

OCTOBER 21, 2021

A REGULARLY SCHEDULED MEETING OF THE BOARD OF DIRECTORS OF THE UPPER OCCOQUAN SERVICE AUTHORITY WAS HELD OCTOBER 21, 2021 IN THE BOEPPLE 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 Dawood	Shahram Mohsenin
Calvin D. Farr, Jr.	Jeanette M. Rishell
Glenn Simpson	Nancy Vehrs (arrived at 4:23 p.m.; see Item I below)
Michael McGrath	

Gary Fields (via electronic video conferencing)

**Directors Absent:**

None

**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
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Engineer:	Don Forgacs, Jacobs
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B. Approval of Board Member Electronic Participation

1. Chairman Mohsenin advised that Director Fields wished to participate electronically. Pursuant to UOSA's Electronic Meeting Policy, Director Fields was asked to identify the reason for this request and his current location.
2. Director Fields (who was attending via video conference) stated that he was feeling ill and did not want to expose those at the meeting and therefore was attending remotely at his personal residence in the City of Manassas Park.

MOTION: Director Rishell moved to allow Director Fields to participate in the Board meeting electronically.

SECOND: Director McGrath

VOTE: Unanimous by those physically present in the room (vote excludes Director Fields)

C. Approval of Minutes

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

MOTION: Director McGrath moved to approve the minutes of the September 15, 2021 Board meeting.

SECOND: Director Rishell

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, *September 2021 Financial Summary* (filed as Exhibit A).

- a. Mr. Wolfe stated that the September Financial Summary reflected lower O&M expenses than planned primarily due to lower Personnel, Miscellaneous, Electric Power, Facilities Operations and Facilities Maintenance costs with budget timing differences for Process Chemicals and Contract Services. Flows were 3.6 percent higher than planned for the month.

- b. He reported year-to-date FY-22 O&M expenses through September were lower than budget by approximately \$872,000, primarily due to lower Personnel, Miscellaneous and Electric Power expenses, and budget timing differences for Miscellaneous, Contract Services and Process Chemicals. Year-to-date flows were 4.2 percent lower than planned.

MOTION: Director Simpson moved to receive and file the September 2021 Financial Summary.

SECOND: Director Farr

VOTE: Unanimous

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

- a. Mr. Wolfe said the FY-21 Operations and Maintenance Budget Review ending June 30, 2021 reflected an under-budget amount of approximately \$1.5 million or 4.6 percent. Actual Flows for FY-21 were 35.37 mgd or approximately 1.2 percent below projected flows of 35.8 mgd. UOSA ended the fiscal year with decreased costs for all budget lines. Additionally, UOSA continues to benefit from staff efforts to reduce energy and chemical costs through lower pricing and decreased usage.

- b. Mr. Wolfe said as stated in the memo, the net FY-21 O&M Budget Surplus credited back to the jurisdictions in the December 2021 quarterly billing will be \$628,000. This reflects the entire budget

surplus of \$1.5 million, less the amount returned to the jurisdictions in the June 2021 billing of \$878,000.

- c. In response to Director Rishell's inquiry on whether UOSA had considered the use of electric vehicles, Mr. Angelotti and staff advised that since many vehicles do not travel long distances, regular sized hybrid vehicles were selected as appropriate for UOSA use, while staff also has access to other forms of "campus friendly" travel, such as electric utility carts and bicycles around the plant.

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

SECOND: Director Simpson

VOTE: Unanimous

F. VRA Loans Interest Rate Reset Results Summary

- 1. Chairman Mohsenin referenced staff memorandum, *VRA Loans Interest Rate Reset Results Summary* (filed as Exhibit C).

- a. Mr. Wolfe said the Board may recall that in July 2021, staff started the process of resetting and lowering the interest rates on the 2011A and 2011B bonds (the VRA loans) and through a collaborative effort between staff, legal counsel, bond counsel, financial advisors, DEQ and VRA staff, the transaction closed earlier this month. He advised the savings to debt service was over \$1 million between both bonds and exceeded the early estimates of what the savings would have been. Present value savings are 9.99 percent on the 2011A bonds, and 6.8 percent on the 2011B bonds, surpassing a minimum threshold enforced of 3 percent. He said staff received updated debt service billing schedules; those would be distributed to the jurisdiction soon.

