



COMMISSION MEETING MINUTES
July 25, 2023

- | <u>No.</u> | <u>Topic</u> |
|------------|---|
| | Call to Order |
| 1. | <u>Public Comments Not Related to the Agenda</u> |
| 2. | <u>Consent Agenda</u> |
| 3. | <u>Boater Education and Pump Out Program</u>
<u>Virginia Department of Health (VDH) Grant Agreement</u> |
| 4. | <u>Fleet Management (FY-2024)</u>
<u>Initial Appropriation</u> |
| 5. | <u>Norview Estabrook Division I, 18-Inch Force Main Replacement Phase II, Section 2</u>
<u>Additional Appropriation, Rejection of Low Bid, Contract Award and Task Order</u> |
| 6. | <u>Norview Estabrook Division I, 12-Inch Force Main Replacement and</u>
<u>Norview Estabrook Division I, 18-Inch Force Main Replacement, Phase III</u>
<u>Additional Appropriation, Contract Award and Task Order</u> |
| 7. | <u>Pump Station Motor Control Center Replacements-Phase I</u>
<u>Initial Appropriation and Task Order</u> |
| 8. | <u>Riverside Nassawadox Treatment Plant Decommissioning</u>
<u>Initial Appropriation</u> |
| 9. | <u>Treatment Plant Dewatering Improvement Phase IV</u>
<u>Initial Appropriation, Task Order</u> |
| 10. | <u>Water Quality Department Instrumentation Equipment (FY-2024)</u>
<u>Initial Appropriation</u> |
| 11. | <u>York River Treatment Plant Administration Building Renovation</u>
<u>Additional Appropriation</u> |
| 12. | <u>Commission Governance Guidelines</u>
<u>Proposed Revisions</u> |
| 13. | <u>Procurement Policy</u>
<u>Proposed Revisions</u> |
| 14. | <u>Ethics Policy</u>
<u>Proposed Revisions</u> |



DRAFT COMMISSION MEETING MINUTES
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- | <u>No.</u> | <u>Topic</u> |
|------------|---|
| 15. | <u>Freedom of Information Act – Public Records Policy Proposed Revisions</u> |
| 16. | <u>Capital Improvement Program (CIP) Quarterly Update</u> |
| 17. | <u>Unfinished Business</u> |
| 18. | <u>New Business - New Position in Central Environmental Laboratory (CEL) for Per- and Poly-Fluoroalkyl Substances (PFAS) Analysis</u> |
| 19. | <u>Commissioner Comments</u> |
| 20. | <u>Informational Items</u> |
| 21. | <u>Closed Meeting</u> |
| 22. | <u>Reconvened Meeting</u> |



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The Commission Chair called the meeting to order.

Name	Title	Present for Item Nos.
Rodriguez, Stephen C.	Commission Chair	1-23
Elofson, Frederick N.	Commission Vice-Chair	Absent
Glenn, Michael E.	Commissioner	16-23
Lakdawala, Vishnu K.	Commissioner	1-23
Levenston, Jr., Willie	Commissioner	16-23
Stern, Nancy J.	Commissioner	1-23
Taraski, Elizabeth	Commissioner	1-23
Templeman, Ann	Commissioner	1-23

In accordance with Virginia Code § 2.2-3708.3 (B) and the HRSD Remote Participation Commission Adopted Policy Commissioner Lakdawala requested approval to participate in today’s meeting from Virginia Beach due to a personal matter which is preventing the Commissioner from attending the meeting in person.

Moved: Elizabeth Taraski
Seconded: Ann Templeman

Ayes: 4
Nays: 0
(Excludes Remote Participant)

1. **Public Comments Not Related to Agenda – None**



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2. **Consent Agenda**

Action: Approve the items listed in the Consent Agenda.

Moved:	Elizabeth Taraski	Ayes:	5
Seconded:	Nancy Stern	Nays:	0

Brief:

- a. Approval of minutes from previous meeting.
- b. Contract Awards
 - 1. [Central Environmental Laboratory Expansion and Rehabilitation](#) \$257,000
[Task Order](#) \$3,139,000
 - 2. [Employee Work and Personal Apparel Purchase Contract](#) \$1,132,800
 - 3. [Shipps Corner Pressure Reducing Station Modifications](#) \$858,030
- c. Contract Change Orders
 - 1. [Nansemond Treatment Plant Struvite Recovery Facility Improvements](#) \$1,435,246
- d. Task Orders
 - 1. [South Shore Gravity Sewer Improvements Phase I](#) \$290,572
 - 2. [Treatment Plant Dewatering Replacement Phase III](#) \$760,658
- e. Sole Source
 - 1. [Versacomb™ Media](#)

Item(s) Removed for Discussion: None

Public Comment: None



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3. **Boater Education and Pump Out Program
Virginia Department of Health (VDH) Grant Agreement**

Action: Approve the terms and conditions of the Sub-Recipient Agreement with VDH for the Boater Education and Pump Out Program and authorize the General Manager to execute same, substantially as presented, together with such changes, modifications and deletions as the General Manager may deem necessary.

<u>Moved:</u>	Ann Templeman	<u>Ayes:</u>	5
<u>Seconded:</u>	Elizabeth Taraski	<u>Nays:</u>	0

Brief: The Boater Education and Pump Out Program has been an established internship at HRSD since 1996 within the Municipal Assistance Program. Its mission is to promote the proper disposal of sewage from boat holding tanks to protect public health and the waterways of Hampton Roads. The VDH Marina Program receives federal Clean Vessel Act funding from the Sport Fish and Wildlife Restoration Grant. The grant funds are used to educate boaters and marina owners on the serious health and environmental threat posed by the discharge of sewage in the marine environment. HRSD operates the Program utilizing funding from the grant through VDH. While not part of this grant, HRSD also receives annual funding from the Cities of Hampton, Norfolk, Portsmouth, and Virginia Beach. The language contained in this [Agreement](#) has been substantially updated and has been reviewed by HRSD's legal counsel.

Public Comment: None



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4. **Fleet Management (FY- 2024)**
Initial Appropriation

Action: Appropriate total project funding in the amount of \$2,670,910.

Moved: Nancy Stern **Ayes:** 5
Seconded: Elizabeth Taraski **Nays:** 0

CIP Project: GN019300

Project Description: This project will provide for replacement of aging fleet vehicles and the purchase of additional vehicles to meet the needs of the organization for Fiscal Year 2024. Vehicles are evaluated for replacement when mileage meets or exceeds 100,000 miles on gasoline driven engines and 200,000 miles on diesel driven engines. High maintenance cost and down time is also evaluated.

Funding Description: The initial appropriation for the project is based on cost estimates from vehicle manufacturers and state contracts. Funding for the additional fiscal years in the CIP will be requested each year. Planned replacements for FY-2024 are included in the table below. The amount provided in the CIP is significantly higher due to vehicle price increases. Actual replacements may change within the total appropriation based on final purchase price, delivery schedule or other emerging needs.

Funding includes a 10% contingency for inflation and supply chain issues.

Vehicle No.	Department	New Vehicle to be Purchased	Vehicle Replacement Cost
16	North Shore Electrical & Energy Management	E-350 Van	\$53,500
96	North Shore Pretreatment & Pollution Prevention	3500 Truck	\$57,500
313	North Shore Electrical & Energy Management	E-350 Van	\$53,500
334	South Shore Electrical & Energy Management	3500 Truck	\$53,500
140	North Shore Interceptors	F550 Crew Cab Utility Body	\$145,000
84	South Shore Interceptors	3500 Truck	\$88,600
335	South Shore Pretreatment & Pollution Prevention	3500 Truck	\$53,500
251	Small Communities Division - Treatment	2500HD Truck	\$82,000
114	Virginia Initiative Plant	Tractor/Mower	\$75,000
158	North Shore Interceptors	M-2106 Crew Cab	\$358,500



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New	Onancock Treatment Plant	4X4 Extended Cab Utility Body with Crane	\$115,000
New	Onancock Treatment Plant	4X4 Extended Cab Utility Body with Crane	\$115,000
New	North Shore Interceptors	SUV	\$35,000
New	Technical Services Division	SUV	\$35,000
New	Technical Services Division	Cargo Van	\$53,500
New	Biosolids Hauling	Road Tractor with Hydraulic Kit	\$227,000
New	Biosolids Hauling	Road Tractor with Hydraulic Kit	\$227,000
New	Biosolids Hauling	Dump Trailer	\$150,000
New	Biosolids Hauling	Dump Trailer	\$150,000
New	Biosolids Hauling	Dump Trailer	\$150,000
New	Biosolids Hauling	Dump Trailer	\$150,000
		<i>Estimated Cost</i>	\$2,428,100
		<i>Contingency (10%)</i>	\$242,810
		<i>Total</i>	\$2,670,910

Schedule: Individual purchases will occur throughout the fiscal year.

Public Comment: None



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5. **Norview Estabrook Division I, 18-Inch Force Main Replacement Phase II, Section 2 Additional Appropriation, Rejection of Low Bid, Contract Award (>\$200,000) and Task Order (>\$200,000)**

Actions:

- a. **Appropriate additional funding in the amount of \$3,282,536.**
- b. **Approve rejection of the bid submitted by Bridgeman Civil, Inc. and find the bidder non-responsive.**
- c. **Award a contract to Tidewater Utility Construction, Inc. in the amount of \$3,730,159.**
- d. **Approve a task order with Rummel, Klepper & Kahl, LLP (RK&K) in the amount of \$506,069.**

<u>Moved:</u>	Elizabeth Taraski	<u>Ayes:</u>	5
<u>Seconded:</u>	Ann Templeman	<u>Nays:</u>	0

CIP Project: VP010920

Regulatory Requirement: Rehab Action Plan Phase 2 (2025 Completion)

Budget	\$1,988,585
Previous Expenditures and Encumbrances	(\$661,893)
Available Balance	\$1,326,692
Proposed Contract to Tidewater Utility Construction, Inc.	(\$3,730,159)
Proposed Task Order to RK&K	(\$506,069)
Proposed Contingency	(\$373,000)
Project Shortage/Requested Additional Funding	(\$3,282,536)
Revised Total Project Authorized Funding	\$5,271,121

Contract Status with Task Orders:	Amount
Original Contract with RK&K	\$82,237
Total Value of Previous Task Orders	\$235,294
Requested Task Order	\$506,069
Total Value of All Task Orders	\$741,363
Revised Contract Value	\$823,600
Engineering Services as % of Construction	22%

Type of Procurement: Competitive Bid



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In accordance with HRSD’s competitive sealed bidding procedures, the Engineering Department advertised and solicited bids directly from potential bidders. The project was advertised on May 30, 2023, and two bids were received on June 28, 2023. The bids received are listed below:

Bidder	Bid Amount
Bridgeman Civil, Inc. (determined non-responsive)	\$2,942,770
Tidewater Utility Construction, Inc.	\$3,730,159

Engineer Estimate: \$3,870,283

The bid submitted by Bridgeman Civil was determined to be non-responsive because their bid submittal did not comply with the requirements of the contract. The value submitted for mobilization exceeded the limit of six percent of the total contract value as detailed in the schedule of values and technical specifications. The design engineer, RK&K, evaluated the bids based upon the requirements in the invitation for bids and recommends award to the lowest responsive and responsible bidder, Tidewater Utility Construction, Inc., in the amount of \$3,730,159.

Project Description: This project will replace approximately 900 linear feet 18-inch HRSD force main along Chesapeake Boulevard, near Cromwell Road, in the City of Norfolk. The attached [Map](#) depicts the project location.

Project Justification: The cast iron pipe material and age (1952 era) are similar to other portions of the interceptor system in which HRSD has experienced multiple failures due to the tendency of cast iron to lose integrity with age. A HART analysis has been completed for this system. This project must be completed before upgrades to the Chesapeake Boulevard Pump Station are completed.

Task Order Description: This task order will provide services during construction including contract administration, field engineering and inspection services and post startup and certification services for the subject project. HRSD and the design engineer, RK&K, negotiated a fee in the amount of \$506,069 based upon anticipated hours required for this effort. The fee proposal is comparable to other projects of similar size and complexity.

Funding Description: The original CIP project estimate was estimated in 2020, and costs have escalated considerably since that time. In addition, the alignment requires working in one of the busiest corridors in the City of Norfolk and requires a trenchless crossing of Norfolk Southern railroad tracks. The construction bid amount of \$3,730,159 and the fee for the construction related engineering services exceeds the current balance available for this CIP project. A 10% contingency is also being requested to accommodate any unforeseen conditions.

Analysis of Cost: The cost for the construction contract has been reviewed by RK&K and is within 4% of the Engineer’s Estimate and within 3% of the HRSD FY2024 CIP estimate. The task order for RK&K has been reviewed and is reasonable.



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The fee for contract administration is 6.0% of the construction cost and inspection is 6.2% of the construction cost which agrees with similar efforts for comparable projects.

Schedule: Construction August 2023
 Project Completion January 2025

Public Comment: None



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6. **Norview Estabrook Division I, 12-Inch Force Main Replacement and Norview Estabrook Division I, 18-Inch Force Main Replacement, Phase III Additional Appropriation, Contract Award (>\$200,000), and Task Order (>\$200,000)**

Actions:

- a. Appropriate additional funding in the amount of \$4,534,331 (\$3,427,764 for VP016500 and \$1,106,567 for VP016700).
- b. Award a contract to Bridgeman Civil, Inc. in the amount of \$7,260,620 (\$4,191,760 for VP016500 and \$3,068,860 for VP016700).
- c. Approve a task order with Rummel, Klepper & Kahl, LLP (RK&K) in the amount of \$1,111,295 (\$515,985 for VP016500 and \$595,310 for VP016700).

<u>Moved:</u>	Nancy Stern	<u>Ayes:</u>	5
<u>Seconded:</u>	Ann Templeman	<u>Nays:</u>	0

Regulatory Requirement: Rehab Action Plan Phase 2 (2025 Completion)

CIP Project: VP016500

Budget	\$1,973,163
Previous Expenditures and Encumbrances	(\$273,182)
Available Balance	\$1,699,981
Proposed Contract to Bridgeman Civil, Inc.	(\$4,191,760)
Proposed Task Order to RK&K	(\$515,985)
Proposed Contingency	(\$420,000)
Project Shortage/Requested Additional Funding	(\$3,427,764)
Revised Total Project Authorized Funding	\$5,400,927

Contract Status with Task Orders:	Amount
Original Contract with RK&K	\$81,358
Total Value of Previous Task Orders	\$190,181
Requested Task Order	\$515,985
Total Value of All Task Orders	\$706,166
Revised Contract Value	\$787,524
Engineering Services as % of Construction	18%



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CIP Project: VP016700

Budget	\$3,116,334
Previous Expenditures and Encumbrances	(\$251,731)
Available Balance	\$2,864,603
Proposed Construction Contract to Bridgeman Civil, Inc.	(\$3,068,860)
Proposed Task Order to RK&K	(\$595,310)
Proposed Contingency (10% of Construction)	(\$307,000)
Project Shortage/Requested Additional Funding	(\$1,106,567)
Revised Total Project Authorized Funding	\$4,222,901

Contract Status with Task Orders:	Amount
Original Contract with Engineer	\$84,589
Total Value of Previous Task Orders	\$167,141
Requested Task Order	\$595,310
Total Value of All Task Orders	\$762,451
Revised Contract Value	\$847,040
Engineering Services as % of Construction	27%

Type of Procurement: Competitive Bid

In accordance with HRSD’s competitive sealed bidding procedures, the Engineering Department advertised and solicited bids directly from potential bidders. The two projects were grouped together and released as one solicitation because both projects are being funded by the Virginia Clean Water Revolving Loan Fund. The project was advertised on May 30, 2023, and two bids were received on June 29, 2023. The bids received are listed below:

Bidder	Bid Amount
Bridgeman Civil, Inc.	\$7,260,620
Tidewater Utility Construction, Inc.	\$7,877,400

Engineer Estimate: \$9,936,254

The design engineer, RK&K, evaluated the bids based upon the requirements in the invitation for bids and recommends award to the lowest responsive and responsible bidder, Bridgeman Civil, Inc., in the amount of \$7,260,620.

