

A REGULARLY SCHEDULED MEETING OF THE BOARD OF DIRECTORS OF THE UPPER OCCOQUAN SERVICE AUTHORITY WAS HELD OCTOBER 17, 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 Allan Rowley
Michael McGrath Patrick Small
Richard Meyer Nancy Vehrs

Directors Absent:

None

Others Present:

UOSA Staff: Brian Steglitz
 Brian L. Owsenek
 Kevin D. Wolfe
 Mishelle Noble-Blair
 Doug Hague
 Brenda Arce
 June Mahoney

Legal Counsel: Sally Ann Hostetler, Odin, Feldman, & Pittleman, P.C.

Engineers: Don Forgacs, Jacobs

B. Approval of Minutes

- 1. Chairman Mohsenin referenced Board Minutes dated September 19, 2024, and asked the Board for their approval.

MOTION: Director Small moved to approve the minutes of the August 22, 2024, Board meeting.
SECOND: Director Vehrs
ABSTAINED: Director Mohsenin
VOTE: Unanimous

DISCUSSION:

- 2. Director Small said that while he was not present at last month’s meeting, he did want to reflect on a statement recorded in the subject minutes. He stated that he did not contest the veracity of the minutes as he trusted them to be an accurate portrayal of what was said at the meeting. However, he did object to specific content relating to the MFF Project (Section F.2.b.). That section says, “In response to Director Meyer, Mr. Owsenek assured the Board that the City of

Manassas has been given this information in advance and appear to be satisfied with staff's efforts in our decision making and procedures followed." Director Small wanted to make sure this Board is aware the City of Manassas is not happy with the status of the MFF Project and that this feedback has been expressed to staff. He advised that the City would be requesting a meeting with Mr. Steglitz to discuss specific grievances. Director Small asked that the meeting minutes for today's Board meeting reflect that the MFF Project is now expected to cost significantly more than the \$1.8 million original project estimate that the City was initially told, and then shared with its industrial partner. An agreement between the City and its industrial partner was signed based on that initial cost information.

3. Mr. Owsenek offered clarification that staff believe the City is satisfied with our current level of communication. Director Small responded that the City is satisfied with the current staff's recent level of communication as they try to openly and fairly communicate the process. He asked that the minutes of this meeting reflect the City's position.

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.

D. Administrative Reports

1. Chairman Mohsenin referenced staff memorandum, *September 2024 Financial Summary* (filed as Exhibit A).
 - a. Mr. Wolfe reported that the September Financial Summary dashboard shows that O&M expenses are in line with our budgets. He said Reserve Maintenance expenses are running a little ahead of the budget timing issues as staff purchased several planned reserve maintenance items in the month of September. Expenses are 29 percent complete and continue to run under budget for the fiscal year.
 - b. Mr. Wolfe informed the members of the UOSA Audit Committee, Directors Field, Meyer, and Vehrs, that a meeting for the Committee is scheduled just prior to the next Board meeting on November 21 at 3:30. Mr. Wolfe offered to send out a meeting invite to help remind the Committee of the upcoming meeting.
 - c. In response to Director Rowley, Mr. Wolfe explained that the chart showing FY-25 Flows are based off anticipated flow data provided by the Treatment Process Division. Mr. Hague, UOSA's Treatment Process Division Director, advised that the anticipated flow is based on historical flows for each member jurisdiction.

MOTION: Director Small moved to receive and file the September 2024 Financial Summary.

SECOND: Director Vehrs

VOTE: Unanimous

2. Chairman Mohsenin referenced staff memorandum, *FY-24 O&M Budget Review* (filed as Exhibit B).
 - a. Mr. Wolfe said FY-24 ended with an under-budget amount of approximately \$1.5 million, or 3.6 percent. Actual flows for FY-24 were approximately 9 percent lower than planned. UOSA ended the fiscal year with significant favorable variance percentages in Chemicals and Facilities Operations, which were partially offset by over budgets in legal expenses and other miscellaneous. The primary driver for the Legal over budget position was related to the Executive Director recruitment as all the expenses flow through that line item. As noted in the memo, the FY-24 budget surplus amounts credited back to the jurisdictions in the upcoming December quarterly billing will be \$201,000 to Fairfax County, \$215,000 to Prince William County, \$95,000 to the City of Manassas, and \$22,000 to City of Manassas Park.

