

VIRGINIA:

At a regular meeting of the King George County Service Authority Board of Directors, held on Tuesday, the 16th day of August, 2022 at 5:30 p.m. in the Revercomb Building Board Room at 10459 Courthouse Drive, King George, Virginia:

PRESENT:

- James Morris, Chairman
- Allen R. Parker, Jr., Vice-Chairman
- Cathy Binder, Member
- Carrie Cleveland, Member
- Annie Cupka, Member
- Chris Miller, County Administrator/Interim General Manager
- Kelly Lackey, County Attorney

0:00:04.1 Chairman: I call to order this regular meeting of the King George County Service Authority Board of Directors. We will begin with an invocation by Mr. Parker, followed by the Pledge of Allegiance by Mr. Miller. If you're able to stand, please do so.

0:00:22.6 Allen Parker: **NO AUDIO**

0:00:38.9 ALL: I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

0:01:00.7 Chairman: Thank you. Mr. Miller, do we have any amendments to the agenda this evening?

0:01:06.2 Chris Miller: No, sir.

0:01:07. Chairman: Thank you. Moving on to public comments. Comments will be limited to three minutes per person, in order to afford everyone an opportunity to speak. If comments are related to a specific public hearing item, we ask that you offer those comments at the time of the public hearing. Does anyone wish to speak this evening?

0:01:56.8 Clark Lemming: Good evening, Mr. Chairman and members of the Board of Directors of the King George County Service Authority. My name is Clark Lemming. I'm here on behalf of Green Energy Ventures, LLC, which is a Virginia business specializing in the development of new energy sources, particularly green energy, data centers, other regional and local infrastructure, and I'd be happy to tell you about their projects all over the state, literally from one end of the state to

the other.

I have with me two of the directors, Mr. Hobe Mitchell, developer par excellence. I think he's developed about half of Loudoun County, a number of projects going on. And Mr. Dale Hamas, who retired in 2018 as the general manager of the Loudoun County Sanitation Authority. So I don't think he wants to go back to work, but I know you all are looking for somebody too, but has a distinguished career there. We have two other members caught in traffic. I think it's the banker and the real estate broker, but they'll be here at a later point in the evening. Green Energy Ventures is the contract purchaser of some 352 and a half acres on the north side of Route 3, western part of your county, and they propose to zone this to your industrial zoning district for development and construction of power generating facility, number one, data centers, manufacturing facilities. The power generating facility is gonna support the data facilities and the manufacturing facilities and will produce significant excess power. To accomplish all this also, we need a water source, and we're gonna require a significant amount of water other than your current ground water, and I don't think that's available presently in King George.

So, in the absence of a specific plan, and you may have some plans to correct that and get off of the ground water sooner than we're aware of, but we are willing and what we're proposing is to build you a water treatment plant that would serve us not only what we're proposing to develop, but would have significant excess capacity, about 2.5 additional gallons per day, that you... Or, I'm sorry, that would be available to the county. The idea would be that we would build it, convey it to the service authority. The reason that we're appearing before you tonight is because right now we're going to zone the property, we hope to, the industrial district, and a water treatment plant is not something permitted in your industrial zoning district. Now, you do permit something called a public use, but it's gotta be clear that that's what it is. So the reason we appear before you tonight so that we can get started with this process, is to request a resolution of conditional support for the plans that we have. And we realize you may need to know a good bit more about them, but all of which would be contingent on a very detailed, final comprehensive agreement, but that if indeed we do proceed with the water treatment plant, that the service authority would be willing to take it over and manage it. Is that a warning or is that the three minutes?

Every other county, I get a one-minute warning. Let me wrap up quickly for you. So that's what we're seeking, and the materials that I handed out to you explain it in a little bit more detail. So we're trying to proceed with the application, we think we can do that if we have something from you indicating your interest at this point. Now, if there's another plan that we're not aware of, then by all means, if it provides the water, that's really what we're interested in, we're happy to provide it for you if there's not another way to do it. So, thank you. And we're available, and as I say, the late guys will be here in a little bit. If you do have questions for us, we'll be around, we're staying for the board meeting, and we're happy to discuss this further with you.

0:06:07.6 Chairman: Thank you.

0:06:08.8 C. Lemming: Thank you very much for your courtesy. And we look forward to working with you.

0:06:16.5 Chairman: Thank you. Anyone else wish to speak? Mr. Dines, do we have anybody online? Thank you. Okay, moving on, reports for board members. Ms. Binder?

