

Stafford County Utilities Commission
Meeting Minutes
September 8, 2015

I. Call to order

Chairman Bill Tignor called to order the regular meeting of the Utilities Commission at the George L. Gordon, Jr. Government Center on September 8, 2015 in the ABC Conference Room.

II. Roll call

Members Present: Joyce Arndt, Alan Glazman, John Harris, DaBora Lovitt (arrived at 7:15), and Bill Tignor

Members Absent: Jeffrey Dunn, and Gordon Howard

Staff Present: Janet Spencer, Hope Bullard, and Cheryl Giles

III. Public Presentations

There were no public presentations

IV. Approval of Minutes

The June 30, 2015 minutes were approved as written.

V. Commission Members' Comments

Mr. Harris recommended members consider reviewing the by-laws on a regular basis.

Mr. Tignor asked Ms. Spencer to brief commission members about the Butler Road sewer spill during the Director's report.

VI. Director's Report

Ms. Spencer reported that the sewage spill occurred in the Falmouth district. It was caused during a pump around operation for repairs to a force main in the St. Clair Brooks Park. Part of the pump around consisted of by-pass pumping from the Falls Run Pump Station. Some residents in the area reported that a pipe that crossed the stream was discharging sewage. Crews then stopped the by-pass pumping operation. The remaining pump-and-haul could not move the sewage fast enough, which caused a 30 minute overflow at the pump station before the force main was back in service. The spill was reported to Department of Environmental Quality (DEQ), the area was marked off, and signs were displayed warning against swimming in the water. E-coli samples were taken daily, and after levels were sufficient to meet Virginia's swimming standards, the area was reopened to the public. Repairs were made to the pipe that was leaking the sewage. The pipe is old and was in very poor condition. Because of the pipe's age, improvements to the type of design are limited. Improvements will eventually have to be a future CIP project.

Mr. Harris inquired if DEQ fined the county for the spill. Ms. Spencer responded fines have currently not been imposed, but we could expect some fines to be forthcoming.

Mr. Tignor asked how old the damaged pipe was. Ms. Spencer responded the pipe dates back to the 1940s.

VII. New Business

Recommend a Public Hearing to Consider Condemnation and Quick-Take Powers of Easements for the Ethyl Lane Short Extension Project

Ms. Spencer reported condemnation and quick-take powers of an easement are needed to complete a small neighborhood project to provide sewer service to two existing homes that have a failed septic system. Staff offered \$4,650.14 for the 0.02736 acre of permanent water-sanitary sewer easement to the property owner. The owner has not agreed with granting the easement, and has not responded to requests to sign the Purchase Agreement and Deed of Easement. To keep the project on schedule, staff recommends approval of proposed Resolution R15-274.

Mr. Tignor inquired if the properties are on the County's Pump and Haul program. Ms. Spencer responded the properties are currently on the County's Temporary Pump and Haul program.

Mr. Harris made a motion to recommend approval of proposed resolution R15-274, which authorizes the condemnation and exercise of quick-take powers to acquire easements for the Ethyl Lane Short Extension Project. The motion was seconded by Mr. Glazman

Mr. Glazman inquired if the owner has stated a reason why he does not want to grant the easement. Ms. Spencer responded that staff has not received a reason from the owner. Mr. Tignor asked if the owner has legal counsel. Ms. Spencer responded that information is unknown at this time.

Following the questions, the motion passed with a 4-0 vote.

Recommend a Public Hearing to Consider Condemnation and Quick-Take Powers of Easements for the Falls Run Interceptor Project

Ms. Spencer reported condemnation and quick-take powers of an easement for a boundary line adjustment are needed in connection with the Falls Run Interceptor Sewer Project. A sewage grinder vault was inadvertently constructed over the county's property line. Staff has reached out to the property owner in an attempt to purchase the 43 square feet of property at a fair market value of \$129.

Mr. Glazman asked if the property owner has responded to the request. Ms. Spencer responded the property owners do not believe the fair market estimate is appropriate and the owners have an attorney representing them.

