

July 18, 2024

County of Greene, Virginia

THE GREENE COUNTY WATER & SEWER CAPITAL PROJECT MEETING MET ON THURSDAY, JULY 18, 2024, BEGINNING AT 4:00 P.M. IN PERSON AT THE COUNTY ADMINISTRATION BUILDING MEETING ROOM.

Present were:

David Hundelt, Chair
Cathy Schafrik, Member
Davis Lamb, Member
Dan Chipman, Member
Andrea Whitmarsh, Member
Francis McGuigan, Member
Dustin Clay, Member
Gary Lowe, Member
Dan Babish, Member

Staff present:

Jim Frydl, Director of Planning & Zoning
Debbie Baugher, Water & Sewer

RE: MEETING CALLED TO ORDER AT 4:00PM BY CHAIR, DAVE HUNDELT

Motion made by Chairman Dave Hundelt to adopt Agenda. (Mr. McGuigan noted he had some random additions to the Agenda, which pertained to EDUs, cost of the project and operating expenses. Cathy Schafrik suggested those be added under Financial Reporting.) Motion was seconded by Mr. McGuigan. Vote was established using Yea vs Nay.

Motion carried with no Nays being heard.

RE: APPROVAL OF MINUTES FROM JUNE 27, 2024

Motion made by Ms. Schafrik and seconded by Mr. Lamb to approved minutes as submitted with no changes. Motion carried with no Nays being heard.

RE: FINANCIAL REPORT: PRESENTED BY DAN CHIPMAN, FINANCE DIRECTOR

Mr. Chipman presented a very high-level historical overview of the financial side of the Water & Sewer project.
2005: Greene agrees with RSA to add new infrastructure to support commercial growth in the Ruckersville area
2005 – 2008: Greene assumes all existing infrastructure debt from RSA and borrows additional funds to pay for the modern water lines, water improvements, sewer improvements and the Ruckersville Sewer Plan.
2010: Real Estate crash impacts Greene, EDU sales drip to fewer than 10 per year.
2015: \$10 Facility Fee added to bill to help cover infrastructure debt
2016: EDU money collected no longer covers the debt financing that the County assumed in 2005 – 2008
2021: Lawsuit to leave RSA begins
2022: Lawsuit ends

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2023: Greene begins operation

Rough numbers show that it costs near to \$60/month to pay for the operating and capital cost for water to reach home today. RSA billed roughly \$25, leaving \$35 per month per house for the County to pay.

Agreements between Greene and RSA:

- Greene paying \$7million of RSA debt

- Constructing new 600,000 gallon/day wastewater treatment facility

- Making upgrades to Ruckersville Area Sewer Project (\$16million)

- Performing engineering and design work for new water plant (\$2.5 million)

- Acquisition of property for construction of the reservoir (\$3.8 million)

- Purchasing environmental stream credits to offset the environmental impacts of the project (\$8.2 million)

Discussion by Mr. McGuigan on the amount of current debt and the cost to the County of operating the department, adding personnel, etc. He noted that EDU fees have not changed since 2007 and that we are not in line with other localities across the State. How was the \$30 fee determined...was it negotiated? What is the operating budget going for? What is the plan for funding other than raising real estate taxes which would also affect those who are not on the water & sewer system.

Mr. Hundelt explained that without infrastructure, the County stops being a County. Mr. Lamb pointed out that everyone benefits because you can't go to Walmart or Lowes in Madison. Ms. Schafrik noted that business comes to places that have the infrastructure. Mr. Hundelt noted that the budget was prepared by a director that was in place two Directors ago and an Administrator that is no longer here.

More discussion ensued on EDUs and the idea of buying back older EDUs. Mr. Frydl provided some background on the pricing and purchasing of legacy EDUs. Mr. Hundelt gave a comparison of how it was handled in Arlington County. Mr. McGuigan asked Ms. Schafrik to look into what would be needed to put a hold on selling EDUs until a decision could be made on whether to increase the fees. Mr. Lowe was concerned about what would happen if we stopped issuing EDUs for homes. His concern was that we couldn't attract businesses because our demographics don't support their business plans.

Mr. McGuigan then presented a document from RSA from two years ago which showed a water impoundment at the current water treatment plant that would hold 10 million gallons. Mr. Hundelt asked if this plan had VDH approval and Mr. McGuigan stated it was just a plan. Mr. Hundelt said there had not been approval for this type of impoundment in over 50 years. Ms. Schafrik said this document would be added into our ours for review. He also noted that that if the water supply downstream is dependent on Greene getting an impoundment, why isn't Orange being asked to contribute. Ms. Schafrik stated that this had already been addressed in Richmond.

Question raised again on how the Facility Fee came about and Mr. Frydl explained that it started based on a rate study done in 2015. A \$10 fee was added to pay for the water project, which was raised to \$20, then \$30. He then explained that the current water rates had this fee built in

RE: MANDATORY WATER & SEWER PROJECTS CONTINUED:

Mr. Lamb asked Mr. Frydl if WW & Associates has done all the Topos on all of the site plans. Mr. Frydl stated that they have those completed and are ready to go. The construction plans are 95% to 98% complete. Mr. Hundelt

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noted that they will become less and less complete the longer we delay because you will not find anyone who wanted to bid on a project with plans that old.

Vital Projects:

Mr. Hundelt noted that his initial concern when he started was the lack of water pressure for the schools in regard to fire protection. Ms. Whitmarsh noted the only school with a sprinkler system was the newest building, which is the high school. They had installed booster pumps to increase water pressure.

- a. Stanardsville Water Tower: 400k to 500k gallon water tank, possibly at old in-ground tank location in Stanardsville.
- b. Stanardsville Water Piping: Preliminary Engineering Report with WW & Associates to look at 6-inch line down 33 Bypass from around Amicus to Celt to create loop. Will not be recommending replacing current laterals unless materials used indicates the need. Mr. Hundelt noted that he was very concerned about the lack of water pressure for the schools in case of fire.
- c. Stanardsville Sewer: design plan to close and re-route waste to Ruckersville. The Ruckersville Treatment Plant was built with the expectation of closing Stanardsville.
- d. Lead Service Line Inventory: RFP out for contractual services. Will check from main to meter and meter to house. Homes newer than 1990 are exempt. It's a multistep process, possibly including digging, statistical processing and analysis. In some cases, it may mean replacement. We have a \$250k grant in place to cover this project.

RE: OTHER MATTERS:

Mr. McGuigan provided documentation that Greene had drilled 11 wells back in 2007 and five had a good yield.

Motion to adjourn made by Ms. Schafrik and seconded by Mr. Lamb. All members voted Yea.