



900 Magazine Rd.  
Petersburg, VA 23803  
Office: (804) 861-0111  
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## **SOUTH CENTRAL WASTEWATER AUTHORITY Board of Directors Meeting**

DATE: July 16, 2020

TIME: 2:00 pm

LOCATION: **Appomattox River Water Authority**  
Board Room, Administration Building  
21300 Chesdin Road  
South Chesterfield, VA 23803

### **AGENDA**

1. Call to Order/Roll Call
2. Approval of Minutes: Minutes of the Board Meeting held on March 12, 2020 (Exhibit A, pages 2 to 4)
3. Public Comment (Exhibit B, page 5)
4. Executive Director's Report:
  - FY21 Budget Discussion (Exhibit C, pages 6 to 13)
  - Proposed Work Plan (Exhibit D, pages 14 to 15)
  - Nutrient Project Update (Exhibit E, pages 16 to 17)
  - Status Report: Ongoing Projects/Operations (Exhibit F, page 18 to 19)
  - Financials (Exhibit G, pages 20 to 30)
5. Items from Counsel
6. Closed Session
7. Other items from Board Members/Staff Not on Agenda
8. Adjourn

**Exhibit A**

**BOARD OF DIRECTORS MEETING**  
**South Central Wastewater Authority**  
**March 12, 2020 at 2:00 p.m.**  
**Location: South Central Wastewater Authority**  
**900 Magazine Road, Petersburg, VA 23803**

**MEMBERS PRESENT:**

Doug Smith, Chairman (Colonial Heights)

**ALTERNATES PRESENT:**

George Hayes, Secretary/Treasurer (Alternate, Chesterfield)

Frank Haltom, (Alternate, Prince George)

Lionel Lyons, (Alternate, Petersburg)

Scott Morris, (Alternate, Chesterfield)

**ABSENT:**

Kevin Massengill, Vice-Chairman (Dinwiddie)

Aretha Ferrell-Benavides, (Petersburg)

Joseph Casey, (Chesterfield)

Percy Ashcraft, (Prince George)

William Henley, (Alternate, Colonial Heights)

**STAFF PRESENT:**

Robert B. Wilson, Executive Director, (ARWA & SCWWA)

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

Arthur Anderson, (McGuire Woods)

Melissa Wilkins, Accounting/HR/Business Manager/FOIA  
(ARWA & SCWWA)

Kathy Summerson, Administrative Assistant (SCWWA)

**OTHERS PRESENT:**

Chris Tabor, (Hazen and Sawyer)

Andrew Barnes, (Petersburg)

Mike Wooden, (Arcadis)

Denny Morris, (Crater Planning District)

Keith Boswell, (VA Gateway)

The SCWWA meeting was called to order after the conclusion of the ARWA Board meeting by Mr. Smith, Chairman, at 2:59 p.m.

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

The roll was called.

**2. Approval of Minutes: Minutes of the Regular Meeting of the Board on January 16, 2020**

Upon a motion made by Mr. Lyons and seconded by Mr. Haltom the following resolution was adopted:

**RESOLVED, that the Minutes of the Regular Meeting of the Board on January 16, 2020 are hereby approved:**

**For: 4      Against: 0      Abstain: 0**

**3. Public Comment**

There were no Public Comments.

**4. Public Hearing for FY 2020/21 Operating Budget**

Mr. Wilson reported on the proposed 2020/2021 Budget. He stated the Budget was presented back on January 16, 2020 and there are no changes. The public hearing was advertised on the Authority's website, bulletin board and in the Progress Index on February 23<sup>rd</sup> and March 1<sup>st</sup>.

Mr. Smith opened the Public Hearing on Proposed FY 2020/2021 Budget at 3:01 p.m. and being as there were no comments the Public Hearing was closed. Staff recommended approval of the budget as presented.

Upon a motion made by Mr. Lyons and seconded by Mr. Hayes the following resolution was adopted:

**RESOLVED, that the Board approves the Resolution included in the Board package of the South Central Wastewater Authority approving the Budget for FY 2020/2021 and the payment schedule:**

**For: 4      Against: 0      Abstain: 0**

## 5. Executive Director's Report

- **WQIF Update**

Mr. Wilson reported on the WQIF Funding update. He stated unfortunately the language between the Senate and the House was different. The Senate language requested a grant at 90% of the total project cost. The House language instructed DEQ to study alternatives to the WQIF grant criteria and determine how such factors as fiscal stress, median household income and low-income ratepayer impacts might be considered. He stated we have two lobbyists working on trying to get the wording to agree. He further stated the he and Mr. Gordon had a conference call with Mr. Chris Pomeroy and Mr. Preston Bryant, who are trying to help us through the process. He stated they have a meeting scheduled for Friday, March 13, 2020 with DEQ Director David K. Paylor. He stated DEQ Director Paylor and Secretary Strickler are in support of this project, but now we need to have total support from the General Assembly giving them the latitude as far as the funding. Mr. Anderson stated the language was finally in there, and they were going to act on the Budget today, but he didn't know if they approved it or not. Mr. Wilson stated we would have an update after tomorrow, and he will share the update with members as soon as it is available. He stated if we receive some sort of validation for support to move forward, we might go ahead and consider releasing the RFP, and get the design engineer selected so we can start design July 1<sup>st</sup>. He further stated we will be soliciting from at least two of the jurisdictions to get assistance on the Selection Committee to review proposals.

- **Financial Policy Guidelines**

Mr. Wilson stated this is similar to ARWA, but SCWWA is different in how the buckets (funds) are set up. He further stated the Balance Sheet is included, and we want to make sure that is what the members want to see on a monthly basis. He stated we are formalizing in writing how we do the Budget process, which is a recommendation that came through the voluntary audit. He further stated we submitted the ARWA process back to the audit to review, and Staff is still putting together the one for SCWWA.

Mr. Gordon reported on the Financial Policy Guidelines that were included in the Board package.

- **Operating and Financial Report**

Mr. Gordon reported on the Operating and Financial Report.

- **Status Report: Ongoing Projects/Flows/Leachate Traffic**

Mr. Gordon reported on the Ongoing Projects/Flows/Leachate Traffic.

## 6. Items from Counsel

- **Discussion of Proposed Bylaws Amendment**

Mr. Anderson reported on the Proposed Bylaws Amendment. He stated he would propose that we make the same change to the Bylaws as the Board agreed to during ARWA's meeting.

A copy of the current Bylaws and a resolution for the proposed bylaws amendment were included in the Board package.

Upon a motion made by Mr. Hayes and seconded by Mr. Haltom the following resolution was adopted:

**RESOLVED, that the Board approves removing Article X, paragraph 10.2 from the Bylaws:**

**For:     4            Against:     0            Abstain:     0**

## 7. Closed Session

There was no Closed Session.

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

Mr. Wilson stated if we need to participate in any Budget workshops or meet with any associations please let us know.

**9. Adjourn**

Mr. Smith stated, if there's no other business, and asked for motion to adjourn.

Upon a motion made by Mr. Haltom and seconded by Mr. Lyons the meeting was adjourned at 3:15 p.m.