0:06:32.4 Cathy Binder: Thank you very much. Thank you all for coming out and giving your three minutes of comment about what... The information you gave us. Thank you for coming out and driving down. I really don't have a report, but I do wanna have a shoutout to our video staff

back there, and happy birthday to Priscilla. It's her birthday today. That's all I have.

0:06:55.5 Chairman: Thank you. Mr. Parker?

0:07:00.8 A. Parker: No report, sir.

0:07:00.9 Chairman: Thank you. Ms. Cupka?

0:07:03.0 Annie Cupka: Thank you, Mr. Chair. I wanna thank you all for coming out this evening, and your brief comments. We appreciate your time, thank you so much.

0:07:12.8 Chairman: Ms. Cleveland?

0:07:13.0 Carrie Cleveland: No report.

0:07:15.9 Chairman: Okay, all I have to say is thank you for the staff for quick response today. We had a pressure pump... Booster pump fail at St. Paul's, and they made adjustments to keep the pressure up, and we have parts coming from Pennsylvania, so thank you for a quick response on that, and hopefully we nip that problem in the bud early. It's all I have. Okay, moving on. Consent agenda.

0:07:52.8 A. Parker: Motion to accept the consent agenda as written.

0:07:57.9 C. Binder: Second.

0:07:58.0 Chairman: Motion's been made and second. Any discussion? All in favor?

0:08:00.1 C. Binder: Aye.

0:08:00.9 C. Cleveland: Aye.

0:08:01.4 A. Cupka: Aye.

0:08:02.6 A. Parker: Aye.

0:08:03.8 Chairman: And the chair votes aye, motion carries. Moving on, Ms. Lackey, County Attorney's report, please?

0:08:10.8 Kelly Lackey: I don't have much to report, except I did want to mention that I have an assistant county attorney who's beginning on Monday, so we'll have some additional support and a new face to introduce to you all.

0:08:25.7 Chairman: Do we have a name yet or could not really say yet?

0:08:28.7 K. Lackey: Her name is Jessica Washington, and she's a King George native.

0:08:34.2 Chairman: Thank you. Okay. Moving on, Ms. Hahn, are you here? Can I see you? There you are. Financial report from Ms. Hahn.

0:08:56.5 Donna Hahn: Good evening, Mr. Chair, members of the board. As I mentioned last month, the report for this month is not final, and so therefore it's not the same as what you normally see. What was included was an expenditure summary in your board packet, and I just wanted to summarize what that kinda looks like to you. So, the total revenues for the month were -\$10,587.44. I'll explain what that is caused by, were funds from ARP that were double-charged against revenues and should have gone to credit to go against the receivables, and that adjustment was done during the month as we were reconciling year end. And then also, MuniBilling sent their reports late and those have not, as of... I ran the report on August 10th, MuniBilling just sent the reports yesterday, so those numbers have not been updated in the system yet, so that's why you see a negative number there. But year-to-date revenues were \$7,257,487.56. Then on the operating side, the expenditures, of course, that part of the reports that were in your packet were a lot smaller than the revenue side, but the total expenses for the expenditures for the month of June to date are \$560,238.58. Another \$413,715.87 have been encumbered, which means that those were projects that are started in fiscal year '22, and the funds were committed in fiscal year '22, that will carry over to fiscal year '23. Prior to encumbrances, a total of \$5,945,441.58 has been spent. And with the encumbrances, that brings it up to \$6,359,157.45. Any invoices that finance receives are against projects for fiscal year 2022, are items that were received in fiscal year '22, but not billed through the end of August, will go back to fiscal year '22. And that's why we cannot give you any definitive numbers until after that happens, and also after the audit, which right now we have scheduled for the week of September... I forget if it's the 26th, 27th, whatever that Monday is, the last week in September, and they'll come and do final field work, and then they'll go and do more work back at their offices. The final annual comprehensive financial report is due to the auditor of public accounts at the state by December 15th. But we should get that in prior to that time. But once they tell us everything looks good, we do some adjustments at year end, once they give us the go-ahead, then we'll have the normal report that is in your packet. Any questions? Thank you.

0:12:22.3 Chairman: Thank you, Ms. Hahn. Okay. Any discussion items? Mr. Miller, General Manager's report.

