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South Central Wastewater Authority Board of Directors Meeting

DATE: July 20, 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 May 18th, 2017
3. Public Comment
4. Executive Director's Report:
 - Status Report: Ongoing Projects/Operational/Financials/I&I
5. Items from Counsel
6. Closed Session
7. Executive Director's Annual Review
8. Other Items from Board Members/Staff Not on Agenda
9. Adjourn

Cc:W. Dupler/George Hayes, Chesterfield
D. Harrison, Petersburg Public Works
W. Henley, Colonial Heights
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 May 18th, 2017

Following are the minutes of the Regular Meeting of the South Central Wastewater Authority Board of Directors on May 18th, 2017.

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

BOARD OF DIRECTORS MEETING

South Central Wastewater Authority

May 18, 2017 at 2:00 p.m.

Location: Appomattox River Water Authority
21300 Chesdin Road, S. Chesterfield, Virginia

PRESENT:

Percy Ashcraft, Chairman (Prince George)
George Hayes, Secretary/Treasurer (Alternate, Chesterfield)
Joseph Casey, (Chesterfield)
Robert B. Wilson (Dinwiddie)
Douglas Smith, (Alternate, Colonial Heights)
Tom Tyrrell, (Petersburg)
William Dupler, (Alternate, Chesterfield)
Kevin Massengill, (Alternate, Dinwiddie)

ABSENT:

William Henley, Vice Chairman (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:

Dickie Thompson, (Prince George)
Herb White (WW Associates)
Jack Berry, (Petersburg)
Chris Tabor, (Hazen & Sawyer)
Barry Woods, (AECOM)
Ted Cole, (Davenport)
Stephen Crowe, (AECOM)

Mr. Ashcraft, Chairman, called the meeting to order at 2:00 p.m.

1. Call to Order/Roll Call.

The roll was called.

Mr. Ashcraft introduced Douglas Smith, City Manager of Colonial Heights and Dickie Thompson, Utilities Operations Manager for Prince George.

2. Approval of Minutes: Minutes of the Regular Board Meeting on March 16, 2017:

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

RESOLVED, that the minutes of the Regular Meeting of the Board on March 16, 2017 are hereby approved:

For: 5 Against: 0 Abstain: 0

3. Public Comment

There were no public comments.

4. Executive Director's Report

• Award of the Replacement Water Line Project

Dr. Wichser reported on the Award for the Replacement Water Line Project, which was advertised for bid on March 19, 2017 and opened on April 20, 2017. He stated that three bids were received from Lyttle Utilities in the amount of \$647,700, Enviroscope Inc., in the amount of \$683,000 and Southern Construction in the amount of \$231,000.

Upon a motion made by Mr. Wilson and seconded by Mr. Tyrrell the following resolution was adopted:

RESOLVED, that the Board authorizes the Executive Director to award the SCWWA Waterline Replacement Project to Southern Construction of Prince George County, Virginia in the amount of \$231,000 and further that the Executive Director is authorized to execute necessary change orders in additional amounts, if deemed necessary to complete this project, not to exceed ten percent of the construction costs. Total construction costs, including engineering, will not exceed \$282,700:

For: 5 Against: 0 Abstain: 0

• Award of Annual Financial Audit Services for 2018-2021

Ms. Wilkins reported on the Award of Annual Financial Audit Services for 2018-2021 for both South Central Wastewater Authority and the Appomattox River Water Authority. She stated that three responses were received from Dixon Hughes Goodman, LLP in the annual amount of \$29,000 (\$13,000 SCWWA), Brown Edwards in the annual amount of \$35,000 (\$17,500 SCWWA) and Robinson, Farmer, Cox Associates in the annual amount of \$19,700 (\$12,200 SCWWA). She further stated that we requested the onsite Field Team personnel be changed each year.

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

RESOLVED, that the Board authorizes the Executive Director to execute a Professional Financial Audit Services Agreement for South Central Wastewater Authority with Robinson, Farmer, Cox Associates, Charlottesville, Virginia for the period of 2018-2021 in the annual amount of \$12,200:

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

- **Status Report: Ongoing Projects/Operational/Financial**

Mr. Gordon reported on the Status Report of Ongoing Projects/Operational/Financial and the I&I Report.

