

A REGULARLY SCHEDULED MEETING OF THE BOARD OF DIRECTORS OF THE UPPER OCCOQUAN SERVICE AUTHORITY WAS HELD MAY 20, 2021 IN THE OPERATIONS BUILDING LOCATED AT 14631 COMPTON ROAD, CENTREVILLE, VIRGINIA 20121.

A. Calling of the Meeting to Order

1. The Board of Directors of the Upper Occoquan Service Authority convened its Regularly Scheduled Meeting at 4:00 P.M.

Directors Present:

Tony H. Dawood	Shahram Mohsenin
Dean E. Dickey	Jeanette M. Rishell
Allan Rowley	Glenn Simpson
Michael McGrath	Nancy Vehrs

Directors Absent:

Director Fields

Others Present:

UOSA Staff:	Robert W. Angelotti
	Brian L. Owsenek
	Kevin D. Wolfe
	Mishelle R. Noble-Blair
	John W. Airhart
	June A. Mahoney
Legal Counsel:	Sally Ann Hostetler
Engineer:	Don Forgacs, Jacobs

B. Staff Announcement

1. Chairman Mohsenin introduced Fairfax County's newly appointed alternate to the UOSA Board, Ms. Eleanor (Ellie) Codding. She attended the meeting electronically via Zoom video conferencing.
2. Ms. Codding thanked the Chairman for the introduction and said she was happy to be a part of the UOSA Board.
3. Director Dickey reminded those attending that he would be retiring from the Prince William County Service Authority (PWCSA) at the end of the month, and took the opportunity to introduce PWCSA's next General Manager, Calvin D. Farr, Jr., and gave a brief overview of his career path within the public utility industry. He stated that Mr. Farr would be attending future meetings to familiarize himself with UOSA as he may at some point transition onto the Board in the future.
4. Mr. Farr said that he was looking forward to building new relationships with the UOSA Board and staff.

C. Approval of Minutes

1. Chairman Mohsenin referenced the Board Minutes dated April 15, 2021 and asked the Board for their approval.

MOTION: Director Dickey moved to approve the minutes of the April 15, 2021 Board meeting.

SECOND: Director McGrath

VOTE: Unanimous

D. Public Comment Time

1. Chairman Mohsenin asked if there was any known interest or request received by the Public to speak at the meeting.
2. Ms. Mahoney stated that none were received ahead of the meeting.

E. Financial Reports

1. Chairman Mohsenin referenced staff memorandum, *April 2021 Financial Summary* (filed as Exhibit A).

- a. Mr. Wolfe reported that the April Financial Summary reflected lower O&M expenses than planned primarily due to budget timing differences for Contract Services and lower Facilities Operations expenses. This was partially offset by higher requirements for Personnel and budget timing differences for Process Chemicals. Flows were 2.4 percent lower than planned for the month. Year-to-date FY-21 expenses through April were lower than budget by approximately \$1.4 million, primarily due to budget timing differences and lower requirements for Contract Services, Process Chemicals, Facilities Operation, Miscellaneous and Administration , and lower Facilities Maintenance and Electric Power expenses. Year-to-date flows were 1.2 percent higher than planned.

- b. Mr. Wolfe reminded the Board that the O&M Budget surplus return procedures approved by the Board in 2014 indicate that a budget surplus over \$1 million at the time of the June Board Meeting will be designated as a significant surplus, and fifty percent of the surplus will be returned to the jurisdictions in the June quarterly billing. He stated that the budget surplus currently stands at \$1.4 million therefore the member jurisdictions will see fifty percent of the surplus returned in next month's billing.

MOTION: Director Vehrs moved to receive and file the April 2021 Financial Summary.