Project Description: This project will replace approximately 2,800 linear feet of 12-inch HRSD force main along Robin Hood Road and approximately 2,100 linear feet of 18-inch HRSD force main along Tidewater Drive, LaSalle Avenue and Pershing Avenue in the City of Norfolk. The attached [Maps](#) depict the project location.



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Project Justification: The cast iron pipe material and age (1952 era) are similar to other portions of the interceptor system in which HRSD has experienced multiple failures due to the tendency of cast iron to lose integrity with age. A HART analysis has been completed for this system. This project must be completed before upgrades to the Chesapeake Boulevard Pump Station are completed.

Task Order Description: The task orders will provide services during construction including contract administration, field engineering and inspection services and post startup and certification services for the subject project. HRSD and the design engineer, RK&K, negotiated a fee in the amount of \$515,985 for VP016500 and \$595,310 for VP016700 based upon anticipated hours required for this effort. The fee proposals are comparable to other projects of similar size and complexity.

Funding Description: The original CIP project estimates were estimated in 2020, and costs have escalated considerably since that time. The construction bid amount of \$7,260,620 and the fees for the construction related engineering services exceed the current balance available for the CIP projects. A 10% contingency is also being requested to accommodate any unforeseen conditions.

Analysis of Cost: The cost for the construction contract has been reviewed by RK&K and is considerably less than the Engineer's Estimate. The two bids received were within 8% of each other, which indicates a reasonable cost for the current market conditions. Allowable pipe material was changed from high density polyethylene (HDPE) to polyvinyl chloride (PVC) just prior to the bid date which resulted in a decrease in material cost and will reduce the labor effort and complexity of pipe installation. The task order for RK&K has been reviewed and is reasonable. The fee for the contract administration is 7.3% of the construction cost and the construction inspection is 6.8% of the construction cost which agrees with similar efforts for comparable projects.

<u>Schedule:</u>	Construction	August 2023
	Project Completion	January 2025

Discussion Summary: Staff explained the industry started to use ductile iron pipe instead of cast iron in the 1970s. Cast iron fittings are still available; however, they are brittle. Ductile iron pipe is a reliable product and more sustainable for the environment.

Public Comment: None



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7. **Pump Station Motor Control Center Replacements – Phase I
Initial Appropriation and Task Order (>\$200,000)**

Actions:

- a. **Appropriate total project funding in the amount of \$3,436,200.**
- b. **Approve a task order with REW Corporation in the amount of \$1,007,400.**

Moved: Ann Templeman **Ayes:** 5
Seconded: Elizabeth Taraski **Nays:** 0

CIP Project: GN018900

Regulatory Requirement: None

Contract Status:	Amount
Original Contract with REW Corporation	\$0
Total Value of Previous Task Orders	\$3,672,067
Requested Task Order	\$1,007,400
Total Value of All Task Orders	\$4,679,467
Revised Contract Value	\$4,679,467

Project Description: This project will replace Motor Control Centers (MCCs) at various pump stations located on the North and South Shore that have exhibited signs of copper bus bar deterioration. The bus bar condition was identified while performing annual maintenance inspections.

Project Justification: This project will improve the overall reliability of the collection system, prevent disruptions to the electrical distribution system, and safeguard HRSD employees from potential exposure to an arc flash event. This project will include the replacement of Variable Frequency Drives (VFD), motor control center (MCC), and associated electrical equipment. Lastly, the project will involve the installation of an air purification system to help mitigate hydrogen sulfide (H2S) gases which is the leading cause of copper bus bar deterioration.

Task Order Description: This task order is issued against the annual electrical services contract and will provide replacement Motor Control Center (MCC) and Automatic Transfer Switch (ATS) at Pughsville Pump Station. Services include performing an inspection and field investigation to confirm the full scope of work and providing a backup to the bypass while work is performed. This work is in accordance with the Commission Adopted Procurement Policy.



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<u>Schedule:</u>	PER	May 2023
	Construction	August 2023
	Project Completion	April 2025

Public Comment: None



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8. **Riverside Nassawadox Treatment Plant Decommissioning
Initial Appropriation**

Action: Appropriate total project funding in the amount of \$1,047,000.

Moved: Nancy Stern **Ayes:** 5
Seconded: Elizabeth Taraski **Nays:** 0

CIP Project: ES010900

Regulatory Requirement: None

Project Description: This project will demolish the existing facilities at the Riverside Nassawadox Plant and will also look at other potential uses of the site after the plant has been decommissioned. This project will include a Closure Plan, which is required to be submitted to DEQ.

Project Justification: The Riverside Nassawadox Treatment Plant Feasibility Study conducted by HRSD resulted in taking the plant offline and diverting the flow to the Onancock Treatment Plant (ONTP). A new pipeline and pump stations are being installed with the Eastern Shore Infrastructure Improvements-Transmission Force Main Phase 1 (ES010100) CIP and is projected to be in service by the end of 2023. The Eastern Shore Transmission Force Main Phase 1 project does not address the abandonment of the Nassawadox Treatment Plant and once offline, the existing plant will fill up with rainwater and will need to be addressed routinely by HRSD staff until the plant is demolished. This project will properly sanitize and demolish the abandoned treatment plant.

Analysis of Cost: The total project cost estimate of \$1,047,000 includes \$277,000 in design and \$770,000 in construction. Engineering services will be provided by HDR Engineering, Inc. under the General Engineering Annual Services Contract and the cost for the initial design task order is below the \$200,000 Commission approval threshold.

Schedule:

PER	July 2023
Design	February 2024
Bid	October 2024
Construction	March 2025
Project Completion	September 2025

Public Comment: None



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9. **Treatment Plant Dewatering Improvement Phase IV
Initial Appropriation, Task Order (>\$200,000)**

Actions:

- a. **Appropriate total project funding in the amount of \$4,347,181.**
- b. **Approve a task order with HDR Engineering Inc. in the amount of \$684,656.**

<u>Moved:</u>	Ann Templeman	<u>Ayes:</u>	5
<u>Seconded:</u>	Elizabeth Taraski	<u>Nays:</u>	0

CIP Project: GN019700

Regulatory Requirement: None

Project Description: This project will design and install improvements at the Virginia Initiative Plant (VIP) to include the addition of two gravity belt thickeners for waste-activated sludge (WAS) thickening and provide necessary electrical, control, and mechanical improvements to make the system operable.

Project Justification: Wastage of activated sludge from the VIP Biological Nutrient Removal (BNR) process is intermittently hydraulically limited by the capacity of dewatering centrifuges and centrate management systems. This project will un-bottleneck the treatment process and allow on-demand wastage of solids from the BNR process, which will improve treatment performance at VIP and stabilize solids handling operations, including centrifuge dewatering and incineration. This improvement will also help VIP to better accommodate hauled liquid primary solids from Army Base Treatment Plant (ABTP) by reducing the overall hydraulic load on the VIP dewatering centrifuges. Feasibility of the proposed improvements has been previously investigated under a different CIP No. GN017400 for Treatment Plant Dewatering Replacement Phase III in support of the budget and schedule estimates shown.

Task Order Description: This task order will provide engineering services to include a WAS Thickening Addition PER and subsequent detailed design and bid phase services.

Analysis of Cost: The cost for this design is based on negotiated cost with HDR Engineering Inc. and is in agreement with other similar efforts from firms. Based on comparisons with other firms, the current market value due to inflation of equipment, and HRSD's annual services agreement with HDR, it is believed that the proposed lump sum and additional services fees are justified for the project. While the design fee compared to the total project cost estimate may seem high (18% design fee when compared to project costs), it is important to note that this project will require additional evaluations prior to starting design, to include polymer testing and completion of a PER.



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<u>Schedule:</u>	PER	August 2023
	Design	January 2024
	Bid	October 2024
	Construction	January 2025
	Project Completion	July 2026

Public Comment: None



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10. **Water Quality Department Instrumentation Equipment (FY-2024)
Initial Appropriation**

Action: Appropriate total project funding in the amount of \$515,000.

<u>Moved:</u>	Ann Templeman	<u>Ayes:</u>	5
<u>Seconded:</u>	Nancy Stern	<u>Nays:</u>	0

CIP Project: GN019500

Regulatory Requirement: None

Project Description: This project will provide for analytical and sampling equipment for the Water Quality Department for Fiscal Year 2024 to maintain current services and add additional support for various regulatory programs and research projects.

Project Justification: The sampling and analytical equipment will support various projects and programs led by the Water Quality Department to support regulatory monitoring, SWIFT and HRSD research initiatives that include specialized sampling and laboratory analyses.

Schedule: Individual purchases will occur throughout the fiscal year.

Public Comment: None



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11. **York River Treatment Plant Administration Building Renovation
Additional Appropriation**

Action: Appropriate additional funding in the amount of \$682,158.

Moved: Elizabeth Taraski **Ayes:** 5
Seconded: Ann Templeman **Nays:** 0

CIP Project: YR014000

Regulatory Requirement: None

Budget	\$7,467,850
Previous Expenditures and Encumbrances	(\$7,245,033)
Available Balance	\$222,817
Pending Change Order No. 2 to E.T. Gresham	(\$149,000)
Pending Task Order to GuernseyTingle	(\$65,264)
Proposed Owner-purchased Furnishings and Equipment	(\$378,166)
Proposed Contingency	(\$312,545)
Project Shortage/Requested Additional Funding	(\$682,158)
Revised Total Project Authorized Funding	<u>\$8,150,008</u>

Project Description: This project will renovate the existing Administration Building at the York River Treatment Plant originally constructed in the 1980's.

Project Justification: This project will provide for an expanded men's and women's restroom and locker facilities as well as a unisex restroom and shower. Existing toilets, sinks, showers and lockers will be replaced as needed, and will include ADA compliant units. Much needed office space for plant staff including electrical and instrumentation staff, an expanded lunchroom and a conference room will also be provided. A larger plant lab and a larger operations control room capable of meeting existing and future SWIFT needs will be constructed along with secured rooms for control systems. An upgraded fiber optic business loop will also be provided.

Analysis of Cost: An increase of \$378,166 is being requested to accommodate the purchase of Owner-furnished furniture for phase 2 of the renovation, control room UPS system and monitors, A/V equipment, laboratory and kitchen appliances, and temporary shower/locker trailers for plant staff. A 5 percent contingency is also being requested for any additional unforeseen conditions during the remainder of construction. Therefore, the project requires a total of \$682,158 of additional funding.

The additional funding is necessary because the current available balance will be nearly depleted when Change Order No 2 in the amount of \$149,000 and Task Order in the amount of \$65,264 are issued.

The change order to the contractor includes electrical changes, medium voltage cable replacements, and additional fiber optic scope.



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The changes were due to modifications from the original design and additional scope. The cost for this change order was based on negotiated cost and engineer review and is in agreement with other similar efforts from firms. Total value of all change orders to date is \$171,003, which is approximately 2.7% of the construction contract cost.

The task order to the engineer will provide for additional construction phase services for this project. The initial fee of \$268,500 approved at the April 2022 Commission meeting was approximately 4 percent of the total construction cost, which proved to be inadequate to provide the necessary construction services as the project has advanced. GuernseyTingle has requested an additional \$65,264 to sufficiently support the remainder of the construction phase of this project. The additional funding brings the total Engineering Services to 10.7% of Construction Cost, which is comparable to other similar projects.

Schedule: Project Completion May 2024

Public Comment: None



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12. **Commission Governance Guidelines
Proposed Revisions**

Action: No action required.

Brief: The Commission Governance Guidelines is one of several policies specifically identified as requiring periodic review by the Operations & Nominations (O&N) Committee.

Staff are proposing several changes to streamline Commission meetings. The policy has also been reorganized to remove inconsistencies by creating a table of actions in a new section entitled “3.B Commission Meeting Format.” Those changes, along with several “housekeeping measures” were provided to the O&N Committee.

Summary of Key Changes:

Section 1.C

- Clarification of selection of auditors by Finance Committee

Section 3.B

- Agreements
 - HRSD Assets use of >\$200,000 (previously >\$50,000)
 - Transfer of assets to another agency, transfer of assets to HRSD changed to regular agenda item (previously consent)
 - Service Area Expansion agreements changed from consent to regular agenda item
- Capital Improvement Project – Non-Regulatory projects additional appropriation
 - ≥\$1,000,000 regular agenda item (previously >\$200,000)
 - <\$1,000,000 consent agenda item (previously <\$200,000)
- Real Property easement acquisition, dedication or disposition
 - >\$50,000 regular agenda item (previously >\$25,000)
- Sole source procurement – Initial sole source determination changed to <\$200,000 approved by Chief of Procurement; >\$200,000 approved by General Manager
- HRSD use of Existing Competitively Awarded Contract Vehicle (use of an existing cooperative contract) no longer requires Commission approval. Commission will continue to approve contract award to vendor.

The revised [policy](#) is provided for Commission review and comment and will be presented for Commission action at the August meeting. Counsel has reviewed the proposed changes.

Public Comment: None



COMMISSION MEETING MINUTES
July 25, 2023

13. **Procurement Policy
Proposed Revisions**

Action: No action required.