MINUTES APPROVED BY:

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**George Hayes**  
**Secretary/Treasurer**



APPOMATTOX RIVER WATER AUTHORITY  
21300 Chesdin Road  
Petersburg, VA 23803



SOUTH CENTRAL WASTEWATER AUTHORITY  
900 Magazine Road  
Petersburg, VA 23803

### **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.



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### Exhibit C

TO: South Central Wastewater Authority Board of Directors

FROM: Robert Wilson, Executive Director  
James Gordon, Assistant Executive Director

DATE: July 16, 2020

SUBJECT: FY21 Budget Adjustments

The Authority was approached by one of the members and advised that jurisdiction was not providing salary increases for their employees in FY21 and asked that we consider the same. With that in mind, we polled the other four members and obtained the same response, no salary adjustments for FY21 for staff.

In preparation for the July 16<sup>th</sup> meeting we performed four scenarios for review by the Board. These scenarios included removing the salary adjustments and positions that were included in the budget. The results of the scenarios and the supporting documentation are included in the following memo that was sent to the chairman.

Authority staff requested an update on salary adjustments for FY21. I have advised staff action will not be taken by the Board until July 16<sup>th</sup>, but all the information I have to date indicates raises will not be offered in FY21. The attached email is the correspondence I sent to staff.

#### Board Action Requested:

Staff requests that the Board review the various scenarios and advise which adjustment the Board would desire for staff to implement for FY21. Staff's recommendation for SCWWA is to implement Scenario #4.



Appomattox River Water Authority  
21300 Chesdin Road  
S. Chesterfield, VA 23803  
(804) 590-1145



South Central Wastewater Authority  
900 Magazine Road  
Petersburg, VA 23803  
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TO: Douglas E. Smith, Chairman

FROM: Robert B. Wilson, Executive Director

DATE: June 23, 2020

SUBJECT: FY21 Budget  
Salary Adjustments

As we discussed, we received an inquiry from one of the members advising they were not going to provide salary adjustments in their FY21 budget and suggested both authorities consider the same. The budget we proposed and was approved at the March 12<sup>th</sup> meeting included salary adjustments for both plants.

To prepare for a discussion at the upcoming July 16<sup>th</sup> Board meeting I polled all the members to see if any of them budgeted for either a cost of living increase and/or merit increase in their FY21 utility budgets. All five members responded they were not considering salary adjustments of any kind for FY21. The questions included in the poll and the responses are included under the [Response] Tab. With that being said, we looked at the impact on both the ARWA and SCWWA budgets by removing the salary adjustments. We also heard that localities were freezing new positions for FY21. Therefore, in the ARWA budget we ran scenarios removing the two new maintenance positions, maintenance manager and mechanic. In the SCWWA budget we ran the same scenario removing the reimbursement for the maintenance manager that was going to be split 50/50 between both plants.

For ARWA we ran the following four scenarios:

1. FY21 approved budget minus salary adjustments. (-\$45,000)
2. FY21 approved budget minus salary adjustments and minus both maintenance positions. (-\$45,000 for salary adjustments, -\$70,000 for maintenance manager, -\$45,000 for mechanic, -\$40,000 benefits for both positions)
3. FY21 approved budget minus salary adjustments plus additional FY21 employee health insurance contribution. (-\$45,000 for salary adjustments, +\$3,100 for insurance)

4. FY21 approved budget minus salary adjustments, minus maintenance positions, plus additional FY21 employee health insurance contribution. (-\$45,000 for salary adjustments, -\$70,000 for maintenance manager, -\$45,000 for mechanic, -\$40,000 benefits, +\$3,100 for insurance)

The [ARWA] tab in the spreadsheet illustrates the comparison of the four scenarios to the approved budget and the reduction in the \$/1,000 gallons for each member for ARWA.

For SCWWA we ran four scenarios:

1. FY21 approved budget minus the salary adjustments. (-\$50,000)
2. FY21 approved budget minus the salary adjustments plus the additional FY21 employee health insurance contribution (-\$50,000 for salary adjustments, +\$3,600 for health insurance).
3. FY21 approved budget minus the salary adjustments minus portion for maintenance manager split (-\$50,000 for salary adjustments, -\$53,000 for salary and benefits for 50% portion of maintenance supervisor).
4. FY21 approved budget minus the salary adjustments minus portion for maintenance manager plus the additional FY21 employee health insurance contribution. (-\$50,000 for salary adjustments, -\$53,000 for salary and benefits for 50% portion of maintenance supervisor, +\$3,600 for health insurance)

The [SCWWA] tab illustrates the comparison of the four scenarios to the approved budget and the annual reduction in cost for each member for SCWWA.

The reason the "Budget Total Difference" is greater than the deductions illustrated for each scenario for ARWA is that when you subtract the stated deductions, reduce the taxes and VRS contribution and carry the new values through the budget, the O&M costs are reduced and therefore, the 50% reserve requirement is reduced. Therefore, a smaller new budget is compared against the FY21 approved budget thereby, resulting in a larger "Budget Total Difference".

For the SCWWA budget, the FY21 reserve is fully funded. However, when you remove the salary increase, you reduce the taxes and VRS contribution which results in a lower budget and higher difference compared to the FY21 approved budget. That is the reason the "Budget Total Difference" is higher than the stated deductions.

We request direction from the Board on which reduction in the budget the Board would like us to implement, minus salary adjustments only or minus salary adjustments and new positions. In both cases, the result is a reduction to the FY21 approved budget for each authority, thereby a reduction to each member. From a structural standpoint, even though this is a reduction from the original approved budgets, the budgets will need to be re-advertised, a public hearing date set, and a vote taken after the public hearing. From a billing standpoint, we would suggest using the selected reduced budget figures from the July 16<sup>th</sup> meeting (budget to be advertised) until the public hearing is held, and formal action is taken on the budget by the Board. Any changes or comments from the public hearing would be implemented as necessary upon Board action.



Please let me know if you have any questions, need any additional information, or would like to discuss further.

**Attachments**

Figure 1 – ARWA budget summary table with excerpt from FY21 approved budget

Figure 2 - SCWWA budget summary table with excerpt from FY21 approved budget

6/23/2020

Question	City of Colonial Heights	City of Petersburg	Chesterfield County	Dinwiddie County	Prince George County
1. Are you providing a cost of living adjustment (COLA) for FY21?	No	No	No	No	No
2. Are you providing a merit increase for FY21?	No	No	No	No	No
3. Are you putting place holders in your budget so salary adjustments could be considered midyear if budgets allow?	Yes	No	No	No	No
4. Are you recognizing essential personnel monetarily or some other type of appreciation for their dedication during the pandemic?	No	No	No	No	No

Note: These responses are related to utility personnel

[Responses]

