



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

SOUTH CENTRAL WASTEWATER AUTHORITY

Board of Directors Meeting

DATE: May 19, 2022

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 17, 2022 (Exhibit A, Pages 2 to 4)
3. Public Comments (Exhibit B, Page 5)
4. Executive Director Report
 - FY23 Budget Public Hearing (Exhibit C, Pages 6 to 16)
 - Nutrient Project Update (Exhibit D, Pages 17 to 18)
 - Status Report (Exhibit E, Pages 19 to 21)
 - Financials (Exhibit F, Pages 22 to 24)
5. Items from Counsel
6. Closed Session
7. Other items from Board Members/Staff Not on Agenda
8. Adjourn

BOARD OF DIRECTORS MEETING
South Central Wastewater Authority
March 17, 2022, at 2:00 p.m.
Location: Appomattox River Water Authority
21300 Chesdin Road, Petersburg, VA 23803

MEMBERS PRESENT:

Doug Smith, Chairman (Colonial Heights)
Kevin Massengill, Vice-Chairman (Dinwiddie)
Joseph Casey, (Chesterfield)

ALTERNATES PRESENT:

Frank Haltom, Secretary/Treasurer (Alternate, Prince George)
George Hayes, (Alternate, Chesterfield)

ABSENT:

Jeffrey Stoke, (Prince George)
Stuart Turille, (Petersburg)
Scott Morris, (Alternate, Chesterfield)
Tangela Innis, (Alternate, Petersburg)
Todd Flippin, (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, Business Manager/FOIA (ARWA & SCWWA)
Kathy Summerson, Administrative Assistant (SCWWA)

OTHERS PRESENT:

Andrew Barnes, (Petersburg)

The SCWWA meeting was called to order after the ARWA meeting by Mr. Smith, Chairman, at 3:26 p.m.

1. Call to Order/Roll Call

The roll was called:	Doug Smith	Present
	Kevin Massengill	Present
	Joseph Casey	Present
	Frank Haltom	Present

2. Approval of Minutes: Minutes of the Regular Meeting of the Board on January 20, 2022

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

RESOLVED, that the Minutes of the Regular Meeting of the Board on January 20, 2022, are hereby approved:

For: 4 Against: 0 Abstain: 0

3. Public Comment

There were no Public Comments.

4. Executive Director's Report:

- Classification and Compensation Study Presentation**

Mr. Smith stated this item is the same as ARWA's meeting, and to take the same action as the ARWA meeting.

Mr. Wilson commented we would like to take the verbiage from the prior ARWA meeting and mimic that in these meeting minutes.

Mr. Wilson stated that the Authority's most important and valued asset is staff. To maintain and sustain our employees, the Authority selected Archer Company to perform our classification and compensation study. This study benchmarked us with our peers and developed a fair market-based system to ensure we are paying a fair wage for the level of responsibility.

Mr. Wilson introduced Ms. Rita Archer of Archer Company LLC who gave a presentation on the Classification and Compensation Study. Ms. Archer stated they met with all the employees and had them complete a formal Comprehensive Position Questionnaire. These questionnaires were used to determine an employee's importance to the organization. To compare against other jurisdictions, job descriptions, not job titles, were sent to ensure the proper level of importance and responsibility were being compared to the other organizations. Ms. Archer provided a list of the other utilities and authorities that responded.

Ms. Archer stated that the current U.S. Bureau of Labor Statistics COLA should be 7.5%. The overall implementation costs with the parameters that they recommend is 15% which includes the COLA and salary adjustment. She stated that their study is to attract and retain good employees.

Mr. Wilson stated that the current hierarchy gets the 7.5% COLA. The 7.5% salary adjustment is based on your current salary and then recommended adjustment towards midpoint in the new salary range is added.

Mr. Wilson asked if he got pressed and had key people come to the table, is there any discretion to put something on the table to hold them until July 1, 2022. Mr. Smith stated he thought whatever is in the salary study you should be able to use it for retention.

Mr. Wilson thanked the Board for their support for the study and investing in the Authority's staff.

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

RESOLVED, that the Board authorizes a 5% COLA increase effective April 1, 2022 and authorizes the implementation of the Salary Study on July 1, 2022, and that includes the differential of 2.5% for the higher COLA. The Board will also consider earlier implementation at the May 19th meeting after Chesterfield County has reviewed and approved their compensation package so that the Authority's package does not compete, but for now being July 1, 2022:

For: 4 Against: 0 Abstain: 0

Vote:

Doug Smith	Aye
Kevin Massengill	Aye
Joseph Casey	Aye
Frank Haltom	Aye

- **FY23 Budget Presentation**

Mr. Wilson reported on the FY23 budget. He stated we are requesting the Board set the public hearing date for May 19, 2022, which is the next scheduled Board meeting.

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

RESOLVED, that the Board approves the Resolution of the South Central Wastewater Authority providing preliminary approval of the Budget for Fiscal Year 2022/2023 and the proposed payment schedule for Fiscal Year 2023 and set a public hearing date of May 19, 2022, p.m. at the Appomattox River Water Authority:

Vote:

Doug Smith	Aye
Kevin Massengill	Aye
Joseph Casey	Aye
Frank Haltom	Aye

- **Nutrient Project Update**

Mr. Gordon reported on the nutrient project update. No Board action requested at this time.

- **Pre-purchase Solids Handling Equipment**

Mr. Gordon reported on the pre-purchase for the solids handling equipment. The Authority received two bids. Our consultant reviewed bids and recommended awarding to Sherwood Logan and Associates in the amount of \$2,012,797. Staff supports the recommendation to award to Sherwood Logan.

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

RESOLVED, that the Board awards Sherwood Logan and Associates the pre-purchase bid of the solids handling equipment, the additive bid item #1, and the optional control panel in the amount of \$2,012,797 and authorizes the Executive Director to execute the necessary documents:

Vote:

Doug Smith	Aye
Kevin Massengill	Aye
Joseph Casey	Aye
Frank Haltom	Aye

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

Mr. Gordon reported on the status report.

- **Financials**

Ms. Wilkins reported on the Financials.

