

A regular meeting of the Board of Members of Rapidan Service Authority was held on September 21, 2023 at the Madison County Administration Building in Madison, VA.

The meeting was called to order at 2:00 PM. A quorum was established followed by the Pledge of Allegiance.

Present:	Members:	Coppage, Elliott, Frame, Johnson, Voorhees
	Staff:	G.M. Clemons, D.O. Jarrell, D.A. Gaskins
	Attorney:	S. Calos
	Visitors:	Dave Davies, Steven King, D.J. Anglin, Brittany Lewis, Deborah Kendall

In response to the Chairman's question as to whether there were any adjustments to the proposed agenda for the meeting, GM Clemons pointed out that he had added a couple of items to the Board package shortly before the meeting. One was a corrected rate sheet to go with item 7E on the agenda and the other was a letter from the Town of Gordonsville to go with item 7F. On a motion from Voorhees, seconded by Johnson, the agenda, as amended, was adopted unanimously on a voice vote.

On a motion by Johnson, seconded by Voorhees, the minutes of the July 20, 2023 meeting were approved on a voice vote with four in favor and Coppage abstaining. (Note: There was no meeting in August 2023.)

The opportunity was then given for public comment. Dave Davies of Locust Grove raised three concerns: 1) The delay in notification through RSA's emergency message system of a sewage spill at Lake of the Woods; 2) The possibility of a rate increase due to the departure of Greene County from the Authority; and 3) the need to identify an additional source of water due to the expected growth in Orange County.

Stephen King, also from Locust Grove, then spoke. He said he believes that they have received notification for three quarters in a row of a problem with the water quality. He said that RSA is now planning to raise the price of the water and wants to know what is being done to avoid water quality issues in the future and, with the withdrawal of Greene County, how many jobs would be affected if the rates were to remain the same. The Chairman informed him that the water quality issue would be addressed later on the agenda.

D.J. Anglin, candidate for district two of the Orange County Board of Supervisors, then spoke. He said that Locust Grove is under water restrictions and yet the Wilderness project had been told that RSA could provide water service for an additional 2000 – 5000 residences and businesses with no problem. How does this work? Chairman Frame explained that the current water flow, even with restrictions, is about 20,000,000 gallons per day. When RSA said it could handle increased usage, it was based on the water treatment plant capacity. An increase in 1,000,000 gallons per day there would be sufficient to serve the additional 5,000 homes. Mr. Anglin again brought up concerns about the water quality, and GM Clemons informed him that those numbers are all back in compliance.

Brittany Lewis, a district four candidate, then spoke. She listed the questions/topics that she was being asked about RSA:

- 1) Concern being expressed about taking on \$1.2 million of debt related to the exit of Greene County;

- 2) What was done to prepare for this during the more than 12 months leading up to the exit?;
- 3) Why were customers not told multiple times to prepare for a rate increase when Greene County left?; and
- 4) How can RSA function in a sustainable fashion with responsible environmental impact?

She also mentioned that with the Chairman's retirement, about 40% of people wanted a replacement for his seat chosen now and 60% wanted to wait until after the upcoming election.

When the Board was given an opportunity for comment, Mr. Coppage asked about the status of the second quarter Greene County facility fee. GM Clemons explained that RSA had still been receiving payments from Greene County residents and that Trace Gaskins and Cindy Breeden are currently reconciling the records. RSA will then send the County a final check along with a list of those who had not paid. This should be complete in October.

Gordonsville Town Manager Deborah Kendall then briefly discussed the letter that she had sent RSA on September 20, 2023, by email, regarding the renewal of their water purchase contract with RSA. They are concerned that the amount allotted may not be sufficient for their needs. GM Clemons pointed out that additional water would be available but would be charged at a higher rate. The Town is asking for a 90-day extension of the current agreement with the option of an additional 90 days if needed while they review the matter. RSA's purchase cost for the water is increasing on October 1, 2023, so it was suggested that perhaps an extension be granted but at the new proposed rates. A vote on the matter was delayed until later in the meeting.

MFAS Gaskins then presented a customer request to waive some of the charges from a recent leak because their meter had been read on the 11<sup>th</sup> and they did not find out about the high usage until the 17<sup>th</sup>. MFAS Gaskins had worked out a 24-month payment plan with them to ease the burden. RSA does try to notify customers when unusually high usage is noticed, but for various reasons is not always able to do so. On a motion by Coppage, seconded by Johnson, the Board voted unanimously on a voice vote to uphold regular policy.

