$ 11,000	\$ 5,500	\$ 3,823	\$ (1,677)	-30.48%
Travel/Training/Dues	\$ 59,900	\$ 29,950	\$ 24,923	\$ (5,027)	-16.78%
Safety/Uniforms	\$ 41,500	\$ 20,750	\$ 25,789	\$ 5,039	24.28%
Chemicals/Sludge Disposal	\$ 920,000	\$ 460,000	\$ 349,600	\$ (110,400)	-24.00%
Repair/Maintenance Parts & Supplies	\$ 480,500	\$ 240,250	\$ 178,760	\$ (61,490)	-25.59%
<b>Total Operating Expenses</b>	<b>\$ 5,069,900</b>	<b>\$ 2,574,200</b>	<b>\$ 2,318,276</b>	<b>\$ (255,924)</b>	<b>-9.94%</b>
<b>Operating Suplus/(Deficit)</b>	<b>\$ 3,567,296</b>	<b>\$ 1,744,398</b>	<b>\$ 2,590,146</b>	<b>\$ 845,747</b>	<b>48.48%</b>

**Replacement Outlay Budget vs. Actual**

Machinery & Equipment	\$ 60,000	\$ 30,000	\$ 25,623	\$ (4,377)	-14.59%
Instrumentation	\$ 35,000	\$ 17,500	\$ 4,137	\$ (13,363)	-76.36%
SCADA	\$ 15,000	\$ 7,500	\$ 254	\$ (7,246)	-96.61%
Computer Equipment	\$ 15,000	\$ 7,500	\$ 1,080	\$ (6,420)	-85.60%
Construction FY15/16	\$ 770,956	\$ 770,956	\$ 725,789	\$ (45,167)	-5.86%
Construction FY16/17	\$ 2,315,000	\$ 1,157,500	\$ 107,883	\$ (1,049,617)	-90.68%
<b>Total Replacement Outlay</b>	<b>\$ 3,210,956</b>	<b>\$ 1,990,956</b>	<b>\$ 864,766</b>	<b>\$ (1,126,190)</b>	<b>-56.57%</b>

**Other Income/Expense Budget vs. Actual**

Nutrient Credit Purchases (Expense)	\$ 1,020,000	\$ 510,000	\$ 466,761	\$ (43,239)	-8.48%
Nutrient Reduction	\$ -	\$ -	\$ 1,272	\$ 1,272	#DIV/0!
Interest-Jurisdictions (Income)	\$ -	\$ -	\$ 253,716	\$ 253,716	#DIV/0!

**South Central Wastewater Authority**  
For Month Ending December 31, 2016

**Assets**

**Current Assets**

Petty Cash	\$	250
Wells Fargo Operating Account	\$	2,094,290
Wells Fargo FY 15/16 Carryover	\$	996,000
<i>Total Unrestricted Cash</i>	<b>\$</b>	<b>3,090,540</b>

Wells Fargo Reserve	\$	1,620,703
ERRF	\$	2,226,106
<i>Total Restricted Cash</i>	<b>\$</b>	<b>3,846,809</b>

<b>Total Checking/Savings</b>	<b>\$</b>	<b>6,937,349</b>
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Accounts Receivable	\$	1,093,247
Long Term Receivable (Petgs/Legal)	\$	-

<b>Total Current Assets</b>	<b>\$</b>	<b>8,030,596</b>
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**Fixed Assets**

Sewer System Plant	\$	32,400,354
Equipment & Vehicles	\$	2,835,761
Plant Machinery	\$	7,319,643
Construction in Progress	\$	2,024,835
Land	\$	92,968
Accumulated Depreciation	\$	(26,503,908)
<b>Total Fixed Assets</b>	<b>\$</b>	<b>18,169,654</b>

**Other Assets**

Inventory	\$	538,664
Pension	\$	136,390
<b>Total Other Assets</b>	<b>\$</b>	<b>675,054</b>

**Total Assets**

<b>\$</b>	<b>26,875,304</b>
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**Liabilities & Equity**

**Current Liabilities**

Accounts Payable	\$	135,742
<b>Total Current Liabilities</b>	<b>\$</b>	<b>135,742</b>

**Other Current Liabilities**

Payroll Accruals	\$	152,219
Retainage Payable	\$	5,999
Suspense-Clearing Account	\$	463,636
Refunds Due Member Localities	\$	491,870
<b>Total Other Current Liabilities</b>	<b>\$</b>	<b>1,113,724</b>