## Budget Comparison

SCWWA	Approved	Scenario #1	Scenario #2	Scenario #3	Scenario #4
		W/o salary increase	W/o salary increase, covering health insurance Increase	W/o salary increase, w/o new split maintenance manager	W/o salary increase, w/o new split maintenance manager, covering health insurance increase
Annual Budget Total	\$8,839,000	\$8,784,000	\$8,787,600	\$8,731,000	\$8,734,600
Budget Total Difference (\$)		-\$55,000	-\$51,400	-\$108,000	-\$104,400
Budget Total Difference (%)		-0.62%	-0.58%	-1.23%	-1.19%
Petersburg					
Total Annual Cost	\$5,063,007	\$5,030,605	\$5,032,726	\$4,999,381	\$5,001,502
Total Annual Cost difference (\$)		-\$32,402	-\$30,281	-\$33,345	-\$31,224
Total Annual Cost difference (%)		-0.64%	-0.60%	-0.66%	-0.62%
Colonial Heights					
Total Annual Cost	\$1,641,237	\$1,631,294	\$1,631,945	\$1,621,712	\$1,622,363
Total Annual Cost difference (\$)		-\$9,944	-\$9,293	-\$10,233	-\$9,582
Total Annual Cost difference (%)		-0.61%	-0.57%	-0.63%	-0.59%
Chesterfield					
Total Annual Cost	\$760,473	\$756,003	\$756,296	\$751,696	\$751,989
Total Annual Cost difference (\$)		-\$4,470	-\$4,177	-\$4,600	-\$4,307
Total Annual Cost difference (%)		-0.59%	-0.55%	-0.61%	-0.57%
Prince George					
Total Annual Cost	\$585,853	\$582,371	\$582,599	\$579,016	\$579,244
Total Annual Cost difference (\$)		-\$3,482	-\$3,254	-\$3,583	-\$3,355
Total Annual Cost difference (%)		-0.59%	-0.56%	-0.61%	-0.58%
Dinwiddie					
Total Annual Cost	\$788,430	\$783,727	\$784,035	\$779,195	\$779,503
Total Annual Cost difference (\$)		-\$4,703	-\$4,395	-\$4,840	-\$4,532
Total Annual Cost difference (%)		-0.60%	-0.56%	-0.62%	-0.58%

[SCWWA]



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## MEMORANDUM

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

**FROM: ROBERT B. WILSON, P.E., EXECUTIVE DIRECTOR  
JAMES C. GORDON, ASSISTANT EXECUTIVE DIRECTOR**

**SUBJECT: FISCAL YEAR 2020-2021 PROPOSED BUDGET**

**DATE: JANUARY 16, 2020**

We are pleased to present to you the South Central Wastewater Authority proposed 2020-2021 budget for your review and consideration. The total expenses for the Proposed FY2020-21 South Central Wastewater Authority Budget are \$8,839,000. The Board is not requested to approve the proposed budget at today's meeting; however, we request that you review and advise staff to ready the proposed budget to advertise for a public hearing at the March 12, 2020 Board Meeting by the required 14-day period in advance of the scheduled public hearing. Any Board requested changes to the proposed budget can be made on or before the May 14, 2020 Board Meeting where we will request approval of the budget.

A review of the proposed budget changes follows and shows annual expenses for FY 2020/21 are increasing by \$379,300 (3.29%) from the current fiscal year budget primarily due to the continuation of funding the Capital Reserve Account (increase of \$250,000) to offset future capital expenditures.

Cost item increase:

- **Salaries: \$50,000 – due to an average pay for performance increase of 2.6%**
- **Employee Benefits: \$21,000 – primarily due to anticipated increase in Hospitalization Insurance (\$10,000)**
- **Contractual Services: \$78,400 – primarily due to Software Support (\$25,000) and Maintenance Service Contracts (\$30,000) increases related to reclassification of Replacement items to O&M. Also, Administrative Services (\$53,000) is increasing due to payments to the ARWA for SCWWA's portion of shared employees which includes one new shared position.**
- **Other Charges: \$23,600 – due to increases in Electricity (\$25,000)**

## Robert Wilson

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**From:** Robert Wilson  
**Sent:** Tuesday, June 23, 2020 1:22 PM  
**To:** arwava.org Users; scwwa.org Users  
**Subject:** FY21 Salary Adjustments

ARWA and SCWWA provide water and wastewater services to five member jurisdictions: City of Petersburg, City of Colonial Heights, Chesterfield County, Dinwiddie County, and Prince George County. Each member has advised they will not be able to provide either a cost of living or merit increase for FY21 for their employees. This is a direct result of the Covid-19 pandemic whereby each member has been affected, financially, through significant reductions in revenue and various tax collections.

Both authorities are partners and stakeholders in this region. With that in mind I have been asked to review our respective budgets and determine the budget reductions by removing the FY21 salary adjustments and new positions. This information will be presented to the Board at the July 16<sup>th</sup> meeting.

The Board has not taken action as of this date, but there have been inquiries from staff on what the authorities are considering for raises. From all the information I have to date, it is apparent that raises will not be offered for FY21.

This in no way reflects the dedication and effort you have provided to maintain water and wastewater services throughout the Covid-19 pandemic. Since we operate plants, there is not as much of an opportunity to either telecommute, stagger shifts, or work select days of the week. I want to take this opportunity to thank each of you for your continued commitment and energy to keep both plants operating, in compliance, and meeting all demands. If there comes the opportunity to recognize the plants in a group setting or consider midyear adjustments, we will certainly pursue them.

Again, thank you for what you do.

Robert B. Wilson, P.E.  
Executive Director ARWA/SCWWA  
21300 Chesdin Road  
South Chesterfield, VA 23803  
(804) 590-1145 ext. 101 (office)  
(804) 586-7420 (mobile)  
[rwilson@arwava.org](mailto:rwilson@arwava.org)

## **Exhibit D**

### **South Central Wastewater Authority Proposed Work Plan Initiation Date July 2020**

#### **Vision**

To provide extraordinary customer service to the member jurisdictions and their customers and be recognized as a community partner that provides exceptional wastewater treatment and environmental protection.

#### **Staff**

The South Central Wastewater Authority also known as SCWWA provides wastewater treatment services and customer support to five jurisdictions: Chesterfield County, Dinwiddie County, Prince George County, the City of Petersburg and the City of Colonial Heights. The SCWWA staff consists of 35 dedicated professionals in the wastewater treatment industry. The team is divided in to five departments: Administration, Operations, Maintenance, Laboratory, and IT. Each department is an integral part of the overall operation and committed to the values listed below.

#### **Values**

To provide extraordinary customer service, we are committed to the following principles:

- Open Communication
- Transparency
- Regional cooperation
- Teamwork
- Respect
- Quality

#### **Budgeted FY21 Projects:**

- Secure WQIF funding for the Nutrient Project.
- Prepare request for proposals (RFP) for engineering services for nutrient project and select engineer for design and contract administration.
- Replace the drain pump station next to the primaries. This project may be influenced by the nutrient project and require resizing. The new tank proposed east of the primaries may flow back to this pump station.
- Replacement of PLC 2. PLC 2 controls bar screens, sludge pumps, muffin monsters, primary flights and chains, air compressors for the scum pots, the three force main flow

meters, influent pH monitors, drain pump station, grit classifiers and collectors, scum concentrators, and wet well. Basically, the front half of the plant. PLC is 24 years old.

- Replace the caustic feed pumps. This will be accomplished by maintenance staff.
- Replace the return activated sludge (RAS) flow signal converters for all five pumps. This will be accomplished by instrumentation/IT staff.
- Replace the media in Scrubber #2. This will be accomplished by maintenance staff.
- Create an epidemic section to Emergency Action Plan in-house using the one created for ARWA as a guide.

### **On-going Projects:**

- Develop constructability and phasing plans for the nutrient project.
- Develop a list of preferred equipment and technologies for the nutrient project.
- Asset management. Determine the useful life of equipment and factor into the capital improvement program (CIP). Develop a program for tracking equipment removed from operation and tracking operational readiness.
- Data management. Determine archiving and compliance requirements. Scanning and electronic data management.
- Develop a formal five and ten year capital improvement program.
- Stabilize rates.
- Tabletop exercises. Develop various catastrophic scenarios and determine if the current Emergency Action Plan and Standard Operating Procedures (SOP's) address how to react to the scenario.
- Develop one line diagrams for the new plant power distribution.
- Work with members to reduce inflow and infiltration. Providing historical data as needed.
- Ensure that appropriate employee development, succession planning and business continuity is in place.
- Develop a staffing and attrition plan. Consider a high school training program.