MOTION: Director McGrath moved to receive and file the FY-24 O&M Budget Review.

SECOND: Director Vehrs

VOTE: Unanimous

3. Chairman Mohsenin referenced staff memorandum, *UOSA 2010B Bond Refunding Update* (filed as Exhibit C).

- a. Mr. Wolfe reminded the Board that at the August meeting, the Board approved staff to form various bond documents and authorized actions that were necessary for the issuance of the bonds. Staff worked with legal counsel, bond counsel, our financial advisors, the underwriters and their counsel on the negotiated deal. On October 2, 2024, a negotiated sale for the 2024 Series Bonds was completed with a closing scheduled on November 14th. After closing is finalized, UOSA will see debt service savings of approximately \$437,000, well above the established savings threshold. He said he would have another brief update for the Board at the November meeting once the closing finalizes.
- b. Director Small acknowledged that although he missed the last meeting, he read through the work that Davenport submitted for the rating agencies and commended the organization on its positive rating.

MOTION: Director Rowley moved to receive and file the UOSA 2010B Bond Refunding Update.

SECOND: Director Vehrs

VOTE: Unanimous

4. Chairman Mohsenin referenced staff memorandum, *FY-25 Third Quarter Appropriation* (filed as Exhibit D).

MOTION: Director Vehrs moved to appropriate \$10,504,350 to fund Operations and Maintenance for the third quarter of FY-25.

SECOND: Director McGrath

VOTE: Unanimous

5. Chairman Mohsenin referenced staff memorandum, *FY-25 First Quarter Plant Performance Report* (filed as Exhibit E).

MOTION: Director Vehrs moved to receive and file the report.

SECOND: Director McGrath

VOTE: Unanimous

6. Chairman Mohsenin referenced staff memorandum, *October 2024 Project Summary* (filed as Exhibit F).

- a. Mr. Steglitz said as a result of feedback at the last meeting, staff continued working towards a new dashboard-style reporting format for the construction projects, similar to what staff provided in the Financial Summary reports. He said the added information should be available in the November report.

- b. Mr. Owsenek reminded the Board that a workshop for the Rerating Study was scheduled for December 6, 2024, at UOSA. He said an email with details about the workshop would be distributed soon to interested and relevant people for each member jurisdiction that are available to attend. Mr. Steglitz stated the list of individuals to receive the initial email may include the appropriate technical representatives, although this workshop is meant to be inclusive, and staff ask that the invite be forwarded to others that may have been missed.

MOTION: Director Rowley moved to receive and file the report.

SECOND: Director McGrath

VOTE: Unanimous

7. Chairman Mohsenin referenced staff memorandum, *October 2024 Safety Report* (filed as Exhibit G).

- a. Mr. Steglitz took this opportunity to bring attention to the details provided to the Board at their places for the upcoming Safety Appreciation Breakfast. He welcomed the Board to join staff at the breakfast to celebrate UOSA's safety program.

MOTION: Director Meyer moved to receive and file the report.

SECOND: Director Vehrs

VOTE: Unanimous

E. Action Items

1. Chairman Mohsenin referenced staff memorandum, *Updated FY-25 Staffing Plan* (filed as Exhibit H).

- a. Mr. Wolfe gave a brief summary of the memo to the Board. He said the Executive Director presented the Board with a plan to address some critical staffing needs in the coming months and years. The plan is to add some new positions, along with some strategic over hires for certain highly technical positions, while eliminating other positions that are currently or soon will be vacated. The staffing changes will be staggered over the current and future fiscal years. Currently, staff do not anticipate asking for a budget amendment for this fiscal year, but staff will return to the Board for a budget amendment if need be. Future budgets will reflect all the new full-time employees (FTEs) and over hires. Staff is

recommending the Board approve the staff additions and over hires previously outlined by the Executive Director in his first 100 days presentation.

- b. In response to Director Farr, Mr. Steglitz said some position descriptions are still in the process of being drafted. However, he did mention that staff had sought feedback from some partners and peers who have similar positions and are using those descriptions as templates. He said the communication specialist role would focus on how UOSA is represented externally to stakeholders (e.g. online presence, tours, partnerships within the industry), as well as working on internal communications. Director Farr looks forward to UOSA having a communications person that could help in partner messaging, especially on topics that impact the entire region.