**Long Term Liabilities**

Net OPEB Obligation	\$	59,700
Def Inf Res-Net Dif Pension Inv	\$	165,276
Net Pension Liability	\$	526,652
<b>Total Long-Term Liabilities</b>	<b>\$</b>	<b>751,628</b>

**Total Liabilities**

<b>\$</b>	<b>2,001,094</b>
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**Equity**

Retained Earnings	\$	9,193,994
Initial Locality Contribution Cap.	\$	14,166,822

Net Income	\$	1,513,394
<b>Total Equity</b>	<b>\$</b>	<b>24,874,210</b>

**Total Liabilities & Equity**

<b>\$</b>	<b>26,875,304</b>
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## MEMORANDUM

**TO: SOUTH CENTRAL WASTEWATER AUTHORITY BOARD OF DIRECTORS**

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

**SUBJECT: INFLOW AND INFILTRATION**

**DATE: JANUARY 19, 2017**

November and December 2016 were both very dry months. November 2016 saw only 1.16" of rain for the month and almost half (0.42") of that was received on November 14, 2016. This was also the day the SCWWA experienced its max inflow for the month at 10.133 mgd. The other rain events were small occurrences that were spread throughout the month. We received more precipitation in December 2016 (2.28") with more than 2/3<sup>rd</sup> of it received between December 4<sup>th</sup> and 6<sup>th</sup> (1.6"). The SCWWA again experienced its max flow for the month in correlation with this rain event on December 6, 2016. On December 3, 2016, the SCWWA's inflow was 8.345 mgd (monthly min) and the flows essentially doubled to 16.647 mgd (monthly max) on December 6, 2016.

Month	Rainfall (inches)	Average Flow (mgd)
December 2015	5.57	14.116
January 2016	2.66	15.309
February 2016	5.31	20.289
March 2016	1.43	12.667
April 2016	2.55	10.379
May 2016	8.86	15.369
June 2016	4.21	12.560
July 2016	4.21	11.300
August 2016	0.64	9.030
September 2016	8.45	10.565
October 2016	3.65	14.198
November 2016	1.160	9.194
December 2016	2.280	9.980

**PRIMARY FLOW DATA**

<b>December</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Minimum (mgd)	8.345	9.112	8.697	10.398	8.186	11.478	8.821
Maximum (mgd)	16.647	40.289	22.529	26.881	13.432	16.130	13.435
Average (mgd)	9.980	14.116	11.014	15.226	9.789	13.198	10.073
Rainfall (inches)	2.280	5.57	4.05	6.82	2.84	1.64	2.21

## **5. Items from Counsel**

- **Review and Approval of Authority Freedom of Information Policy**

Following is a memorandum and policy regarding a Freedom of Information Act (FOIA) Policy for the SCWWA

## MEMORANDUM

**TO:** SOUTH CENTRAL WASTEWATER AUTHORITY BOARD OF DIRECTORS  
**FROM:** ROBERT WICHSER, EXECUTIVE DIRECTOR  
**SUBJECT:** FOIA RULES AND POLICY  
**DATE:** JANUARY 19, 2017

### **Background:**

July 1<sup>st</sup>, 2016 the Virginia General Assembly approved legislation requiring new Freedom of Information Act (FOIA) responsibilities for local governments and government agencies similar to Appomattox River Water Authority & South Central Wastewater Authority. The state law requires that a FOIA officer be designated, trained, and that a FOIA policy be put in place. This policy provides guidelines on access to the Authorities records, as defined under state law. ARWA and SCWWA FOIA officer will be Melissa Wilkins our ARWA/SCWWA Office/Accounting Manager under the oversight of the ARWA/SCWWA Executive Director. The ARWA/SCWWA Authorities' FOIA policy is attached to this memo. Our policy is modeled after the recommended policy of the State of Virginia Freedom of Information Advisory Council.

### **Board Action Requested:**

Staff respectfully recommends the ARWA/SCWWA Board of Directors approve the policy and the designation of the ARWA/SCWWA Office/Accounting Manager as the FOIA Officer.

