

A REGULARLY SCHEDULED MEETING OF THE BOARD OF DIRECTORS OF THE UPPER OCCOQUAN SERVICE AUTHORITY WAS HELD APRIL 18, 2024, IN THE CHARLES P. 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:

Calvin D. Farr, Jr.	Shahram Mohsenin
Gary L. Fields	Jeanette M. Rishell
Michael McGrath	Patrick Small (via electronic video conferencing)
Richard Meyer	Nancy Vehrs

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, Odin, Feldman, & Pittleman, P.C.
Engineers:	Don Forgacs, Jacobs Josh Gelman, CDM Smith

B. Approval of Minutes

1. Chairman Mohsenin referenced Board Minutes dated March 21, 2024, and asked the Board for their approval.

MOTION: Director Vehrs moved to approve the minutes of the March 21, 2024, Board meeting.

SECOND: McGrath

VOTE: Unanimous

C. 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 she had not received any ahead of the meeting. None were brought forward during the meeting.
3. Chairman Mohsenin advised that two letters were received, one from the General Manager of Fairfax Water and one from the Director of the Occoquan Watershed

Monitoring Laboratory regarding the Ozone (OBF) Project and that he would consider that as public comment and would like it recorded as such. He said the matter would be discussed further during the agenda topic *UOSA Contract OBF – Contract Award Recommendation*.

D. Financial Reports

1. Chairman Mohsenin referenced staff memorandum, *March 2024 Financial Summary* (filed as Exhibit A).
 - a. Mr. Wolfe stated that the March Financial Summary reflects lower O&M expenses than planned, primarily due to lower Process Chemicals and Miscellaneous expenses and budget timing differences for Contract Services and Activated Carbon, partially offset by budget timing differences for Maintenance Materials. Flows were 1.4 percent lower than planned for the month. Year-to-date FY-24 expenses through March were lower than budget by approximately \$1.7 million, primarily due to a combination of lower Process Chemicals, Personnel, Miscellaneous, Facilities Operations, and Electric Power expenses, and budget timing differences for Contract Services. Year-to-date flows were 7.2 percent lower than planned.

MOTION: Director Vehrs moved to receive and file the March 2024 Financial Summary.

SECOND: Director Rishell

VOTE: Unanimous

E. FY-24 Third Quarter Plant Performance Report

1. Chairman Mohsenin referenced staff memorandum, *FY-24 Third Quarter Plant Performance Report* (filed as Exhibit B).
 - a. Mr. Owsenek reported that performance during the quarter was excellent as the plant.
 - b. Chairman Mohsenin thanked staff for continuing excellent performance.

MOTION: Director Vehrs moved to receive and file the FY-24 Third Quarter Plant Performance Report.

SECOND: Director Farr

VOTE: Unanimous

Director Small joined the meeting via the video conference platform.

F. Approval of Board Member Electronic Participation

1. Chairman Mohsenin advised that Director Small wished to participate remotely due to a personal matter. Pursuant to UOSA's Electronic Meeting Policy, Director Small was asked to identify the nature of the personal matter and state his current location.
2. Director Small (who was attending via video conference platform) stated that he was under doctor's orders not to drive and therefore was attending remotely from his personal residence in the City of Manassas. This is the first remote participation for Director Small in 2024.

3. By unanimous consent, Chairman Mohsenin heard no objections and permitted Director Small's remote participation.

MOTION: Director Meyer moved to approve Director Small's remote participation.

SECOND: Director Vehrs

VOTE: Unanimous by those physically present in the room (Directors Mohsenin, Farr, McGrath, Meyer, Rishell, Vehrs, and Fields).

G. Election of Officers

1. Chairman Mohsenin referenced staff memorandum, *Election of Officers* (filed as Exhibit C).

MOTION: Director Vehrs moved the slate of current officers:

Chairman – Shahram Mohsenin

Vice Chair – Nancy Vehrs

Treasurer – Gary L. Fields

Assistant Treasurer – Kevin D. Wolfe

Secretary – Jeanette M. Rishell

Assistant Secretary - June A. Mahoney

SECOND: Director Meyer

VOTE: Unanimous

2. Director Rishell plans to retire and advised that her last UOSA Board meeting would be May 16, 2024. The Board agreed to fill the Secretary vacancy at that time.

H. Election of UOSA Audit Committee

1. Chairman Mohsenin referenced staff memorandum, *Election of UOSA Audit Committee* (filed as Exhibit D) and stated the current members of the UOSA Audit Committee were Directors Vehrs, Fields and Meyer.