5. Items from Counsel

Mr. Anderson stated he had presented a supplemental distribution to the Board of documents for the Authority to consider approving or being entered into in connection with the local share of the nutrient removal project, which will be funded through a loan made by the Virginia Clean Water Revolving Loan Fund. That fund is administered jointly by DEQ and Virginia Resources Authority. Three of the documents appeared in the September 23, 2021, Board package. He further stated he included the commitment letter from Virginia Resources Authority as well as their form financing agreement, along with your supplemental package. In the commitment letter the interest rate gets set the month before. In the resolution there is a 5% cap on the interest rate. One of the requirements is that the five member jurisdictions enter into a support agreement for the bond. In the support agreement, you are only obligated for your jurisdiction's share. The financing agreement contains the mechanics and the conditions for the purchase of the bond. The most important document is the bond resolution, which authorizes the issuance of sale of the wastewater treatment revenue bond. The resolution would approve the forms of the commitment letter and the financing agreement. It also provides that the maximum principal amount of the bond issue will not be more than \$35 million. The commitment letter is only for \$30 million and change. VRA will go up on the loan if the project does not come in where we hope it will. We have been clear with VRA that the Authority is not prepared to go over \$35 million. The final maturity date of the bond will not be later than June 1, 2051. One change from September 2021 is that VRA came back and required a debt service relief fund to be funded. They do not fund that upfront. The Authority would fund that over a period of time out of revenues. If the Authority adopts this resolution, you will be requesting incorporating subdivisions of the five jurisdictions to approve the issuance of this bond as you are supposed to do under your Service Agreement plus enter into the Support Agreement. The Authority is requesting that those actions be taken. Another thing the Authority is requesting is that the corporate life of the Authority, which was set initially at 50 years, be extended to June 1, 2051. That is the date that the Appomattox River Water Authority's corporate life expires. In September 2021 Dr Casey had a great idea to make ARWA and SCWWA corporate life the same.

Also, in the package is a concurrent resolution, which is like the one done a few years ago that the Board adopted. Other documents are suggested form of resolution for members' governing bodies to approve the project, and issuance of the bond. Dinwiddie County Water Authority would also approve the support agreement, and for most purposes under the Service Agreement is treated as a member. VRA is treating this as an obligation backed by your state aid so if you do not pay, they can tap your state aid. Dr. Casey asked the end date of when you need local approvals by, and Mr. Anderson replied DEQ and VRA expect this loan to close in late third quarter. He stated he is trying to give members enough time to get it on their agenda.

Mr. Wilson stated we will get actual bid numbers in July. When the bid numbers come in the grant gets calculated with the bid numbers. Mr. Anderson stated that each of the resolutions by which members will approve to go forward with their governing bodies does allow it to go up to \$35 million. It tracks the same parameters that we have set forth in the Authority's resolution. Mr. Smith asked when we get down to the individual locality resolutions if it is broken down into what your share of the total is, and Mr. Anderson replied no but we could do that. He will rework the resolution to include this and send it back around to members. Mr. Wilson asked when respective Boards needed something back, and Mr. Anderson replied by the time we are ready to close. Mr. Wilson stated we would open bids in late July. As soon as we have that we can do the calculations at that time and at least let everyone know what their exposure is. We are not closing until September. Mr. Anderson said we will adopt this in July.

6. Closed Session

There was no Closed Session.

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

There were no other items from Board Members/Staff not on the agenda.

8. Adjourn

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

Upon a motion by Dr. Casey and seconded by Mr. Massengill the meeting was adjourned at 4:00 p.m.

MINUTES APPROVED BY:

Frank Haltom
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 B. Wilson, Executive Director
James C. Gordon, Assistant Executive Director

DATE: May 19, 2022

SUBJECT: FY23 Proposed Budget

At the March 17th meeting, staff presented the proposed FY23 budget. Staff also requested the Board set a public hearing date of May 19th. The public hearing for May 19th was advertised in the Progress Index on April 27th and May 4th. A copy of the March 17th presentation is included for reference as Attachment #1.

The executive director sent out the same budget advertised for the public hearing on April 26th to members to see if there were any additional questions. No additional comments or questions were received.

Staff recommends approval of the FY23 budget included in Attachment #1 that is the same that was presented at the March 17th meeting.

Board Action Requested:

Staff requests the Board approve the FY23 budget.



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EXHIBIT D

TO: South Central Wastewater Authority Utility Directors

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

DATE: March 17, 2022

SUBJECT: Proposed FY22/23 Budget

The budget is divided into operating and maintenance costs (O&M) which includes the operating capital outlay, equipment repair and replacement fund (ERRF), debt service, reserve policy, and the capital reserve account. Each incorporating subdivision is responsible for a pro rata share of the O&M expenses. The pro rata share for O&M expenses is calculated from the previous five year running average for each incorporating subdivision.

The pro rata shares used to develop the portion of O&M costs for were:

	<u>FY22/23</u>	<u>FY21/22</u>
○ City of Petersburg	60.301%	59.177%
○ City of Colonial Heights	17.170%	17.792%
○ Chesterfield County	8.202%	7.996%
○ Prince George County	5.652%	6.209%
○ Dinwiddie County	8.674%	8.826%

The ERRF and debt service is distributed by ownership in the plant per the Service Agreements:

○ City of Petersburg	52.5%
○ City of Colonial Heights	20.0%
○ Chesterfield County	10.0%
○ Prince George County	7.5%
○ Dinwiddie County	10.0%

The required balance in the ERRF is \$2.5 million as outlined on page 41, paragraph E. of the Service Agreement. Currently the ERRF is fully funded at \$2.5 million and therefore, no appropriation is requested for the ERRF.

For FY22/23 SCWWA does not have any outstanding bonds and therefore the debt service is \$0. For the nutrient project, we anticipate borrowing funds in November 2022.

The Reserve Policy was adopted by the Board on May 21, 2015 in the “Financial Policy Guidelines for South Central Wastewater Authority”. The pro rata share for the Reserve Policy is distributed by ownership in the plant like the ERRF. The required balance in the Reserve Policy is 50% of O&M costs. The Reserve Policy is currently funded and therefore, no appropriation is requested for FY22/23.

Similar to the ERRF and Reserve Policy, the Capital Reserve Account is funded by percent ownership in the plant. The Capital Reserve Policy is being used for cash to fund the Nutrient project. When the funds are borrowed (bond) for the Nutrient Project and SCWWA begins to pay the debt service, the Capital Reserve Account will be closed and there will be a debt service line for the local share portion of the Nutrient Project. The amount being requested in the Capital Reserve Policy is the estimated debt service for the local share of the nutrient project.

One of the main factors that influences the five-year running average is rain. Unfortunately, water from rain gets into our incorporating subdivision’s collection systems and ultimately ends up at the wastewater treatment plant for treatment. This is commonly known as inflow and infiltration or I&I. Sewer improvements that reduce I&I help to reduce an incorporating subdivision’s treatment costs by reducing their respective five-year running average. The lower the five-year running average, the lower the corresponding O&M costs.