SECOND: Director Rishell

VOTE: Unanimous

2. Chairman Mohsenin referenced staff memorandum, *FY-21 Third Quarter O&M Budget Review* (filed as Exhibit B).

- a. Mr. Wolfe reported that the Third Quarter period ending March 31, 2021 reflected a favorable variance of \$376,000 or 4.4 percent and actual flows for the quarter were 3.5 percent lower than planned. He said that during the Third Quarter, favorable variances in Chemicals, Electric Power, Facilities Operations, Administration, Miscellaneous

and Contract Services were partially offset by higher expenses for Facilities Maintenance. He reported that year-to-date expenses through March 31, 2021 reflected a favorable variance of approximately \$1.35 million or 5.5 percent, primarily due to lower costs in Miscellaneous, Administration, Facilities Operations, Chemicals, Contract Services, Facilities Maintenance and Electric Power.

- b. In response to Director McGrath and Director Dickey, Mr. Wolfe explained that the overruns in Personnel overtime was not a trend that the Board would need to be concerned with as it is not a marker for facility breakdowns, nor was it related to COVID scheduling.

MOTION: Director Vehrs moved to receive and file the FY-21 Third Quarter O&M Budget Review.

SECOND: Director Dickey

VOTE: Unanimous

F. O&M Budget FY-22 First Six-Month Appropriation

- 1. Chairman Mohsenin referenced staff memorandum, *O&M Budget FY-22 First Six-Month Appropriation* (filed as Exhibit C).

MOTION: Director Dickey moved to appropriate \$16,156,950 to fund Operations and Maintenance for the first six months of FY-22.

SECOND: Director McGrath

VOTE: Unanimous

G. Major Project Reports

- 1. Chairman Mohsenin referenced staff memorandum, *May 2021 Project Summary* (filed as Exhibit D).

- a. Mr. Airhart reported on Plant Projects. He advised Contract AWT's Notice to Proceed was issued effective in May and contractors are working on pre-construction paper work. The Substantial Completion Date is May 10, 2023.
- b. The Ozone Biofiltration design engineer continued to progress the project toward the 90 percent design level and staff expect the 90 percent submission by the end of July. The ARRP demo contractor achieved substantial completion on time and the project will be removed from future reports.
- c. For Contract R2D2 (Renovations to Residuals and Building D/2), the new subproject A polymer and thickening systems are now operating while some HVAC work finishes up. At Complex C, Digester 7/2 is complete and was placed in service, staff expects to stabilize the operation by May 28 in order to turn over Digester 7/1 to the contractor shortly after it is dewatered. The contractor completed the work to replace the corroded segments of the blended sludge piping outside the D/2 and has a partial utilization inspection set for this week. The electrical installation activities continue in Building E/1 and C/1. The project includes two subprojects; the substantial completion date for Subproject A work in Building D2 was January 1, 2021 and the staff and engineer held a meeting this week to discuss a global settlement to continue in a positive direction. The substantial completion requirement for Subproject B work in the Digester and Building E is unchanged at January 11, 2022.

- d. For the P2NR (Phase 2 Nutrient Reduction) full-scale settleability pilot project, the team was not able to produce a project report due to issues beyond the engineer's manageable interest, whereas the report is now expected by the end of June.
- e. Mr. Airhart reported on the single Delivery System Project. He said for the YPIU (Yorkshire Park Interceptor Upgrade) the engineers continue to work towards 90 percent design while staff review a memorandum laying out the various options for bypass pumping routes.
- f. Director Vehrs requested a tour to see some of the newly improved facilities, which she felt would be helpful considering there are new projects on the horizon and a few new members now serving the Board. Mr. Angelotti said staff would be delighted to hold a tour for the Board. He asked Ms. Mahoney to poll the Board and find a date that might work in the near future and coordinate the details to those interested in attending.
- g. In response to Director Dickey's interest in the hydrocyclones, Mr. Angelotti stated that the pilot project has been quite successful and staff expect a report by the end of June. Director Dickey said he was anxious to learn about the findings.
- h. In response to Director Dawood, Mr. Airhart stated that the supplemental carbon feed facility is currently at 60 percent design with a workshop coming soon in early June.