MOTION: Director Small moved to approve the staff additions and over hires previously outlined in the Executive Director's first 100 days presentation.

SECOND: Director Fields

VOTE: Unanimous

F. Staff Reports - Presentations

- 1. Chairman Mohsenin referenced staff memorandum, *Annual Loading Calculations* (filed as Exhibit I).

- a. Mr. Hague summarized the FY-24 constituent loading calculations summarized in the memo. He stated that for the FY-24 period, no jurisdiction exceeded their proportional capacity, however some jurisdictions were nearing their 100 percent proportional capacity limit. Mr. Hague introduced UOSA's Process Operations Engineer, Ms. Brenda Arce, to provide a short presentation detailing the FY-24 constituent loading results.

- b. Ms. Arce's presentation (filed as Exhibit J) highlighted the topics on parameters of interest, methodology, jurisdictional capacities and moving forward.

- c. Director Small said it would be beneficial if staff could provide him with a 5-year ammonia capacity trend for the City of Manassas.

MOTION: Director McGrath moved to authorize the Executive Director to develop a plan for Board consideration to address jurisdictional capacity.

SECOND: Director Vehrs

VOTE: Unanimous

MOTION: Director McGrath moved to authorize exceedances as per prior practice.

SECOND: Director Rowley

VOTE: Unanimous

2. Chairman Mohsenin referenced agenda item, *Board Orientation*.
 - a. Mr. Steglitz advised the Board that Ms. Hostetler's presentation was being provided at today's meeting, rather than at the upcoming Board Retreat, to consolidate the Retreat agenda into a single, full-day event.
 - b. Ms. Hostetler presented the Board Orientation presentation (filed as Exhibit K) as guidance on what a Board Member's role is regarding duties on behalf of UOSA and the member jurisdiction that appoint them. She answered the Board's questions and offered clarity for some situations that may arise.
 - c. The Board thanked Ms. Hostetler for her presentation and asked that slides be sent to them electronically. Director Small also suggested that this kind of presentation be given to the Board on an annual basis, along with the Freedom of Information Act (FIOA) updates.

G. Staff Reports – Executive Director's Report

1. Mr. Steglitz reported that during the previous week, staff entertained a contingent from Eastern Europe by providing a tour of the UOSA facility. The group of approximately 20 people, including interpreters, were associated with technology and information sharing within the water and wastewater curriculum.
2. Mr. Steglitz advised that the result of the cultural survey completed by staff were recently received with a staff participation of 89 percent. He said the results will be consolidated into a presentation for the Board at a future meeting.
3. Mr. Steglitz reminded the Board of the Board Retreat scheduled on November 19, 2024. He said the Retreat consultant sent out some information/homework ahead of the Retreat and asked that the Board be sure to complete the necessary tasks in advance.
4. Mr. Steglitz advised that since the last meeting, EPA passed some aquatic life criteria for PFAS. He said this is something staff continues to watch and that he believes at this stage the State of Virginia could use that information and potentially consider whether regulations or standards could be developed for a facility like UOSA.
5. Mr. Steglitz stated that President Biden signed the Chips Act, which provides incentives for people who are developing that type of technology. He said Micron Technology falls underneath that category and are exempt from the National Environmental Policy Act (NEPA) requirements. He has asked Ms. Hostetler to investigate and determine if there is a potential impact of risk to UOSA under the Clean Water Act with regards to being able to permit.

H. Staff Reports - Legal Counsel's Report

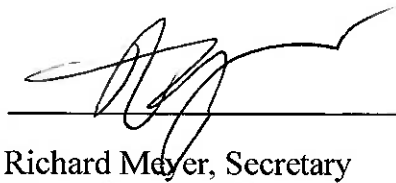
1. Ms. Hostetler advised that she and staff continue to work through a review of the Ordinances for the Pretreatment Program.

J. Adjournment

MOTION: Director Vehrs moved to adjourn at 5:56 P.M.

SECOND: Director Meyer

VOTE: Unanimous

A handwritten signature in black ink, appearing to be 'RM', is written over a horizontal line.

Richard Meyer, Secretary
UOSA Board of Directors

Date: November 21, 2024

These minutes are unofficial until signed.