For FY22/23 the operating capital outlay includes replacing vehicles, a new front end loader, scheduled programmable logic controller (PLC) replacement, and blower building lighting upgrades. The identified operating capital outlay projects are projects that are not included in the nutrient project.

Nutrient purchases are slated to be constant through FY25/26.

To assist incorporating subdivision with determining the Authority’s impact on budgets and looking at their future rates, we included a section on estimated rates for the next five years. For these future estimates, we increased the operating expenses annually by 3%, did not inflate operating capital outlay items or nutrient costs and kept the debt service constant. We did increase the debt service in FY22/23 to what we calculated for a 20 year borrowing at 3% for \$35 million. When we close on the local share portion of the Nutrient Project the end of this year, we will update the budget at that time with the known debt service amount.

Specific highlights from the operating budget:

- With salary adjustments per the Compensation and Classification Study, overall salaries increased by 14%.
- 53123 – Administrative Services decreased by \$73,000 with the reorganization of the IT department.
- 55160 – Biosolids disposal increased by \$50,000. This increase is a result of the new removal contract.
- 56055 – Process Chemicals increased by \$172,500.
- 56006 – Repair and Maintenance Supplies – IT decreased by \$50,000 and 56007 – Repair and Maintenance Supplies – Shop increased by \$70,000. This is a result of moving to the two IT technicians to the Maintenance Section.
- 57000 – Operating Capital Outlay was reduced by \$308,000.
- 58000 – Nutrient Credit Purchases stayed the same as FY21/22.
- Total operation and maintenance cost increase was \$128,217.
- We continue to collect funds towards the Nutrient Project, Capital Reserve Account, \$2,500,000.

We met with the utility directors on February 8th and presented the proposed FY23 Budget Narrative and budget. At that meeting, the directors provided input and comments on the budget. This input was incorporated into proposed budget and forwarded to the member financial representatives and utility directors on February 22nd. No additional comments were received.

On February 22nd we forwarded the attached budget narratives and budgets, including the utility directors' comments, to the financial representatives with copies to the directors to make sure we had stated the directors' input correctly and addressed their questions. We asked that any additional comments be submitted by February 25th. We did not receive any additional comments from either the financial representatives or directors. On March 3rd we forwarded the budget to Board members for review. The week of March 7th we met individually with each member to present the proposed budget.

The proposed FY23 budget included as Attachment #1 is the culmination of the budget process that includes all of the input and review from the members. We thank the members for their assistance during the budget preparation process.

The next part of the budget process is to set a public hearing for the proposed FY23 budget. Staff recommends setting the next scheduled Board meeting on May 19th as the public hearing date. Attachment #2 is the proposed resolution to set the public hearing date for May 19th.

Board Action Requested:

Staff requests that the Board set a public hearing for May 19th at the Appomattox River Water Authority, 21300 Chesdin Road, South Chesterfield, VA 23803 at 2:00 pm to allow for public comment on the proposed FY23 budget.

SOUTH CENTRAL WASTEWATER AUTHORITY

FY 2022/2023 Budget

PROPOSED: March 17, 2022

APPROVED:

REVISED:

REVISION APPROVED:

		Fiscal Year 2021/2022	Fiscal Year 2022/2023	Increase/ (Decrease)
Acct #	ITEM	Budget	Budget	
51000	SALARY	\$ 1,940,000	\$ 2,211,441	\$271,441
52000	EMPLOYEE BENEFITS	\$ 939,500	\$ 903,376	-\$36,124
52100	Employer FICA	\$ 149,000	\$ 169,175	\$20,175
52200	Virginia Retirement System	\$ 151,000	\$ 121,408	-\$29,592
52300	Hospitalization Insurance	\$ 600,000	\$ 572,322	-\$27,678
52400	Group Life	\$ 28,000	\$ 28,970	\$970
52450	Supplemental Group Life	\$ 1,500	\$ 1,500	\$0
52500	Health Insurance Credit	\$ -	\$ -	\$0
52600	Workers Comp/Unemployment	\$ -		
52700	Employee Promotions	\$ 10,000	\$ 10,000	\$0
52900	OPEB Health Insuranc ARC Adj	\$ -	\$ -	\$0
52952	Net Pension Adjustment	\$ -	\$ -	\$0
53000	Contractual Services	\$ 340,000	\$ 309,000	-\$31,000
53121	Auditing Services	\$ 12,500	\$ 20,000	\$7,500
53122	Accounting Services	\$ 11,000	\$ 12,000	\$1,000
53123	Administrative Service	\$ 73,000	\$ -	-\$73,000
53124	Part-Time Summer Interns		\$ 5,000	\$5,000
53140	Consults - Engineering	\$ 50,000	\$ 50,000	\$0
53145	Consults - General	\$ -	\$ -	\$0
53150	Legal Services	\$ 50,000	\$ 50,000	\$0
53152	Software Support	\$ 50,000	\$ 60,000	\$10,000
53160	Medical	\$ 3,000	\$ 5,000	\$2,000
53162	Bank Service Charges	\$ -	\$ -	\$0
53170	Payment in Lieu of Taxes (City of Petersburg)	\$ -	\$ -	\$0
53190	Samples and Testing	\$ 43,000	\$ 52,000	\$9,000
53220	VPDES Permit Fee	\$ 12,500	\$ 12,500	\$0
53320	Maintenance Service Contracts	\$ 10,000	\$ 15,000	\$5,000
53600	Grounds Maintenance	\$ 25,000	\$ 27,500	\$2,500
55000	Other Charges	\$ 1,014,500	\$ 1,065,500	\$51,000
55050	Advertising	\$ 5,000	\$ 5,000	\$0
55110	Electricity	\$ 450,000	\$ 450,000	\$0
55120	Natural Gas	\$ 15,000	\$ 15,000	\$0
55130	Solid Waste	\$ 3,500	\$ 3,500	\$0
55140	Water	\$ 10,000	\$ 10,000	\$0