MOTION: Director Vehrs moved to receive and file the report.
 SECOND: Director Dawood
 VOTE: Unanimous

H. Service Agreement Revisions

- 1. Chairman Mohsenin referenced staff memorandum, *Service Agreement Revisions* (filed as Exhibit E).
 - a. Mr. Angelotti stated that towards the end of April 2021, there were a few limited scope questions received from the Board. He said based on the nature of the questions asked and the answers provided in the memo, staff did not move forward with scheduling a special work session. However, he said staff is open to the wishes of the Board and advised that it is staff's hope that today's discussion would identify which clauses the Board would want staff to move forward with and whether the Board wishes to gather more information about any of those or if only small revisions to the language are needed. He stated that staff and legal counsel are here to support the Board's discussion on the matter.
 - b. Director Rishell stated that the answers to Question No. 3, referenced in the second paragraph, refers to fairness and equity. She said that instead of having a protocol in writing, it appears that the method that is being advocated would instead be more subjective rather than objective.
 - c. Mr. Angelotti responded that staff would want to evaluate every exceedance individually, as there are several different parameters to consider. He advised that UOSA has a lot of different constituents, for example ammonia, suspended solids, or TKN and the degree to which

any constituent exceedance might occur for any one jurisdiction, could be variable in magnitude or in duration. For each one of these exceedances, you might anticipate one parameter that is being exceeded by a small amount for a short duration; this may not have a lot of fairness or equity issues associated with it versus one that may be anticipated to be prolonged and of a greater impact to cost. He stated that staff could not easily write specific guidance about how we are going to assess each one of those situations ahead of time. He said the proposed language says it will be addressed as it is necessary or when an exceedance occurs and be as objective and transparent as possible in our evaluation and then provide that information to the Board.

- d. Director Rishell said that if she understands this correctly, then it would be the Board's decision as to the amount of exceedance for each of these constituents. Mr. Angelotti said yes it would be the Board's decision whether to allow or not allow the exceedance, and what mitigation might be appropriate for each event.
- e. Director Rishell inquired if staff, with the help of engineering, could advise a percentage limit of exceedance on each one of the constituents after considering historical data. Mr. Angelotti opined that it would be unrealistic to have staff offer a percentage limit of exceedance on each one of the constituents, set in advance, even after looking at historical data.
- f. Director Rishell clarified that her concern would be to have something that is objective rather than subjective so that there would never be any fairness issues for this Board, or a future Board, that would approve one limit or exceedance for one locality and something different for another. In her opinion, this language is too subjective.
- g. Ms. Hostetler advised that currently, limits are not being changed and that each of the jurisdictions has their proportionate share of the loadings. She said this is only if a jurisdiction exceeds what is otherwise allocated, essentially using another jurisdiction's unused loadings.
- h. In response to Ms. Hostetler, Director Rishell provided clarification that she is mostly concerned that if Manassas Park, were to exceed, they would want to know what the real limit is. Director Dickey added, how much could you exceed and for how long?
- i. Director Simpson said that it is also dependent upon what constituent is in question and how much is not being used by others at that time. Director Rishell said that she now understands that to be a moving target.
- j. Director Dawood said that is a similar situation right now with the Copper Agreement. Where Micron through the City of Manassas, is using other jurisdiction's capacity for copper. He reminded the Board that for example, in another particular case, we are putting a supplemental carbon facility in, so if Fairfax were to exceed nitrogen, what we are saying is that it would not be punitive, correct? Mr. Angelotti said he believed Director Dawood was referring to the methanol facility, which is being implemented under the Ammonia Agreement. He said it was back at the November meeting that it was explained as a result of putting the Ammonia Agreement together, that if there is an exceedance by the City of Manassas or any another jurisdiction, UOSA will calculate the cost associated with the exceedance and would allocate the extra cost to treat that additional ammonia back to the exceeding jurisdiction.