### **Permits and Important Dates:**

- Virginia Pollution Discharge Elimination System (VPDES) permit VAN040087 for nitrogen and phosphorous discharges and nutrient trading in the Chesapeake Watershed expires on December 31, 2021. Renewal of the permit will begin around November 2020.
- VPDES permit VA0025437 for plant effluent expires on September 20, 2022. Renewal of the permit will begin around August 2021.
- Completion of the Nutrient Project by December 2025.
- Biosolids contract expires August 11, 2021
- Annual Laboratory certification
- Acute and toxicity Testing



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### Exhibit E

TO: South Central Wastewater Authority Board of Directors

FROM: Robert B. Wilson, Executive Director  
James Gordon, Assistant Executive Director

DATE: July 16, 2020

SUBJECT: Nutrient Project Update

The preliminary engineering report (PER) was completed with a traditional nitrogen and phosphorous reduction design approach that had been used throughout the state. The estimate for this traditional project was approximately \$124 million. In reviewing past Water Quality Improvement Fund (WQIF) project grants and participation, we determined the financial impact on our five jurisdictions exceeded what their customer bases could support. With this in mind, we proceeded with the Value Engineering (VE) portion of the project to determine if there was a more cost effective strategy. Through this process the engineer proposed a five stage enhanced nutrient removal (ENR) process that could produce the same required effluent results, 4.0 mg/l for nitrogen and 0.3 mg/l for phosphorous, at a lower project cost. The main difference in the two designs is the need for denitrification filters. The process proposed in the PER included denitrification filters whereas the ENR process does not utilize denitrification filters. The removal of the denitrification filters and supporting appurtenances is the major reduction to the overall project cost. The estimate for the process proposed in the VE reduced the overall project cost from \$124 million to approximately \$106 million.

Our legal team with representatives from Aqualaw and McGuire Woods has and is continuing to assist us with presenting the new design to the Secretary of Natural Resources, Director of the Department of Environmental Quality and WQIF representatives. The reason for this assistance is that the WQIF is very specific on what grant qualifying processes and percentages are funded through their program. Since we are proposing technologies that are not as well known in this area, our team is assisting with obtaining similar funding for structures and processes that may not have been considered previously.

We have hand delivered the PER, VE, and WQIF application to the WQIF representative for this project, Mr. Mike Crocker with DEQ. Mr. Crocker will review these documents and develop a proposed qualifying grant for this project. On the submitted WQIF application we requested 95% funding for grant eligible portions of the project which is above the normal 90% for grant eligible projects. Our justification included the financial impact on our members with a formal discussion on the fiscal stress for one particular member.

Since the documents have been submitted to Mr. Crocker, we released the request for proposals (RFP) for design and construction administration services. The RFP was emailed to the four engineering firms that expressed interest in the project, posted on the website and advertised in the Progress Index. Responses to the RFP are due August 3<sup>rd</sup> and our intent is to develop a shortlist, interview and make a



recommendation to the Board at the September 10<sup>th</sup> meeting. We would hope to have a grant agreement from Mr. Crocker to present to the Board at the same time. This project will not proceed until the Board has had the opportunity to review and discuss the grant agreement. Action will be required by the Board on the grant agreement in the future.

Board Action Requested:

No Board action is requested at this time.



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## Exhibit F

TO: South Central Wastewater Authority Board of Directors

FROM: Robert B. Wilson, P.E., Executive Director  
James C. Gordon, Assistant Executive Director

DATE: July 16, 2020

SUBJECT: Ongoing Projects\Operations

### Operating Status Report

This report hits the highlights and does not cover the day to day maintenance or preventive maintenance summaries. Some of the information is duplicate and already been provided through weekly updates since the last meeting was in March.

#### ➤ General

- The next scheduled Board of Directors Meeting is Thursday, September 10, 2020 at the South Central Wastewater Authority at 2:00 pm.
- To date we have been successful keeping Covid-19 out of the plant. We have instituted a face covering policy where social distancing cannot be maintained. This includes more than one person riding in a vehicle or golf cart and where operations and maintenance staff have to work together for an extended period of time within six feet.
- There was an issue with our caustic soda supplier. The company was unable to hold their contract price. We obtained more economic pricing from the second lowest vendor. Details were also outlined in the 6/9/2020 weekly email update.
- Replaced HVAC for administration building and laboratory.

#### ➤ Operations

- Plant effluent met all permit requirements for March, April, May and June 2020.
- The average daily effluent flow for March was 12.5 mgd, April was 13.4 mgd, May was 11.8 mgd and June was 11.8 mgd.
- eDMR (electronic discharge monitoring report) audit by DEQ was successful and verified our calculations and reporting was correct.
- Operators have been performing housekeeping in the form of power washing concrete platforms and walkways. Another example of pride in what they do. For a wastewater plant, this plant is exceptionally clean.

➤ Maintenance

- Changed out alum pumps.
- Having Carter Machinery evaluate the remaining useful lives of the existing generators.
- Replaced air compressors at the headworks.
- Re-piped the NPW (non-potable water line) at the headworks.
- Installed new NPW pumps at the end of the chlorine contact tanks.
- Rehabilitating the alum building – electrical and piping improvements.
- Replacing the 8” feed valves for the GBT (gravity belt thickener – this is on the solids handling side before the belt presses – before you make your biosolids).
- Added large fan to warehouse.
- Contractor repaired grade issue next to warehouse.

➤ Instrumentation

- VFD’s and PLC located in pump building have been moved to the conditioned electrical building.
- The Dechlorination PLC is being moved out of the sodium bisulfate tank storage room.
- Beginning to add Dechlorination PLC to the network fiber ring.

➤ Laboratory

- Met all the VPDES requirements for March, April, May and June for the outfalls.
- Successful completion of annual Proficiency Testing.
- Successfully completed the triennial inspection and have addressed all corrective action recommended.

➤ FY20 Annual Audit

- The data gathering portion of the audit is scheduled for the week of August 3<sup>rd</sup>.
- Inventory clerk has completed the warehouse inventory count in preparation for the audit.
- The warehouse has had a new 16’ fan installed, safety ladders, guardrails, and bollards have been ordered. Additional racks/shelving, cabinets and a 20’ stock picker have been purchased. We received the barcoding software and equipment to update the current system. The stormwater drop inlet in front of the warehouse has been raised so the forklift can safely transverse this area.

➤ Staff Updates

- Monte Buchanan, the assistant operations manager, has turned in his notification for retirement as of December 31, 2020. Monte has 42 years in the utility industry and has been with us for the last 10+ years.



900 Magazine Rd.  
Petersburg, VA 23803  
Office: (804) 861-0111  
Fax: (804) 861-3254

### Exhibit G

TO: Board of Directors

FROM: Melissa Wilkins, Accounting/Business/HR Manager

DATE: July 16, 2020

SUBJECT: Financials

The financial report includes the following attachments:

- Attachment A – March Financials
- Attachment B – April Financials
- Attachment C – May Financials
- Attachment D – Alum Deposits to the LGIP

The June financials are also part of the end of year financials and will be trued up as part of the audit. We will provide the June financials via email upon their completion. As mentioned in the Status Report, the annual audit for FY20 begins the week of August 3<sup>rd</sup>.