55150	Storm Water (City of Petersburg)	\$ 6,500	\$ 6,500	\$0
55160	Biosolids Disposal	\$ 350,000	\$ 400,000	\$50,000
55210	Postage and Freight	\$ 25,000	\$ 25,000	\$0
55230	Telecommunications	\$ 16,500	\$ 17,500	\$1,000
55308	General Liability Insurance	\$ 70,000	\$ 70,000	\$0
55410	Lease/Rent of Equipment	\$ 11,000	\$ 11,000	\$0
55530	Meals and Lodging	\$ 2,000	\$ 2,000	\$0
55540	Education and Training	\$ 25,000	\$ 25,000	\$0
55550	Safety Supplies	\$ 25,000	\$ 25,000	\$0
55700	Grounds Maintenance			\$0
56000	Materials and Supplies	\$ 1,245,100	\$ 1,426,000	\$180,900
56001	Office Supplies	\$ 15,000	\$ 15,000	\$0
56004	Laboratory Supplies	\$ 56,100	\$ 59,500	\$3,400
56005	Process Chemicals	\$ 575,000	\$ 747,500	\$172,500
56006	Repair and Maintenance Supplies - IT	\$ 80,000	\$ 30,000	-\$50,000
56007	Repair and Maintenance Supplies - Shop	\$ 395,000	\$ 465,000	\$70,000
56008	Vehicle and Equipment Fuels	\$ 25,000	\$ 25,000	\$0
56010	Janitorial Supplies	\$ 10,000	\$ 10,000	\$0
56011	Uniforms	\$ 24,000	\$ 24,000	\$0
56012	Dues and Subscriptions	\$ 35,000	\$ 30,000	-\$5,000
56015	Small Equipment Purchases	\$ 20,000	\$ -	-\$20,000
56016	Operation - Supplies - Maintenance	\$ 10,000	\$ 20,000	\$10,000
57000	Operating Capital Outlay	\$ 727,000	\$ 419,000	-\$308,000
58000	Nutrient Credit Purchases	\$ 187,500	\$ 187,500	\$0
59000	Rate Stabilization Funds to be deposited to Capital Reserve Acct			\$0
	Total(Operations & Maintenance)	\$ 6,393,600	\$ 6,521,817	\$128,217
	Reserve policy (50% O&M) (1)	\$ -	\$ -	\$0
	ERRF (5% of Operations & Maintenance) (2)	\$ -	\$ -	\$0
	Capital Reserve Account (3)	\$ 2,500,000	\$ 2,500,000	\$0
	Debt Service	\$ -	\$ -	\$0
	Total	\$ 8,893,600	\$ 9,021,817	\$128,217

Notes

(1) Reserve Policy requirement is to maintain 50% O&M reserves. Reserve Policy account currently has 50% O&M

(2) Equipment Replacement and Reserve Fund (ERRF) has > \$2.5 million. Per service agreement, the budget must include 5% O&M charge for ERRF until the account reaches \$2.5 million

(3) Capital Reserve account is used to offset future capital expenditures.

SOUTH CENTRAL WASTEWATER AUTHORITY

FY 2022/2023 Budget			
Proposed: <u>March 17, 2022</u>		Approved: _____	
		Revised: _____	
		Revision Approved: _____	
Operations and Maintenance, Equipment Repair and Replacement Funds and Debt Service billing per July 2, 1996 Service Agreement			

Operation and Maintenance, Section 10, Para. 2					Budget:	\$6,521,816.92
Community	Petersburg	Colonial Heights	Chesterfield	Prince George	Dinwiddie	
% O&M (1)	60.301%	17.170%	8.202%	5.652%	8.674%	
O&M	\$ 3,932,750.86	\$ 1,119,771.99	\$ 534,943.80	\$ 368,641.16	\$ 565,709.12	

Equipment Repair and Replacement Fund, Section 11, Para. E, 5% of O&M					Budget:	\$ -
%ERRF(2)	52.5%	20.0%	10.0%	7.5%	10.0%	
ERRF	\$ -	\$ -	\$ -	\$ -	\$ -	

Debt Service, Section 11, Para. A.2					Budget:	\$ -
% Participation	52.50%	20.00%	10.00%	7.50%	10.00%	
P&I Owed	\$ -	\$ -	\$ -	\$ -	\$ -	
Deferred	\$ -	\$ -	\$ -	\$ -	\$ -	
Total P&I	\$ -	\$ -	\$ -	\$ -	\$ -	

Reserve Policy					Budget:	0
% Participation (3)	52.5%	20.0%	10.0%	7.5%	10.0%	
Reserve Policy	\$ -	\$ -	\$ -	\$ -	\$ -	

Capital Reserve Account (to offset future Capital Expenditures)					Budget:	\$ 2,500,000.00
% Participation	52.5%	20.0%	10.0%	7.5%	10.0%	
Reserve Policy	\$ 1,312,500.00	\$ 500,000.00	\$ 250,000.00	\$ 187,500.00	\$ 250,000.00	

Annual Total	\$ 5,245,250.86	\$ 1,619,771.99	\$ 784,943.80	\$ 556,141.16	\$ 815,709.12	
O&M Due Monthly	\$ 327,729.24	\$ 93,314.33	\$ 44,578.65	\$ 30,720.10	\$ 47,142.43	
ERRF Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -	
Reserve policy Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -	
Capital Reserve Account	\$ 109,375.00	\$ 41,666.67	\$ 20,833.33	\$ 15,625.00	\$ 20,833.33	
P&I Due Monthly	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Due Monthly	\$ 437,104.24	\$ 134,981.00	\$ 65,411.98	\$ 46,345.10	\$ 67,975.76	

Notes:

(1) Participation percentage based on flow data for period from FY17 to FY21

(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 2022/2023 Budget						
Proposed: <u>March 17, 2022</u>		Approved: _____		Revised: _____		
				Revision Approved: _____		
<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	60.301%	17.170%	8.202%	5.652%	8.674%	100.000%
Estimated Share of Operations & Maintenance	\$ 3,932,750.86	\$ 1,119,771.99	\$ 534,943.80	\$ 368,641.16	\$ 565,709.12	\$ 6,521,816.92
Share of Plant Capacity (%)	52.50%	20.00%	10.00%	7.50%	10.00%	100.00%
Share of Equipment Replacement Reserve Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve Policy - (50% O&M)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Reserve Account	\$ 1,312,500.00	\$ 500,000.00	\$ 250,000.00	\$ 187,500.00	\$ 250,000.00	\$ 2,500,000.00
Share of Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Amount	\$ 437,104.24	\$ 134,981.00	\$ 65,411.98	\$ 46,345.10	\$ 67,975.76	\$ 751,818.08
Annual Total	\$ 5,245,250.86	\$ 1,619,771.99	\$ 784,943.80	\$ 556,141.16	\$ 815,709.12	\$ 9,021,816.92
Electrical Credit						\$ -
Miscellaneous Revenue - PROPOSE THIS REVENUE IS DEPOSITED TO A CAPITAL RESERVE FUND						\$ -
<u>Total Budget</u>						\$ 9,021,816.92