MOTION: Director Simpson moved to receive and file this summary.

SECOND: Director McGrath

VOTE: Unanimous

G. FY-22 Third Quarter Appropriation

- 1. Chairman Mohsenin referenced staff memorandum, *FY-22 Third Quarter Appropriation* (filed as Exhibit D).

- a. In response to Director McGrath and Director Farr, Mr. Wolfe advised that natural gas pricing for UOSA is locked in through June 2023 and current market conditions will not impact the third quarter appropriations. He added that transportation fees are not part of the locked in rate. Mr. Owsenek said the pricing is good for two-year intervals.

MOTION: Director McGrath moved to appropriate \$8,144,825 to fund Operations and Maintenance for the third quarter of FY-22.

SECOND: Director Dawood

VOTE: Unanimous

H. FY-22 First Quarter Performance Report

1. Chairman Mohsenin referenced staff memorandum, *FY-22 First Quarter Performance Report* (filed as Exhibit E).
  - a. Mr. Owsenek reported that plant performance during the first quarter of the fiscal year was outstanding.

MOTION: Director Simpson moved to receive and file the FY-22 First Quarter Performance Report.

SECOND: Director McGrath

VOTE: Unanimous

I. UOSA Procurement Resolution Update

1. Chairman Mohsenin referenced staff memorandum, *UOSA Procurement Resolution Update* (filed as Exhibit F).
  - a. Mr. Angelotti said the Board may recall from previous meeting discussions that staff was asked to identify large sole source procurements for repairs or replacements on critical equipment that could be delayed because of the time needed for Board authorization. Staff felt it wise to first establish a sole source limit threshold that the Board is comfortable with prior to identifying which critical equipment sole source pre-authorizations should be requested. Another outcome from the staff research was a recommendation that UOSA update its procurement resolution as a whole for inflation and to align it with changes in the VPPA thresholds. Mr. Angelotti added that staff still plans to follow-up later with the Board's request for specific pre-authorized sole sources for critical equipment after the Board sets an appropriate threshold in the procurement resolution. He advised that the Board has before it an amended procurement resolution that clarifies language and updates the Board and staff approval levels and aligns these with the current procurement act. He added that the proposed resolution will reduce the frequency the staff will need to come to the Board for action, thereby increase efficiencies for all.

*Director Vehrs arrived at the meeting.*

- b. After some discussion on the rationale for the limit increases for sole sources, engineering contracts and task orders, construction, change orders, and BOA task orders, Mr. Angelotti advised the Board that these changes are being made primarily to align with current procurement regulations and adjust for inflation over time.

MOTION: Director Vehrs moved to approve UOSA's Restated and Amended Procurement Resolution.

SECOND: Director Farr

VOTE: Unanimous

J. Major Project Reports

1. Chairman Mohsenin referenced staff memorandum, *October 2021 Project Summary* (filed as Exhibit G).
  - a. Mr. Airhart reported on Plant Projects. He said the NOVEC transformer replacement project (which is an agreement executed between NOVEC and UOSA to replace two high voltage transformers that provide the step-

down electric power to the entire plant) held a teleconference about the tentative schedule with the first transformer due to arrive at the plant and be installed in March 2022, with the second transformer expected in July 2022.