Brief: New Commission Governance Guidelines are being presented for Commission review which affect the Procurement Policy. If the new Commission Governance Guidelines are approved the below changes will take effect in the attached revised [Procurement Policy](#).
Summary of Key Changes:

Procurement Policy

Section 4.0 Procedures

- 1. b. Updated approval amount to \$200,000 (previously \$10,000)
- 6. Added “employment services organizations”
- 12. Updated approval amount to \$50,000 (previously \$25,000)

Section 5.0 Approvals

- 2. Updated approval amount to \$200,000 (previously \$10,000)
- 11. d. Updated approval amount to \$50,000 (previously \$25,000)
- 13. c. Updated to approval amount to \$200,000 (previously \$50,000)
- 13. d. Added approval amount of \$200,000
- 13. e. Added “personnel”
- 13. f. Deleted
- 13. g. Deleted

Appendix A, Design-Build and Construction Management Contracting

Section 2.0 Procedures

- 2.1.5- deleted the requirement for advertising in the newspaper
- 2.1.13- deleted “No more than ten (10) percent of the construction work, as measured by the cost of work, shall be performed by the construction manager with its own forces.”
- 2.1.20- Updated wording to “significant portion” (previously “at least fifty (50) percent”)

Appendix B, Participation of SWaM

Section 1.0 Purpose and Need

- Added language to align with Virginia Public Procurement Act §2.2-4310 and §2.2-4343.1

The revised policy is provided for Commission review and comment and will be presented for Commission action at the August meeting.

Public Comment: None



COMMISSION MEETING MINUTES
July 25, 2023

14. **Ethics Policy
Proposed Revisions**

Action: No action required.

Brief: The Ethics Policy is one of several policies specifically identified as requiring annual review by the Operations and Nominations (O&N) Committee in the Commission Governance Guidelines. The Commission approved the original Ethics Policy in October 2015 in response to the Ethics Reform Bill passed during the 2015 session. An argument could be made (and has in the past) that Chapter 31 of Title 2.2, the State and Local Government Conflict of Interests Act does not apply to HRSD as we fall somewhere between a state agency and a local government. Despite this ambiguity, HRSD desires to continue to operate as a model governmental entity, so staff proposed the policy, and the Commission adopted it.

There were no changes related to the Virginia Public Procurement Act this year. The one change proposed to this [policy](#) resolves inconsistent language related to acceptance of gifts. The proposed change aligns with the Virginia Public Procurement Act and other state policies.

The revised policy is provided for Commission review and comment and will be presented for Commission action at the August meeting.

Changes to this policy will be incorporated into the biannual training for employees, as required by the policy. The Commission General Counsel, Ms. Robyn Hansen, of Sands Anderson will provide an overview of ethics and conflict of interest for the Commission in August, which will meet the periodic training requirement per the policy for Commission members.

Public Comment: None



COMMISSION MEETING MINUTES
July 25, 2023

15. **Freedom of Information Act – Public Records Policy
Proposed Revisions**

Action: No action required.

Brief: The Freedom of Information Act (FOIA) Commission Adopted Policy related to public records requests is one of several policies specifically identified in the Commission Governance Guidelines as requiring annual review by the Operations and Nomination (O&N) Committee.

This year, legislative changes required language be added explaining how charges will be assessed for accessing or searching for requested records, including a fee schedule (Section 3.3 Costs).

The entire [policy](#) was also reorganized to streamline and remove inconsistencies by incorporating Appendix A into the body of the policy (new Section 3.0 – FOIA Rights and Responsibilities). Other minor housekeeping and wording clarifications are noted as follows:

Section 2.0 Definitions:

- Reference to Virginia Code definitions
- New definition for “information”
- Clarification of “working papers”

Section 3.0 FOIA Rights and Responsibilities (moved from Appendix)

Section 3.1 The Rights of Requesters:

- Information related to reasonable charges to supply requested records
- Clarification of the responsibilities of the Virginia Freedom of Information Advisory Council
- Addition of comment form

Section 3.2 The Responsibilities of HRSD in Responding to Requests

- Clarification of “working day”
- Clarification of time periods and responses
- New requirement to notify Homeland Security if we receive a request related to public safety

Section 3.3 Costs:

- Deposits are required when an estimate exceeds \$200
- Explanation of labor, paper, and electronic records costs
- Waiver of charges
- Addition of fee schedules

Sections 3.5 and 3.6 – clarification of commonly used exemptions and policy regarding use of exemptions



COMMISSION MEETING MINUTES
July 25, 2023

The revised policy is provided for Commission review and comment and will be presented for Commission action at the August meeting. Counsel has reviewed the proposed changes.

The Virginia FOIA also includes a provision for meetings that must be followed by public servants. Counsel will provide an overview of these provisions including an explanation of what constitutes a meeting, proper notice of meetings, minutes and the appropriate use of emails by commission members at a future meeting.

Discussion Summary: Staff clarified the majority of the requests are for billing and Engineering records. HRSD receives approximately 30+ requests a year.

Public Comment: None



COMMISSION MEETING MINUTES
July 25, 2023

16. **Capital Improvement Program (CIP)
Quarterly Update**

Action: No action required.

Brief: Implementing the CIP continues to be a significant challenge as we address numerous regulatory requirements, SWIFT Program implementation and the need to replace aging infrastructure. Staff provided a [briefing](#) describing the status of the CIP, financial projections, projects of significance and other issues affecting the program.

Discussion Summary: Staff explained the project completion timeframe is estimated before beginning design and is approximately 150%. Staff does not track completion timeframe at start of construction. On average, the current schedule delay is approximately 141%.

Staff also explained the material price index has stabilized. However, there are still supply chain delays. Contractors are busy and have a backlog. They are bidding higher prices which is driving costs up.

HRSD is the biggest recipient of the Water Quality Improvement Fund (WQIF). Staff follows the process to apply for grants as well as providing periodic reports on spending of funds. Receipt of additional funding is dependent on State budget approvals and funding availability. Staff will continue to apply for Grants as funding becomes available.

Public Comment: None

17. **Unfinished Business – None**



COMMISSION MEETING MINUTES
July 25, 2023

18. **New Business - New Position in Central Environmental Laboratory (CEL) for Per- and Poly-Fluoroalkyl Substances (PFAS) Analysis**

Action: Approve the addition of one new full-time Chemist position in the CEL.

Moved:	Elizabeth Taraski	Ayes:	7
Seconded:	Willie Levenston	Nays:	0

Brief: The EPA is rapidly advancing Safe Drinking Water Act (SDWA) regulations for PFAS, recently proposing draft Maximum Contaminant Levels (MCL) for PFOA, PFOS and 4 additional PFAS compounds. Consistent with these proposed MCLs, the SWIFT Research Center maintains operational control of Granular Activated Carbon (GAC) to achieve SWIFT Water concentration of less than 4 ng/L for PFOA and PFOS. The final MCLs will also be incorporated into the James River SWIFT Underground Injection Control (UIC) permit. SWIFT Water cannot be recharged to the Potomac Aquifer if it does not meet the MCLs.

Through operation of the SWIFT Research Center, we have learned that controlling PFOA to less than 4 ng/L provides sufficient control of PFOS and the other PFAS compounds currently under regulatory review. Successful operational control of the GAC relies on timely analytical data. HRSD currently does not have the ability to complete the analysis of PFOA or any PFAS in-house and has been relying on contract laboratory analysis. Drinking water suppliers across the nation have been similarly impacted by these proposed PFAS regulations and current monitoring requirements, resulting in an extreme increase in workload at contract laboratories and increasing turnaround time from 3 – 4 weeks to 3 – 4 months. This delay in analytical results makes it impossible to gain the information we need on GAC performance. HRSD has been able to work with the Potomac Aquifer Recharge Monitoring Laboratory (PARML) to obtain data more quickly and has effectively been using this data to drive operational adjustments. PARML, however, is not a contract laboratory and cannot continue to provide the level of service that is needed indefinitely. Based on these external pressures, it has become critical that HRSD develop PFAS analyses in-house. To support the development of this method and increase in analytical workload, Water Quality is requesting an out-of-cycle position for a Grade 8 Chemist. The CEL is evaluating other necessary resources to support this work, including space and instrumentation, with the objective of optimizing existing space and instrumentation resources and address the immediate need for PFOA analysis.

Discussion Summary: Staff explained that typically samples take approximately two days for results from the contract lab we currently use, whereas our lab can take up to three to four months. HRSD is hoping that we will produce the same results of a two day turn around.

Chair Rodriguez mentioned he received a questionnaire within the last month inquiring for help to aid the state with setting up guidelines or assistance with controls in regard to PFAS or PFOA. He asked if anyone else had received the same questionnaire; however, he did not remember what organization it came from. Staff has not received a questionnaire but will look into it. The Chair will execute the same.

Public Comment: None



COMMISSION MEETING MINUTES
July 25, 2023

19. **Commissioner Comments** – None

20. **Informational Items**

Action: No action required.

Brief: The items listed below were presented for information.

- a. [Management Reports](#)
- b. [Strategic Planning Metrics Summary](#)

Discussion Summary: Mr. Bernas said he was pleased to announce and congratulate Mr. Michael Glenn and Mr. Willie Levenston on their recent reappointments to the Commission by the Governor. Commissioner Glenn begins his fourth full term and Commissioner Levenston begins his third full term.

Public Comment: None



COMMISSION MEETING MINUTES
July 25, 2023

21. **Closed Meeting**

Action: Approve a motion to go into closed meeting for briefing and consultation by staff and legal counsel regarding the following items as provided for in Code of Virginia §2.2-3711A:

- Item 1. : Acquisition of real property for a public purpose in the City of Suffolk
- Specific Exemptions : §2.2-3711.A3

- Item 2. : Legal matters concerning actual litigation
- Specific Exemptions : §2.2-3711.A7

- Item 3. : Legal matters concerning probable litigation and consultation with legal counsel regarding specific legal matters
- Specific Exemptions : §2.2-3711.A7 and § 2.2-3711.A8

Moved:	Michael Glenn	Ayes:	7
Seconded:	Willie Levenston	Nays:	0

Brief:

- A3. Discussion or consideration of the acquisition of real property for a public purpose or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

- A7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body.

- A8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.



COMMISSION MEETING MINUTES
July 25, 2023

22. **Reconvened Meeting**

Certification of Proceedings: Pursuant to Section 2.2-3712.D of the Code of Virginia, a roll call vote was conducted to certify that to the best of each Commission member's knowledge: (i) only public business matters lawfully exempted from open meeting requirements under this chapter, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered. Any Commissioner who believes there was a departure from these two requirements shall so state prior to the vote, indicating the substance of the departure.

Roll call vote:

Ayes: 7 Nays: 0

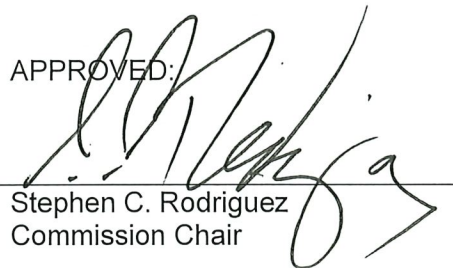
Next Commission Meeting Date: August 22, 2023 at the HRSD South Shore Operations Complex, 1434 Air Rail Avenue, Virginia Beach, VA 23455

Meeting Adjourned: 11:15 a.m.

SUBMITTED:


Elizabeth I. Scott
Assistant Commission Secretary

APPROVED:


Stephen C. Rodriguez
Commission Chair

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #1

2. Consent Agenda

CONSENT AGENDA ITEM 2.b.1 – July 25, 2023

Subject: Central Environmental Laboratory Expansion and Rehabilitation
Contract Award (>\$200,000) and Task Order (>\$200,000)

Recommended Actions:

- a. Award a contract to PC Construction Company in the amount of \$257,000.
- b. Approve a task order with CDM Smith, Inc. in the amount of \$3,139,000.

CIP Project: AD012600**Regulatory Requirement:** None

Budget	\$30,000,000
Previous Expenditures and Encumbrances	(\$1,091,800)
Available Balance	\$28,908,200

Contract Status with Task Orders:	Amount
Original Contract with CDM Smith, Inc.	\$1,091,800
Total Value of Previous Task Orders	\$0
Requested Task Order	\$3,139,000
Total Value of All Task Orders	\$3,139,000
Revised Contract Value	\$4,230,800
Engineering Services as % of Construction	10.3%

Type of Procurement: RFQ/RFP

A Public Notice was issued on March 27, 2023. Six firms submitted proposals on April 27, 2023, and all firms were determined to be responsive and deemed fully qualified, responsible, and suitable as per the requirements in the Request for Qualifications. Three firms were short-listed, and those firms received Requests for Proposals, submitted Technical Proposals, were interviewed, and submitted price proposals.

Proposers	SOQ	Technical Proposal	Price Proposal	Total Points	Recommended Selection Ranking
PC Construction Company	18.56	21.44	47.08	87.08	1
The Haskell Company	18.00	19.44	47.38	84.82	2
W.M. Jordan Company	18.06	14.13	50.00	82.19	3

The Committee recommends award to PC Construction Company, to provide Construction Management Services whose combination of qualifications, proposed services and price best serve the interest of HRSD.

Project Description: This project will expand and renovate the existing Central Environmental Laboratory (CEL). The project will include demolition of the empty, former Technical Services Division (TSD) and Pretreatment and Pollution Prevention (P3) spaces and expansion of the CEL on the site through construction of a multi-story mixed laboratory and administrative wing to the existing CEL. The project also includes renovating a significant portion of the existing CEL. The scope and budget

for this project has grown since originally envisioned. To assist with management of the scope and to provide regular budget updates, a Construction Manager will be used to assist with this effort.

Project Justification: In January 2021, HRSD commissioned the firm of CDM Smith to perform a needs assessment and feasibility assessment of the existing Central Environmental Laboratory. The study considered laboratory space, facilities, space utilization, laboratory functions and equipment, current and future analytical needs to consider long-term staffing, new laboratory technologies and the ability to support the SWIFT initiative, future regulatory compliance and research initiatives projected through year 2045. The Study concluded the existing CEL cannot accommodate future spaces needs through 2045 and, at a minimum, an additional 18,000 square feet of space was needed to meet all studied 2045 scenarios. The project has increased in scope and the cost is now estimated at \$50.8 million.

Contract Description and Analysis of Cost: This selection is for a Construction Manager to enter into a contract for pre-construction services for this project. Construction and post-construction phase services will be added to this contract by amendment following negotiation of the guaranteed maximum price (GMP) at the final design phase.

Task Order Description: This task order will provide design and bid phase services for this project. The bid phase services will support the Construction Manager's competitive sealed bidding process and qualifications-based selection.

Analysis of Cost: The cost for this effort is based on the number of hours anticipated to complete this effort and the consultant's hourly rates. The average hourly rate has been compared to other projects and determined to be fair. The task order amount is in agreement with other efforts of similar size and complexity.

<u>Schedule:</u>	PER	February 2022
	Design	August 2023
	Bid	July 2024
	Construction	September 2024
	Project Completion	September 2027

CONSENT AGENDA ITEM 2.b.2 – July 25, 2023

Subject: Employee Work and Personal Apparel Purchase Contract
Contract Award (>\$200,000)

Recommended Action: Award a contract for employee work and personal apparel to Tyndale Enterprises Inc DBA Tyndale Company Inc in the estimated amount of \$226,560 for year one with four annual renewal options and an estimated cumulative value in the amount of \$1,132,800.