Mr. Gordon reported that we inspected Clarifiers #1 and #2 and we noticed some cracking in the floors of #1 and #2 so we inspected #4. He further stated that #1 and #2 clarifier concrete/grout floors were in poor shape. Dr. Wichser presented slides of the secondary Clarifiers showing delamination of grout occurring. These clarifiers are over 50 years old and the estimated cost of repair is expected to be expensive. Staff estimated cost of repair is a minimum of \$100,000 per Clarifier. We have requested estimates from contractors to provide a better estimate for the cost of repair. Dr. Wichser further stated that we do have the revenue from treating the landfill leachate that will be requested to be utilized on these repairs. He stated that we would do the first Clarifier in mid-September to November 1st and the second Clarifier in mid-March to April. We will keep the Board updated.

5. Approval of Proposed Fiscal Year 2017-2018 Budget

Dr. Wichser presented the Proposed Fiscal Year 2017-2018 Budget which was Public noticed in several newspapers.

Upon a motion made by Mr. Tyrrell and seconded by Mr. Wilson the following resolution was adopted:

RESOLVED, that the Board adopts the advertised budget setting forth rates and charges for Fiscal Year 2018:

For: 5 Against: 0 Abstain: 0

6. Items from Counsel

Mr. Anderson presented the Resolution from the City of Petersburg. Mr. Tyrrell stated they successfully resolved the lawsuit that was filed against Petersburg. This Resolution presents an opportunity to help Petersburg out of the financial crisis it is in and protect their neglected water and wastewater utility infrastructure. There is no other way to pay for the maintenance and repair that they need. He further stated they have a very thought out Capital Program over five years where they will be putting about \$50 million into the system. He stated that the City of Petersburg is down to three options. 1) Create a single member Authority. 2) Engage in a long term franchise with someone to take over the utility system. 3) Privatization. This Resolution allows them to sell their Utility, enter into a franchise agreement or create a single member Authority to dispose of the pipes and pumps and revenue streams that exist. Mr. Anderson also stated that the City of Petersburg also sought to sell excess capacity to create this cash event that would be significant for Petersburg and surrounding areas. They need permission from both Authorities to do that. This allows Petersburg to pursue those opportunities to (1) create a cash event by selling what they don't need, and (2) provide for a means to rehab their system.

Mr. Anderson stated with respect to the SCWWA Resolution the entire system would require the approval of SCWWA. That approval stops at this Board and does not have to go to the participating jurisdictions. The document already provides for sales of capacity. Petersburg is not discharged from any obligation that it has under the Service Agreement. He further stated that from a legal position he has no objection to this Resolution. Dr. Casey asked if Mr. Tyrrell had to have both Authorities to satisfy Petersburg's alternatives. Mr. Tyrrell stated they could amend the Resolution for ARWA to not address the excess capacity and leave the part in there about the transfer of assets. Mr. Anderson stated the Resolution he reviewed was limited to only Petersburg's system and the sale of their assets. Mr. Tyrrell stated that Petersburg needed both Authorities to approve their ability to pursue the sale of the Utility system. Dr. Casey asked Mr. Tyrrell if one Resolution is approved and the other not approved for six months what does that mean and Mr. Tyrrell answered it would be a disaster for Petersburg. Mr. Smith asked in reference to the timing of the process if there was the ability to bring a more finalized proposal to the Board on the course Petersburg wants to take versus the way of different options. Mr. Tyrrell stated he didn't want to gamble with time and also there is no downside for the Authority in this Resolution. Petersburg has led a very difficult history with the Authority which included the Authority filing suit for lack of payment. This Resolution keeps this from happening. He would like this

