

A regular meeting of the Board of Members of Rapidan Service Authority was held on November 17, 2022 at the Madison County Administration Building.

The meeting was called to order at 1:58 PM. A quorum was established followed by the Pledge of Allegiance.

Present: Members: Bowman, Coppage, Crozier, Frame, Martin, Yowell
 Staff: GM Clemons, DO Jarrell, DA Gaskins

 Visitors: Greg Lunsford, B. Gardner, Clay Jackson, Powell O'Bannon, Media

The agenda for the meeting was adopted on a motion by Bowman, seconded by Martin and approved unanimously on a voice vote.

The minutes of the September 15, 2022 Board meeting were approved on a motion made by Yowell, seconded by Bowman. The motion passed on a 4-0 voice vote with abstentions by Mr. Coppage and Mr. Martin, who were not present at the September meeting.

Mr. Lunsford then gave an update regarding Greene County's withdrawal from RSA. He indicated that they are making progress but still need to hire staff, particularly plant operators, before they can finish the process. They are currently in the process of making offers to three water operators and three wastewater operators and hope to have them on board no later than the middle of December. They are unable to secure the required approval from the various state agencies such as the VRA, SCC, VDH and DEQ until they have the necessary staff hired. The necessary title work has nearly been completed, and Mr. Lunsford will forward the paperwork to GM Clemons as it is finished so that RSA's attorney can review it as it is completed rather than as a single unnecessarily large submission. Greene has encountered significant price increases in vehicles and equipment but will begin ordering around the first of December. Mr. Lunsford reiterated the County's hope that their staff could train with RSA's operators for one week during the transition period but cannot at this point give any definite timeline for completing its withdrawal from RSA.

Mr. O'Bannon from Madison Land Holdings then addressed the Board. He currently owns 22 sewer EDUs in Madison but will need to have access to water, also. He questioned whether there are plans for water to be made available in the area he hopes to develop and mentioned that he would eventually need at least an additional sewer EDUs, as well. None are currently available and will not be until the sewer plant is expanded. It seemed that the Madison County representatives were supportive of his interest, so the Chairman referred Mr. O'Bannon to GM Clemons to discuss the matter further.

There was no public comment, but a couple of the Board members took the opportunity to give comment. Mr. Crozier congratulated Greene County on the progress that they had made to date on their withdrawal from RSA. Mr. Yowell asked about Madison County's involvement in the lawsuit brought by Greene County. He was informed that Greene County had agreed to dismiss the lawsuit once the asset transition to Greene County occurs.

The Board then discussed the acceptance of the Phase 2A section of the Ruckersville Four Seasons development into the RSA water/sewer system. On a motion by Bowman, seconded by Martin, the Board accepted the section into the RSA system on a unanimous voice vote.

GM Clemons then brought a proposed funding agreement between the Virginia Department of Health and RSA for improvements to the Madison water plant and intake to the Board for approval. GM Clemons thanked DO Jarrell for his work on this project over the past year. RSA will receive \$1,876,875 for improvements to the Madison water facility with the contingency that the work must be completed by December 31, 2024 for RSA to receive full funding. GM Clemons stated that that would not be a problem, and RSA's attorney has deemed the agreement legally sufficient. Mr. Yowell asked if the funding would cover everything that was needed. GM Clemons indicated that it would not but that it would cover major components and bring a 54-year-old system much more up to date. It would not increase capacity, however, and any costs above the \$1,876,875 would be borne by RSA. Mr. Yowell asked that GM Clemons keep the Board apprised of additional costs involved. A motion was made by Coppage, seconded by Yowell, to give the General Manager permission to execute the agreement. The motion passed unanimously on a voice vote.

As had been requested by Mr. Yowell, the Board then reviewed RSA's EDU policy. GM Clemons had informed the Madison Board of Supervisors of RSA's hopes to increase capacity in the county in the future which would make some additional EDUs available for purchase. Citizens had expressed their concern about how these might be apportioned, fearing that a few developers might purchase all of them for future projects that might take place in the distant future or not at all. Mr. Yowell had been asked if a purchaser would be required to have an "approved site plan" to purchase an EDU. GM Clemons indicated that normally the developer would have already approached the county before approaching RSA. The Chairman expressed some concern that many years ago RSA might have been approached about the availability of water/sewer for a project without the EDUs being purchased at that time and without formal tracking of these potential future purchases. GM Clemons also pointed out that RSA's usual position is to encourage the purchase of EDUs since that is a significant source of revenue, although he understood Mr. Yowell's concern about EDU purchases on a smaller system. The Chairman mentioned the possibility of a requirement for formal plans to be prepared that would provide details of the intended location of water/sewer on a property to help ensure that plans were being made to use the EDUs that were requested for purchase. Mr. Crozier suggested the possibility that a portion of the EDUs be kept in reserve. The Board could then allow these to be purchased on a case-by-case basis. Mr. Jackson, Madison BOS Chairman, mentioned the possibility of redrafting the policy section regarding EDUs. GM Clemons asked that any drafts would be sent to him before being presented to the Board as RSA has tried to operate consistently over each of its locales. Mr. Martin suggested that Madison County's zoning and planning office and the Madison County representatives might want to work with GM Clemons' office in this area. GM Clemons reiterated his understanding of Mr. Yowell's concern, and he and Mr. Yowell said that they would work on it.

A possible staff bonus was then brought up for discussion. A motion was made by Crozier, seconded by Coppage, to approve a bonus for staff. Appreciation was expressed for the hard work of staff, especially of personnel who must work outside in all kinds of weather conditions. The motion was approved unanimously on a voice vote.

GM Clemons then gave his report. Overall, RSA is in good shape financially. Forecasted revenue is down slightly, but operating expenses are down as well. The Wilderness water plant expansion is in progress and expected to finish in August or September of 2023. The Locust Grove vacuum sewer project and the Washington Street project in Madison are also progressing. Additionally, 400 feet of sewer pipe was replaced in Gordonsville on an emergency basis. GM Clemons stated that he had hoped RSA was done with covid, but four new cases had appeared last week. Supply issues are still a problem with delays in receiving orders being routine, but RSA has been able to get the needed chemicals to carry out plant operations. Legal expenses are down. There was a question regarding debt service payments being greater than the budgeted amount, and it was pointed out that these payments are made twice a year and would be back in sync with the budget next month.

As there was no further business to be brought before the Board, Coppage made a motion, seconded by Yowell, that the meeting be adjourned. The motion passed on a unanimous voice vote at 2:42 PM.

Chairman