Budget Comparison

	FY22/23 Budget	FY21/22 Budget	FY22/23 - FY21/22	
Locality	Revenue	Revenue	Difference	
City of Petersburg	\$ 5,245,251	\$ 5,096,057	\$ 149,194	2.93%
City of Colonial Heights	\$ 1,619,772	\$ 1,637,529	\$ (17,757)	-1.08%
Chesterfield County	\$ 784,944	\$ 761,223	\$ 23,721	3.12%
Prince George County	\$ 556,141	\$ 584,501	\$ (28,360)	-4.85%
Dinwiddie County	\$ 815,709	\$ 814,291	\$ 1,419	0.17%
Sub-totals	\$ 9,021,817	\$ 8,893,600	\$ 128,217	0.056%
Deferred Debt (Petersburg)	\$ -	\$ -	\$ -	
Deferred Debt (Colonial Heights)	\$ -	\$ -	\$ -	
Deferred Debt (Prince George)			\$ -	
Electrical Credit	\$ -	\$ -	\$ -	
Miscellaneous Revenue	\$ -	\$ -	\$ -	
Total Budget	\$ 9,021,816.92	\$ 8,893,600.00	\$ 128,216.92	

50% Reserve Policy:
Reserve Policy Calculation

SCWWA O&M Budget	O&M Reserves on June 30, 2021	Recommended 50% O&M Reserves	Charges required to achieve 50% reserves	Annual Charge
\$6,521,817	\$3,916,414.45	\$3,260,908.46	-\$655,505.99	0

South Central Wastewater Authority
Operating Capital Outlay - 57000
FY22/23

Acct#	Budget 21/22	Proposed Budget 22/23	INFORMATIONAL & PLANNING									
			23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	
57010 - Machinery & Equipment	\$ 292,000	\$ 145,000	\$ 295,000	\$ 125,000	\$ 160,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
57020 - Instrumentation	\$ -	\$ 134,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57030 - SCADA	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -
57040 - Computer Hardware & Software	\$ -	\$ 20,000	\$ -	\$ 16,500	\$ -	\$ -	\$ 20,000	\$ -	\$ 16,500	\$ -	\$ -	\$ -
57050 - Motor Vehicles	\$ -	\$ 35,000	\$ 30,000	\$ -	\$ 36,000	\$ -	\$ 100,000	\$ 85,000	\$ 47,000	\$ -	\$ -	\$ -
57055 - Equipment	\$ 185,000	\$ 85,000	\$ 285,000	\$ 75,000	\$ 40,000	\$ 230,000	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -
57060 - Construction	\$ 250,000	\$ -	\$ -	\$ -	\$ 575,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57080 - Fixtures and Furniture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 727,000	\$ 419,000	\$ 610,000	\$ 216,500	\$ 826,000	\$ 455,000	\$ 320,000	\$ 210,000	\$ 188,500	\$ 140,000	\$ 125,000	

NOTE: FY 22/23 OPERATING CAPITAL OUTLAY TO BE APPROVED WITH BUDGET

South Central Wastewater Authority
Capital Budget
FY22/23

ITEM	Estimate	Budget 21/22	Proposed Budget 22/23	INFORMATIONAL & PLANNING									
				23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	
Nutrient Upgrade - Engineering (See Note 1.)	\$ 3,070,384	\$ 1,535,192	\$ -										
Nutrient Upgrade - Bond (See Notes 2. and 3.)	\$ 35,000,000	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	
Capital Reserve Account (See Notes 4. and 5.)		\$ 2,500,000	\$ 2,500,000										
Totals		\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	

NOTE:

1. The purchase order has been issued for the Nutrient Upgrade - Engineering. This amount is funded and only illustrated for informational purposes. That is the reason it is not included in the "Totals"
2. Bond Funding will be required for the Proposed Nutrient Upgrade Project. Debt service for the local share portion of the Nutrient upgrade was estimated at \$35 million over 20 years at 3%.
3. The \$35 million is the proposed local share for the Nutrient project. The estimated total project cost including the local share is \$107.7 million.
4. Nutrient Upgrade - Engineering for FY2021 and FY2022 is funded through the Capital Reserve Account as approved at the September 2020 Board meeting
5. The Capital Reserve Account that is currently funding engineering for the Nutrient Project will end in FY21/22. The Nutrient Upgrade - Bond will be used to fund the local share debt service for the Nutrient Project.

Total Operating Capital Outlay and Construction Budget											
21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	
\$ 3,227,000	\$ 2,919,000	\$ 3,110,000	\$ 2,716,500	\$ 3,326,000	\$ 2,955,000	\$ 2,820,000	\$ 2,710,000	\$ 2,688,500	\$ 2,640,000	\$ 2,625,000	

South Central Wastewater Authority
Nutrient Credit Purchase - Acct # 58100
FY22/23

Acct# 58100	Budget 21/22	Proposed Budget 22/23	INFORMATIONAL & PLANNING									
			23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	
Contract + contingency	\$ 187,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NOTE: FY 22/23 TO BE APPROVED WITH BUDGET

SCWWA Budget comparisons

Year	(1) Operating Capital			(2)		(3)		Total	Difference	% change	Comments
	O&M Expenses	Outlay	Nutrients	Debt Service	Reserve policy	ERRF					
21/22	\$ 5,479,100.00	\$ 538,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 8,734,600.00				
22/23	\$ 5,915,316.92	\$ 419,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,021,816.92	\$ 287,216.92	3%		
23/24	\$ 6,092,776.43	\$ 610,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,390,276.43	\$ 368,459.51	4%		
24/25	\$ 6,436,559.72	\$ 216,500.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 9,340,559.72	\$ (49,716.71)	-1%	added maint sup and mechanic + benefits	
25/26	\$ 6,629,656.51	\$ 826,000.00	\$ 187,500.00	\$ 2,500,000.00	\$ -	\$ -	\$ 10,143,156.51	\$ 802,596.79	9%	should be last year purchasing credits	
26/27	\$ 6,828,546.21	\$ 455,000.00	\$ -	\$ 2,500,000.00	\$ -	\$ -	\$ 9,783,546.21	\$ (359,610.30)	-4%		

Notes:

- (1) Annual increase in operating expenses 3%
- (2) Debt Service stays constant. Projections assume bond payments start in FY23 (shown in red)
- (3) Equipment Replacement and Reserve Fund (currently fully funded at >\$2,500,000)