Regulatory Requirement: None

Type of Procurement: Competitive Negotiation

A Public Notice was issued on April 28, 2023. Three firms submitted proposals on May 18, 2023, and all firms were determined to be responsive and deemed fully qualified, responsible, and suitable to the Professional Services Selection Committee (Committee) and to the requirements in the Request for Proposals. Three firms were short-listed, interviewed, and technically ranked as listed below:

Proposers	Technical Points	Recommended Selection Ranking
Tyndale Enterprises Inc DBA Tyndale Company Inc	90	1
Cintas Corporation 2	79	2
Unifirst Corporation	75	3

The Committee recommends award to Tyndale Enterprises Inc DBA Tyndale Company Inc, whose professional qualifications and proposed services best serve the interest of HRSD.

HRSD Estimate:

\$226,560

Contract Description and Analysis of Cost: This contract is an agreement for the supply and delivery of standard uniform, arc rated uniform and personal apparel purchases for all HRSD work centers. HRSD provides an annual uniform allowance for each eligible employee based on work center requirements. Estimated cost is based on number of uniform eligible employees multiplied by the allowance amount for existing employees. The proposal and garment samples submitted by Tyndale were evaluated and scored to be the most advantageous and best quality. Costs are based on a pricing schedule with a range of garments typically ordered by HRSD employees. Costs were determined to be fair and reasonable based on the competitive process and similar contracts.

This work is in accordance with the Commission Adopted Procurement Policy.

CONSENT AGENDA ITEM 2.b.3. – July 25, 2023

Subject: Shippo Corner Pressure Reducing Station Modifications
Contract Award (>\$200,000)

Recommended Action: Award a contract to E.T. Gresham Company, Inc. in the amount of \$858,030.

CIP Project: AT011520

Regulatory Requirement: Rehab Action Plan Phase 2 (2025 Completion)

Budget	\$1,826,426
Previous Expenditures and Encumbrances	(\$357,411)
Available Balance	\$1,469,015

Type of Procurement: Competitive Bid

In accordance with HRSD's competitive sealed bidding procedures, the Engineering Department advertised and solicited bids directly from potential bidders. The project was advertised on June 6, 2023, and two bids were received on July 5, 2023. The bids received are listed below:

Bidder	Bid Amount
E.T. Gresham Company, Inc.	\$858,030
SHAW Construction, Corp.	\$911,400

HRSD/Engineer Estimate: \$445,147

Project Description: This project will replace the emergency generator and fuel tank at Shippo Corner Pressure Reducing Station (PRS) and install some architectural improvements on the exterior of the building.

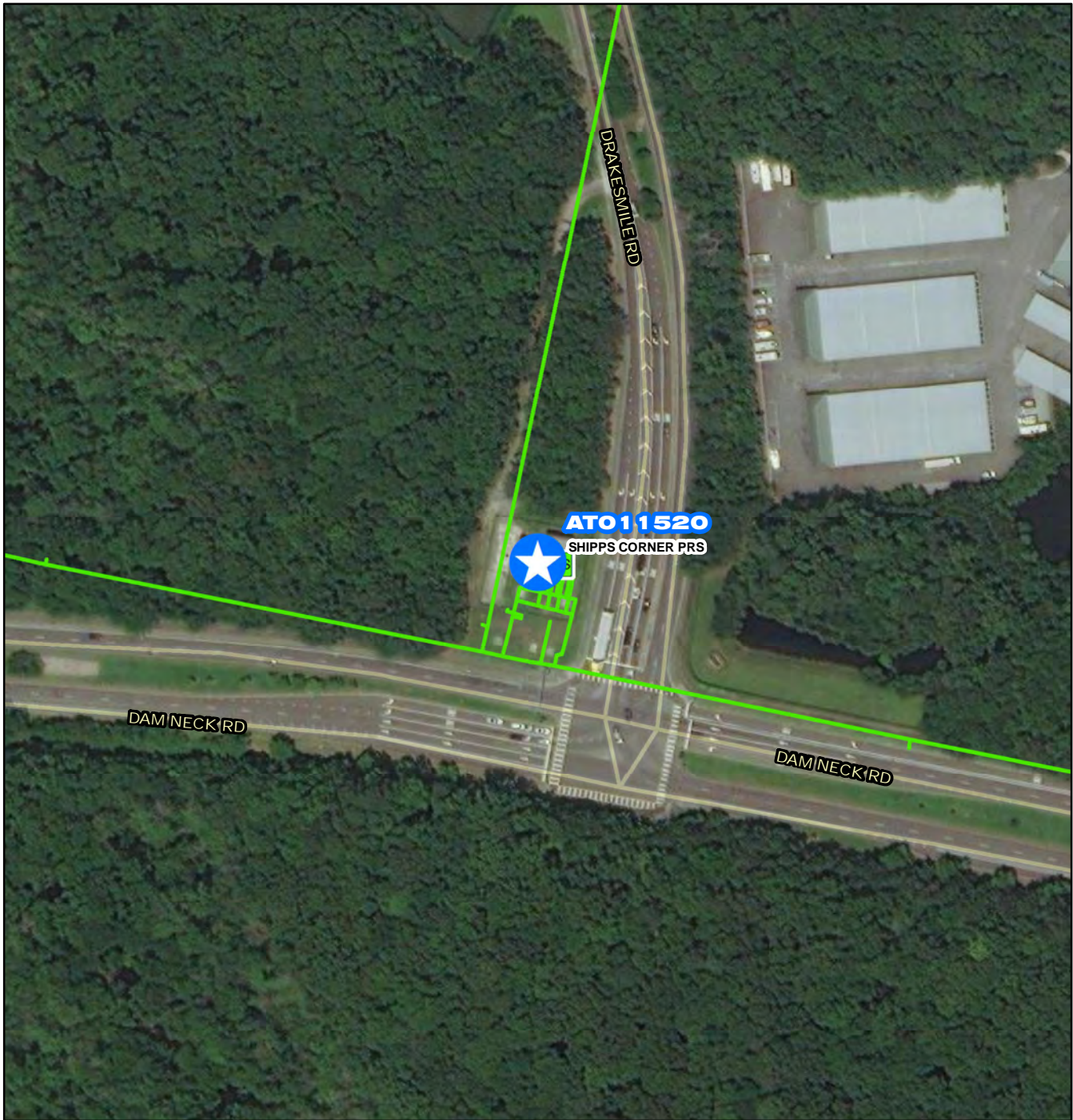
The attached [Map](#) depicts the project location.

Project Justification: This project will provide the Class I reliability required by the Rehabilitation Action Plan and the Virginia Sewage Collection and Treatment (SCAT) regulations.

Contract Description and Analysis of Cost: This contract is for removal and replacement of the PRS generator system and fuel tank, as well as architectural building modifications. The design engineer, Guernsey Tingle, evaluated the bids based on the requirements in the invitation for bid. The low base bid is 94 percent higher than the engineer's cost estimate, which has been attributed to a tight contractor market for the specialty trades associated with this project and recent material and labor price escalation. Despite the significant variance between the low bid and engineer's estimate, the spread between the low and high bids is only 3.7 percent, which indicates a reasonable construction cost for the current market conditions. Based on this bid evaluation and the contractor's submitted qualifications, Guernsey Tingle recommends award to the lowest responsive and responsible bidder, E.T. Gresham Company, Inc., in the amount of \$858,030.

Schedule:

Construction	September 2023
Project Completion	September 2024

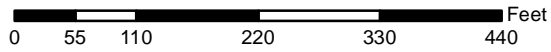


ATO 11520

- Project Interceptor Line
- Project Interceptor Point
- Project Pump Station Point
- Project Area

Legend

- CIP Interceptor Point
- CIP Pump Station Point
- CIP Interceptor Line
- CIP Abandonment
- CIP Project Area
- HRSD Interceptor Force Main
- HRSD Interceptor Gravity Main
- HRSD Treatment Plant
- HRSD Pressure Reducing Station
- HRSD Pump Station



ATO 11520

Shippo Corner Pressure Reducing Station Modifications



CIP Location



CONSENT AGENDA ITEM 2.c.1. – July 25, 2023

Subject: Nansemond Treatment Plant Struvite Recovery Facility Improvements
Contract Change Order (>25% or \$50,000)

Recommended Action: Approve a change order with Ostara USA, LLC in the amount of \$1,435,246.

CIP Project: NP013700

Regulatory Requirement: None

Budget	\$41,727,911
Previous Expenditures and Encumbrances	(\$39,034,754)
Available Balance	<u>\$2,693,157</u>

Contract Status:	Amount	Cumulative % of Contract
Original Contract with Ostara USA, LLC	\$ 2,139,792	
Total Value of Previous Change Orders	\$ 2,483,081	116%
Requested Change Order No. 6	\$1,435,246	
Total Value of All Change Orders	\$ 3,918,327	183%
Revised Contract Value	\$ 6,058,119	

Time (Additional Calendar Days)	0
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Project Description: This project involves the implementation of the WASSTRIP (Waste Activated Sludge Stripping to Remove Internal Phosphorous) process and improvements to the Struvite Recovery Facility (SRF). The WASSTRIP process consists of the storage of thickened WAS in a tank for a period sufficient to allow phosphorus and magnesium release, followed by post thickening, and transfer of thickened solids to digestion. The thickening filtrate (WASSATE) will be transferred to the SRF separate from the centrate stream. This project also includes the addition of a solids removal step for centrate/WASSATE and a small equalization tank for the WASSATE. The SRF upgrade includes improvement of the chemical system and system controls, additional reactor capacity, and replacement of the struvite product drying equipment. The majority of this project is in design and will be completed as one construction project in unison with the digester improvements effort.

Project Justification: This project will achieve the following improvements for Nansemond Plant: Improve biological phosphorus removal reliability and decrease effluent phosphorus concentrations, which is important for the decrease in the James River waste load allocation; Allow for treatment of all centrate flow through the SRF and overcome capacity limitations that currently require bypassing of some centrate; Provide SRF reactor redundancy to allow for maintenance activities; Improve solids dewatering performance and decrease polymer demand; Nearly double facility production of Crystal Green which increases operating revenue; Decrease the frequency of digester cleaning due to less struvite accumulation; and Decrease operational costs associated with nuisance accumulation of struvite in piping and equipment upstream of the struvite recovery facility.

Change Order Description: This change order includes the purchase of equipment for the struvite recovery facility magnesium oxide (MgO) system conversion that will allow for the use of MgO for struvite precipitation instead of magnesium chloride (MgCl₂) and sodium hydroxide. HRSD completed a business case analysis to evaluate a 20-year net present value for upgrade alternatives

for the future SRF operation. The SRF upgrades considered were the Ostara Pearl® reactor operation utilizing the conventional magnesium chloride $MgCl_2$ and NaOH and the alternative MgO for struvite precipitation. Based on the results of this evaluation, HRSD has chosen to move forward with the installation of two new Ostara Pearl 2000 reactors, a MgO slaking and feed system, and product dewatering and drying equipment upgrades. With the offtake agreement negotiated with Ostara, this will provide an improved business case for struvite recovery at Nansmond Plant.

Analysis of Cost: The cost for this change order is based on engineer review, negotiated cost and has been deemed necessary for planned flow increases to the plant. Further, the costs incurred in the capital investment have been shown through a 20-year life cycle cost analysis to be financially beneficial to HRSD over continuing to use the existing chemical system.

This work is in accordance with Commission Adopted Procurement Policy.

<u>Schedule:</u>	PER	May 2021
	Design	January 2023
	Bid	July 2023
	Construction	October 2023
	Project Completion	August 2024

CONSENT AGENDA ITEM 2.d.1. – July 25, 2023

Subject: South Shore Gravity Sewer Improvements Phase I
Task Order (>\$200,000)

Recommended Action: Approve a task order with Gannett Fleming, Inc. in the amount of \$290,572.

CIP Project: GN015000

Regulatory Requirement: Rehab Action Plan Phase 2 (2025 Completion)

Budget	\$942,804
Previous Expenditures and Encumbrances	(\$61,262)
Available Balance	\$881,542

Contract Status with Task Orders:	Amount
Original Contract with Gannett Fleming, Inc.	\$61,262
Total Value of Previous Task Orders	\$0
Requested Task Order	\$290,572
Total Value of All Task Orders	\$290,572
Revised Contract Value	\$351,834
Engineering Services as % of Construction	29.4%

Project Description: This project will rehabilitate and/or replace gravity sewer segments at four locations in the South Shore Interceptor System. Project locations include Arctic Avenue Pump Station, Seay Avenue Pump Station, Elmhurst Lane Pump Station, and the intersection of Powhatan Avenue/Bolling Avenue.

The attached [Map](#) depicts the project locations.

Project Justification: Condition assessment activities indicate that assets at these four project locations present a material risk of failure due to physical condition defects and I/I.

Task Order Description: This task order will provide design phase services in accordance with the approved recommendations from the Preliminary Engineering Report.

Analysis of Cost: The cost of the task order is based on an estimate of labor hours and direct costs required to execute the negotiated scope of work. The hourly labor rates used for this task order are in accordance with established rates in Gannett Fleming’s General Engineering Services contract. The task order amount is in agreement with other efforts of similar size and complexity.

Schedule:	Design	July 2023
	Construction	January 2024
	Project Completion	June 2024

Stan Avenue Gravity Sewer (Norfolk, VA)



Seay Avenue PS (Norfolk, VA)



h, VA)

Arctic

CONSENT AGENDA ITEM 2.d.2. – July 25, 2023

Subject: Treatment Plant Dewatering Replacement Phase III
Task Order (>\$200,000)

Recommended Action: Approve a task order with HDR Inc. in the amount of \$760,658.

CIP Project: GN017400

Regulatory Requirement: Nutrient Reduction

Budget	\$4,631,900
Previous Expenditures and Encumbrances	(\$315,408)
Available Balance	\$4,316,492

Contract Status with Task Orders:	Amount
Original Contract with Engineer	\$315,408
Total Value of Previous Task Orders	\$0
Requested Task Order	\$760,658
Total Value of All Task Orders	\$760,658
Revised Contract Value	\$1,076,066
Engineering Services as % of Project Total	24%

Project Description: This project includes evaluation, design, and construction relating to the modification of the solids handling building for the installation of one additional dewatering centrifuge. This addition will be installed such that it will require a cake conveyor and other appurtenance to feed solids and polymer to the centrifuges, to convey dewatered solids cake to the multiple hearth furnace, and to connect to the centrate drain.

Project Justification: This project will increase capacity of solids handling systems at the Virginia Initiative Plant (VIP) by increasing hydraulic throughput of solids dewatering by the installation of the larger centrifuge. Currently, primary sludge pumping and activated solids wastage is intermittently limited by hydraulic throughput limitations of existing dewatering centrifuges. Limitations to solids pumping and wastage due to existing centrifuge hydraulic capacity have caused upset to nutrient removal performance at VIP.

Task Order Description: This task order will provide design and bid phase services.