No Board action is requested.

**South Central Wastewater Authority**  
For Month Ending March 31, 2020

**Assets****Current Assets**

Petty Cash	\$ 250
Wells Fargo Operating Account	\$ 2,771,708
<b>Total Unrestricted Cash</b>	<b>\$ 2,771,958</b>

Wells Fargo Reserve	\$ 3,916,414
Wells Fargo Capital Improvement Reserve	\$ 219,516
ERRF	\$ -
LGIP-ERRF	\$ 2,710,468
LGIP_Capital Improvements Reserve	\$ 5,139,445
<b>Total Restricted Cash</b>	<b>\$ 11,985,843</b>

<b>Total Checking/Savings</b>	<b>\$ 14,757,802</b>
-------------------------------	----------------------

Accounts Receivable	\$ 400,404
Prepaid Expenses	\$ 49,217
Long Term Receivable (Petgs/Legal)	\$ -

<b>Total Current Assets</b>	<b>\$ 15,207,423</b>
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**Fixed Assets**

Sewer System Plant	\$ 34,919,518
Equipment & Vehicles	\$ 2,527,576
Plant Machinery	\$ 7,027,662
Construction in Progress	\$ 831,140
Land	\$ 92,968
Accumulated Depreciation	\$ (27,836,397)

<b>Total Fixed Assets</b>	<b>\$ 17,562,467</b>
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**Other Assets**

Inventory	\$ 753,246
Def Out Res-Post ER Pension Con	\$ 89,435
Deferred Outflows-GLI OPEB	\$ 20,958

<b>Total Other Assets</b>	<b>\$ 863,639</b>
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**Total Assets**

<b>\$ 33,633,529</b>
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**Liabilities & Equity****Current Liabilities**

Accounts Payable	\$ 19,039
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<b>Total Current Liabilities</b>	<b>\$ 19,039</b>
----------------------------------	------------------

**Other Current Liabilities**

Payroll Accruals	\$ 219,651
Retainage Payable	\$ -
Suspense-Clearing Account	\$ 393,750
Refunds Due Member Localities	\$ -

<b>Total Other Current Liabilities</b>	<b>\$ 613,401</b>
--	-------------------

**Long Term Liabilities**

Net OPEB Obligation	\$ 76,101
Net OPEB Liability-GLI	\$ 139,000
Def Infl-OPEB-Chg of Assumption	\$ 60,071
Deferred Inflows-GLI OPEB	\$ 13,000
Def Inf Res-Net Dif Pension Inv	\$ 56,766
Def Inf Res-Pens Chg Assumption	\$ 43,774
Def Inf Res-Pens Dif Proj/Act E	\$ 39,690
Net Pension Liability	\$ 81,482

<b>Total Long-Term Liabilities</b>	<b>\$ 509,884</b>
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<b>Total Liabilities</b>	<b>\$ 1,142,324</b>
--------------------------	---------------------

**Equity**

Retained Earnings	\$ 15,957,686
Initial Locality Contribution Cap.	\$ 14,166,822

Net Income	\$ 2,366,697
<b>Total Equity</b>	<b>\$ 32,491,205</b>

<b>Total Liabilities &amp; Equity</b>	<b>\$ 33,633,529</b>
---------------------------------------	----------------------

South Central Wastewater Authority  
YTD Income Statement for the period ending March 31, 2020

Wastewater Rate Center

Revenues and Expenses Summary

**Operating Budget vs. Actual**

**Revenues**

	<i>Budget</i> <i>FY 19/20</i>	<i>Budget</i> <i>Year-to-Date</i>	<i>Actual</i> <i>Year-to-Date</i>	<i>YTD Budget</i> <i>vs. Actual</i>	<i>Variance</i> <i>Percentage</i>
Septage/Misc Revenue	\$ -	\$ -	\$ 504,969	\$ 504,969	#DIV/0!
O&M Revenue	\$ 8,459,700	\$ 6,344,775	\$ 6,345,485	\$ 710	0.01%
Reserve Policy	\$ -	\$ -	\$ -	\$ -	#DIV/0!
ER&RF Revenue	\$ -	\$ -	\$ -	\$ -	#DIV/0!
<b>Total Operating Revenues</b>	<b>\$ 8,459,700</b>	<b>\$ 6,344,775</b>	<b>\$ 6,850,454</b>	<b>\$ 505,679</b>	<b>7.97%</b>

**Expenses**

Personnel Cost	\$ 2,792,000	\$ 2,094,000	\$ 1,997,513	\$ (96,487)	-4.61%
Contractual/Professional Services	\$ 375,600	\$ 272,450	\$ 420,280	\$ 147,830	54.26%
Utilities	\$ 462,500	\$ 346,875	\$ 335,024	\$ (11,851)	-3.42%
Communication/Postage/Freight	\$ 31,500	\$ 23,625	\$ 23,851	\$ 226	0.96%
Office/Lab/Purification Supplies	\$ 75,000	\$ 56,250	\$ 53,374	\$ (2,876)	-5.11%
Insurance	\$ 67,000	\$ 67,000	\$ 65,556	\$ (1,444)	-2.16%
Lease/Rental Equipment	\$ 11,000	\$ 8,250	\$ 5,169	\$ (3,081)	-37.35%
Travel/Training/Dues	\$ 61,100	\$ 45,825	\$ 28,975	\$ (16,850)	-36.77%
Safety/Uniforms	\$ 44,500	\$ 33,375	\$ 39,432	\$ 6,057	18.15%
Chemicals/Sludge Disposal	\$ 910,000	\$ 682,500	\$ 569,889	\$ (112,611)	-16.50%
Repair/Maintenance Parts & Supplies	\$ 511,500	\$ 383,625	\$ 324,746	\$ (58,879)	-15.35%
<b>Total Operating Expenses</b>	<b>\$ 5,341,700</b>	<b>\$ 4,013,775</b>	<b>\$ 3,863,808</b>	<b>\$ (149,967)</b>	<b>-3.74%</b>
<b>Operating Suplus/(Deficit)</b>	<b>\$ 3,118,000</b>	<b>\$ 2,331,000</b>	<b>\$ 2,986,646</b>	<b>\$ 655,646</b>	<b>28.13%</b>

**Replacement Outlay Budget vs. Actual**

Machinery & Equipment	\$ 123,000	\$ 92,250	\$ 121,116	\$ 28,866	31.29%
Instrumentation	\$ 110,000	\$ 82,500	\$ 12,623	\$ (69,877)	-84.70%
SCADA	\$ 15,000	\$ 11,250	\$ -	\$ (11,250)	-100.00%
Computer Equipment	\$ 10,000	\$ 7,500	\$ -	\$ (7,500)	-100.00%
Motor Vehicles	\$ 75,000	\$ 56,250	\$ 73,253	\$ 17,003	30.23%
Construction	\$ 260,000	\$ 195,000	\$ 233,014	\$ 38,014	19.49%
Special Studies	\$ -	\$ -	\$ -	\$ -	#DIV/0!
<b>Total Replacement Outlay</b>	<b>\$ 593,000</b>	<b>\$ 444,750</b>	<b>\$ 440,005</b>	<b>\$ (4,745)</b>	<b>-1.07%</b>

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

Nutrient Credit Purchases (Expense)	\$ 525,000	\$ 393,750	\$ 393,750	\$ -	0.00%
Nutrient Reduction	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Interest-Income	\$ -	\$ -	\$ 108,185	\$ 108,185	#DIV/0!
Gain/Loss on Disposal	\$ -	\$ -	\$ 3,400	\$ 3,400	#DIV/0!
Alum Litigation Proceeds (Income)	\$ -	\$ -	\$ 102,221	\$ 102,221	#DIV/0!

