

Stafford County Utilities Commission
Meeting Minutes
April 12, 2016

I. Call to order

Chairman Joyce Arndt called to order the regular meeting of the Utilities Commission at the George L. Gordon, Jr. Government Center on April 12, 2016 in the ABC Conference Room.

II. Roll call

Members Present: Joyce Arndt, Alan Glazman, Mickey Kwiatkowski, Mike Makee, and Bill Tignor

Members Absent: DaBora Lovitt; Hartwood District seat is vacant.

Staff Present: Mike Smith, Dale Allen, Janet Spencer, Julie Elliott, and Cheryl Giles

III. Public Presentations

Ivy Walsh of 46 Greenleaf commented her concerns about the financial burden the proposed \$40,000 loan amount for a five year term and a 5% interest rate would have on her.

Randy Comer of 12 East Brook Court stated that he is a resident of Stafford County and an employee of the Thrasher Group located in Falmouth, VA. As an employee of Thrasher Group, he looks forward to working with the commission and staff with regards to utilities infrastructure services.

IV. Approval of Minutes

The March 24, 2016 minutes were approved as written.

V. Commission Members' Comments

Mr. Tignor commented, at last month's meeting it was recommended that information be made available to the public about the water quality issue. Since water quality is a nationwide issue, he suggested notifying the public periodically because Stafford has positive information that can be reported about our water quality.

With regards to the comments made by Mrs. Walsh, Mr. Tignor commented it would be prudent for a homeowner to complete a thorough background check before purchasing property that does not have public sewer service.

VI. Director's Report

Mr. Smith reported the following items:

- ❖ A Lake Mooney Public Information Meeting will be held on Thursday, April 14, 2016 at 6:00pm at Gayle Middle School. Representatives from Stafford's Department of Parks, Recreation, and Community Facilities, Utilities, Fire & Rescue, and the Sheriff's Office will attend the meeting to provide information and answer questions about the new boat launch.
- ❖ The Route 1 North Sewer and Claiborne Run Sewer projects are out for bid. Staff will keep the commission updated about the projects.
- ❖ Celebrate Virginia Water Tank's pedestal is almost at its full height. Once the pedestal has been completed, a concrete bowl rest will be built.
- ❖ The Sanford/Old Forge water line has been completed in the Rappahannock Landing area.
- ❖ An informational meeting with Aquia Harbour HOA will be held Wednesday, April 13, 2016 to discuss the Aquia at the Bridge sewer project.

VII. Unfinished Business

Pump and Haul Loan Policy for On-site Sewage System Repairs

Mr. Smith provided a recap of the information presented at the March 24, 2016 public hearing.

Following the presentation, the following comments, questions and responses were presented:

Mr. Glazman commented that if a subsidized customer is removed from pump and haul, it would be beneficial to the county, but would take away the incentive for the homeowner to go through a bank for the loan. Since pump and haul customers receive a subsidy, the 10 year at 5% interest rate amount would be a hardship for them.

Mr. Smith responded subsidies for grandfathered customers are not related to a financial need; however, in the amended pump and haul policy, subsidies for new customers are related to a financial need. In 2022, all customers would have to meet the financial needs criteria.

Mr. Tignor inquired about the maintenance cost for a new alternative system. Mr. Smith responded the maintenance costs would be more expensive than the traditional systems, but it is much less than the pump and haul system.

Ms. Kwiatkowski asked if it would be better to know how many customers would need an alternative system prior to making a decision about the loan. Mr. Smith responded that staff wanted to have a policy and ordinance in place so that it would be available to customers before they needed it.

Mr. Makee commented removing subsidized customers from the pump and haul program would be beneficial to the county, but the financial burden to the homeowner should be as minimal as possible.

Mr. Tignor asked if the subsidized customers had paid an availability fee. Mr. Smith responded the customers have paid an availability fee and if an alternative system is found, they would receive a refund of the availability fee that was originally paid by the customer. The sewer availability fee has been \$3,500 since the 1990s.

Mr. Makee made a motion to recommend the \$40,000 loan rate for a 15 year term at a 1% interest rate. The motion was seconded by Mr. Glazman.

Discussion ensued about the amount being less than what subsidized customers would pay who could not find an alternative system by 2022. Members also discussed amounts for a different number of years at different interest rates.

Following the discussion, the motion was voted on and failed to pass with a 4-1 vote. Ms. Arndt, Ms. Kwiatkowski, Mr. Glazman, and Mr. Tignor opposed the vote.

Mr. Glazman made a motion to recommend the \$40,000 loan rate for a 10 year term at a 0% interest rate. Mr. Makee seconded the motion.

Mr. Tignor commented Stafford County is the only county in the state that has a pump and haul program. A lot of money has been invested in the program and a 1% interest rate is fair and reasonable. He also recommended requiring the homeowner apply the availability fee refund to the alternative system loan amount.

Mr. Makee commented the refund should be given back to the homeowner for them to use as they deem necessary.

Mr. Glazman amended his motion to recommend a \$40,000 loan amount for 10 a year term at a 1% interest rate, to include requiring the homeowner apply the availability fee refund to the alternative system loan amount. The motion was seconded by Mr. Tignor and passed with a 4-1 vote. Mr. Makee was the opposing vote.

Mr. Smith explained the recommendation would be presented to the Infrastructure Committee and then to the Board of Supervisors for a public hearing.

Mr. Glazman requested the Commission members' comments be included with the presentation to the Infrastructure Committee and express the Commission's concerns about the monthly payment amounts by customers who had invested into the system. Mr. Tignor suggested Mrs. Walsh's letter also be included with the presentation.

Mr. Tignor requested staff keep the Commission informed about feedback received from the pump and haul evaluations. Mr. Smith responded staff will update the Commission as the reports are received and each Board member will be notified. The process of removing customers from pump and haul will not begin until all evaluations have been completed.

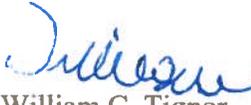
Mr. Allen stated a feasibility report will be due after each evaluation has been completed. After all the evaluations have been completed, a conceptual design for each feasible site will be completed. The six months for pump and haul service to be discontinued will not begin until after the conceptual design has been completed.

Ms. Arndt inquired if copies of the evaluation reports could be forwarded to the Commission. Mr. Smith responded staff will forward copies of the reports as they are received.

VIII. Adjournment

There being no further business, Ms. Arndt adjourned the meeting at 7:55PM.

Minutes submitted by,


William C. Tignor,
Recording Secretary