- k. Director Dickey said one of the concerns he had spoken of earlier in the meeting is what happens when someone is exceeding something, a jurisdiction exceeding their limit, and then they keep exceeding and keep exceeding, and now all of a sudden someone else has come up to exceed their limit in the same constituent. Now will these folks have an opportunity to use another jurisdiction's capacity? I think somehow we need to put some limits on our boundaries, on the exceedance and how long it can be exceeded, or at least some way to make it more objective. And the other thing about criteria, about objectivity is, we are talking mostly about loads now rather than flow. And although we have made an assumption that the loads are equal in all the jurisdictions, we do not know that. There should be some way of determining jurisdictional loads other than just assuming that they are the same. Perhaps some kind of study, or due diligence to check, maybe annually or every three years, to periodically verify that these loads are the same throughout all the jurisdictions. I think that would tend to make folks more comfortable about that kind of assumption, because right now we are just assuming it. I think that would make this thing as objective as possible. And finally, I do not know if this is even one of the questions here, but we have limits that are established in the agreement that are kind of internal limits, they are not based on our permit.
- l. Ms. Hostetler advised the limits were set by design.
- m. Director Dickey continued by saying he believes it was set in order to make sure that we never got to a point where we were up against the wall and it was to protect the Occoquan and a lot of other legitimate reasons. It would make sense now that we are all talking about things that really cost a lot of money and decisions that are really critical. What limit are we really talking about exceeding? Is it the limit that this Board has established or is it the limit that the regulators have established? In my opinion, to make it better for everybody and as we move forward with the construction of these projects, I would want to make it as liberal as possible and make it the permit limit that is set by the regulators and not necessarily having it subjectively limited by this Board. He assumed staff was expecting a decision to be made at the meeting, but he really thought it worth everyone getting together and talking about the topic in a separate meeting, a work session.
- n. Director Rishell brought attention to the very last sentence under question no. 3 said "this will avoid one jurisdiction from unfairly sequestering unused load needed by another member jurisdiction", she inquired that if the load were specific to a jurisdiction, how could it be designated as unfairly sequestering unused load and how is that unfair if it is already designated to the jurisdiction?
- o. Mr Angelotti said that particular sentence was meant to reference the idea that this would be evaluated periodically, annually. Such that if there was an issue where the amount of shared load for a particular jurisdiction, based upon staff's assessment provided to the Board, was viewed as unfair or was creating undue impact, then there is a mechanism for the Board to rescind the sharing of that load. Likewise, if you had previously decided that this small exceedance of an allocated load was not a big deal, and the Board approved, we would allow that jurisdiction to continue exceeding, without the need to stop issuing building permits.
- p. Chairman Mohsenin and Director Dickey agreed that there appears a need for a work session. Director Simpson requested detailed examples be prepared for such a work session.

- q. Director Rishell stated that she felt it would be great help to this Board, and future Board members, to capture the topic of Service Agreement amendments or revisions in greater detail for the formal written record. Ms. Mahoney agreed to focus on including greater detail of the subject discussion for the meeting minutes.
- r. Director Dickey cautioned the Board that jurisdictions might not want this Board making land use and economic development decisions for them. He cautioned that we need to be very careful in considering that as something this Board would act on, rather than the jurisdictions themselves. He asked for the basis of decision making be as objective as possible or involve jurisdiction planning folks.
- s. Chairman Mohsenin reminded the Board of the process for Service Agreement amendments and that each jurisdiction has equal opportunity to review, comment and ultimately approve any proposed changes. Director Dickey and Director Rishell stated that if there are doubts in the minds of the jurisdiction staff and legal counsel, the proposed language will not be accepted.
- t. Ms. Hostetler took a moment to sooth the minds of the Board by advising them that this same discussion was held by the UOSA Board back in the late 1980s, and their concerns were similar to those being discussed today. She said Amendment 6.4 (now known as 6.7) was initially adopted in 1986, per the meeting minutes around that time, at that time there was concern about cost of monitoring and how to anticipate the cost of the unknown. She did state that it took 3 months for the jurisdictions to adopt the changes once they were finalized, but it was several months or almost a year to get to the final stage for approval.
- u. In response to Director Dickey, Ms. Hostetler reminded the Board that out of the three categories of amendments detailed in the memo (flow determination, load sharing, and plant expansion to 60 mgd), the expansion related amendments could be moved forward without the need of a work session.
- v. Mr. Angelotti agreed that setting aside the amendments considered too difficult, would allow the expansion related amendments to move forward.
- w. Chairman Mohsenin asked if everyone was OK with that.
- x. Director Rishell added we do the low hanging fruit first.
- y. Mr. Angelotti agreed that could be done as the Board desires.
- z. Ms. Hostetler added that this allows the expansion process to continue.
- aa. Hearing no objections, Chairman Mohsenin asked if the Board was in favor of a work session. Director Rishell asked that technical staff from jurisdictions to be invited to attend such work session.
- bb. Chairman Mohsenin added that while the work session will be beneficial to discuss how to partition equitable shares of the unused loadings, it will also add understanding to the complexity here and what our boundaries should be, he also said that everyone should keep in mind that some flexibility will be needed with regards to loading until a potential expansion is completed. He advised that this is also where the staff's