Mr. Harris inquired if compensation or a courtesy settlement was offered to the property owners due to the County surveyor's error. Ms. Spencer responded it has not been pursued at this time.

Mr. Harris made a motion to recommend approval of proposed resolution R15-275, which authorizes the condemnation and exercise of quick-take powers to acquire a portion of property for the Falls Run Interceptor Sewer Project. The motion was seconded by Mr. Glazman and passed with a 4-0 vote.

Recommend a Public Hearing to Consider a Lease Agreement on County-Owned Property at Embrey Mill Water Tank for a Cellular Communications Facility and to Provide an Easement to Dominion VA Power on the Water Tank Property

Ms. Spencer reported proposed Resolution R15-284 authorizes a lease agreement for cellular telecommunications facility on the Embrey Mill Water Tank and proposed Resolution R15-283 conveys a Right-of-Way easement to Dominion Virginia Power on the Embrey Mill Water Tank site.

Mr. Harris informed members that he owns various properties in Stafford County which are under consideration to potentially have cellular tower communications but this item does not represent any conflict of interest.

Mr. Harris made a motion to recommend approval of proposed resolutions R15-283, which authorizes advertisement of a public hearing to consider a lease agreement for a cellular telecommunications facility at the Embrey Mill Water Tank site and R15-284, which authorizes conveys a utilities easement to Dominion Virginia Power to provide electrical service to the telecommunications facility. Ms. Arndt seconded the motion and it passed with a 5-0 vote.

Recommend a Public Hearing to Consider Condemnation and Quick-Take Powers to Acquire a Permanent Water-Sanitary Sewer Easement in Connection with a Sewer Improvement Project

Ms. Spencer reported condemnation and quick-take powers for a water-sanitary sewer easement are needed to serve the Route 1 North Sewer Replacement Project. In 2008, an easement was acquired from the property owner Mark A. Stephens Ltd. After a request from the property owner, the sanitary sewer location was redesigned and realigned to reduce the impacts to the property owner's future development. Due to the realignment, an additional 0.0297 easement is required from the property. An initial offer letter was mailed on June 3, 2015, and a second letter was mailed offering \$581 for the additional easement needed. The property owner seemed agreeable in the initial discussions, but has not responded to staff's request to sign a Purchase Agreement or a Deed of Easement.

Mr. Harris made a motion to recommend approval of proposed resolution R15-291, which authorizes the condemnation and exercise of quick-take powers to acquire a permanent water-sanitary sewer easement for the Route 1 North Sewer Project. The motion was seconded by Ms. Lovitt.

Ms. Arndt asked where the property located on Jefferson Davis Highway is. Ms. Spencer reported the property is a trailer park located near the Taylor Store on Jefferson Davis Hwy.

The motion passed with a 5-0 vote.

Recommend a Contract Renewal for Process Chemicals at the Aquia WWTF

Ms. Spencer reported a contract renewal with George S. Coyne Chemical Co., Inc. is needed for the purchase of process chemicals for use at the Aquia Wastewater Treatment Facility. This item was included in proposed Resolution R15-268, but was inadvertently left off of the background report.

Mr. Tignor asked if the item is part of the FY2016 budget. Ms. Spencer responded the item is part of the FY2016 budget.

Mr. Harris made a motion to recommend approval of proposed resolution R15-299, which authorizes the County Administrator to execute a contract renewal for process chemicals at the Aquia Wastewater Treatment Facility. The motion was seconded by Mr. Glazman and passed with a 5-0 vote.

Recommend a Contract for the Construction of a Water and Sewer Extension Project for Little Whim Road

Ms. Spencer reported a contract is needed for the construction of a water and sewer extension project for Little Whim Road. On August 17, 2014, Utilities Director, Harry Critzer, approved the Short Extension Project. The department designed the water and sewer extension to serve 56 and 64 Little Whim Rd. It was designed with an 8" line so it could be looped with the existing water system. The project was recently offered for public bid and Faust Excavating Services was the lowest, responsive and responsible bidder with a bid of \$130,120. Sufficient funds are included in the FY2016 budget for this project.