done now so they would have a plan in place in July. Mr. Wilson stated there seems to be two separate issues. The first issue is capacity and the second issue is the process to allow them to move forward. Mr. Wilson stated if the Board grants them the authority to move forward, just from a process standpoint, does that solve the problem and Mr. Tyrrell replied yes if it gives them the authority to sell the Utility. Mr. Wilson further stated the capacity issue with SCWWA is formalized so the Resolution is good as is. Mr. Anderson stated except for the fact that he hadn't heard anything else on the alternatives that are in play than what has been described. Mr. Wilson asked if just giving them the ability to move forward is okay and Mr. Anderson replied yes. Dr. Casey stated he can't approve Resolutions on the same day he gets them as he needs to analyze, reflect and ask questions. He further stated that in speaking from Chesterfield's perspective he cannot act on this today. He further stated we need to make sure that whatever this agreement is that we still have that same attachment of rights like we had before. Mr. Anderson asked Mr. Tyrrell what would happen if we had a meeting on June 15th to consider this and Mr. Tyrrell replied he is fine with that. Mr. Smith stated he would need some time as well. Mr. Ashcraft stated he would like to entertain this Resolution today. He stated he wasn't sure if Mr. Tyrrell could vote on the Resolution and Mr. Anderson said the real question is if it raises a conflict of interest. We couldn't exclude Petersburg when we were talking about lawsuits. Mr. Wilson asked if per the Service Agreement for Mr. Tyrrell to have the opportunity to do what he is asking procedurally, he has to provide us notification and Mr. Ashcraft stated that is what Mr. Tyrrell's council has recommended. Mr. Anderson stated that if approved and he sells his entire system then you have approved that. Mr. Wilson asked what kind of details is needed to formulate. Mr. Massengill stated there are a couple of issues. One issue is being asked to vote on a Resolution today that we didn't have before the meeting. The second issue is nothing precludes this organization to be able to meet more expeditiously in a set time frame. We can wait until June if we want to. The third issue is Mr. Tyrrell is aware of all the issues with Petersburg that respectfully the rest of the members may not have as intimate an understanding. We may need a more detailed briefing on where the City is and all the various alternatives. If we need to come together again to get a briefing and more clarity then we need to act in that regard. Mr. Tyrrell stated they could pull something together as soon as after Memorial Day holidays. He further stated they need to know as soon as they can if they have to figure out how to get around the Authority, through it, over it. Mr. Wilson asked Mr. Tyrrell if he were working against any deadlines and Mr. Tyrrell replied they are not working against any deadlines, just the system. Mr. Smith stated he was in favor of members having an opportunity to review this and not make a decision on this today.

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

RESOLVED, that the Board adopts the Resolution from the City of Petersburg:

For: 3 Against: 2 (Smith, Casey) Abstain: 0

7. Closed Session

There was no Closed Session.

8. Other Items from Board Members/Staff Not on Agenda: July 3rd, Request for 8 hours additional holiday time for all employees

Dr. Wichser stated the Commonwealth of Virginia granted July 3, 2017 as an additional eight hour Holiday for state employees. The Counties of Dinwiddie and Prince George as well as the Dinwiddie County Water Authority have also granted July 3, 2017 as an additional employee Holiday. Dr. Wichser requested that the Board approve an additional eight hours for July 3rd.

Upon a motion made by Mr. Wilson and seconded by Mr. Tyrrell the following resolution was adopted:

RESOLVED, that the Board grants SCWWA employees an additional 8 hours holiday time on Monday, July 3, 2017:

For: 5 Against: 0 Abstain: 0

Mr. Ashcraft stated it was suggested to cancel the June 15, 2017 Board meeting.

Dr. Casey stated that he was used to performance reviews being done in the same Fiscal Year and would like to review the Executive Directors performance at the June meeting. Dr. Wichser stated that is usually done in July. Mr. Ashcraft stated it would be put on the July Agenda.

Upon a motion made by Mr. Wilson and seconded by Mr. Tyrrell the following resolution was adopted:

RESOLVED, that the Board hereby cancels the Board meeting originally scheduled for June 15, 2017:

For: 5 Against: 0 Abstain: 0

9. Adjourn

Upon a motion made by Mr. Wilson and seconded by Mr. Tyrrell the meeting was adjourned at 2:58 p.m.