0:12:36.8 C. Miller: Thank you, Mr. Chairman. I have one specific item that I'll need to ask that you have a motion on, the appropriation for the funding for the hydro excavator. We need to appropriate the funding for the hydro excavator in the amount of \$54,324.85. The project was awarded on the 21st of June and the contract was executed August 15th, the funding for this was achieved through the CIP at \$115,000, which has already been approved. However, the funds were not appropriated at that time, and this is required before we can proceed with the purchase. So I would just need a motion and a second to approve this.

0:13:28.8 A Cupka: Mr. Chair, if we can get Mr. Miller to pass so we have the right... You wanna do it, Mr. Parker? You asked first.

0:13:38.0 A. Parker: Alright. I make a motion that we appropriate the funding for the hydro excavator in the amount of \$54,324.85.

0:13:49.1 C. Binder: Second.

0:13:50.9 Chairman: Motion's been made and second. Any discussion? Okay. Roll call vote. Ms. Binder?

0:13:56.9 C. Binder: Aye.

0:13:57.3 Chairman: Mr. Parker?

0:13:58.5 A. Parker: Aye.

0:14:00.0 Chairman: Ms. Cupka?

0:14:00.9 A. Cupka: Aye.

0:14:01.0 Chairman: Ms. Cleveland?

0:14:01.6 C. Cleveland: Aye.

0:14:02.1 Chairman: And the chair votes aye. Motion carries.

0:14:07.5 C. Miller: Okay. So the next item on there is we are going to be having a coordinating meeting for our \$5 million ARPA project, the water grant, meeting with the representatives from Thompson Leighton. They serve as the Virginia Department of Health's third party administrator on this, and so we're working on that. We are also finalizing the various projects that will be associated with that. And I believe I have provided that in previous meetings, and we'll provide a report based on the coordinating meeting. The to-do list for the service authority, so the board of supervisors has asked that we prepare what's known as a to-do list for all the projects, and all the activities, and all the things that the board asked for staff to do or to follow up on. And so I'm gonna start generating one for the service authority, hope that I'll have it at your next meeting. I believe there is a little bit of crossover on some of the stuff that our county engineers are doing in terms of their work with the service authority on some of the major projects, but we will have something for you.

And I think the intent that... As I understand the board of supervisors' approach on this, is to have a good amount of follow through on some of the many activities that are going on. There are things that require us to work with the state, work with VDOT or other organizations, and it's just sometimes you can get yourself kind of strung out there. And so we are preparing one of these for the board of supervisors, and we'll do the same for you all. So, the waterworks business plan, I believe that Mr. Young has... Bryce Young has presented this to you or discussed it to you, but that plan was submitted to the Virginia Department of Health on August 10th, last Wednesday. So they'll go through it. We were working with them, and I know Mr. Morris was part of the meeting that we held with Mr. Meyer from Virginia Department of Health, back in June. And we were working with the folks on the submission, so hopefully there's not a lot of changes or any real major edits 'cause we were doing it along the way, but we have submitted that. And I think that's a very important document that they needed in terms of their working with us on the needs. So, the AMI kickoff meeting, would Ms. Norris-Barker, who I just am surprising, would you just want to give them an overview of the meeting tomorrow that we have scheduled with the representatives from Fortiline?

0:17:06.7 Patti Norris-Barker: Thank you. Yes, the AMI metering program, we're quickly coming to the beginning of it. We have already allowed Fortiline to install four of the collectors. One is installed at Hop Yard, one is installed at Oakland Park. One is... The other one is Fairview Beach and the fourth one is on the Mammoth tank. What we're gonna be talking about tomorrow is how

they're gonna proceed with the metering, where they're gonna start, how it will affect our customers, how it will affect us, and how everything's gonna come together. Have any questions?

0:18:00.0 C. Miller: Just an overview of the duration of the project, I guess.

0:18:03.9 P. Norris-Barker: Oh, the... Well, they intend to put 2,400 meters into the ground before December 31st, because of the constraints on the three-year program. And they will be able to have that in the ground, 2,400 of the meters. And then they will, again, commence in FY '24 to finish the project, which the finished project should take three months into FY '24.