**South Central Wastewater Authority  
Executive Review  
Cash and Debt Highlights  
As of February 29, 2020**

<b>Highlights: SCWWA Cash Positions</b>	<b>30-Jun-19</b>	<b>31-Mar-20</b>	<b>Change</b>	<b>Explanation</b>
Unrestricted Cash & Investments:				
Petty Cash	\$ 250.00	\$ 250.00	\$ -	On-Hand Petty Cash for incidental expenses
Wells Fargo Operating Account	\$ 1,664,860.36	\$ 2,771,708.30	\$ 1,106,847.94	Financial Policy: All incoming O & M charges under service agreement
Wells Fargo Reserve Account	\$ 3,916,414.45	\$ 3,916,414.45	\$ -	Financial Policy: 50% of Authority's Annual O & M Budget
Wells Fargo-Capital Improvements Res	\$ 2,016,465.72	\$ -	\$ (2,016,465.72)	Old Capital Reserve Account-Closed once LGIP Accounts Established
Wells Fargo-Incoming Leachate	\$ 32,541.03	\$ 219,516.16	\$ 186,975.13	Incoming Leachate Revenues-Moved Quarterly to LGIP Account
Restricted Cash and Investments:				
LGIP-ERRF	\$ 2,710,467.97	\$ 2,710,467.97	\$ -	Resolution adopted by BOD, January 2018
LGIP-Capital Improvement Reserve	\$ 2,700,000.00	\$ 5,139,444.66	\$ 2,439,444.66	Resolution adopted by BOD, January 2018
<b>Total Cash and Investments</b>	<b>\$ 13,040,999.53</b>	<b>\$ 14,757,801.54</b>	<b>\$ 1,716,802.01</b>	

## South Central Wastewater Authority

For Month Ending April 30, 2020

## Assets

## Current Assets

Petty Cash	\$	250
Wells Fargo Operating Account	\$	3,428,336
<b>Total Unrestricted Cash</b>	<b>\$</b>	<b>3,428,586</b>

Wells Fargo Reserve	\$	3,916,414
Wells Fargo Capital Improvement Reserve	\$	69,827
ERRF	\$	-
LGIP-ERRF	\$	2,710,468
LGIP_Capital Improvements Reserve	\$	5,365,608
<b>Total Restricted Cash</b>	<b>\$</b>	<b>12,062,318</b>

<b>Total Checking/Savings</b>	<b>\$</b>	<b>15,490,903</b>
-------------------------------	-----------	-------------------

Accounts Receivable	\$	66,769
Prepaid Expenses	\$	49,217
Long Term Receivable (Petgs/Legal)	\$	-

<b>Total Current Assets</b>	<b>\$</b>	<b>15,606,889</b>
-----------------------------	-----------	-------------------

## Fixed Assets

Sewer System Plant	\$	34,919,518
Equipment & Vehicles	\$	2,527,576
Plant Machinery	\$	7,027,662
Construction in Progress	\$	831,140
Land	\$	92,968
Accumulated Depreciation	\$	(27,836,397)

<b>Total Fixed Assets</b>	<b>\$</b>	<b>17,562,467</b>
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## Other Assets

Inventory	\$	753,246
Def Out Res-Post ER Pension Con	\$	89,435
Deferred Outflows-GLI OPEB	\$	20,958

<b>Total Other Assets</b>	<b>\$</b>	<b>863,639</b>
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## Total Assets

<b>\$</b>	<b>34,032,995</b>
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## Liabilities &amp; Equity

## Current Liabilities

Accounts Payable	\$	32,071
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<b>Total Current Liabilities</b>	<b>\$</b>	<b>32,071</b>
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## Other Current Liabilities

Payroll Accruals	\$	219,651
Retainage Payable	\$	-
Suspense-Clearing Account	\$	437,500
Refunds Due Member Localities	\$	-

<b>Total Other Current Liabilities</b>	<b>\$</b>	<b>657,151</b>
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## Long Term Liabilities

Net OPEB Obligation	\$	76,101
Net OPEB Liability-GLI	\$	139,000
Def Infl-OPEB-Chg of Assumption	\$	60,071
Deferred Inflows-GLI OPEB	\$	13,000
Def Inf Res-Net Dif Pension Inv	\$	56,766
Def Inf Res-Pens Chg Assumption	\$	43,774
Def Inf Res-Pens Dif Proj/Act E	\$	39,690
Net Pension Liability	\$	81,482

<b>Total Long-Term Liabilities</b>	<b>\$</b>	<b>509,884</b>
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<b>Total Liabilities</b>	<b>\$</b>	<b>1,199,106</b>
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## Equity

Retained Earnings	\$	15,957,686
Initial Locality Contribution Cap.	\$	14,166,822

Net Income	\$	2,709,382
<b>Total Equity</b>	<b>\$</b>	<b>32,833,890</b>

<b>Total Liabilities &amp; Equity</b>	<b>\$</b>	<b>34,032,995</b>
---------------------------------------	-----------	-------------------



South Central Wastewater Authority  
YTD Income Statement for the period ending April 30, 2020

Wastewater Rate Center

Revenues and Expenses Summary

**Operating Budget vs. Actual**

**Revenues**

	<i>Budget</i> <i>FY 19/20</i>	<i>Budget</i> <i>Year-to-Date</i>	<i>Actual</i> <i>Year-to-Date</i>	<i>YTD Budget</i> <i>vs. Actual</i>	<i>Variance</i> <i>Percentage</i>
Septage/Misc Revenue	\$ -	\$ -	\$ 574,797	\$ 574,797	#DIV/0!
O&M Revenue	\$ 8,459,700	\$ 7,049,750	\$ 7,049,750	\$ (0)	0.00%
Reserve Policy	\$ -	\$ -	\$ -	\$ -	#DIV/0!
ER&RF Revenue	\$ -	\$ -	\$ -	\$ -	#DIV/0!
<b>Total Operating Revenues</b>	<b>\$ 8,459,700</b>	<b>\$ 7,049,750</b>	<b>\$ 7,624,546</b>	<b>\$ 574,796</b>	<b>8.15%</b>