# Virginia Freedom of Information Act Compliance

## The Rights of Requesters and the Responsibilities of the Appomattox River Water Authority & South Central Wastewater Authority

The Virginia Freedom of Information Act (FOIA), located in § 2.2-3700 et seq. of the Code of Virginia, guarantees citizens of the Commonwealth and representatives of the media access to public records held by public bodies, public officials, and public employees.

A public record is any writing or recording -- regardless of whether it is a paper record, an electronic file, an audio or video recording, or any other format -- that is prepared or owned by, or in the possession of a public body or its officers, employees or agents in the transaction of public business. All public records are presumed to be open, and may only be withheld if a specific, statutory exemption applies.

The policy of FOIA states that the purpose of FOIA is to promote an increased awareness by all persons of governmental activities. In furthering this policy, FOIA requires that the law be interpreted liberally, in favor of access, and that any exemption allowing public records to be withheld must be interpreted narrowly.

### **Your FOIA Rights**

- You have the right to request to inspect or receive copies of public records, or both.
- You have the right to request that any charges for the requested records be estimated in advance.
- If you believe that your FOIA rights have been violated, you may file a petition in district or circuit court to compel compliance with FOIA. Alternatively, you may contact the FOIA Council for a nonbinding advisory opinion.

### **Making a Request for Records**

- You may request records by U.S. Mail, fax, e-mail, in person, or over the phone. FOIA does not require that your request be in writing, nor do you need to specifically state that you are requesting records under FOIA.
  - From a practical perspective, it may be helpful to both you and the person receiving your request to put your request in writing. This allows you to create a record of your request. It also gives us a clear statement of what records you are requesting, so that there is no misunderstanding over a verbal request. However, we cannot refuse to respond to your FOIA request if you elect to not put it in writing.
- Your request must identify the records you are seeking with "reasonable specificity." This is a common-sense standard. It does not refer to or limit the volume or number of records that you may request; instead, it requires that you be specific enough so that we can identify and locate the records that you are seeking.

- Your request must ask for existing records or documents. FOIA gives you a right to inspect or copy records; it does not apply to a situation where you are asking general questions about the work of the Appomattox River Water Authority (ARWA) or the South Central Wastewater (SCWWA), nor does it require ARWA or SCWWA to create a record that does not exist.
- You may choose to receive electronic records in any format used by ARWA/SCWWA in the regular course of business.
  - For example, if you are requesting records maintained in an Excel database, you may elect to receive those records electronically, via e-mail or on a computer disk, or to receive a printed copy of those records.
- If we have questions about your request, please cooperate with the ARWA/SCWWA staff's efforts to clarify the type of records that you are seeking, or to attempt to reach a reasonable agreement about a response to a large request. Making a FOIA request is not an adversarial process, but we may need to discuss your request with you to ensure that we understand what records you are seeking.

**To request records from ARWA or SCWWA, you may direct your request to the Office/Accounting Manager. She can be reached at: Melissa Wilkins, Office/Accounting Manager, 21300 Chesdin Road, South Chesterfield, Virginia 23803; 804-590-1145 ext. 102 (phone); 804-590-9285 (fax); email: [mwilkins@arwava.org](mailto:mwilkins@arwava.org). You may also contact her with questions you have concerning requesting records from ARWA or SCWWA. In addition, the Freedom of Information Advisory Council is available to answer any questions you may have about FOIA. The Council may be contacted by e-mail at [foiacouncil@dls.virginia.gov](mailto:foiacouncil@dls.virginia.gov) or by phone at (804) 225-3056 or [toll free] 1- 866-448-4100.**

### **ARWA/SCWWA's Responsibilities in Responding to Your Request**

- ARWA/SCWWA must respond to your request within five working days of receiving it. "Day One" is considered the day after your request is received. The five-day period does not include weekends or holidays.
- The reason behind your request for public records from ARWA/SCWWA is irrelevant, and you do not have to state why you want the records before we respond to your request. FOIA does, however, allow ARWA/SCWWA to require you to provide your name and legal address.
- FOIA requires that ARWA/SCWWA make one of the following responses to your request within the five-day time period:
  1. We provide you with the records that you have requested in their entirety.
  2. We withhold all of the records that you have requested, because all of the records are subject to a specific statutory exemption. If all of the records are being withheld, we must send you a response in writing. That writing must identify the volume and subject matter of the records being withheld, and state the specific section of the Code of Virginia that allows us to withhold the records.
  3. We provide some of the records that you have requested, but withhold other records. We cannot withhold an entire record if only a portion of it is subject to an exemption. In

that instance, we may redact the portion of the record that may be withheld, and must provide you with the remainder of the record. We must provide you with a written response stating the specific section of the Code of Virginia that allows portions of the requested records to be withheld.