annual loading report would help jurisdictions make projections periodically so you will have an idea of your needs, in advance.

- cc. In response to Director Rishell, Ms. Hostetler stated that any amendment would have to be unanimously accepted, and signed off on, by all four member jurisdictions.

MOTION: Director Dickey moved to have staff coordinate a work session.

SECOND: Director Rishell

VOTE: Unanimous

- dd. Director Rishell thanked staff for agreeing to the work session and said she felt it was really important matter to all and will give a greater sense of security overall.

I. Staff Reports

1. Safety Briefing

- a. Ms. Mishelle Noble-Blair started by stating that a copy of UOSA's monthly Safety Newsletter was left at Board Member's places to read at their leisure. She provided a quick safety update, and said the outside counter that you see when you enter the plant is currently at 52 days without a lost time accident and that staff continues to follow safety programs and the safety committee meets monthly to review safety activities. She gladly reported that UOSA has gone twelve weeks straight with no new COVID-19 cases and that UOSA remains diligent about following the Infectious Disease and Preparedness and Response Plan while encouraging staff to obtain their vaccines. She further reported that UOSA has made appropriate changes to the Plan to conform to the changing requirements for vaccinated and non-vaccinated employees. These changes are being implemented on an honor system, as UOSA is not formally tracking employee vaccination records.

2. Executive Director's Report

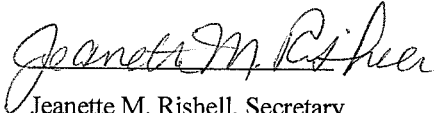
- a. Mr. Angelotti advised that the Audit Committee traditionally meets immediately prior to the June Board meeting and staff will remind the Committee in the June mailing.
- b. Mr. Angelotti announced this year's Service Awards Luncheon (normally held in June) will unfortunately once again forgo the usual sit down dining model that we have come accustomed to, where we invite the Board and guests. He said the organization will be honoring its employees with an onsite meal event instead. Similar to last year, staff will perform onsite award presentations as well. He advised that staff plan to have a memo in a future Board mailing that describes the event celebrating our service award recipients for the Board's information.
- c. Director Vehrs inquired as to when the Board and staff might be able to have the special celebration that was mentioned a few months ago where all could gather to celebrate retirees of 2020 and early 2021. Mr. Angelotti said that staff is still considering the best time to have such a celebration and believe this may occur in the month of September 2021 where perhaps it can be held outside.

3. Legal Counsel's Report

- a. Ms. Hostetler stated that she had nothing to report.

J. Adjournment

MOTION: Chairman Mohsenin moved to adjourn at 4:46 P.M.
SECOND: Director Fields
VOTE: Unanimous


Jeanette M. Rishell, Secretary
UOSA Board of Directors

Date: June 17, 2021

These minutes are unofficial until signed.