**Expenses**

Personnel Cost	\$ 2,792,000	\$ 2,326,667	\$ 2,218,639	\$ (108,027)	-4.64%
Contractual/Professional Services	\$ 375,600	\$ 300,667	\$ 434,393	\$ 133,727	44.48%
Utilities	\$ 462,500	\$ 385,417	\$ 371,343	\$ (14,073)	-3.65%
Communication/Postage/Freight	\$ 31,500	\$ 26,250	\$ 26,276	\$ 26	0.10%
Office/Lab/Purification Supplies	\$ 75,000	\$ 62,500	\$ 59,230	\$ (3,270)	-5.23%
Insurance	\$ 67,000	\$ 67,000	\$ 64,830	\$ (2,170)	-3.24%
Lease/Rental Equipment	\$ 11,000	\$ 9,167	\$ 5,667	\$ (3,500)	-38.18%
Travel/Training/Dues	\$ 61,100	\$ 50,917	\$ 32,896	\$ (18,021)	-35.39%
Safety/Uniforms	\$ 44,500	\$ 37,083	\$ 42,455	\$ 5,371	14.48%
Chemicals/Sludge Disposal	\$ 910,000	\$ 758,333	\$ 659,798	\$ (98,535)	-12.99%
Repair/Maintenance Parts & Supplies	\$ 511,500	\$ 426,250	\$ 356,161	\$ (70,089)	-16.44%
<b>Total Operating Expenses</b>	<b>\$ 5,341,700</b>	<b>\$ 4,450,250</b>	<b>\$ 4,271,688</b>	<b>\$ (178,562)</b>	<b>-4.01%</b>
<b>Operating Suplus/(Deficit)</b>	<b>\$ 3,118,000</b>	<b>\$ 2,599,500</b>	<b>\$ 3,352,859</b>	<b>\$ 753,359</b>	<b>28.98%</b>

**Replacement Outlay Budget vs. Actual**

Machinery & Equipment	\$ 123,000	\$ 102,500	\$ 121,116	\$ 18,616	18.16%
Instrumentation	\$ 110,000	\$ 91,667	\$ 12,623	\$ (79,044)	-86.23%
SCADA	\$ 15,000	\$ 12,500	\$ -	\$ (12,500)	-100.00%
Computer Equipment	\$ 10,000	\$ 8,333	\$ -	\$ (8,333)	-100.00%
Motor Vehicles	\$ 75,000	\$ 62,500	\$ 73,253	\$ 10,753	17.20%
Construction	\$ 260,000	\$ 216,667	\$ 238,181	\$ 21,515	9.93%
Special Studies	\$ -	\$ -	\$ -	\$ -	#DIV/0!
<b>Total Replacement Outlay</b>	<b>\$ 593,000</b>	<b>\$ 494,167</b>	<b>\$ 445,172</b>	<b>\$ (48,995)</b>	<b>-9.91%</b>

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

Nutrient Credit Purchases (Expense)	\$ 525,000	\$ 437,500	\$ 437,500	\$ -	0.00%
Nutrient Reduction	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Interest-Income	\$ -	\$ -	\$ 115,008	\$ 115,008	#DIV/0!
Gain/Loss on Disposal	\$ -	\$ -	\$ 3,400	\$ 3,400	#DIV/0!
Alum Litigation Proceeds (Income)	\$ -	\$ -	\$ 120,787	\$ 120,787	#DIV/0!

**South Central Wastewater Authority  
Executive Review  
Cash and Debt Highlights  
As of April 30, 2020**

<b>Highlights: SCWWA Cash Positions</b>	<b>30-Jun-19</b>	<b>30-Apr-20</b>	<b>Change</b>	<b>Explanation</b>
Unrestricted Cash & Investments:				
Petty Cash	\$ 250.00	\$ 250.00	\$ -	On-Hand Petty Cash for incidental expenses
Wells Fargo Operating Account	\$ 1,664,860.36	\$ 3,428,575.77	\$ 1,763,715.41	Financial Policy: All incoming O & M charges under service agreement
Wells Fargo Reserve Account	\$ 3,916,414.45	\$ 3,916,414.45	\$ -	Financial Policy: 50% of Authority's Annual O & M Budget
Wells Fargo-Capital Improvements Res	\$ 2,016,465.72	\$ -	\$ (2,016,465.72)	Old Capital Reserve Account-Closed once LGIP Accounts Established
Wells Fargo-Incoming Leachate	\$ 32,541.03	\$ 69,827.43	\$ 37,286.40	Incoming Leachate Revenues-Moved Quarterly to LGIP Account
Restricted Cash and Investments:				
LGIP-ERRF	\$ 2,710,467.97	\$ 2,710,467.97	\$ -	Resolution adopted by BOD, January 2018
LGIP-Capital Improvement Reserve	\$ 2,700,000.00	\$ 5,365,607.67	\$ 2,665,607.67	Resolution adopted by BOD, January 2018
<b>Total Cash and Investments</b>	<b>\$ 13,040,999.53</b>	<b>\$ 15,491,143.29</b>	<b>\$ 2,450,143.76</b>	

## Attachment D

### South Central Wastewater Authority For Month Ending May 31, 2020

#### Assets

##### Current Assets

Petty Cash	\$ 250
Wells Fargo Operating Account	\$ 3,650,662
<b>Total Unrestricted Cash</b>	<b>\$ 3,650,912</b>
Wells Fargo Reserve	\$ 3,916,414
Wells Fargo Capital Improvement Reserve	\$ 145,309
ERRF	\$ -
LGIP-ERRF	\$ 2,710,468
LGIP_Capital Improvements Reserve	\$ 5,370,225
<b>Total Restricted Cash</b>	<b>\$ 12,142,417</b>
<b>Total Checking/Savings</b>	<b>\$ 15,793,329</b>
Accounts Receivable	\$ 4,317
Prepaid Expenses	\$ 49,217
Long Term Receivable (Petgs/Legal)	\$ -

**Total Current Assets** **\$ 15,846,863**

##### Fixed Assets

Sewer System Plant	\$ 34,919,518
Equipment & Vehicles	\$ 2,527,576
Plant Machinery	\$ 7,027,662
Construction in Progress	\$ 831,140
Land	\$ 92,968
Accumulated Depreciation	\$ (27,836,397)
<b>Total Fixed Assets</b>	<b>\$ 17,562,467</b>

##### Other Assets

Inventory	\$ 753,246
Def Out Res-Post ER Pension Con	\$ 89,435
Deferred Outflows-GLI OPEB	\$ 20,958
<b>Total Other Assets</b>	<b>\$ 863,639</b>

**Total Assets** **\$ 34,272,969**

#### Liabilities & Equity

##### Current Liabilities

Accounts Payable	\$ 26,032
<b>Total Current Liabilities</b>	<b>\$ 26,032</b>

##### Other Current Liabilities

Payroll Accruals	\$ 219,651
Retainage Payable	\$ -
Suspense-Clearing Account	\$ 481,250
Refunds Due Member Localities	\$ -
<b>Total Other Current Liabilities</b>	<b>\$ 700,901</b>

##### Long Term Liabilities

Net OPEB Obligation	\$ 76,101
Net OPEB Liability-GLI	\$ 139,000
Def Infl-OPEB-Chg of Assumption	\$ 60,071
Deferred Inflows-GLI OPEB	\$ 13,000
Def Inf Res-Net Dif Pension Inv	\$ 56,766
Def Inf Res-Pens Chg Assumption	\$ 43,774
Def Inf Res-Pens Dif Proj/Act E	\$ 39,690
Net Pension Liability	\$ 81,482
<b>Total Long-Term Liabilities</b>	<b>\$ 509,884</b>

**Total Liabilities** **\$ 1,236,817**

#### Equity

Retained Earnings	\$ 15,957,686
Initial Locality Contribution Cap.	\$ 14,166,822
Net Income	\$ 2,911,644
<b>Total Equity</b>	<b>\$ 33,036,152</b>

**Total Liabilities & Equity** **\$ 34,272,969**

South Central Wastewater Authority  
YTD Income Statement for the period ending May 31, 2020