4. We inform you in writing that the requested records cannot be found or do not exist (we do not have the records you want). However, if we know that another public body has the requested records, we must include contact information for the other public body in our response to you.
  5. If it is practically impossible for ARWA/SCWWA to respond to your request within the five-day period, we must state this in writing, explaining the conditions that make the response impossible. This will allow us seven additional working days to respond to your request, giving us a total of 12 working days to respond to your request.
- If you make a request for a very large number of records, and we feel that we cannot provide the records to you within 12 working days without disrupting our other organizational responsibilities, we may petition the court for additional time to respond to your request. However, FOIA requires that we make a reasonable effort to reach an agreement with you concerning the production of the records before we go to court to ask for more time.

### **Costs**

- A public body may make reasonable charges not to exceed its actual cost incurred in accessing, duplicating, supplying, or searching for the requested records. No public body shall impose any extraneous, intermediary, or surplus fees or expenses to recoup the general costs associated with creating or maintaining records or transacting the general business of the public body. Any duplicating fee charged by a public body shall not exceed the actual cost of duplication. ARWA/SCWWA uses an estimate of \$.15 per page where applicable, all charges for the supplying of requested records shall be estimated in advance at the request of the citizen as set forth in subsection F of § 2.2-3704 of the Code of Virginia. As a matter of policy, ARWA/SCWWA will seek to provide a low cost or no cost alternative, such as making the documents available for viewing at no cost, before copies are made.
- You may have to pay for the records that you request from ARWA/SCWWA. FOIA allows us to charge for the actual costs of responding to FOIA requests. This would include items like staff time spent searching for the requested records, copying costs, or any other costs directly related to supplying the requested records. It cannot include general overhead costs.
- If we estimate that it will cost more than \$200 to respond to your request, we may require you to pay a deposit, not to exceed the amount of the estimate, before proceeding with your request. The five days that we have to respond to your request does not include the time between when we ask for a deposit and when you respond.
- You may request that we estimate in advance the charges for supplying the records that you have requested. This will allow you to know about any costs upfront, or give you the opportunity to modify your request in an attempt to lower the estimated costs.
- If you owe us money from a previous FOIA request that has remained unpaid for more than

30 days, ARWA/SCWWA may require payment of the past-due bill before it will respond to your new FOIA request.

### **Types of records**

The following is a general description of the types of records held by ARWA/SCWWA:

- Personnel records concerning employees and officials of ARWA or SCWWA.
- Records of contracts which ARWA or SCWWA has entered into.
- Water and wastewater utility data, financial, and system information.
- Records of meeting of the ARWA/SCWWA Boards.

If you are unsure whether ARWA/SCWWA has the record(s) you seek, please contact our Office/Accounting Manager, Melissa Wilkins, at 21300 Chesdin Road, South Chesterfield, Virginia 23803; 803-590-1145 ext. 102 (phone); 804-590-9285 (fax); email: [mwilkins@arwava.org](mailto:mwilkins@arwava.org).

### **Commonly used exemptions**

The Code of Virginia allows any public body to withhold certain records from public disclosure. ARWA/SCWWA commonly withholds records subject to the following exemptions:

- Personnel records (§ 2.2-3705.1(1) of the Code of Virginia).
- Records subject to attorney-client privilege (§ 2.2-3705.1(2)) or attorney work product (§ 2.2-3705.1(3)).
- Vendor proprietary information (§ 2.2-3705.1(6)).
- Records relating to the negotiation and award of a contract, prior to a contract being awarded (§ 2.2-3705.1 (12)).

### **Policy regarding the use of exemptions**

- The general policy of ARWA/SCWWA is to invoke the personnel records exemption in those instances where it applies in order to protect the privacy of employees and officials of ARWA/SCWWA.
- The general policy of ARWA/SCWWA is to invoke the contract negotiations exemption whenever it applies in order to protect ARWA/SCWWA bargaining position and negotiating strategy.

- **Financial Disclosure Statement**

- **VLS/Local Limit Revision update**

## **6. Closed Session**

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

## **8. Adjourn**