Mr. Tignor asked where will the lines hook into and will other homeowners in the area have the option of hooking up to the water and sewer lines. Ms. Spencer responded that because a map exhibit was unavailable, she was unable to determine where the lines would hook into. Homeowners in the area would have the option of hooking up to the water and sewer system.

Mr. Glazman commented that it would be advantageous to the County to inquire if other homeowners in the area are interested in hooking up to the water and sewer system.

Mr. Harris made a motion to recommend approval of proposed resolution R15-302, which authorizes the County Administrator to execute a contract for construction of a water and sewer extension project for Little Whim Road. The motion was seconded by Mr. Glazman and passed with a 5-0 vote.

Mr. Glazman recommended staff poll the homeowners in the Little Whim Road area to determine if they would be interested in hooking up to the water and sewer system.

Recommend Authorizing the Issuance, Sale and Award of Water and Sewer System Revenue Bond, Series 2015

Ms. Bullard reported that in 2013 approval was received for issuance of water and sewer revenue bonds totaling under \$45 million issued across fiscal years. The first issuance was in 2014 and totaled \$17 million. Based on prior approval, Utilities submitted an application for the principal amount of \$9,414,000 to Virginia Resource Authority (VRA). The following projects: Route 1 North Sewer, Falls Run Interceptor, Claiborne Run Sewer, Courthouse Water Tank and the Sanford to Olde Forge Water Line were included in the 2015 application. It is expected that the bonds will not exceed \$10.2 million, which includes the cost of issuance, possible sale discounts, and any reserves. Approximately \$621,000 per year in additional debt service payments will be required once the bond is used. Staff recommends approval of proposed Resolution R15-308.

Mr. Harris asked if the cost of issuance would be affected by the County's improved bond rating. Ms. Bullard responded that staff has not received the final amounts for the total cost of issuance, but the County's improved bond rating should lower the cost of issuance.

Mr. Glazman asked if the user fees are covered by existing user rates or are they based upon the rate increase.

Ms. Bullard explained that a 5-year rate increase projection was provided; however a minimum 3% or 4% rate increase is required by the fiscal policy and is expected to cover our debt service with the new bond application. Staff still plans to recommend a 9% rate increase because of the amount of CIP projects and to meet our debt ratio the Board set forth until FY2018.

Mr. Harris made a motion to recommend approval of proposed resolution R15-308, which authorizes the issuance, sale and award of Water and Sewer System Revenue Bond, Series 2015. The motion was seconded by Ms. Lovitt and passed with a 5-0 vote.

Recommend a Public Hearing to Authorize an Easement Amendment with CSX Transportation in Connection with the Claiborne Run Sewer Interceptor Replacement

Mr. Harris informed members that he is a CSX stockholder and would adjudicate himself from voting on this matter.

Ms. Spencer reported a deteriorating sewer interceptor pipe needs to be repaired in connection with the Claiborne Run Sewer Interceptor Improvement Project. Staff initially requested new easements from CSX for the new sewer alignment. In order to obtain these easements, CSX requires the easements to be amended to properly represent the new sewer alignment and to convert a portion of the existing sewer easement to a water easement for a future water transmission line.

Mr. Harris made a motion to recommend approval of proposed resolution R15-323, which authorizes a public hearing to authorize an easement amendment with CSX Transportation, Inc. in connection with the Claiborne Run Sewer Interceptor Replacement Project. The motion was seconded by Mr. Glazman and passed with a 4-0 vote.

Mr. Tignor asked what impact does the railroad tracks over the sewer pipes have in that area. Ms. Spencer responded the sewer pipes are not located under the tracks, but are located within the area. It would be problematic if the pipes were located alongside the tracks versus crossing the tracks at a 90 degree angle.

Adjournment

There being no further business, Mr. Tignor adjourned the meeting at 7:40PM.

Minutes submitted by,

DaBora Lovitt

DaBora Lovitt,
Recording Secretary