Wastewater Rate Center

Revenues and Expenses Summary

**Operating Budget vs. Actual**

**Revenues**

	<i>Budget</i> <i>FY 19/20</i>	<i>Budget</i> <i>Year-to-Date</i>	<i>Actual</i> <i>Year-to-Date</i>	<i>YTD Budget</i> <i>vs. Actual</i>	<i>Variance</i> <i>Percentage</i>
Septage/Misc Revenue	\$ -	\$ -	\$ 650,279	\$ 650,279	#DIV/0!
O&M Revenue	\$ 8,459,700	\$ 7,754,725	\$ 7,754,725	\$ (0)	0.00%
Reserve Policy	\$ -	\$ -	\$ -	\$ -	#DIV/0!
ER&RF Revenue	\$ -	\$ -	\$ -	\$ -	#DIV/0!
<b>Total Operating Revenues</b>	<b>\$ 8,459,700</b>	<b>\$ 7,754,725</b>	<b>\$ 8,405,003</b>	<b>\$ 650,278</b>	<b>8.39%</b>

**Expenses**

Personnel Cost	\$ 2,792,000	\$ 2,559,333	\$ 2,436,538	\$ (122,795)	-4.80%
Contractual/Professional Services	\$ 375,600	\$ 328,883	\$ 483,811	\$ 154,928	47.11%
Utilities	\$ 462,500	\$ 423,958	\$ 404,640	\$ (19,318)	-4.56%
Communication/Postage/Freight	\$ 31,500	\$ 28,875	\$ 30,381	\$ 1,506	5.22%
Office/Lab/Purification Supplies	\$ 75,000	\$ 68,750	\$ 64,504	\$ (4,246)	-6.18%
Insurance	\$ 67,000	\$ 67,000	\$ 64,830	\$ (2,170)	-3.24%
Lease/Rental Equipment	\$ 11,000	\$ 10,083	\$ 6,917	\$ (3,166)	-31.40%
Travel/Training/Dues	\$ 61,100	\$ 56,008	\$ 35,681	\$ (20,327)	-36.29%
Safety/Uniforms	\$ 44,500	\$ 40,792	\$ 42,317	\$ 1,526	3.74%
Chemicals/Sludge Disposal	\$ 910,000	\$ 834,167	\$ 718,183	\$ (115,983)	-13.90%
Repair/Maintenance Parts & Supplies	\$ 511,500	\$ 468,875	\$ 414,770	\$ (54,105)	-11.54%
<b>Total Operating Expenses</b>	<b>\$ 5,341,700</b>	<b>\$ 4,886,725</b>	<b>\$ 4,702,574</b>	<b>\$ (184,151)</b>	<b>-3.77%</b>
<b>Operating Suplus/(Deficit)</b>	<b>\$ 3,118,000</b>	<b>\$ 2,868,000</b>	<b>\$ 3,702,429</b>	<b>\$ 834,429</b>	<b>29.09%</b>

**Replacement Outlay Budget vs. Actual**

Machinery & Equipment	\$ 123,000	\$ 112,750	\$ 150,294	\$ 37,544	33.30%
Instrumentation	\$ 110,000	\$ 100,833	\$ 88,935	\$ (11,899)	-11.80%
SCADA	\$ 15,000	\$ 13,750	\$ -	\$ (13,750)	-100.00%
Computer Equipment	\$ 10,000	\$ 9,167	\$ 5,506	\$ (3,661)	-39.94%
Motor Vehicles	\$ 75,000	\$ 68,750	\$ 73,253	\$ 4,503	6.55%
Construction	\$ 260,000	\$ 238,333	\$ 244,958	\$ 6,625	2.78%
Special Studies	\$ -	\$ -	\$ -	\$ -	#DIV/0!
<b>Total Replacement Outlay</b>	<b>\$ 593,000</b>	<b>\$ 543,583</b>	<b>\$ 562,946</b>	<b>\$ 19,362</b>	<b>3.56%</b>

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

Nutrient Credit Purchases (Expense)	\$ 525,000	\$ 481,250	\$ 481,250	\$ -	0.00%
Nutrient Reduction	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Interest-Income	\$ -	\$ -	\$ 119,863	\$ 119,863	#DIV/0!
Gain/Loss on Disposal	\$ -	\$ -	\$ 3,400	\$ 3,400	#DIV/0!
Other Income-Other	\$ -	\$ -	\$ 77	\$ 77	#DIV/0!
Alum Litigation Proceeds (Income)	\$ -	\$ -	\$ 130,070	\$ 130,070	#DIV/0!

**South Central Wastewater Authority  
Executive Review  
Cash and Debt Highlights  
As of April 30, 2020**

<b>Highlights: SCWWA Cash Positions</b>	<b>30-Jun-19</b>	<b>31-May-20</b>	<b>Change</b>	<b>Explanation</b>
Unrestricted Cash & Investments:				
Petty Cash	\$ 250.00	\$ 250.00	\$ -	On-Hand Petty Cash for incidental expenses
Wells Fargo Operating Account	\$ 1,664,860.36	\$ 3,650,661.85	\$ 1,985,801.49	Financial Policy: All incoming O & M charges under service agreement
Wells Fargo Reserve Account	\$ 3,916,414.45	\$ 3,916,414.45	\$ -	Financial Policy: 50% of Authority's Annual O & M Budget
Wells Fargo-Capital Improvements Res	\$ 2,016,465.72	\$ -	\$ (2,016,465.72)	Old Capital Reserve Account-Closed once LGIP Accounts Established
Wells Fargo-Incoming Leachate	\$ 32,541.03	\$ 145,309.47	\$ 112,768.44	Incoming Leachate Revenues-Moved Quarterly to LGIP Account
Restricted Cash and Investments:				
LGIP-ERRF	\$ 2,710,467.97	\$ 2,710,467.97	\$ -	Resolution adopted by BOD, January 2018
LGIP-Capital Improvement Reserve	\$ 2,700,000.00	\$ 5,370,225.10	\$ 2,670,225.10	Resolution adopted by BOD, January 2018
<b>Total Cash and Investments</b>	<b>\$ 13,040,999.53</b>	<b>\$ 15,793,328.84</b>	<b>\$ 2,752,329.31</b>	

Attachment D

Alum Litigation Proceeds	ARWA	SCWWA
1/1/2019	\$ 98,254.00	\$ 14,943.00
6/1/2019	\$ 43,519.26	\$ 6,618.44
9/1/2019	\$ 590,063.00	\$ 89,737.00
9/23/2019	\$ 61,040.99	\$ 9,283.16
1/15/2020	\$ 21,050.00	\$ 3,201.00
4/14/2020	\$ 122,082.00	\$ 18,566.00
5/27/2020	\$ 61,040.99	\$ 9,283.16
<b>Total To Date: 6/30/20</b>	<b>\$ 997,050.24</b>	<b>\$ 151,631.76</b>
7/1/2020	\$ 95,631.00	\$ 14,544.00
<b>Total To Date: 7/7/20</b>	<b>\$ 1,092,681.24</b>	<b>\$ 166,175.76</b>

Notes:

- (1) ARWA litigation proceeds are refunded to the members as credits on their quarterly billing.
- (2) SCWWA litigation proceeds are placed in the LGIP for the plant.
- (3) The proceeds for 7/1/2020 will be credited on your FY21, first quarter bill.