MOTION: Director Farr moved to reappoint Directors Vehrs, Fields and Meyer to serve on the Audit Committee for the April 2024-April 2026 term.

SECOND: Director McGrath

VOTE: Unanimous

I. Major Project Reports

1. Chairman Mohsenin referenced staff memorandum, *April 2024 Project Summary* (filed as Exhibit E).

- a. Mr. Airhart reported on Plant Projects. He stated that Clark Construction Group LLC (Clark), the contractor for the MFF (Methanol Feeding Facility) project, completed the concrete electric footings and electric duct bank encasement from Building U2 to the electric manifolds. Installation and testing continue with the 2-water line from Building D/2 to the new Methanol Building. The required Contract Substantial Completion date is January 3, 2025.

- b. The Building U centrifuge upgrade (Contract U2) project contractor, Clark, continues to procure equipment and to provide the contract

required submittals for review and approval. Contract restraints does not allow any field work to begin until the dewatering centrifuge is shipped and in route. The required Contract Substantial Completion date is August 10, 2025.

- c. The Ozone Biofiltration (Contract OBF) project bid opening was held on February 6, 2024, and was presented to the Board at the February Board Meeting at which the Board deferred action until the March, and subsequently the April Board Meeting to provide staff an opportunity to obtain information requested by the Board. He advised that a request for approval to award is again included as a separate agenda item at today's meeting.
- d. The P2NR Plus (Phase 2 Nutrient Reduction Plus) project, the 60 percent design is now being further developed into the 90 percent design by the engineer. Staff discussed the sequence of construction and operational constraints that need to be included in the contract documents. As a result of the 60 percent intermediate design development workshop, the current cost estimate (OPPC), is significantly reduced from that of the 30 percent design, which is still over the original PER cost. He reported that much of the increase is a reflection of the current market conditions. Staff will continue to monitor these costs.
- e. Contract LB (C54 Laboratory Renovations), staff received the final design documents from the engineer and once staff has approved, the engineer will seal the drawings and submit them to the County of Fairfax for permitting. The permitting process may take two to four months.
- f. Mr. Airhart reported on the CTIE project in Building H/1 (the Acid Wash and Carbox Tanks) as stated the new containment wall was completed and staff are in the process of reinstalling the acid wash pumps, safety shower, and high wash station. Additionally, the engineer was tasked with drafting a technical memorandum for new piping to allow backwash to be sent to either ERP1 or ERP2, not just to ERP1 as is the case currently. This will allow flexibility for cleaning either of the two ERPs when they require mucking out.
- g. Mr. Airhart reported on the single active Delivery System Project, the YPIU (Yorkshire Park Interceptor Upgrade). He stated PWCSA and UOSA resolved outstanding issues for a newly proposed Yorkshire Pump Station upgrade that is upstream of the YPIU project. Staff from UOSA and NOVA Parks continue with communications and meetings to establish a licensing agreement and settle fees.

MOTION: Director Rishell moved to receive and file the April 2024 Project Summary report.

SECOND: Director McGrath

VOTE: Unanimous

J. UOSA Contract OBF -- Contract Award Recommendation

- 1. Chairman Mohsenin referenced staff memorandum, *UOSA Contract OBF -- Contract Award Recommendation* (filed as Exhibit F).
 - a. As mentioned during the Public Comment Time, Chairman Mohsenin said he received a letter from the General Manager of Fairfax Water (filed as Exhibit G) and the Director of the Occoquan Watershed

Monitoring Laboratory (OWML) (filed as Exhibit H) regarding the Ozone project. He advised the letters were forwarded to the Board prior to today's meeting and handouts were left at their places.