Analysis of Cost: The cost for this task order is based on a negotiated fee with the engineer. Based on comparisons with other firms, the current market value due to inflation of equipment, and HRSD's annual services agreement with HDR, it is believed that the proposed lump sum and additional services fees are justified for the project. While the design fee compared to the project cost estimate may seem high (17% design fee when compared to project cost estimate), it is important to note that this project will require additional evaluations prior to starting design, confirmation of design basis and additional structural evaluation of the VIP Incinerator Building.

<u>Schedule:</u>	Technical Memorandum	November	2023
	Design	September	2024
	Bid	October	2024
	Construction	January	2025
	Project Completion	April	2026

CONSENT AGENDA ITEM 2.e.1. – July 25, 2023

Subject: Versacomb™ Media
Sole Source (>\$10,000)

Recommended Action: Approve the use of Versacomb™ Media by Freudenberg Filtration Technologies at HRSD facilities.

Regulatory Requirement: None

Sole Source Justification:

- Compatibility with existing equipment or systems is required
- Support of a special program in which the product or service has unique characteristics essential to the needs of the program
- Product or service is covered by a patent or copyright
- Product or service is part of standardization program to minimize training for maintenance and operation, and parts inventory

Details: Product includes the purchase of Versacomb™ media. The media is used in the air filtering cabinets located in the Gravity Belt Thickening Control Room. The media helps to remove Hydrogen Sulfide from the air. The presence of Hydrogen Sulfide causes sensitive and vital electronic equipment to degrade prematurely.

This work is in accordance with Commission Adopted Procurement Policy.

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #2

3. Boater Education and Pump Out Program
Virginia Department of Health (VDH) Grant Agreement



**VIRGINIA DEPARTMENT OF HEALTH
OFFICE OF ENVIRONMENTAL HEALTH SERVICES (OEHS)
DIVISION OF ONSITE SEWAGE, WATER SERVICES,
ENVIRONMENTAL ENGINEERING, AND MARINA PROGRAMS
109 GOVERNOR STREET, 5th FLOOR
RICHMOND, VIRGINIA 23219**

SUBRECIPIENT AGREEMENT

SUBRECIPIENT AGREEMENT NUMBER: VDH-24-619-0017

- I. PARTIES TO THE AGREEMENT:** This Subrecipient Agreement is entered into by Hampton Roads Sanitation District, a political subdivision of the Commonwealth of Virginia, whose address is 1460 Air Rail Avenue, Virginia Beach, Virginia 23455 hereinafter called the “Subrecipient” and Commonwealth of Virginia through the Department of Health, Office of Environmental Health Services, Division of Onsite Sewage, Water Services, Environmental Engineering, and Marina Programs, whose business address is 109 Governor Street, 5th Floor, Richmond, Virginia 23219, hereinafter called the “Department.”

WHEREAS the Department desires to enter into an Agreement with the Subrecipient to provide the scope of services as described herein and;

WHEREAS the Subrecipient desires to perform such services;

THEREFORE, in consideration of their respective undertakings, the Department and the Subrecipient hereby execute this covenant and agree to the following terms.

- II. PERIOD OF PERFORMANCE:** From execution date of VDH signature on last page through June 30, 2024, with one (1) successive one-year renewal option pending available funding.
- III. PURPOSE:** To provide boaters, education on the proper handling and disposal of sanitary waste and the use of pump-out and sanitary waste dump stations.
- IV. SCOPE OF SERVICES:** The Subrecipient shall furnish all labor, supervision, equipment, tools, parts, supplies, and materials, as necessary, to perform the services as described herein:
- A. The Subrecipient agrees to manage a boater education program to inform boaters about the proper and responsible use of marine sanitation devices and the disposal of sewage from boat holding tanks and portable toilets.
 - B. The Subrecipient agrees to administer this project according to the Commonwealth of Virginia’s *Sewage Regulations, Sanitary Regulations for Marinas and Boat Moorings, and Sewage Handling and Disposal Regulations*.

The Subrecipient agrees to hire, employ, and supervise staff consisting of a supervisor and part-time interns to provide one-on-one educational sessions and pump-out services to boaters and interested individuals at marinas, for “in water events”, and boating festivals where recreational boats congregate in large numbers in and around the Hampton Roads coastal area. The Subrecipient will provide these services on weekends and operational holidays year-round from the date of execution to June 30, 2024.

When providing the services specified under this Agreement, the Subrecipient shall not be deemed an “employee” or “agent” of the Virginia Department of Health. The Subrecipient shall act as an independent subrecipient and is responsible for obtaining and maintaining appropriate liability insurance, payment of all FICA, state, and federal taxes, and complying with other similar requirements, which are customary in the industry. In addition, the Subrecipient certifies that they are not an employee, nor do they currently employ employees of the Virginia Department of Health.

The Subrecipient must give credit to the Federal Aid in Sport Fish Restoration program as the source of funding for the Subrecipient’s project by using the crediting logo identified in 50 CFR Part 86.75.

As a condition of this grant, the Build America, Buy America Act requirements have been included in the Notice of Award. The Build America, Buy America Act applies to all infrastructure projects, which includes construction, alternation, maintenance, or repair of infrastructure. The Subrecipient may be required to show proof of compliance.

- V. COMPENSATION:** The Department will reimburse the Subrecipient for actual expenditures as a result of services provided under the terms of the basic agreement. Any travel expenses will be reimbursed as per the current, state approved travel regulations available at <https://www.doa.virginia.gov/reference.shtml#CAPP> (Topic# 20335). Payments may be made for services rendered starting with grant funding period beginning July 19, 2023.

Contract value: \$111,942.00 with one (1) successive one-year renewal option pending available funding.

If this Agreement contains renewal options, the amount of the Department’s allocation of funds to the Subrecipient shall be negotiated annually. Payments shall be made upon receipt and approval of the Department of required reports for services performed under the terms of this Agreement and invoices and acceptable supporting documentation from the Subrecipient. The reimbursement for services shall be based on the budget and on compliance with activities described in the Subrecipient Agreement submitted by the Subrecipient and approved by the Department. The invoices, with supporting documentation acceptable to the Department, shall include a report of expenditures that are itemized by budgeted line item with quarterly or as needed year- to-date total expenditures per budget category. To be reimbursable, expenditures must adhere to the requirements detailed in the Commonwealth Accounting Policy and Procedure (CAPP) Manual which may be viewed at this link, <https://www.doa.virginia.gov/reference.shtml#CAPP>, included in the budget for this Agreement, and, if applicable, in compliance with all federal guidance for the funding provided under this Agreement. Supporting documentation shall include item level description of the purchase. Additional supporting documentation requirements are as follows:

- All Expenditures: a report from the Subrecipient's financial management information system must be provided.
- Personnel: payroll reports from the Subrecipient's financial management information system must be provided.
- Contractual: specific explanations of what expenditures were made, to whom the payment was made, date(s) of payment, and any other relevant information.
- Supplies, Miscellaneous, and Other: listing of the specific items and/or goods for which payment was made.
- Telephone/Mobile: if possible, a copy of the top page of the phone bill related to the request for reimbursement should be provided. If this is not possible, such as in cases where these charges are centrally allocated, an explanation of the charges must be provided.

The Subrecipient shall report the actual program income received and expended during the month or billing period on the invoice billing statement. The revenue and expenses shall be traceable through their financial system of record.

The Subrecipient will bill the Department on a quarterly or as needed basis electronically with supporting documentation. Billing will be due no later than thirty (30) days following the end of each calendar month in which expenses are incurred.

As per state regulations (CAPP Manual topic 20310) it is state policy to pay invoices on the date which payment is due under the terms of a contract, or if such date has not been established, thirty (30) days after receipt of the Subrecipient's invoice by the specified Accounts Payable desk or (30) thirty days after receipt of the goods or services, as specified by the Accounts Payable date-stamped receiving report, whichever is later. Failure by Subrecipient to submit invoices within the prescribed period may forfeit its right to payment from the Department.

Send invoices to: (Non-PHI information only)

Virginia Department of Health
Office of Environmental Health Services
Attention: Charles David Layman II
109 Governor Street, 5th Floor
Richmond, Virginia 23219
or
charles.d.layman@vdh.virginia.gov

Invoices may be mailed or submitted electronically. In order for invoices to be processed as presented for payment, the document must reference the current/active contract number.

Final reconciliation billing for June 2024, along with any overpayments due to the Department, shall be submitted no later than July 31, 2024.

The Subrecipient agrees to ensure that all expenditures made under this Agreement are recorded correctly, are allowable, and are in support of the objectives of this Agreement. The Subrecipient shall ensure that payroll expenditures in support of this Agreement and as specified in this Agreement are charged accurately and that the employees paid under this Agreement submit Time and Effort (T&E) reports. These T & E reports shall be maintained on site for Department review during monitoring visits.

The Subrecipient shall maintain supporting documentation for all expenditures made under this Agreement and maintain such documentation for five (5) years as per Government Accountability Office, Office of Management and Budget (GAO/OMB) regulations. Any expenditure recorded after this date will be attributed to the next budget period.

These funds may not be used to pay the salary of an individual at a rate in excess of the Executive Level II salary of the Federal Executive Pay Scale, as per Notice of Award.

VI. FEDERAL REQUIREMENTS FOR SUBRECIPIENT CONTRACTS:

FEDERAL AWARD INFORMATION:

Federal Award Identification Number:	<u>F19AP00591</u>
Federal Award Date:	<u>07/10/2019</u>
Amount of Subaward:	<u>\$54,242.00</u>
Subaward Obligation/Action Date:	<u>07/19/2022 through 07/18/2023</u>
Total Amount of Federal Award:	<u>\$680,000.00</u>
Name of Federal Grantor:	<u>Department of the Interior, U.S. Fish and Wildlife Service</u>
CFDA Number and Name:	<u>15.616 – Clean Vessel Act</u>
Research and Development:	Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>
Indirect Cost rate for the Federal Award, if included:	<u>N/A</u>

Federal Award Identification Number:	<u>F22AP03408</u>
Federal Award Date:	<u>07/01/2022</u>
Amount of Subaward:	<u>\$57,700.00</u>
Subaward Obligation/Action Date:	<u>07/19/2023 through 06/30/2024</u>
Total Amount of Federal Award:	<u>\$828,988.00</u>
Name of Federal Grantor:	<u>Department of the Interior, U.S. Fish and Wildlife Service</u>
CFDA Number and Name:	<u>15.616 - Clean Vessel Act</u>
Research and Development:	Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>
Indirect Cost rate for the Federal Award, if included:	<u>N/A</u>

FEDERAL AWARD RESTRICTIONS: There are general federal cost principles that are applicable to all federal awards. These general principles are outlined in Part 200 – Uniform Administrative Requirements, Cost Principles, and Subpart F. Audit Requirements for Federal awards (2 CFR Section 200.0 – 200.521). The local health districts are required to adhere to these principles while managing federal grant awards (specifically Subpart E – Cost Principles). The Electronic Code of Federal Regulations can be found at www.eCFR.gov.

General provisions sections:	200.400 - 200.401
Federal equipment:	200.313
Procurement guidelines:	200.318 - 200.326
Basic considerations sections:	200.402 - 200.411
Direct and indirect (F&A) costs sections:	200.412 - 200.415
Special Considerations for States, Local Governments, and Indian Tribes sections:	200.416 - 200.417
General provisions for selected items of cost sections:	200.420 - 200.475 (with exception of 200.424 and 200.475 as these are more applicable to higher education institutions and other nonprofit organizations)

The Virginia Department of Health, Office of Environmental Health Services, Division of Onsite Sewage, Water Services, Environmental Engineering, and Marina Programs, as a pass-through entity for numerous federal grants, is responsible for ensuring certain activities occur with respect to monitoring of subrecipients. The above requirements include, but are not limited to the following:

Subrecipients receiving more than \$750,000 in federal funds, during the Subrecipient's fiscal year, from any and all sources are required to have a single audit performed in accordance with code §200.501(a). When required, the most recent copy of the audit must be provided to the assigned contract monitor within thirty (30) days of the effective date on this Agreement. If any findings were noted in the audit report, corrective actions taken to fully resolved the finding must be provided. If an audit occurs during the term of this Agreement, a copy of that audit and response to any findings must be provided as well. The Subrecipient must provide a written statement if the organization did not receive more than \$750,000 in federal funds.

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA): Effective October 2010, all entities that plan to apply for and ultimately receive a federal grant/cooperative agreement or receive subawards directly from recipients of those funds shall:

- Be registered in System for Award Management (SAM) prior to submitting an application or plan. The SAM is a web-enabled government wide application that collects, validates, stores, and disseminates business information about the federal government's trading partners in support of the contract award, grants, and the electronic payment processes. SAM information must be updated at least every (twelve) 12 months to remain active (for both grantees and subrecipients),
- Have a Unique Entity Identifier (UEI),
- Provide address for primary Virginia service location including nine-digit zip code,
- Provide executive compensation information for five (5) most highly compensated officers if **all** of the following apply:
 - Organization receives eighty percent (80%) or more of its annual gross revenues in federal awards,
 - Organization receives \$25,000,000 or more in annual gross revenues from federal awards,
 - Executive compensation has not previously been reported to any federal agency through any other reporting system, if applicable.

CERTIFICATION – CONFLICT OF INTEREST: The Subrecipient warrants that it has fully complied with the *Code of Virginia* State and Local Government Conflict of Interests Act (<http://law.lis.virginia.gov/vacode/title2.2/chaper31/>).

CERTIFICATIONS REGARDING LOBBYING (2 CFR 200.450): By signing this Agreement, the Subrecipient authorized official certifies, to the best of his/her knowledge and belief, that no federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement in accordance with 2 CFR 200.450. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or intending to influence an officer or employee of any agency, a Member of Congress, an officer or employee of

Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the Subrecipient shall complete and submit Standard Form -LLL, "Disclosure Form to Report Lobbying," to VDH. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

SUBRECIPIENT MONITORING: The Department will monitor the Subrecipient to evaluate the progress and performance of the program. The Subrecipient shall furnish the Department on request information regarding payments claimed for services under this Agreement. The Department and federal personnel shall be provided access to all program-related records and facilities under reasonable request.

The Subrecipient shall retain all books, accounts, reports, files, and other records relating to the performance of the contract for a period of five (5) years after its completion. All accounting records must be supported by source documentation and retained in order to show for what purpose funds were spent. All such records shall be made available and produced for inspection when required by the Department.

Should an audit by authorized state or federal official result in disallowance of amounts previously paid to the Subrecipient, the Subrecipient shall reimburse the Department upon demand.

TIME AND EFFORT REPORTING: The Subrecipient shall comply with time and effort reporting as required by the federal Office of Management and Budget (OMB) 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and 2 CFR 200.430 Compensation-Personal Services. All employees paid in whole or in part from grant funds should prepare a timesheet indicating the hours worked on each specific project for each pay period. Based on these time sheets and hourly payroll cost for each employee, a statement indicating the distribution of payroll charges should be prepared and placed in the appropriate files and shall be made available for inspection when required by the Department. The Subrecipient shall retain all books, reports, files, and other records relating to time and effort reporting for a period of five (5) years after completion.