Mr. Frame then announced that he would be resigning his position as Chairman shortly before the end of the meeting and his position on the RSA Board at the end of the month. GM Clemons thanked him for his many years of service.

The next item was the approval of the amended and restated Bylaws. After discussion, a motion was made by Johnson, seconded by Voorhees, to adopt the resolution amending and restating the Bylaws in accordance with Exhibit A, amended, as agreed. (Changing Article 2.5 to allow the county Board of Supervisors to dismiss their members at will and deleting Article 2.6). The motion then passed unanimously on a rollcall vote.

MFAS Gaskins then presented to the Board the Town of Orange water rate adjustment for the coming year. The current rate RSA pays to the Town of Orange is \$3.817 per thousand gallons. This will increase to \$4.215 on October 1, a 10.4 % increase with the new contract rate.

A vote was then held on the extension of the contract with the Town of Gordonsville discussed earlier. On a motion by Coppage, seconded by Voorhees, the Board, on a unanimous voice vote agreed to extend the current contract for 90 days but at the new rates as required by RSA's new contract with the Town of Orange.



GM Clemons then discussed the Locust Grove water restrictions currently in place. Although the recent rain helped tremendously, he feels it best to leave the current restrictions in place until we see if the long-term situation approves.

Next, D.O. Jarrell updated the Board regarding disinfectant byproducts. The last quarter has been better, and RSA is complying in all of its water systems. D.O. Jarrell indicated that there were many factors that play into this but also indicated that RSA had made some adjustments in coagulant and disinfectant dosages that seem to have helped. The Chairman thanked him for getting RSA back in compliance.

D.O. Jarrell then addressed the upcoming changes to the EPA's Lead & Copper Rule. The EPA has taken the position that it is unsafe to have any lead in drinking water and is implementing the following changes: 1) Water utilities will be required to identify any lead service lines (including the privately owned lines running from the meter to the home or business); 2) testing protocols will be changed to require a 5-liter sample in situations where there is a suspected or known lead service line; 3) additional educational, corrosion control and testing requirements will be implemented above a certain level of lead in the system; 4) lead service lines (including private lines) must be replaced; and 5) testing will be extended to elementary schools and licensed childcare facilities. Testing must also be provided to secondary schools that request it. Although there is not a requirement for water providers to pay for the replacement of private service lines, the general expectation is that they will offer financing or grants to do so. RSA is working on addressing these new requirements. RSA has no lead service lines and hopes for customer participation in the identification of any privately-owned lead service lines. To that end, a small incentive program to encourage customer involvement is being considered.

GM Clemons then gave his report. As requested by the Chair, the financial impact of Greene County's departure has been analyzed, and to keep staffing and service levels as they currently are will necessitate an approximate 17% increase in rates. GM Clemons further reported that in a recent seminar conducted by the Virginia Department of Health, it is recommended that water rates be approximately 1% of the median income for an area and as high as 4% if both water and sewer service is provided. RSA rates are not this high in many cases, and this has negatively impacted the Authority with regard to a recent grant request. GM Clemons recommended that the Board have a rate study done to see what the rates should actually be for operating and capital expenses. RSA has not had to borrow money for a project for a number of years but will need to do so for capital improvement projects in the future. Staff are currently working on a budget for 2024, but it will be important to work with the Board in planning for future projects.

Stefan Calos then presented the Attorney Report. Dupont and 3M have reached a \$1.1 billion settlement in a class action lawsuit regarding PFAS – synthetic chemicals in the water supply. RSA can file a claim as a member of the class or decline to file if it wishes to pursue its own claim at a later time. RSA's anticipated risk of a PFAS problem is low, and it would therefore seem prudent for RSA to participate in the class action settlement. On a motion by Voorhees, seconded by Coppage, the Board voted on a unanimous voice vote to authorize Counsel to participate in this class action settlement and to appropriately work with other attorneys as needed.

The Chair indicated that he would like to entertain a motion for a rate study. On a motion by Coppage, seconded by Johnson, the Board voted to pursue a rate study with an outside firm on a unanimous voice vote.

The Board then took up the need to elect a new chairman. On a motion by Frame, seconded by Coppage, the Board voted to elect Mark Johnson as the new chairman. The motion passed on a rollcall vote with 4 in favor and Mr. Johnson abstaining. Mr. Johnson thanked Mr. Frame for his many years of service both with RSA and on the Orange County Board of Supervisors.

On a motion from Frame, the Board unanimously voted to adjourn the meeting on a voice vote at 3:47 p.m.



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Chairman