- b. Mr. Angelotti followed Chairman Mohsenin and emphasized the importance and need for this construction project. He stated that staff put forth their greatest effort to hopefully move UOSA forward on a path to success. He said the workshop that was held on April 11, 2024 was intended to educate regional stakeholders about how adding ozone at UOSA will improve water quality in the Occoquan system and how it can be a very important unit process for indirect water reuse and will help control emerging contaminants of concern, including PFAS compounds. His hope is that the information needed to make the most informed decision for UOSA has been shared with the Board. He reaffirmed what he believed has been a transparent, competent, and confident message. He asked that the Board follow the science, technology, data, and dollars to lead them to the best and most well-informed decision for all.
- c. Director Vehrs thanked staff for facilitating the Ozone workshop last week. She found it very informative and was pleased that staff bent over backwards to answer everyone's concerns, even if they were not satisfied.
- d. Director Farr stated that while he greatly appreciated the workshop, he acknowledged that he still has concerns with regards to the comments from Prince William County Service Authority's wholesale provider, Fairfax Water, and therefore makes this project hard to support at this time. He hoped that more stakeholders would be on the same page before moving forward. Director Meyer echoed this sentiment and said that the intention of the workshop was to bring everyone up to speed and to potentially clear up confusion related to the science terminology (i.e. Ozone BAC vs. Ozone GAC, and absorptive vs. spent). He stated that it is clear with the additional letter from Fairfax Water that the concept of this project is still under debate.
- e. In response to Director McGrath, Mr. Angelotti said the plant would be able to operate the amount of absorptive phase carbon that would be necessary to meet UOSA's goals and objectives for the treatment of whatever target compounds we are talking about, whether those be COD, whether they be PFOA, PFOS, flame retardants, or some other compound. He stated it is not mutually exclusive in that just because you put Ozone in, that you cannot operate absorptive phase carbon. That thinking is not accurate. Both can be done.
- f. In response to Director Meyer, Director McGrath shared that during the workshop, Fairfax Water wanted UOSA to provide a commitment that UOSA would target a PFAS approach. UOSA could operate in different manners, but until, as Bob said, the Board or the organization sets a goal, there is a risk that UOSA will operate in a manner which will not reach a PFAS limit for Fairfax Water. Mr. Angelotti agreed and said this was a fair assessment.
- g. Director Meyer reflected that due to the lack of unanimity and considering the amount of money involved, and there is no downside to waiting at least one month until the next Executive Director for UOSA has a chance to join the discussion, he again suggested not taking action at today's meeting to further discuss the ozone topic and decide on the best path forward. Director Farr was also in favor of

waiting until the next Executive Director had a chance to endorse the project.

- h. In response to Director Rishell, Mr. Angelotti stated that the data produced from the pilot study would indicate that if you run with ozone and spent carbon, no adsorptive phase carbon whatsoever, then it is not a very good treatment technology for removing some of these PFAS compounds. Ozone does not prevent UOSA from being able to run its activated carbon with adsorptive phase carbon, and within the industry, it is quite often used as a technology to remove PFAS compounds from water.
- i. Ms. Hostetler offered to read aloud an email (filed as Exhibit I) that UOSA's next Executive Director, Mr. Brian Steglitz, had sent to Chairman Mohsenin regarding the OBF Project. The message from Mr. Steglitz was to acknowledge that he had been following the correspondence, attended the workshop remotely, and wanted to share a few thoughts and observations. Ms. Hostetler clarified that Mr. Steglitz's email was sent after the receipt of Fairfax Water's letter, and before he had knowledge of the OWML letter. Mr. Angelotti advised that the OWML letter acknowledged that ozone could help get the treatment as part of the solution.
- j. Chairman Mohsenin said there are a lot of similarities, in both letters. Both letters acknowledge the fact that stakeholders need to do more work. He said UOSA staff has acknowledged that as well. Staff also acknowledge that source control is a big issue when it comes to PFAS. In order to determine where the PFAS comes from, more time is needed to study that. The Micron representative at the workshop indicated that Micron is committed to adding treatment technologies to remove PFAS.
- k. Mr. Angelotti advised that a delay in the project to complete the additional sampling that was recommended by Fairfax Water would push this project decision out an entire year and could jeopardize the grant funding and eventually cost rate payers millions of dollars.

MOTION: Director Meyer moved to defer Board action to allow time for further communications or information between the UOSA and other stakeholders.

SECOND: Director Farr

ROLL CALL VOTE:

Ayes: Directors Farr, Meyer, and Small

Nays: Directors Rishell, Mohsenin, Vehrs, and Fields

Abstained: Director McGrath

MOTION FAILED

MOTION: Director Rishell moved to approve the Resolution authorizing the Executive Director to issue a Notice of Intent to Award, The Notice of Award, and thereafter to proceed with Award and execution of UOSA Contract OBF to Clark Construction Group, LLC, the lowest responsive and responsible bidder, for the contract amount of \$46,075,000.00.

SECOND: Director Vehrs

ROLL CALL VOTE:

Ayes: Directors McGrath, Rishell, Mohsenin, Vehrs, and Fields

Nays: Director Farr, Meyer, and Small

MOTION PASSED

DISCUSSION:

- l. Director McGrath advised that staff should provide an official response to Fairfax Water. The Board agreed that the response should be crafted by Mr. Angelotti and sent on behalf of the Board.
- m. In response to Chairman Mohsenin, Mr. Angelotti called on Mr. Greg Prelewicz from Fairfax Water that happened to be in the audience. Mr. Prelewicz advised that the Occoquan Watershed Monitoring Subcommittee had not yet met although there were plans in place to do so.