The next regularly scheduled Board meeting is Thursday, July 20, 2017 at 2:00 p.m. at the Appomattox River Water Authority.

MINUTES APPROVED BY:

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:

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

Following are status reports concerning the Ongoing Project, Operations, Financials, and Inflow and Infiltration for the SCWWA.

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: JULY 20, 2017

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

Waterline Replacement Project

- A preconstruction meeting was held on 6.19.17
- A Notice to Proceed date of June 26, 2017 was issued.
- Southern Construction was onsite and started work on June 26, 2017

Wastewater Treatment Plant Improvements, Phase 2

- This project includes 2 new grit classifier assemblies, and 2 new scum concentrators.
- Project is currently out to bid.
- A prebid meeting was held on July 12, 2017 and a bid opening date is scheduled for July 27, 2017.

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: JULY 20, 2017

Operating Status Report:

General:

- The next scheduled Board of Directors Meeting is Thursday August 17, 2017 at the Appomattox River Water Authority at 2:00 pm.
- The plant is currently accepting up to 20 loads of leachate originating from the Charles City and Amelia.
- The SCWWA's VPDES permit application and Data has been submitted. Staff has been informed that we should receive a draft of our new permit in Late July or early August.
- Admin staff is preparing for the accountants scheduled to be onsite the first week of August. The Auditors will be onsite the week of August 14th.
- Staff noticed an increase in Nitrogen over the past few weekends and we are currently investigating possible sources.

Status of Nutrient Waste-load

- Total Phosphorus (TP)
 - Waste-load allocation Total Phosphorus: 28,404 lbs. on a calendar basis (reduced from 35,024 in 2016)
 - Proportional waste-load through June 2017 = 14,202 lbs. Total actual waste-load through July 2017 was 6,525 lbs. (At this time, the SCWWA is 7,677 lbs. of TP under our expected waste-load allocation for this point in the year)
- Total Nitrogen (TN)
 - Waste-load allocation Total Nitrogen: 350,239 lbs. on a calendar basis
 - Proportional waste-load through June 2017 = 175,120. Total actual waste-load through June 2017 was 275,420 lbs. (At this time, the SCWWA is 100,300 lbs. of TN over our expected waste-load allocation for this point in the year.)
 - Note: The SCWWA is locked-in to purchasing an additional 165,451 credits for 2017

Operations:

- Plant effluent met all discharge permit requirements for the month of May and June. 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 dropping secondary clarifier 1 to prep and painting. Clarifier 2 will be dropped next and painted after clarifier 1 is completed.
- Staff is switching tanks at the primary and aeration basins for maintenance

Maintenance:

- A larger exhaust fan has been order to install on the air compressor building at the headworks. This operates our scum posts on the primary tanks and due to lack of adequate ventilation has been overheating.
- Staff is replacing the bearings on our aeration mixers. These are 20+ years old.
- Preparing for electrical upgrades to the Chlorine contact tanks and vehicle storage building.

Instrumentation

- Recently resolved an issue with the SCADA system locking up.

- Receiving quotations to license and virtualize our new servers

Laboratory

- Additional dissolved copper samples for our permit are being collected and tested over the next couple weeks.
- Working with management and legal to negotiate an IPP consent order with one of the local industries.

Financial Status Report:

Following is the Executive Summary of the Monthly Financial Statement that includes the YTD Budget Performance and the Financial Statement for June 2017.