AUDIT OF FINANCIAL RECORDS: The Subrecipient shall comply with the audit and reporting requirements defined by the Federal Office of Management and Budget (OMB) 2 CFR 200 Subpart F. Audit Requirements. The Subrecipient will, if total federal funds expended are \$750,000 or more a year, have a single or program-specific financial statement audit conducted for the annual period in compliance with the General Accounting Office audit standards. If there are no audit findings, a letter indicating no finds shall be submitted. The copy of the portion of the audit findings or the letter indicating no findings shall be sent to the Virginia Department of Health.

If total federal funds expended are less than \$750,000 for a year the Subrecipient must meet the above audit requirements or maintain financial records for such audit that are available for review by appropriate officials of the granting federal agency, pass-through entity, and the General Accounting Office.

APPROPRIATIONS: The Subrecipient acknowledges the understanding that this Agreement is subject to appropriations and constraints by the state or the federal government budget.


SMOKE-FREE ENVIRONMENT: Public Law 103-277, also known as the Pro-Children Act of 1994, requires that smoking not be permitted in any portion of any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of eighteen (18), if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administration compliance order on the responsible entity.


SUBCONTRACTS: No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the Subrecipient desires to subcontract some part of the work specified herein, the Subrecipient shall furnish the Department names, qualifications, and experience of their proposed subrecipients and shall assure compliance with all requirements of the Agreement. Subcontracting with local health districts is not allowed.

INTEGRATION AND MODIFICATION: This Agreement constitutes the entire understanding of the parties as to the matters contained herein. No alteration, amendment or modification of this Agreement shall be effective unless in writing and signed by the duly authorized officials of both the Department and Subrecipient.

PRICE ADJUSTMENT: This is a cost reimbursement Agreement that is negotiated prior to annual renewal each year depending on the approved budget. The Department approved, price adjustment may be allowed at any time during the term of this Agreement.

CONFIDENTIALITY OF PROPRIETARY INFORMATION, DUPLICATION AND DISCLOSURE: The Subrecipient agrees that proprietary information disclosed by the Department to the Subrecipient for the purpose of a Subrecipient Agreement shall be held in confidence and used only in the performance of the contract. No item designed for or by the Department shall be duplicated or furnished to others without prior written consent. All products and materials including but not limited to papers, data, reports, forms, records, materials, creations, or inventions relating to this Agreement are sole and exclusive property of the Department. All such materials shall be delivered to the Department in usable condition at any time requested by the Department.

DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (2 CFR 200.213 and 2 CFR 180): By initialing this space  the Subrecipient authorized official certifies, to the best of his/her knowledge and belief that neither the Subrecipient nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency, in accordance with 2 CFR 200.213 and 2 CFR 180.

AUDIT AND ACCESS TO RECORDS PER 2 CFR 200.501 - 200.521: By initialing this space , the Subrecipient certifies that it will provide notice of any adverse findings which impact this subaward and will provide access to records as required by parts 2 CFR 200.336, 200.337, and 200.201 as applicable. If the Subrecipient is not subject to the Single Audit Act, then the Subrecipient will provide notice of the completion of any required audits and provide access to such audits upon request.

VII. METHOD OF PAYMENT: The Subrecipient will be paid for services rendered upon receipt of a valid invoice by the Department. During the final period (month) of each agreement year, the Subrecipient shall notify the Department of the estimated amount of expenditures for that period as of June 30, 2024. Within thirty (30) days after the end date of the budget period, the Subrecipient shall submit to the Department a final invoice with acceptable supporting documentation. If the estimated invoice exceeds that final invoice, the Subrecipient will return the unspent funds, as well as any interest earned on those funds, to the Department at the time the final invoice and supporting documentation is submitted to the Department. The Subrecipient shall not maintain cash on hand under this Agreement. If renewals are permitted under this Agreement, the Subrecipient and the Department shall negotiate the addition of any unspent allocation to the following year's budget; however, this is generally not permitted. Payment will be made in accordance with the Prompt Payment Act of Virginia.

Invoices, reports, and supporting documentation shall be submitted to: (Non-PHI information only)

Virginia Department of Health
Office of Environmental Health Services
Attention: Charles David Layman II
109 Governor Street, 5th Floor
Richmond, Virginia 23219
or
charles.d.layman@vdh.virginia.gov

Failure of the Subrecipient to submit reports, invoices, and acceptable supporting documentation within the prescribed time frame may forfeit Subrecipient's right to payment from the Department.

In the event the Subrecipient fails to fulfill the requirements set forth in the Scope of Services, the Subrecipient will be asked to submit a plan of corrective action within thirty (30) days, or a time frame acceptable to both parties. The plan of corrective action will be mutually agreed to prior to implementation.

Invoicing Required Elements

- Required Certifications (2 CFR 200.415). Must include a signature from an authorized official.
- Current expense column (project costs broken down by ledger cost category)
- Cumulative expense column (project costs broken down by ledger cost category)
- Point of contact for invoicing questions (name, email address, phone number)
- Contract number
- Tax ID Number
- Invoice date
- Invoicing period of performance
 - Billing period to be no more frequent than monthly in accordance with 2 CFR 200.305
- Subrecipient point of contact for invoice questions
- Cost sharing amounts if applicable
- Program income amounts if applicable
- Invoice marked "final" if applicable
 - Final invoices shall be submitted no later than thirty (30) days after ending of contract period of performance

Payment will be made in accordance with the Prompt Payment Act of Virginia by check or EDI.

VIII. TERMS AND CONDITIONS:

- A. AUDIT:** The Subrecipient shall retain all books, records, and other documents relative to this Agreement for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The Department, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.
- B. APPLICABLE LAWS AND COURTS:** This Agreement shall be governed in all respects by the laws of the Commonwealth of Virginia, without regard to its choice of law provisions, and any litigation with respect thereto shall be brought in the circuit courts of the Commonwealth. The Department and the Subrecipient are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia, § 2.2-4366*). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The Subrecipient shall comply with all applicable federal, state, and local laws, rules, and regulations.
- C. AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the Department shall be bound hereunder only to the extent that the legislature has appropriated funds that are legally available or may hereafter become legally available for the purpose of this Agreement.
- D. BACKGROUND CHECKS:**
1. The VDH may require a background check for Subrecipient staff assigned to any resulting agreement. The Subrecipient shall be required to pay for all background checks processed for staff assigned to any agreement resulting from this Agreement at a rate of \$50.00. Fees are on a per background check basis and will be invoiced by VDH Accounting. The Subrecipient employees will be required to complete a form granting authority to release information. The Subrecipient shall allow the VDH access to review Subrecipient staff personnel and employment records.
 2. Background investigation results will be reviewed by the Department, and are not releasable to the Subrecipient, however, can be provided to the individual of the investigation upon a written request.
 3. In the event agreement award is made prior to completion of background checks, any unfavorable results shall be subject to the terms and conditions of this Agreement.
 4. In the event of any staff turnover or staff reassignments, the Subrecipient shall notify the Department and shall submit the appropriate background history questionnaire, authority for release of information and have fingerprints obtained for any proposed new staff member. This shall be in addition to the requirement to provide the required credentials information. The Department may remove any Subrecipient employee that the contract administrator feels threatens the health or safety of staff, security of the facility, or quality of the service provided by the Subrecipient.
- E. CANCELLATION OF AGREEMENT:** The Department reserves the right to cancel and terminate any resulting agreement, in part or in whole, without penalty, upon sixty (60) days written notice to the Subrecipient. In the event the initial contract period is for more than twelve (12) months, the resulting contract may also be terminated by the Subrecipient, without penalty, after the initial twelve (12) months of the contract period

upon sixty (60) days written notice to the other party. Any contract cancellation notice shall not relieve the Subrecipient of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

- F. **CHANGES TO THE AGREEMENT:** The parties may agree in writing to modify the scope of the Subrecipient Agreement. An increase or decrease in the price to the Subrecipient of Agreement resulting from such modification shall be agreed to by the parties as a part of their written Agreement to modify the scope of the Subrecipient of Agreement.
- G. **CONFIDENTIALITY OF PROPRIETARY INFORMATION AND PERSONALLY IDENTIFIABLE INFORMATION:** The Subrecipient assures that information and data obtained as to proprietary information and personal facts and circumstances related to patients or clients will be collected and held confidential, during and following the term of this Agreement, and will not be divulged without the individual's and the Department's written consent and only in accordance with federal law or the *Code of Virginia*. Subrecipients who utilize, access, or store proprietary information or personally identifiable information as part of the performance of an agreement are required to safeguard this information and immediately notify the Department of any breach or suspected breach in the security of such information. Subrecipients shall allow the Department to both participate in the investigation of incidents and exercise control over decisions regarding external reporting. Subrecipients and their employees working on this project may be required to sign a confidentiality statement.
- H. **DRUG-FREE WORKPLACE:** Applicable for all contracts/agreements over \$10,000:
During the performance of this Agreement, the Subrecipient agrees to (i) provide a drug-free workplace for the Subrecipient's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Subrecipient's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient that the Subrecipient maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each Subrecipient or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a subrecipient, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Agreement.
- I. **IMMIGRATION REFORM AND CONTROL ACT OF 1986:** Applicable for all contracts and agreements over \$10,000: By entering into a written agreement with the Commonwealth of Virginia, the Subrecipient certifies that the Subrecipient does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

- J. RENEWAL OF AGREEMENT:** This Agreement may be renewed by the Commonwealth upon written agreement of both parties for one (1) successive one-year period, under the terms of the current agreement, and at a reasonable time (approximately ninety (90) days) prior to the expiration.
- K. ANTIDISCRIMINATION:** By submitting this Agreement the Subrecipient certifies to the Commonwealth that they will conform to the provisions of the federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians with Disabilities Act, the Americans with Disabilities Act and § 2.2-4311 of the *Virginia Public Procurement Act (VPPA)*. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia, § 2.2-4343.1E*).

As a governmental entity, the Subrecipient understands and agrees that in every contract or agreement over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this Agreement, the Subrecipient agrees as follows:
 - a. The Subrecipient will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Subrecipient. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - b. The Subrecipient, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, will state that such Subrecipient is an equal opportunity employer.
 - c. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
 - d. If the Subrecipient employs more than five (5) employees, the Subrecipient shall (i) provide annual training on the contractor's sexual harassment policy to all supervisors and employees providing services in the Commonwealth, except such supervisors or employees that are required to complete sexual harassment training provided by the Department of Human Resource Management, and (ii) post the contractor's sexual harassment policy in (a) a conspicuous public place in each building located in the Commonwealth that the contractor owns or leases for business purposes and (b) the contractor's employee handbook.

e. The requirements of these provisions 1. and 2. are a material part of the Agreement. If the Subrecipient violates one of these provisions, the Commonwealth may terminate the affected part of this Agreement for breach, or at its option, the whole Agreement. Violation of one of these provisions may also result in debarment from state contracting regardless of whether the specific contract or agreement is terminated.

f. In accordance with Executive Order 61 (2017), a prohibition on discrimination by the contractor, in its employment practices, subcontracting practices, and delivery of goods or services, on the basis of race, sex, color, national origin, religion, sexual orientation, gender identity, age, political affiliation, disability, or veteran status, is hereby incorporated in this Agreement.

2. The Subrecipient will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subrecipient or vendor.

L. ANTITRUST: By entering into an agreement, the Subrecipient conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title, and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said agreement.

M. PAYMENT:

1. To Prime Subrecipient:

a. Invoices for items ordered, delivered, and accepted shall be submitted by the Subrecipient directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual subrecipients) or the federal employer identification number (for proprietorships, partnerships, and corporations).

b. Any payment terms requiring payment in less than thirty (30) days will be regarded as requiring payment thirty (30) days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than thirty (30) days, however.

c. All goods or services provided under this Agreement or purchase order, that are to be paid for with public funds, shall be billed by the Subrecipient at the Agreement price, regardless of which public agency is being billed.

d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

e. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Subrecipients should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be resolved in

accordance with *Code of Virginia*, § 2.2-4363 and -4364. Upon determining that invoiced charges are not reasonable, the Department shall notify the Subrecipient of defects or improprieties in invoices within fifteen (15) days as required in *Code of Virginia*, § 2.2-4351. The provisions of this section do not relieve a department of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia*, § 2.2-4363).

2. To Subrecipients:

a. Within seven (7) days of the Subrecipient's receipt of payment from the Commonwealth, a Subrecipient awarded an agreement under this solicitation is hereby obligated:

(1) To pay the Subrecipient(s) for the proportionate share of the payment received for work performed by the Subrecipient(s) under the contract; or

(2) To notify the department and the Subrecipient(s), in writing, of the Subrecipient's intention to withhold payment and the reason.

b. The Subrecipient is obligated to pay the subrecipient(s) interest at the rate of one percent (1%) per month (unless otherwise provided under the terms of the Agreement) on all amounts owed by the Subrecipient that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Subrecipient performing under the primary Agreement. A subrecipient's obligation to pay an interest charge to a Subrecipient may not be construed to be an obligation of the Commonwealth.

c. Each prime Subrecipient who wins an award in which provision of a SWaM procurement plan is a condition to the award, shall deliver to the contracting department or institution, on or before request for final payment, evidence, and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from Subrecipient default) with the SWaM procurement plan. Final payment under the contract or agreement in question may be withheld until such certification is delivered and, if necessary, confirmed by the department or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

d. The Commonwealth of Virginia encourages Subrecipients to accept electronic and credit card payments.

N. ASSIGNMENT OF AGREEMENT: An agreement shall not be assignable by the Subrecipient in whole or in part without the written consent of the Commonwealth.

O. DEFAULT: In case of failure to deliver goods or services in accordance with the Agreement terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Subrecipient responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.

- P. INSURANCE:** By accepting funds pursuant to this Agreement, the Subrecipient certifies that it will have the following insurance coverage at the time the Agreement is awarded. For construction contracts, if any subrecipients are involved, the Subrecipient will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The bidder or offeror further certifies that the Subrecipient and any subrecipients will maintain this insurance coverage during the entire term of the Agreement and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

MINIMUM INSURANCE COVERAGES AND LIMITS:

1. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three (3) or more employees, to include the employer. Subrecipients who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the Agreement.
2. Employer's Liability - \$100,000.
3. Commercial General Liability - \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Department shall be added as an additional insured to the policy by an endorsement.
4. Automobile Liability - \$1,000,000 combined single limit. (Required only if a motor vehicle not owned by the Commonwealth is to be used in the Agreement. Subrecipient must assure that the required coverage is maintained by the Subrecipient (or third-party owner of such motor vehicle).