SCWWA Projected Annual Cost

5 year projeceted annual cost per Participating Jurisdiction

	Dinwiddie	Prince George	Colonial Heights	Chesterfield	Petersburg	total
5 year aver flows	8.674%	5.652%	17.170%	8.202%	60.301%	100.000%
Allocation	10.000%	7.500%	20.000%	10.000%	52.500%	100.000%
FY 22/23	\$ 815,709	\$ 556,141	\$ 1,619,772	\$ 784,944	\$ 5,245,251	\$ 9,021,817
FY 23/24	\$ 847,670	\$ 576,968	\$ 1,683,035	\$ 815,166	\$ 5,467,437	\$ 9,390,276
FY 24/25	\$ 843,357	\$ 574,158	\$ 1,674,499	\$ 811,088	\$ 5,437,457	\$ 9,340,560
FY 25/26	\$ 912,975	\$ 619,524	\$ 1,812,302	\$ 876,920	\$ 5,921,435	\$ 10,143,157
FY 26/27	\$ 881,782	\$ 599,197	\$ 1,750,558	\$ 847,424	\$ 5,704,585	\$ 9,783,546

Note: Budget % based on five year average flows (FY16/17 to FY20/21)

RESOLUTION
OF THE SOUTH CENTRAL WASTEWATER AUTHORITY
PROVIDING PRELIMINARY APPROVAL OF THE
BUDGET FOR FISCAL YEAR 2023 AND
THE RELATED PAYMENT SCHEDULE

WHEREAS, in the fall and winter of 2021 and 2022 the staff of the South Central Wastewater Authority (the "Authority") developed the Authority's proposed budget and payment schedule for Fiscal Year 2022 and has presented the proposed budget and payment schedule to the Authority Board at this meeting held on March 17, 2022; and

WHEREAS, Virginia Code Section 15.2-5136(G) require the preliminary approval of the proposed budget and payment schedule for notification of a public hearing prior to the final adoption of the budget and payment schedule for any fiscal year;

NOW, THEREFORE, BE IT RESOLVED that the Board of the South Central Wastewater Authority hereby (a) provides preliminary approval of (i) the proposed Fiscal Year 2023 budget submitted as an attachment to this resolution and (ii) the proposed payment schedule for Fiscal Year 2023 as set forth below, (b) schedules a public hearing on the proposed Fiscal Year 2023 budget and payment schedule at the Authority's next scheduled Board meeting on May 19, 2022, and (c) directs Authority staff to provide for the publication of the notices of such public hearing in accordance with Virginia Code Section 15.2-5136(G):

FY2023 PAYMENTS	
City of Petersburg	\$5,245,250.86
City of Colonial Heights	1,619,771.99
Chesterfield County	784,943.80
Prince George County	556,141.16
Dinwiddie County	815,709.12
TOTAL	\$9,021,816.93

BE IT FURTHER RESOLVED that the Authority Board acknowledges that pursuant to the wastewater service agreement in effect between the Authority and each of its five member jurisdictions, the payment schedule is subject to change during or after Fiscal Year 2023 based on, among other things, each member jurisdiction's actual use of the Authority's wastewater treatment facilities and the actual amount of revenues received and expenses incurred by the Authority during Fiscal Year 2023.



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

Exhibit D

TO: South Central Wastewater Authority Board of Directors

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

DATE: May 19, 2022

SUBJECT: Nutrient Project Update

Since the March 2022 meeting, the following effort has taken place on the Nutrient Project:

- Access Road
 - SCWWA counsel is performing a title search and is working with counsel for the Petersburg Economic Development Authority to draft the right of way agreement.
- General Contractor Prequalification
 - Six prequalification packages were received for evaluation. One was received after the due date and the package was returned unopened.
 - Hazen has reviewed the financials and contacted references for the five packages received. All five contractors met the prequalification requirements.
 - Bid packages will be sent to all five contractors on May 16, 2022.
 - Bid award recommendation will be presented at the July 28, 2022 board meeting.
- Equipment Prepurchase
 - Purchase orders for the solids handling equipment were issued through Sherwood Logan as approved at the March 17, 2022 Board of Directors meeting.
 - Three purchase order were issued
 - Schwing Bioset for the lime and solids conveyor equipment.
 - Sherwood Logan for Seepex pumps and Velodyne polymer feed system
 - Alfa Laval for the Belt Filter Presses and Gravity Belt Thickeners.
 - We are currently receiving submittals for review.
- Project Funding
 - SCWWA issued Requisition #1 for reimbursement of payments made for the Preliminary Engineering Report, Value Engineering, and design work through December 2021. Work to date at the time of request was \$2,977,164 that results in a reimbursement of \$2,257,673.
 - Counsel will present additional agreements for consideration at the July 28th meeting.
- Design
 - Plans and Specifications

- Buy America revisions to be included in the bid documents as required for the Revolving Loan Fund
- Additional geotechnical work and potholing was performed
- 100% design and specifications received
- Certificate to Construct (CTC) was delivered to the Department of Environmental Quality on May 2nd. DEQ provided CTC on May 10th.
- Dominion
 - Transmission Easement
 - Submitted agreement with revised piping alignment and verbiage to allow for use as a temporary laydown yard
 - Waiting for Dominion to execute the agreement
 - Primary Feed
 - Met with Dominion Project Designer to discuss underground routing of primary feed to the SCWWA
 - Strategies to continue feed to existing station and transitioning to the new station were discussed.
 - Dominion's estimate to provide conduit for installation and to pull new conductors is \$200,000. SCWWA contractor to install the conduit per Dominion specifications.
- Comcast
 - Internet service is run on the same line as the primary Dominion feed
 - Plan to run underground at the same time as the electrical
 - Estimate was \$8,700 for Comcast to perform turnkey or \$2200 with SCWWA contractor installing conduit and splice boxes.
- Permitting
 - Plans submitted to the City of Petersburg Planning for review and comment.
 - Exemptions will be requested as part of the project for installation of water dependent facilities in the resource protection area (RPA).
 - Staff met with the Petersburg on 4/27 and 5/3 to discuss the project and answer any questions. Digital set of the site plan and an initial list of exemptions were provided as a result of this meeting.
 - Hazen does not anticipate a Joint Permit Application for this project.
- Change Order
 - Hazen has submitted a change order request for design engineering services
 - Staff is evaluating their request

Board Action Requested:

No Board action is requested at this time.