South Central Wastewater Authority
Monthly Financial Statements-June 2017

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	\$ 435,000	\$ 1,806,913	\$ 1,371,913	315.38%
O&M Revenue	\$ 7,098,900	\$ 7,098,900	\$ 7,098,900	\$ (0)	0.00%
Reserve Policy	\$ 676,801	\$ 676,801	\$ 676,801	\$ 0	0.00%
ER&RF Revenue	\$ 426,495	\$ 426,495	\$ 426,495	\$ 0	0.00%
Total Operating Revenues	\$ 8,637,196	\$ 8,637,196	\$ 10,009,109	\$ 1,371,913	15.88%

Expenses

Personnel Cost	\$ 2,581,000	\$ 2,581,000	\$ 2,393,562	\$ (187,438)	-7.26%
Contractual/Professional Services	\$ 326,000	\$ 326,000	\$ 222,292	\$ (103,708)	-31.81%
Utilities	\$ 488,000	\$ 488,000	\$ 409,745	\$ (78,255)	-16.04%
Communication	\$ 17,500	\$ 17,500	\$ 18,372	\$ 872	4.98%
Office/Lab/Purification Supplies	\$ 74,500	\$ 74,500	\$ 57,234	\$ (17,266)	-23.18%
Insurance	\$ 70,000	\$ 70,000	\$ 63,235	\$ (6,765)	-9.66%
Lease/Rental Equipment	\$ 11,000	\$ 11,000	\$ 6,118	\$ (4,882)	-44.39%
Travel/Training/Dues	\$ 59,900	\$ 59,900	\$ 39,694	\$ (20,206)	-33.73%
Safety/Uniforms	\$ 41,500	\$ 41,500	\$ 52,523	\$ 11,023	26.56%
Chemicals/Sludge Disposal	\$ 920,000	\$ 920,000	\$ 798,286	\$ (121,714)	-13.23%
Repair/Maintenance Parts & Supplies	\$ 480,500	\$ 480,500	\$ 369,943	\$ (110,557)	-23.01%
Total Operating Expenses	\$ 5,069,900	\$ 5,069,900	\$ 4,431,005	\$ (638,895)	-12.60%
Operating Suplus/(Deficit)	\$ 3,567,296	\$ 3,567,296	\$ 5,578,104	\$ 2,010,808	56.37%

Replacement Outlay Budget vs. Actual

Machinery & Equipment	\$ 60,000	\$ 60,000	\$ 25,687	\$ (34,313)	-57.19%
Instrumentation	\$ 35,000	\$ 35,000	\$ 26,017	\$ (8,983)	-25.67%
SCADA	\$ 15,000	\$ 15,000	\$ 1,121	\$ (13,879)	-92.53%
Computer Equipment	\$ 15,000	\$ 15,000	\$ 18,622	\$ 3,622	24.15%
Construction FY15/16	\$ 770,956	\$ 770,956	\$ 772,317	\$ 1,361	0.18%
Construction FY16/17	\$ 2,315,000	\$ 2,315,000	\$ 190,517	\$ (2,124,483)	-91.77%
Total Replacement Outlay	\$ 3,210,956	\$ 3,210,956	\$ 1,034,281	\$ (2,176,675)	-67.79%

Other Income/Expense Budget vs. Actual

Nutrient Credit Purchases (Expense)	\$ 1,020,000	\$ 1,020,000	\$ 832,777	\$ (187,223)	-18.36%
Nutrient Reduction	\$ -	\$ -	\$ 1,272	\$ 1,272	#DIV/0!
Interest-Jurisdictions (Income)	\$ -	\$ -	\$ 268,843	\$ 268,843	#DIV/0!

South Central Wastewater Authority
For Month Ending June 30, 2017

Assets

Current Assets

Petty Cash	\$	250
Wells Fargo Operating Account	\$	3,484,569
Wells Fargo FY 15/16 Carryover	\$	996,000
Total Unrestricted Cash	\$	4,480,819

Wells Fargo Reserve	\$	2,029,604
ERRF	\$	2,483,780
Total Restricted Cash	\$	4,513,384

Total Checking/Savings	\$	8,994,203
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Accounts Receivable	\$	511,523
Long Term Receivable (Petgs/Legal)	\$	123,221

Total Current Assets	\$	9,628,947
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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)
Total Fixed Assets	\$	18,169,654

Other Assets

Inventory	\$	538,664
Pension	\$	136,390
Total Other Assets	\$	675,054

Total Assets

	\$	28,473,655
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Liabilities & Equity