<u>Profession/Service</u>	<u>Limits</u>
Accounting	\$1,000,000 per occurrence, \$3,000,000 aggregate
Architecture	\$2,000,000 per occurrence, \$6,000,000 aggregate
Asbestos Design, Inspection or Abatement Contractors	\$1,000,000 per occurrence, \$3,000,000 aggregate
Health Care Practitioner (to include Dentists, Licensed Dental Hygienists, Optometrists, Registered or Licensed Practical Nurses, Pharmacists, Physicians, Podiatrists, Chiropractors, Physical Therapists, Physical Therapist Assistants, Clinical Psychologists, Clinical Social Workers, Professional Counselors, Hospital, or Health Maintenance Organizations)	<i>Code of Virginia</i> §8.01-581-15 https://law.lis.virginia.gov/vacode/title8.01/chapter21.1/section8.01-581.15/
Insurance/Risk Management	\$1,000,000 per occurrence, \$3,000,000 aggregate
Landscape/Architecture	\$1,000,000 per occurrence, \$1,000,000 aggregate
Legal	\$1,000,000 per occurrence, \$5,000,000 aggregate
Professional Engineer	\$2,000,000 per occurrence, \$6,000,000 aggregate
Surveying	\$1,000,000 per occurrence, \$1,000,000 aggregate

- Q. NONDISCRIMINATION OF SUBRECIPIENTS:** A subrecipient shall not be discriminated against in the solicitation or award of this Agreement because of race, religion, color, sex, sexual orientation, gender identity, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the state agency, department, or institution has made a written determination that employing ex-offenders on the specific agreement is not in its best interest. If the award of this Agreement is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this Agreement objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.
- R. WHISTLEBLOWER PROTECTIONS:** Congress has enacted the whistleblower protection statute 41 U.S.C. Section 4712 to encourage employees to report fraud, waste, and abuse without repercussions. This statute applies to all employees working for subrecipients, grantees, and subgrantees in accordance with this Agreement. All subrecipients, grantees, and subgrantees for federal grants and agreements are required to:
1. Inform their employees in writing of the whistleblower protections under 41 U.S.C. Section 4712 in the predominant native language of the workforce, to include the specific requirements of the statute, and
 2. Include this term and condition in any agreement made with a subrecipient or subgrantee.
- The employees' rights under 41 U.S.C. Section 4712 shall survive termination of this Agreement.
- S. SERVICE ORGANIZATION CONTROLS:** Service Organization Controls (SOC) may be required for this Agreement. Please visit the following link for requirements: https://www.doa.virginia.gov/reference/CAPP/CAPP_Topics_Cardinal/10305.pdf

CERTIFICATION OF INTERNAL CONTROLS: The Subrecipient shall have clearly delineated processes and procedures for the internal control of sensitive data and processes, which are any data and processes of which the compromising of confidentiality, integrity, and/or availability could have a material adverse effect on Commonwealth of Virginia interests, the conduct of Department programs, or to the privacy of which individuals are entitled, when such sensitive data or processes are related to the goods and/or services provided pursuant to this Agreement.

The Subrecipient shall provide evidence of compliant and ongoing internal control of sensitive data and processes through a standard methodology, such as but without limitation the American Institute of Certified Public Accountant (AICPA) Service Organization Control (SOC) Reports. The evidence of compliance shall be contained in a report describing the effectiveness of the Subrecipient's internal controls. The most recent version of the report shall be provided to the purchasing office upon request. Trade secrets or proprietary information contained within the report shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Subrecipient must invoke the protection of *Code of Virginia* § 2.2-4342F, in writing, prior to or upon submission of the report, and must identify the data or other materials to be protected and state the reasons why protection is necessary.

If deficiencies in the Subrecipient's internal control processes and procedures are described in the most recent version of the report, the Subrecipient shall automatically submit the report to the purchasing office within a timely manner and shall describe the corrective actions to be put into place by the Subrecipient to remedy the deficiencies. Failure to report and/or repair deficiencies in a timely manner shall be cause for the Commonwealth to make a determination of breach of contract/agreement.

The Subrecipient's obligations for certification of internal controls shall survive and continue after completion of this Agreement unless the Subrecipient certifies the destruction of the sensitive data at the end of the agreement term.

T. CONTINUITY OF SERVICES:

- a) The Subrecipient recognizes that the services under this Agreement are vital to the Department and must be continued without interruption and that, upon agreement expiration, a successor, either the Agency or another Subrecipient, may continue them. The Subrecipient agrees:
 - (i) To exercise its best efforts and cooperation to affect an orderly and efficient transition to a successor;
 - (ii) To make all Department owned facilities, equipment, and data available to any successor at an appropriate time prior to the expiration of the Agreement to facilitate transition to successor; and
 - (iii) That the Department contracting officer shall have final authority to resolve disputes related to the transition of the Agreement from the Subrecipient to its successor.
- b) The Subrecipient shall, upon written notice from the contract officer, furnish phase-in/phase-out services for up to ninety (90) days after this Agreement expires and shall negotiate in good faith a plan with the successor to execute the phase-in/phase-out services. This plan shall be subject to the contract officer's approval.
- c) The Subrecipient shall be reimbursed for all reasonable, pre-approved phase-in/phase-out costs (i.e., costs incurred within the agreed period after agreement expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this Agreement. All phase-in/phase-out work fees must be approved by the contract officer in writing prior to commencement of said work.

U. CIVILITY IN STATE WORKPLACES: The Subrecipient shall take all reasonable steps to ensure that no individual, while performing work on behalf of the Subrecipient or any subcontractor in connection with this Agreement (each, a "Contract Worker"), shall engage in 1) harassment (including sexual harassment), bullying, cyber-bullying, or threatening or violent conduct, or 2) discriminatory behavior on the basis of race, sex, color, national origin, religious belief, sexual orientation, gender identity or expression, age, political affiliation, veteran status, or disability.

The Subrecipient shall provide each Contract Worker with a copy of this section and will require Contract Workers to participate in agency training on civility in the state workplace if the Subrecipient's (and any subcontractor's) regular mandatory training programs do not already encompass equivalent or greater expectations. Upon request, the Subrecipient shall provide documentation that each Contract Worker has received such training.

For purposes of this section, “state workplace” includes any location, permanent or temporary, where a commonwealth employee performs any work-related duty or is representing his or her agency, as well as surrounding perimeters, parking lots, outside meeting locations, and means of travel to and from these locations. Communications are deemed to occur in a state workplace if the Contract Worker reasonably should know that the phone number, email, or other method of communication is associated with a state workplace or is associated with a person who is a state employee.

The Commonwealth of Virginia may require, at its sole discretion, the removal and replacement of any Contract Worker who the Commonwealth of Virginia reasonably believes to have violated this section.

This section creates obligations solely on the part of the Subrecipient. Employees or other third parties may benefit incidentally from this section and from training materials or other communications distributed on this topic, but the parties to this Agreement intend this section to be enforceable solely by the Department and not by employees or other third parties.

IX. CONFIDENTIALITY TERMS AND CONDITIONS:

A. DATA PRIVACY: In accordance with § 2.2-2009 of the *Code of Virginia*, during the performance of this Agreement, Subrecipient is required at all times to comply with all applicable federal and state laws and regulations, including those pertaining to information security and privacy.

B. CONFIDENTIALITY OF PERSONALLY IDENTIFIABLE INFORMATION: The Subrecipient assures that information and data obtained as to personal facts and circumstances related to patients or clients will be collected and held confidential, during and following the term of this Agreement, and unless disclosure is required pursuant to court order, subpoena or other regulatory authority, disclosure will not be divulged without the individuals’ and the Department’s written consent, and only in accordance with federal law, including the *HIPAA Privacy Rule* or the *Code of Virginia*.

Subrecipients who utilize, access, or store personally identifiable information (PII), protected health information (PHI), and electronic protected health information (ePHI), in performance of a contract or agreement, and in support of the HIPAA Privacy and Security regulations, are required to safeguard PII and PHI by:

- a. implementing appropriate safeguards to prevent unauthorized use or disclosure of the information, including implementing requirements of the HIPAA Security Rule with regard to ePHI,
- b. ensure that any subcontractors the Subrecipient may engage on its behalf, and will have access to PHI, agrees to the same restrictions and conditions that apply to the business associate with respect to such information, and
- c. immediately notifies the Department of any breach, or suspected breach, in the security of such information.

The Subrecipient shall allow the Department to both participate in the investigation of incidents and exercise control over decisions regarding external reporting. Subrecipients and their employees working on this project may be required to sign a confidentiality statement.

- X. **STATUS OF PERSONNEL:** Charles David Layman II, Interim Manager for the Marina Program, has been designated as the Department administrator for this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby. This Subrecipient Agreement becomes effective on the date of the last signature.

HAMPTON ROADS SANITATION DISTRICT:		VIRGINIA DEPARTMENT OF HEALTH:	
By:	<small>DocuSigned by:</small> Jay Bernas <small>16FF8AD4B1334E7...</small>	By:	<small>DocuSigned by:</small> Kimberly Boehme <small>C8995D52854EA...</small>
Title:	General Manager	Title:	Director- Division of General Procurement
Date:	11/27/2023 7:18:43 AM EST	Date:	11/28/2023 3:39:28 PM EST

Unique Entity Identifier: NLNKLTGGRKZ6
(Required)

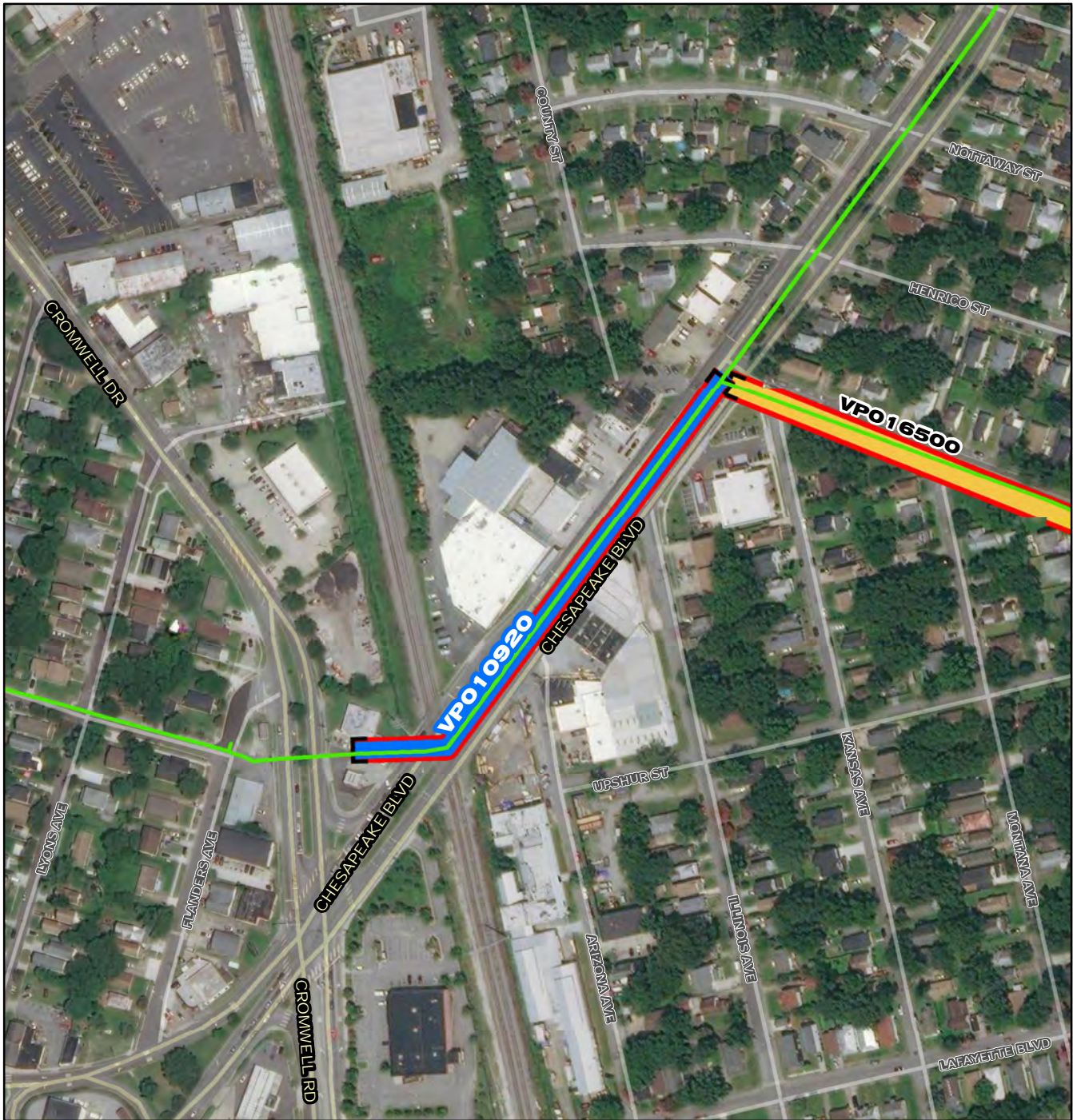
Note: This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, sexual orientation, gender identity, political affiliation, or veteran status or any other basis prohibited by state law relating to discrimination in employment.