- b. Mr. Airhart stated that the Contract AWT (Advanced Wastewater Treatment) contractor has removed all old and abandoned piping inside the south end of Building L/1 and started to demolish the clino tanks just outside the building. Installation of isolation valves on remaining piping is underway. The Substantial Completion Date is unchanged at May 10, 2023.
- c. The Ozone Biofiltration design engineer held a workshop earlier in the month to discuss the process control design issues which have now been resolved. The 90 percent design workshop will be held on November 1, 2021.
- d. The design kickoff workshop for the Building U Centrifuge Upgrade was held October 19, 2021.
- e. For Contract R2D2 (Renovations to Residuals and Building D/2), the contractor continued with selected demolition, replacing process piping and equipment, subcontractors completed the concrete repairs and recoating of the walls and ceiling inside Digester 7/1. The target date for filling the digester with water is November 15, 2021. The substantial completion requirement for Subproject B work in the Digesters and Building E is unchanged at January 11, 2022.
- f. The MFF (Methanol Feeding Facility) design is being finalized, with bid documents anticipated to be ready for sale in late November 2021 subject to acquiring all necessary permits.
- g. Mr. Airhart reported on the single active Delivery System Project. He said for the YPIU (Yorkshire Park Interceptor Upgrade), staff received the 90 percent design document the day before for review.
- h. In response to Chairman Mohsenin, Mr. Airhart stated that supply chain issues and material costs have increased but staff has not noticed any labor shortages impacting UOSA projects at this time. He did say that UOSA experienced a delay on the R2D2 project last year due to COVID pandemic and exposure for the contractor. Mr. Angelotti said that staff may be seeing increases in the cost of chemicals and transportation delays, rather than a shortage on supply in general. He said a delay in delivery of Polymer resulted in the rescheduling of an optimization study this past year.

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

#### K. Staff Reports

##### 1. Safety Briefing

- a. Ms. Noble-Blair stated that a copy of UOSA's monthly Safety Newsletter was left at the 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 was currently at 206 days without

a lost time accident. To celebrate this achievement staff will be given a small token of appreciation in the coming weeks as an alternative to a large gathering for a recognition lunch.

- b. She reported that UOSA has seen an up-tick with new COVID-19 cases since the last meeting. Originally, a total of eight cases from the beginning of the pandemic to this past February, going twenty-one whole weeks with nothing reported, then in the last nine weeks there have been eleven cases. With the last three cases showing up from outside exposures since the last meeting. Staff are continuing to follow UOSA's Infectious Disease Plan and like many other organizations, staff updated the Plan in accordance with updates to Virginia standards and requirements, while following the CDC requirements. Staff will be retrained on the Plan and its updates in early November 2021. Results from completed surveys from staff that were mentioned in a previous meeting show that approximately 70 percent of UOSA staff are vaccinated, which is good and similar to the other utilities. This equates to about 50 unvaccinated employees at UOSA and in our Plan, we are required by law not only to protect the vaccinated, but to protect the unvaccinated and this is why we continue to wear face coverings. Staff continue to monitor the regulatory requirements related to mandatory vaccinations that is present in the national and local news. This will be referred to as OSHA's emergency temporary standard. When that standard is adopted by VOSH (Virginia's OSHA Branch) it will apply to both, private and public, sectors in Virginia. Similar to other organizations, UOSA continues to wait for its adoption before deciding how to manage a mandatory program for vaccinations.

## 2. Executive Director's Report

- a. Mr. Angelotti provided an update that the EPA published a strategic roadmap to handle the PFAS issue that has been talked about over the last year or more and have committed to certain actions in the 2021 to 2024 timeframe. He said EPA committed to developing ambient water quality standards and maximum contaminant levels in drinking water during that time horizon. Therefore, staff will be keeping tabs on that quite closely and will provide updates to the Board as we find out more.
- b. Mr. Angelotti said the UOSA plant tour held at the beginning of the month for the Board was successful. He reminded the Board that another date was selected during the following week for those who could not attend before. He said that communication was emailed by Ms. Mahoney. Director Vehrs and Director McGrath thanked staff for the earlier tour and said it was enjoyable and important to be reminded of our role in protecting the drinking water supply for two million residents of northern Virginia.

## 3. Legal Counsel's Report

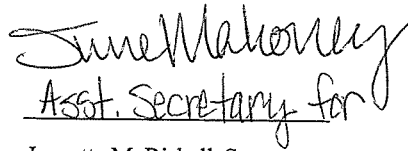
- a. Ms. Hostetler stated that she had nothing to report.

## L. Board Member Comments

- a. Director Vehrs apologized for her lateness as a result of traffic issues and requested that her vote be counted in all of the unanimous votes prior to her arrival, as she concurs with the Board's approvals.

M. Adjournment

MOTION: Director Simpson moved to adjourn at 4:45 P.M.  
SECOND: Director McGrath  
VOTE: Unanimous

  
Asst. Secretary for

Jeanette M. Rishell, Secretary  
UOSA Board of Directors

Date: November 18, 2021

*These minutes are unofficial until signed.*