

Maury Service Authority

Minutes of the Board Meeting

Tuesday July 24, 2018

The regular monthly meeting of the Maury Service Authority Board of Directors was held in the board room of the Water Treatment Plant. In attendance were Chairman Capt. Ned Riester, Board members Mr. John Higgins; Mr. Jimmy Carter; Mr. George Graves, and Mr. J.D. Goad. Also in attendance was L. Jordan Combs, MSA Executive Director; Mr. Jeff Martone, Lexington Public Works Director; Mrs. Melissa Alexander, PSA Executive Director; Mrs. Sandra Stewart, Rockbridge Area Conservation Council; Mrs. Christina Shea, MSA Administrative Secretary; Mr. Charles Aligood, Citizen of the City of Lexington, VA; and Mr. William P. Johnson II PE, Engineer.

Regular Monthly Board Meeting:

Chairman Capt. Ned Riester called the regular meeting to order at 5:00 pm.

1. Approval of Minutes:

Mr. Higgins made the motion to approve the minutes for the May 2018 Regular Monthly Board Meeting and Mr. Carter seconded. Motion Passed.

2. Financial Report – L. Jordan Combs:

The financial report handed out was generated by MSA QuickBooks software and used to prepare the budget evaluations for both Water and Wastewater Operations. The financial report included reports for the months of May and June.

Mr. Combs pointed out that the Agenda Package includes the Bank Accounts Balance Sheet and the I&I Revenue Sharing Program balance as well as two reports each for water and wastewater that were gleaned from the QuickBooks software now that most of the data has been inputted. That includes the general Profit & Loss report and the Expenses by Vendor Detail report. He provided attendees with the usual budget evaluations. The year to date represents the total for fiscal year 2018. The MSA is not aware of any large outstanding expenditures for fiscal year 2018 and believes these numbers to be close representation of the year end expenditures.

The water budget evaluation shows that at the end of the fiscal year sales are down by approximately \$30,729 and operations under-spent by approximately \$90,851 compared to what was budgeted to be spent. On the wastewater side the evaluation indicates less flow was received than what was budgeted, and the revenue was lower by approximately \$8,115 and operation under-spent by approximately \$29,599 compared to what was budgeted.

Mr. Combs provided a breakdown of the transactions between the Operations Accounts and the Asset R&R Accounts to the Board. See summary below:

*Reimbursements from Water Asset R&R Account to Water Operations Account
Laboratory Equipment – \$32,857.40*

*Transfer from Water Operations Account to Water Asset R&R Account
Budget Asset Repair & Replacement Line Item - \$39,000.00*

*Reimbursements from WW Asset R&R Account to WW Operations Account
I&I Revenue Sharing with City of Lexington - \$39,998.89
IPS Controls Work total - \$73,770.00
Monetary Assessment from DEQ Grant Agreement - \$12,552.00
Laboratory Equipment – \$11,014.02
HVAC – Control Building - \$42,778.00*

*Transfer from WW Operations Account to WW Asset R&R Account
Budget Asset Repair & Replacement Line Item - \$160,000.00*

3. Water Plant Production and Operation

a. General Discharge Permit:

The MSA has received the General Permit for Water Plant Dischargers from the Virginia Department of Environmental Quality (VADEQ).

b. Houston Street Flow Meter:

The flow meter located near the Houston Street Storage Tank is broken and being replaced by the Department of Public Works (DPW) for the City of Lexington. This flow will affect the June and July monthly billing for both customers. Mr. Combs indicated the MSA worked with both customers closely using historical data to estimate the water usage for the Month of June while the flow meter was not working.

During this time Mr. Combs reminded the Board that the PSA does not have any flow meters in their water distribution system, therefore a form of “net metering” is used to estimate the PSA water usage in any given month. The net metering consists of using the total water produced in a month and subtracting the flow used by the City of Lexington. Mrs. Alexander and Mr. Martone accepted the estimated flow for the month of June. Mrs. Alexander did express frustration with the “net metering” process but did not indicate any current plans of installing flow meters.

c. Houston Street Pressure Reducing Valve Repair:

The pressure reducing valve (PRV) located at the Houston Street Water Storage Tank was repaired by the MSA with the Support of the manufacturer and the PSA. The PSA provided personnel and heavy equipment (backhoe) to support the MSA in the repair of the damaged PRV.

During the repair of the PRV, the topic of ownership of the PRV was discussed at length. Mr. Martone indicated the City of Lexington feels the demarcation of ownership of the system should be at the flow meter and have the MSA own and maintain the PRV's as part of the loop system. Mr. Combs indicated there has not been a clear discussion made of ownership and there is risk involved with owning and maintaining the operation of the PRVs. The discussion of loop PRV ownership was not settled and will continue.

d. Lagoon Sedimentation:

Mr. Combs indicated the MSA will need to have a contractor to pump the solids collected in the Lagoon to the drying bed Lagoon. The pumping of solids to the drying bed is a maintenance item required to be completed periodically when the solids build up in the lagoon.

e. Laboratory Cabinets in Disrepair:

Mr. Combs discussed the poor condition of the laboratory facilities. He shared the observations of cabinets that are completely rusted and in disrepair.