K. FY-24 Budgets

1. Chairman Mohsenin referenced staff memorandum, *FY-25 Draft Budget – O&M, Generator Reserve, OPEB Reserve & Reserve Maintenance* (filed as Exhibit J).
 - a. Mr. Angelotti highlighted some areas of the proposed budget. He said that during this fiscal year, the budget team was challenged with preparing a budget that considers: the continuation of a robust and resilient labor market, which puts pressure on the need to remain competitive with salaried and wages and other compensation benefits; as well as commodity, energy and services that are moving in variable directions with respect to inflation. He shared that deflation in some areas, like Chemicals and continuing trend of disinflation in other areas like Services. Most recent inflation indexes show year-over-year inflation of approximately 3.8 percent and a headline CPI of 3.5 percent.
 - b. Mr. Angelotti advised that the Executive Office pushed the budget team to sharpen their pencils which squeezed the overall budget increase under the current inflation indexes with an O&M Budget increase of 3.1 percent, an overall budget increase of 2.7 percent. He stated that the executive overview memo and budget book presents the details of each O&M budget category, as well as the planned reserve maintenance projects and the other reserve budgets presented for approval.
 - c. He advised that this year's impact of the O&M budget increase on a household served by UOSA is estimated to increase by \$6.64/year, which equates to about \$0.56/month, or just under \$0.02/day.
 - d. Director McGrath asked staff if the Budget would need to be amended based on the recent OBF project action taken by the Board. Mr. Angelotti said the pilot study was funded in capital investments through UOSA Capital Improvements Program and advised that staff included a cost increase for carbon and PFAS monitoring in the Budget that was before the Board for approval. He mentioned that as a result of the Ozone workshop, Fairfax Water offered to share the cost of the PFAS monitoring effort.
 - e. In response to Director Farr, Mr. Wolfe clarified that the Draft Budget from September 2023 included a market rate adjustment of 3.2 percent and the budget presented now does not include a market rate adjustment. Staff will monitor the other jurisdictional budgets as they are passed and will bring any market rate adjustments for UOSA, if

justified, as an amendment to the FY-25 Budget for the Board to consider.

- f. In response to Director Farr, Mr. Angelotti said that the market rate adjustments have in the past included all positions, including the Executive Director's position, should the Board choose to handle that differently in the future, then that would need to clearly communicate in their motion at that time.

MOTION: Director McGrath moved to approve the Operations & Maintenance, Reserve Funds and Reserve Maintenance Budgets, as presented, for FY-25.

SECOND: Director Fields

VOTE: Unanimous

L. Staff Reports

1. Safety Briefing

- a. Ms. Noble-Blair provided the briefing. She reported that UOSA days without a lost time injury or accident was at 47 days.

2. Executive Director's Report

- a. Mr. Angelotti announced that UOSA is planning the 2024 Annual Service Awards luncheon for June 26, 2024. He said the event will be held in Prince William County at the Fox Chase Manor. The Board will receive calendar invitations in May from Ms. Mahoney.
- b. Mr. Angelotti reported that after speaking with Mr. Steglitz, UOSA's next Executive Director, and Mr. Owsenek, they all agreed that no overlap was necessary during the transition period. He advised that this was his last UOSA Board meeting as he would retire from UOSA on May 3, 2024.
- c. Mr. Angelotti said he received a recommendation to include Board of Director's Bios on the UOSA external website and he opened up discussion for the Board to consider this addition, along with the idea of a portal for the Board to access. After some discussion, the Board agreed to continue posting six months of approved minutes from past meetings, and to start posting agendas as well. Staff can bring portal recommendations back to the Board at a later date.
- d. Chairman Mohsenin referenced the Resolution left at the Board's places (filed as Exhibit K) for Board action. He read the resolution honoring Mr. Angelotti's thirty-eight years of service to UOSA as an exceptional employee and mentor to many within the industry.

MOTION: Director Rishell moved the Resolution

SECOND: Director Vehrs

VOTE: Unanimous

3. Legal Counsel's Report

- a. Ms. Hostetler stated that she had nothing to report.
- b. Ms. Hostetler reminded the Board of the retirement reception planned for honor Director Rishell and Mr. Angelotti.

M. Adjournment

MOTION: Director Meyer moved to adjourn at 5:47 P.M.
SECOND: Director Fields
VOTE: Unanimous



Jeanette M. Rishell, Secretary
UOSA Board of Directors

Date: May 16, 2024

These minutes are unofficial until signed.