Current Liabilities

Accounts Payable	\$	156,945
Total Current Liabilities	\$	156,945

Other Current Liabilities

Payroll Accruals	\$	214,364
Retainage Payable	\$	5,999
Suspense-Clearing Account	\$	-
Refunds Due Member Localities	\$	-
Total Other Current Liabilities	\$	220,363

Long Term Liabilities

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

Total Liabilities

	\$	1,128,936
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Equity

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

Net Income	\$	3,983,903
Total Equity	\$	27,344,719

Total Liabilities & Equity

	\$	28,473,655
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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: July 20, 2017

Precipitation for May 2017 totaled 6.88". In the past 8 years we only received more precipitation in May 2016 (8.86"). Daily flows correlate with this data as well with May 2016 receiving the highest average flows followed by May 2017 when compared over the last 8 years. In contrast, precipitation in June 2017 was the lowest in the last 8 years but there were two other years when the June flows were less than this year.

Month	Rainfall (inches)	Average Flow (mgd)
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
January 2017	3.310	14.509
February 2017	1.030	10.873
March 2017	4.900	11.681
April 2017	1.460	11.152
May 2017	6.880	12.444
June 2017	2.190	10.264

PRIMARY FLOW DATA

June	2017	2016	2015	2014	2013	2012	2011
Minimum (mgd)	8.935	10.322	8.804	8.191	10.289	9.628	8.727
Maximum (mgd)	12.978	20.207	36.317	16.633	16.434	16.644	13.125
Average (mgd)	10.264	12.560	12.775	9.7735	12.356	11.263	10.239
Rainfall (inches)	2.190	4.21	11.33	2.98	3.45	4.38	3.58

5. Items from Counsel

6. Closed Session

7. Executive Director's Annual Review

Following is an updated 6 month Executive Level Strategic Work Plan Summary.

South Central Wastewater Authority

Executive Level Strategic Work Plan Summary

UPDATE

January 1, 2017 June 30, 2017
July 1, 2017 to December 31, 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 twelve 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: July 1, 2017 - **Project is currently out to bid with bid opening date of July 27, 2017. This project is expected to be completed along with the scum concentrator unit's replacement by June 30, 2018.**
2. Implement and complete the ON-HOLD Waterline replacement project that was programmed for the FY 2016/17 year: **Project design complete, project has been bid and presently under construction. Expect completion of project by September 2017.**
3. **July 1, 2017-December 31, 2017: Enter design phase on new warehouse with office.**
4. July 1, 2017-December 31, 2017: **Clarifiers No. 1 & 2 grout base replacement: Expect to seek Board approval to replace grout bases in both clarifiers.**

Administration:

**** Extensive analysis and legal review over five months in notifying the Board related to the City of Petersburg's financial situation and potential upcoming financial impacts on the Authority.**

****Ensured that ancillary income from landfill leachate continued in order to forgo a mid-year rate increase to all SCWWA members.**

**** Continued difficult discussions over the past eight months on a City of Petersburg industrial pre-treatment permit. Expect this issue to be complete by September 2017.**

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

2. July 1, 2017-December 31, 2017: **Working with department managers and Assistant Director to develop 2018/2019 operating and replacement budgets and present to member engineers in November for review and comments.**

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: **Permit renewal package was submitted to VA-DEQ in April.**

July 1, 2017 –December 31, 2017: Work with VA-DEQ on VPDES permit renewal acceptable to SCWWA.

Facility Instrumentation/SCADA Upgrades:

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

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

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: **Completed**

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

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

On-Going Department Goals

Administration/Warehouse:

- Develop digital archiving system for all documents that fall under record retention requirements: **After seeking outside vendor costs to complete, costs were considered entirely too expensive to proceed.**
- Implement inventory control processes and procedures so that “Cycle Counts” of inventories can be performed throughout the year: **Presently underway**
- Develop and implement a compensation plan that will allow the Authority to pay employees “In Arrears” while providing minimal financial impact during such implementation: **Under review and consideration**

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: **Inventory control has been reviewed and warehouse control efforts are underway.**

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: ***Review of IT Contractor proposals under review***

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

9. Adjourn