4. Wastewater Plant Treatment and Operation

a. 12" Flume Correction

The Flume was not reading properly and recalibrated. After the flume was recalibrated the MSA worked closely with City in the development and estimation of wastewater received by MSA from the City. It was unclear as to why the flume began reading incorrect numbers.

b. Devils Backbone Brewery Beer Discharges:

Data was collected by the MSA and Devils Backbone Brewery (DBB) during one of the instances where the DBB needed to discharge beer directly into the collection system. The results of the data indicated there is a significant impact on the operation of the Wastewater Treatment Plant when beer is discharged into the collection system. The wastewater characterization of the beer appeared to increase the overall strength of the combined wastewater received at the treatment facility. Mr. Combs stated the MSA was collecting data to understand the affects of the beer discharged to the wastewater treatment plant and not trying to attribute the monetary assessment payed by the MSA to the VADEQ due to exceeding the phosphorus discharge limits of the grant agreement to the DBB. The exceedance of the phosphorus discharge limits associated with the grant agreement due to a single month with a high reading and a result of a number of

factors which can't be narrowed down to just one or several factors. The MSA, PSA, and DBB are working together to continue to collect data and better understand the impact the waste stream from the DBB has on the operation of the Wastewater Treatment Plant.

c. New Brewery in City of Lexington

The City informed the MSA a new brewery will be opening up in the City of Lexington soon. Mr. Combs met with Mr. Martone and the owner of the brewery to discuss the Rules and Regulations of Wastewater Users for significant dischargers. Mr. Combs requested the MSA Application for Discharge Permit be completed. The application has not been submitted to the MSA. The MSA intends to work with the City and their customer in understanding the wastewater characteristics of the new brewery and how to manage the successful treatment of the wastewater discharged to the system.

d. Influent Pumping Station Ductwork Repair:

The MSA received 2 proposals for the repair of the ductwork located in the wet well of the IPS. The MSA accepted Waynesboro Metal Fabrication's proposal and the ductwork replacement will take place during the month of August. The function of the ventilation ductwork is important for safety and odor control.

e. Odor Control Media Replacement

The carbon media for the odor control units of the IPS was replaced this month.

5. Rockbridge County PSA – Mrs. Alexander

None

6. City of Lexington – Mr. Martone

None

7. Unfinished Business:

a. Water Treatment Plant Debt Analysis by Davenport

The analysis and report are being completed by Davenport.

b. RANA installation of fiber to the Water Treatment Plant

RANA is working on permitting requirements with VDOT.

c. SCADA upgrade RFP

The MSA has received 7 proposers in response to the MSA SCADA Upgrade Request for Proposal (RFP). The MSA Review Committee is currently meeting and reviewing the RFPs.

8. New Business:

a. Board Officer Voting:

The board voted and approved the following officers.

- i. Capt. Ned Riester – Chairman*
- ii. Mr. John Higgins – Vice Chairman*
- iii. Mr. George Graves – Secretary/Treasurer*

b. Michael Montgomery Request to Waive MSA Judgment:

Michael Montgomery contacted Mr. Combs to inform the MSA that Mr. Montgomery is intending to purchase the property from Mr. Camden

c. Preparation of FY 2018:

The MSA is preparing for the FY 2018 Audit and is working with Annette Matheny.

9. Other Business – Public Comment Session

No Public Comment

During the financial report portion of the meeting, the board members discussed the personnel for both the water and wastewater operations. Mr. Carter asked if the MSA understaffed. Mr. Combs indicated there were some vacancies at both facilities is that were never filled after some staff changes (i.e. retirements & position changes). There is a need for an increase in operations at both facilities to achieve a previous level of staff. Mr. Combs also reminded the board of the potential of several operators retiring in the near future that may affect the hiring schedule. Mr. Combs' discussion emphasized the importance of training and continued education of the staff. There are upcoming training classes and conferences that staff is intending to attend.

During the financial report, the status of the Influent Pumping Station (IPS) pump controls was discussed. The IPS pump controls have been modified and the pumps are operating in automatic based on the influent wastewater surface level in the wet well. Mr. Combs indicated the maintenance program is in need of restructuring and is a regular topic of discussion with the staff on improving the maintenance program.

10. Closed Session: n/a

11. Next Board Meeting: Tuesday August 28, 2018 at 5:00 pm.

12. Meeting Adjourned 7:02 pm.

Chairman

Executive Director