0:18:38.2 C. Miller: Thank you. The next item on there is Perkins Corner, decommissioning the wastewater plant. As you remember, that is one of the major projects that was identified in your capital improvements plan. With the receipt of the funds that we will eventually receive for the wastewater money from the state, that will be something that would come back and cover that. But the design is underway. Completion of the design, and I probably should have put that, completion of the design phase is set for spring of '23. Construction, obviously, that's involved in this will be a two-year, three-year project, and so it's... The design portion will be done in the Spring of '23. Arnolds Corner well, the design is underway. The completion for the design is set for fall of '22, and then construction would commence according to whatever the construction... We'll have to put it out to bid and things like that, and so that process is time... Will involve some time. We know that the well drillers are, obviously, pretty backed up in terms of their projects and activities. The EQ basin, if you recall, the Dahlgren wastewater plant, the EQ basin is a kind of a storage basin where some of the effluent comes in and they're able to store it. There are issues associated with its ability to cover or to retain all the effluent that is coming in, and any of the water that might be going through the process of being treated. And the design on that is 90% complete, and once that's done, we will then begin the bid process on that. And that will be... That will take that EQ basin out of service, essentially, but we are working with our engineers, Draper Aden, and they're working on that project. And this is something that DEQ, Department of Environmental Quality would like us to address, and so that's one of the reasons that that project's going on. Fairview Beach wastewater plant outfall, if you recall back around Thanksgiving '21, we had some issues associated with that outfall that goes into the Potomac. And we have... Through the process of working with Virginia Marine Resources, we are still waiting on their final review, but we've had to go through a pretty lengthy process of getting this approved. But the outfall will commence with the bid process here fairly shortly. I know we did a... Maintenance did a short-term fix, but obviously, a long-term solution to that problem is necessary. And then if you may recall, there was a 8-inch pipe into a four-inch pipe into the water, and it blew out. And I think Mr. Eisenbeis has had to deal with that. I don't think... Not lately, but hopefully, but he did early on November. So that is it. I think, is there a second page? Okay, good. Any questions? Mr. Parker?

0:22:23.0 A. Parker: I move that the King George County Service authority board of directors convene in closed meeting, pursuant to Virginia Code Sections 2.2-3711(A)3 and (A)6, to discuss and consider acquisition of real property for proposed water treatment plant and supporting infrastructure where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body and discussion or consideration of investment of public funds, where competition or bargaining is involved, where if made public initially, the financial interest of the governmental unit would be adversely affected. Discussion of legal considerations associated with proposed acquisition and partnership are also authorized by State Code Section 2.2-3711(A)8 for consultation with legal counsel concerning specific legal matters requiring the

provision of legal advice. I invite the interim general manager and county attorney because they are deemed necessary and/or their presence will reasonably aid the Board in its consideration of the topics to be discussed pursuant to Virginia Code Section 2.2-3712(F).

0:23:24.5 C. Binder: Second.

0:23:25.0 Chairman: Motion's been made and second. Any discussion? All in favor?

0:23:27.1 C. Binder: Aye.

0:23:28.9 C. Cleveland: Aye.

0:23:29.4 A. Cupka: Aye.

0:23:30.0 A. Parker: Aye.

0:23:30.9 Chairman: Chair votes aye, motion carries, we are in closed session.

[Pause]

0:23:35.5 A. Parker: I move that the King George County Service Authority Board of Directors, return to public meeting and certify by vote that only public business matters lawfully exempted from open meeting requirements by Virginia law, and only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered during the closed meeting.

0:23:53.3 C. Binder: Second.

0:23:54.5 Chairman: Motion's been made and second. Role call vote. Ms. Binder?

0:24:00.7 C. Binder: So certify.

0:24:00.9 Chairman: Mr. Parker?

0:24:02.0 A. Parker: So certify.

0:24:03.3 Chairman: Ms. Cupka?

0:24:03.8 A. Cupka: So certify.

0:24:05.1 Chairman: Ms. Cleveland?

0:24:05.6 C. Cleveland: So certify.

0:24:06.8 Chairman: And the chair so certifies. Service Authority is back in open session.

0:24:15.1 A. Parker: I make a motion to adjourn to September 6th, 2022 at 5:30 PM, here in the boardroom.

0:24:21.1 C. Binder: Second.

0:24:21.6 Chairman: Motion's been made and second. Any discussion? All in favor?

0:24:23.1 C. Binder: Aye.

0:24:24.9 C. Cleveland: Aye.

0:24:25.4 A. Cupka: Aye.

0:24:25.6 A. Parker: Aye.

0:24:26.2 Chairman: Chair votes aye, motion carries. We are adjourned until September 6th, 2022, 5:30 PM, here in the boardroom.