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Exhibit E

TO: South Central Wastewater Authority Board of Directors

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

DATE: May 19, 2022

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.

➤ General

- The next scheduled Board of Directors Meeting is Thursday, July 28, 2022, at the South Central Wastewater Authority at 2:00 pm.
- Reviewed proposals for auditing services. Robinson, Farmer, Cox Associates was selected for our auditing services.
- DEQ Hazard Waste Inspector has provided a letter to close out the inspection performed on March 17, 2022. There were no significant findings and SCWWA is in compliance.
- SCWWA's modified Virginia Pollutant Discharge Elimination System (VPDES) permit has been completed and received.
- SCWWA's VPDES permit renewal application has been sent to DEQ and we have received verification that the application is complete. Current permit expires September 30, 2022.
- Updated third quarter percent Operating and Maintenance splits were distributed to member directors and utility managers. The percentages were updated based on the third quarter flow numbers provided by the member utilities.
- Leachate and Septage revenues were:

Month	Leachate	Septage
March	\$2,306.65	\$16,509.53
April	\$0.00	\$13,667.03

- SCWWA's annual total nitrogen (TN) waste load allocation (WLA) is 350,239 lbs. TN discharged through April 2022 was 129,227 lbs. We have a contract with Chesterfield to purchase 50,000 credits to cover any WLA overage.
- SCWWA's annual total phosphorus (TP) WLA is 28,404 lbs. TP discharged through April 2022 was 6,891 lbs.

➤ Operations

- Plant effluent met all permit requirements for March and April 2022.

- Average daily effluent flows were:

Month	Average Effluent Flow (mgd)	Total Monthly Precipitation (inches)
March	13.01	3.88
April	10.71	2.80

- Training on hand operation of systems without PLC controls.
- The influent stream pH was extremely low in two instances. On 4/5 and 4/20 the influent wastewater stream pH was \approx <3.0. The typical stream pH is 7.0 and extremely low pH can upset wastewater treatment.
 - 4/5/2022 – Staff noticed the influent pH was <3.0. Influent stream was 8-10 mgd. The low pH influent continued for several hours. The flow was coming through the Petersburg Main Pump Station. Staff, working with Petersburg Utility staff, attempted to locate the source but the flow return to normal shortly after sampling began. Staff were able to capture the low pH and bleed it into the treatment stream overtime and adjust pH with caustic to maintain plant operation.
 - 4/20/2022 – pH was close 3 and lasted for approximately 2 hours. Staff protected the process, as previously, by capturing the influent stream and bleeding it in over time to maintain a pH that was not detrimental to the process.
 - Data loggers have been deployed to strategic locations to help identify the source of the low pH discharge in the event it happens again in the future.
- Working with member utilities to add remote monitoring of pH at the main pump stations to the treatment plant.
- The regional producer for Sodium Hypochlorite was offline recently which put a strain on availability. Sodium Hypochlorite is used for disinfection at water and wastewater treatment facilities. The producer is now up and running but there is a backlog for supply. Staff are coordinating deliveries to maintain needed supply.
- Coordinating with the contractor replacing the drain pump station to manage wet well flows.
- Coordinating with A and R Electrical for replacing Pump Building 3 and Pump Building 5 motor control centers (MCCS). These are not included in the upgrade.

➤ Maintenance

- Setup disposal barrels, drying racks, disposal logs, and scale for compliance with solid waste disposal requirements.
- Replumbing fill and discharge lines for the alum storage tanks.
- Mounted and wired new security cameras.
- Installed check valves and backflow prevention to provide backup seal water and makeup water flow in the event non-potable plant use water is down.
- Belt Filter Presses have required several bearings changed and new belts recently.

➤ IT

- Web view for SCADA software has been installed. To be implemented in key areas to provide better process visibility.
- Investigating best option to connect remote pH monitors to the SCWWA SCADA
- Added new security cameras to the network.

- Placing a network switch on the first floor of the Main Control Building to simplify the wiring to the second floor. This is in preparation for the nutrient reduction upgrade.

➤ Laboratory

- Final test data for the VPDES application was received and submitted to DEQ.
- Annual proficiency tests were received and analyzed.
- Lab services RFP was distributed and responding labs were evaluated. Enthalpy was select for SCWWA laboratory services.
- Working with member utility directors to find appropriate locations for pH data loggers

➤ Drain Pump Station

- Pumps and controls are onsite.
- Building is onsite
- Building permit was issued as the discharge piping was rerouted to keep it out of the Resource Protection Area (RPA)
- Contractor is onsite and work is underway

➤ Roofing Project

- Solids Building, Pump Building 5, Sodium Bisulfite Building, Vehicle Storage Building, and Blower Building roofs need to be replaced.
- This project is budgeted under O&M at \$250,000
- Contract was awarded to Whitley Service Roofing and Sheet Metal Company.

➤ PB3 and PB5 MCC Replacement

- Met with A&R electrical to discuss outages. Contractor to provide temporary power for key areas within the plant during outage.
- Met with MCC vendor to review details of the existing system. Lead time for equipment was approximately 16 weeks but may take longer now.

Exhibit F

South Central Wastewater Authority For Month Ending April 30, 2022

Assets

Current Assets

Petty Cash	\$ 250
Wells Fargo Operating Account	\$ 5,969,682
Payments In-Transit To LGIP Fund	\$ 13,667
Total Unrestricted Cash	\$ 5,983,599

Wells Fargo Reserve	\$ 3,916,414
LGIP-ERRF	\$ 2,710,468
LGIP_Capital Improvements Reserve	\$ 6,121,156
Total Restricted Cash	\$ 12,748,038

Total Checking/Savings **\$ 18,731,637**

Accounts Receivable	\$ 15,873
Prepaid Expenses	\$ 46,913
Long Term Receivable (Petgs/Legal)	\$ -

Total Current Assets **\$ 18,794,423**

Fixed Assets

Sewer System Plant	\$ 34,163,853
Equipment & Vehicles	\$ 2,506,266
Plant Machinery	\$ 6,856,858
Construction in Progress	\$ 1,434,833
Land	\$ 92,968
Accumulated Depreciation	\$ (28,103,392)

Total Fixed Assets **\$ 16,951,386**

Other Assets

Inventory	\$ 937,503
Def Out Res-Post ER Pension Con	\$ 102,715
Deferred Outflows-GLI OPEB	\$ 33,247
Def Out Res-OPEB Assumptions	\$ 4,181
Def Out Res-OPEB Experience	\$ 41,999
Def Out Res-OPEB Contributions	\$ 6,681

Total Other Assets **\$ 1,126,326**

Total Assets

\$ 36,872,135

Liabilities & Equity

Current Liabilities

Accounts Payable	\$ 418,382
------------------	------------

Total Current Liabilities **\$ 418,382**

Other Current Liabilities

Payroll Accruals	\$ 259,107
Health Ins-ARWA	\$ -
Retainage Payable	\$ -
Accrue for Nutrient Credit Purchases	\$ 23,877
Refunds Due Member Localities	\$ -

Total Other Current Liabilities **\$ 282,983**

Long Term Liabilities

Net OPEB Obligation	\$ 152,684
Net OPEB Liability-GLI	\$ 143,186
Def Infl-OPEB-Chg of Assumption	\$ 19,960
Deferred Inflows-GLI OPEB	\$ 10,966
Def Inf-Chg in Ex and Act	\$ 1,699
Def Inf Res-Net Dif Pension Inv	\$ (29,762)
Def Inf Res-Pens Chg Assumption	\$ (56,895)
Def Inf Res-Pens Dif Proj/Act E	\$ (144,366)
Net Pension Liability	\$ 517,245

Total Long-Term Liabilities **\$ 614,717**

Total Liabilities **\$ 1,316,082**

Equity

Retained Earnings	\$ 20,682,480
Initial Locality Contribution Cap.	\$ 14,166,822

Net Income	\$ 706,751
Total Equity	\$ 35,556,053

Total Liabilities & Equity **\$ 36,872,135**

South Central Wastewater Authority
YTD Income Statement for the period ending April 30, 2022

Wastewater Rate Center

Revenues and Expenses Summary

<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>YTD Budget</i>	<i>Variance</i>
<i>FY 21/22</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	\$ -	\$ -	\$ 487,221	\$ 487,221	#DIV/0!
O&M Revenue	\$ 6,393,600	\$ 5,328,000	\$ 5,328,000	\$ 0	0.00%
Capitol Improvements Reserve	\$ 2,500,000	\$ 2,083,333	\$ 2,083,333	\$ (0)	0.00%
ER&RF Revenue	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Total Operating Revenues	\$ 8,893,600	\$ 7,411,333	\$ 7,898,554	\$ 487,221	6.57%

Expenses

Personnel Cost	\$ 2,879,500	\$ 2,399,583	\$ 2,269,412	\$ (130,171)	-5.42%
Contractual/Professional Services	\$ 345,000	\$ 287,500	\$ 201,968	\$ (85,532)	-29.75%
Utilities	\$ 485,000	\$ 404,167	\$ 357,132	\$ (47,035)	-11.64%
Communication/Postage/Freight	\$ 41,500	\$ 34,583	\$ 28,603	\$ (5,981)	-17.29%
Office/Lab/Janitorial Supplies	\$ 81,100	\$ 67,583	\$ 81,348	\$ 13,765	20.37%
Insurance	\$ 70,000	\$ 70,000	\$ 67,417	\$ (2,583)	-3.69%
Lease/Rental Equipment	\$ 11,000	\$ 9,167	\$ 9,570	\$ 404	4.40%
Travel/Training/Dues	\$ 62,000	\$ 51,667	\$ 39,647	\$ (12,020)	-23.26%
Safety/Uniforms	\$ 49,000	\$ 40,833	\$ 49,605	\$ 8,771	21.48%
Chemicals/Sludge Disposal	\$ 925,000	\$ 770,833	\$ 815,215	\$ 44,381	5.76%
Repair/Maintenance Parts & Supplies/Purchases	\$ 530,000	\$ 441,667	\$ 557,326	\$ 115,659	26.19%
Total Operating Expenses	\$ 5,479,100	\$ 4,577,583	\$ 4,477,242	\$ (100,341)	-2.19%
Operating Suplus/(Deficit)	\$ 3,414,500	\$ 2,833,750	\$ 3,421,312	\$ 587,562	20.73%

Replacement Outlay Budget vs. Actual

Machinery & Equipment	\$ 292,000	\$ 243,333	\$ 113,534	\$ (129,800)	-53.34%
Plant Equipment	\$ 185,000	\$ 154,167	\$ 110,000		
Instrumentation	\$ -	\$ -	\$ 132,579	\$ 132,579	#DIV/0!
SCADA	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Computer Equipment	\$ -	\$ -	\$ 20,992	\$ 20,992	#DIV/0!
Motor Vehicles	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Construction	\$ 250,000	\$ 208,333	\$ 134,223	\$ (74,111)	-35.57%
Special Studies	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Total Replacement Outlay	\$ 727,000	\$ 605,833	\$ 511,328	\$ (50,339)	-8.31%

Nutrient Upgrade Budget vs. Actual

Nutrient Upgrade-Engineering	\$ -	\$ -	\$ 1,872,971	\$ 1,872,971	#DIV/0!
Nutrient Upgrade-Solids Handling	\$ -	\$ -	\$ 196,480	\$ 196,480	#DIV/0!

Other Income/Expense Budget vs. Actual

Nutrient Credit Purchases (Expense)	\$ 187,500	\$ 156,250	\$ 156,250	\$ -	0.00%
Nutrient Reduction	\$ -	\$ -	\$ 2,224	\$ 2,224	#DIV/0!
Interest-Income	\$ -	\$ -	\$ 12,418	\$ 12,418	#DIV/0!
Gain/Loss on Disposal	\$ -	\$ -	\$ 6,300	\$ 6,300	#DIV/0!
Other Income-Other	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Alum Litigation Proceeds (Income)	\$ -	\$ -	\$ 1,532	\$ 1,532	#DIV/0!

South Central Wastewater Authority
Executive Review
Cash and Debt Highlights
As of April 30, 2022

Highlights: SCWWA Cash Positions					30-Jun-21	30-Apr-22	Change	Explanation	
Unrestricted Cash & Investments:									
		Petty Cash			\$ 250.00	\$ 250.00	\$ -	On-Hand Petty Cash for incidental expenses	
		Wells Fargo Operating Account			\$ 3,677,661.92	\$ 5,969,681.61	\$ 2,292,019.69	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	
		Payments In-Transit to LGIP Fund (Performed Quarterly)			\$ -	\$ 13,667.07	\$ 13,667.07	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			\$ 7,688,458.72	\$ 6,121,155.76	\$ (1,567,302.96)	Resolution adopted by BOD, January 2018	
Total Cash and Investments					\$ 17,993,253.06	\$ 18,731,636.86	\$ 738,383.80		