FOR COMPLETION BY SUBRECIPIENT:

Legal Name Hampton Roads Sanitation District
City and Zip+4 (ZIP plus four lookup https://tools.usps.com/go/ZipLookupAction_input Virginia Beach, VA 23455-3002
Is the organization registered in SAM? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO (If no, see Section VI Federal Award Information, page 9). To remain active complete the registration and update at least every 12 months at https://www.sam.gov/SAM/ .
<p>1. In the preceding fiscal year did your organization:</p> <ul style="list-style-type: none"> a. Receive 80% or more of annual gross revenue from federal contracts, subcontracts, grants, loans, subgrants, and/or cooperative agreements; and b. \$25,000,000 or more in annual gross revenues from federal contracts, subcontracts, grants, loans, subgrants, and/or cooperative agreements; and c. The public does not have access to this information about the compensation of the senior executives of your organization through periodic reports filed under section 13(a) or 15(d) of the Securities and Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d) or section 6104 of the Internal Revenue Code of 1986. <p><input checked="" type="checkbox"/> NO <input type="checkbox"/> YES (The names and total compensation of the top 5 highly compensated officials must be reported to VDH. (Total compensation includes cash and non-cash value earned during the past fiscal year including salary and bonus; awards of stock, stock options and stock appreciation rights; and severance and termination payments, and value of life insurance paid on behalf of the employee, and applicable OMB guidance).</p>

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #3

5. Norview Estabrook Division I, 18-Inch Force Main Replacement Phase II, Section 2 Additional Appropriation, Rejection of Low Bid, Contract Award (>\$200,000) and Task Order (>\$200,000)

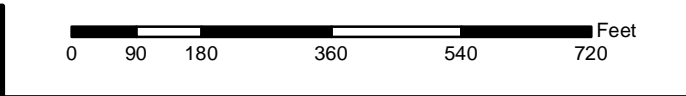


VPO10920

- Project Interceptor Line
- Project Interceptor Point
- Project Pump Station Point
- Project Area

Legend

- CIP Interceptor Point
- CIP Pump Station Point
- CIP Interceptor Line
- CIP Abandonment
- CIP Project Area
- HRSD Interceptor Force Main
- HRSD Interceptor Gravity Main
- HRSD Treatment Plant
- HRSD Pressure Reducing Station
- HRSD Pump Station



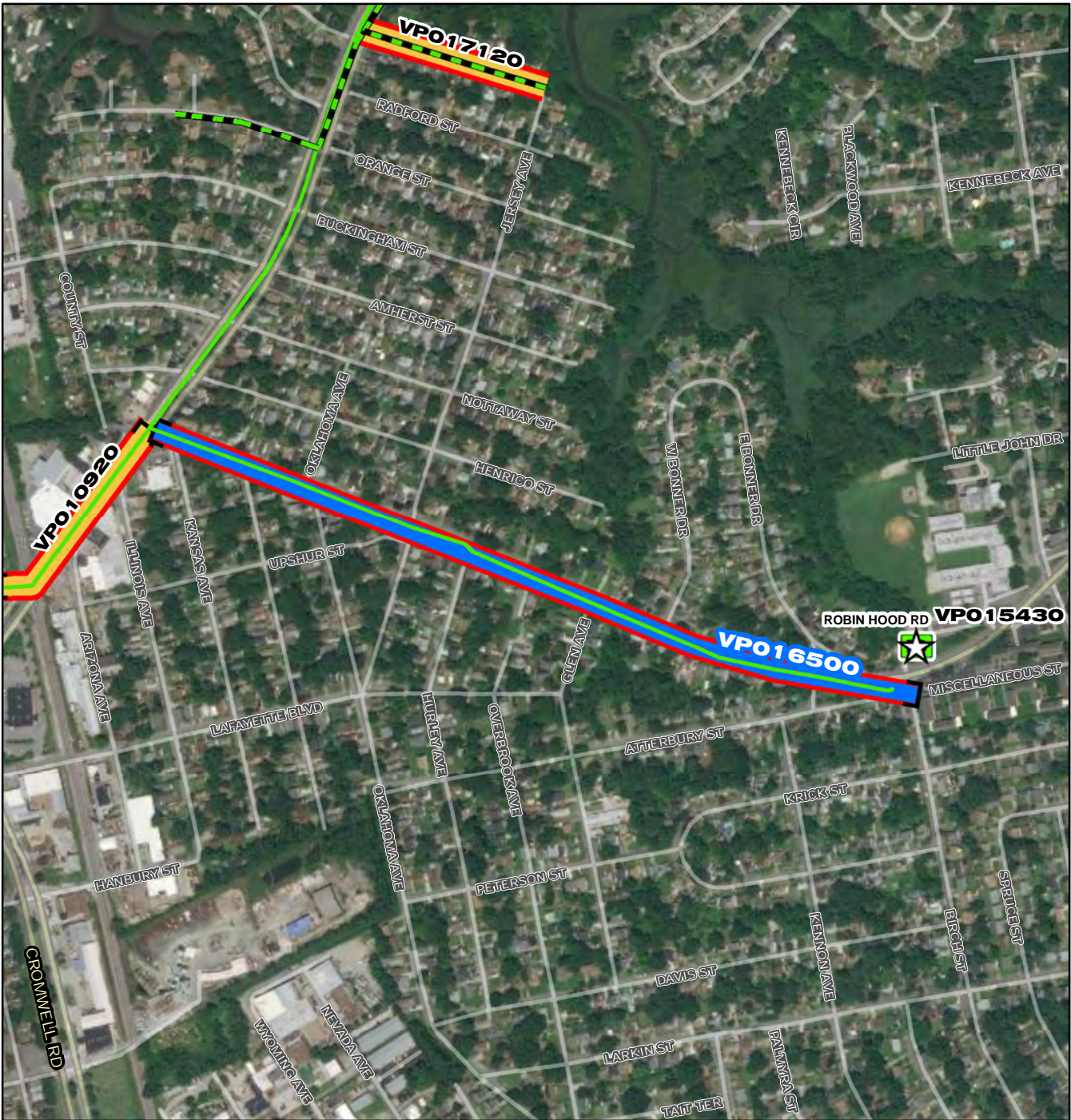
VPO 10920

Norview Estabrook Division I 18-Inch Force Main Replacement Phase II, Section 2

CIP Location

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #4

6. Norview Estabrook Division I, 12-Inch Force Main Replacement and
Norview Estabrook Division I, 18-Inch Force Main Replacement, Phase III
Additional Appropriation, Contract Award (>\$200,000), and Task Order (>\$200,000)

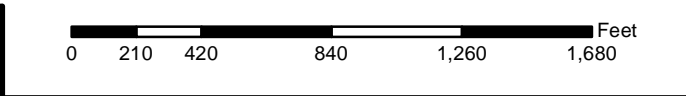


VPO 16500

- Project Interceptor Line
- Project Interceptor Point
- Project Pump Station Point
- Project Area

Legend

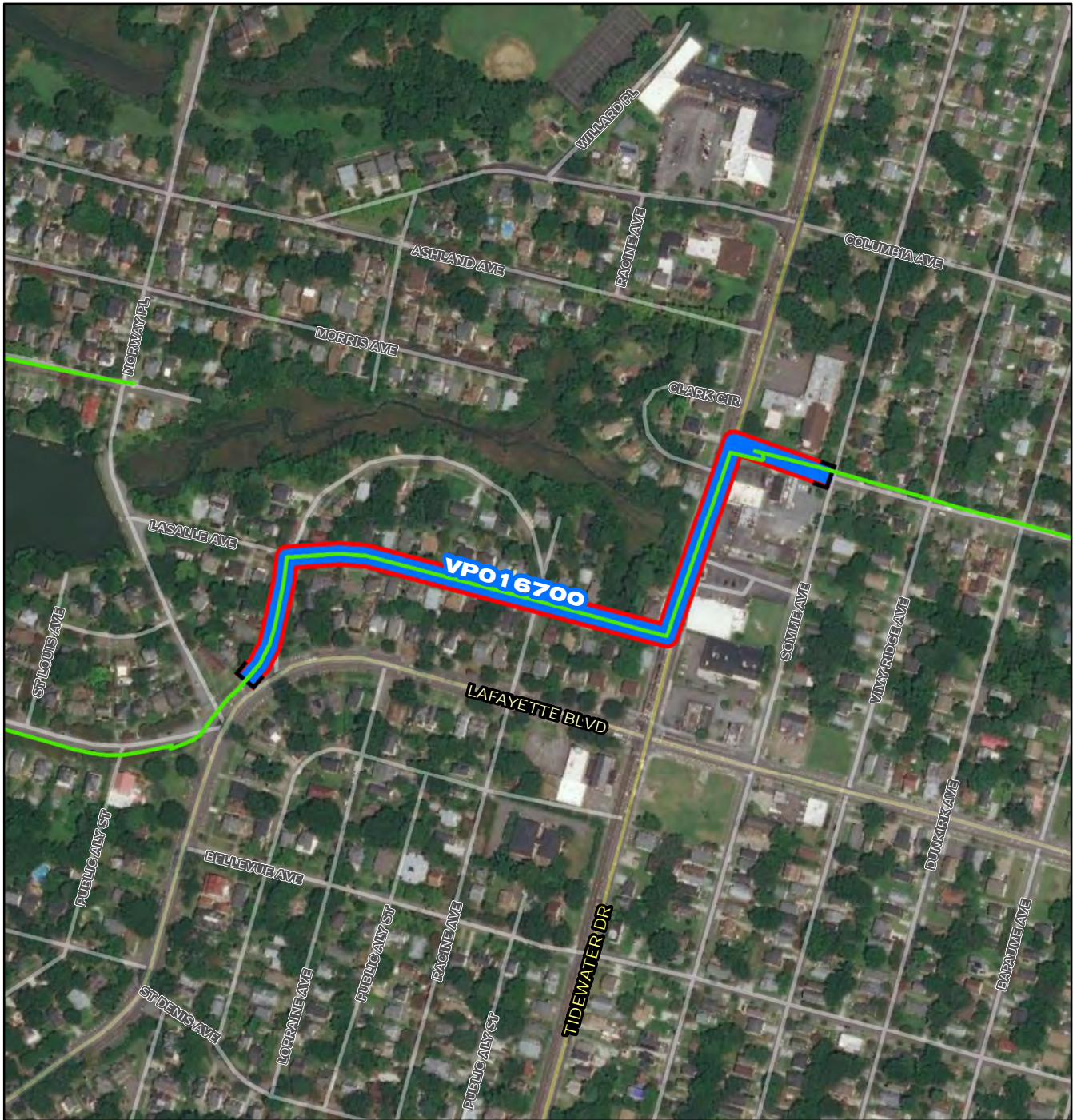
- CIP Interceptor Point
- CIP Pump Station Point
- CIP Interceptor Line
- CIP Project Area
- HRSD Interceptor Force Main
- HRSD Interceptor Gravity Main
- HRSD Treatment Plant
- HRSD Pressure Reducing Station
- HRSD Pump Station



VPO 16500

Norview-Estabrook Division I 12-Inch Force Main Replacement

CIP Location

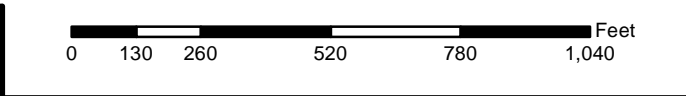


VPO16700

- Project Interceptor Line
- Project Interceptor Point
- Project Pump Station Point
- Project Area

Legend

- CIP Interceptor Point
- CIP Pump Station Point
- CIP Interceptor Line
- CIP Abandonment
- CIP Project Area
- HRSD Interceptor Force Main
- HRSD Interceptor Gravity Main
- HRSD Treatment Plant
- HRSD Pressure Reducing Station
- HRSD Pump Station



VPO 16700

Norview-Estabrook Division I 18-Inch Force Main Replacement Phase III

N
W E
S

CIP Location

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #5

12. Commission Governance Guidelines
Proposed Revisions

HRSD Commission Governance Guidelines

Adopted May 22, 2007

Revised ~~July 26, 2022~~ August 22, 2023

The Commission is charged with managing and controlling the functions and affairs of Hampton Roads Sanitation District (HRSD). HRSD's operations are accomplished by its employees under the supervision of the General Manager.

These governance guidelines (Governance Guidelines) are intended to support the Commission in its oversight role, which is set forth in the Acts of Assembly 1960, as amended (the Enabling Act). Some additional Commission responsibilities are specified in HRSD's Trust Agreements or required by federal or state laws.

The Commission and HRSD's management recognize that the interests of HRSD are advanced by responsibly addressing the concerns of constituencies, including employees, customers and the communities in which HRSD provides services. The Commission will review these guidelines regularly in its continuing effort to achieve this goal.

SECTION 1. ROLE AND FUNCTION OF THE COMMISSION

A. Composition

1. The Commission consists of eight members appointed by the Governor of Virginia to four-year terms.
2. At the time of their appointment and throughout their term of appointment, Commissioners must reside in the territory within the District from which they were appointed. Moving from this territory terminates that Commissioner's appointment.
3. Unless otherwise terminated in accordance with the Enabling Act, a Commissioner's term continues until the successor is appointed. Any person appointed to fill a vacancy shall serve for the unexpired term.
4. Commissioners are eligible for reappointment without limitation to the number of terms. Members may be suspended or removed at the Governor's pleasure.
5. Commissioners receive no salary but are compensated for travel and expenses associated with meeting attendance or while otherwise engaged in the discharge of their duties at the rate paid to members of the Commonwealth Transportation Board.
6. Each Commissioner shall be covered by a public official's liability policy paid for by HRSD.

HRSD Commission Governance Guidelines

Adopted May 22, 2007

Revised ~~July 26, 2022~~ August 22, 2023

B. Commissioner ~~Policies~~ Principles

1. Commissioners are expected to devote as much time and attention as necessary to discharge their duties. This includes attending monthly Commission meetings and the meetings of any committees on which they may serve. Commissioners should notify the Commission Secretary whenever they are unable to attend a scheduled meeting. Commissioners may participate remotely in accordance with the Remote Participation Policy. Commissioners must notify the Chair of their desire to participate remotely prior to the meeting. Commissioners also may be asked to participate in special events and to represent HRSD at public meetings.
2. Commissioners shall be mindful of the best interest of the HRSD service area at large as opposed to those of the localities in which they reside.
3. Individual Commissioners may serve as liaisons to officials in the communities in which they reside or other localities within HRSD's service area.
4. Commissioners are expected to recuse themselves from discussion and abstain from voting on matters in which they may have a personal or professional conflict, and to announce the recusal or abstention in advance.

C. Structure

1. The Commission shall annually elect one of its members as Chair and another as Vice-Chair.
2. The Commission's advisory committees are (1) Finance and (2) Operations and Nominations (O&N). These committees report to the Commission as needed. The Commission may elect to form a new standing or special committee or to disband an existing committee. The Commission Chair annually appoints the members and chairs of these committees. Committees are composed of three Commissioners and two are required for a quorum. All Commissioners are invited to participate in Committee meetings.
3. Committee meetings shall be scheduled as needed. The Commission Chair shall be an ex-officio member of all committees, with voice and vote. However, the Commission Chair shall not be counted in determining the number required for a Committee quorum or in determining whether or not a quorum is present.

HRSD Commission Governance Guidelines

Adopted May 22, 2007

Revised ~~July 26, 2022~~ August 22, 2023

- a. The Finance Committee shall:
- Review the financial forecast, annual operating and capital budgets, and rate schedules and report to the Commission prior to adoption;
 - Select ~~the both~~ internal *and external auditors* ~~auditor that focuses on improving HRSD's operational business activities;~~
 - Review the work plan and receive reports from the internal auditor;
 - ~~Select the external auditors of the financial statements;~~
 - Ensure the audit of the financial statements is completed and receive the audit report from the external auditor;
 - Receive the Annual Comprehensive Financial Report; and
 - Review other financial related matters as may be referred to the Finance Committee by the Commission Chair.
- b. The O&N Committee shall:
- Nominate officers for consideration annually;
 - Review Commission policies as required or directed by the Commission, including, but not limited to:
 - (1) Commission Governance Guidelines
 - (2) Ethics Policy
 - (3) Virginia Freedom of Information Act Policy
 - (4) Remote Participation Policy

D. Operation

1. The Commission has the authority to adopt bylaws and to make rules and regulations for the management of its affairs and the conduct of its business.
2. Unless otherwise announced, the Commission meets on the fourth Tuesday of each month January through November and on the third Tuesday of December. Special meetings are held when necessary. The General Manager sets the meeting agendas with advice from the Department Directors and the Chair. Agendas, with any relevant accompanying information or reports, are distributed to the Commissioners prior to meetings for review. When circumstances require, items may be added to the agenda after it has been distributed.
3. Four members shall constitute a quorum and the affirmative vote of four members shall be necessary for any action taken by the Commission. No vacancy in the membership of the Commission shall impair the right of a quorum to exercise all the rights and perform all the duties of the Commission.

HRSD Commission Governance Guidelines

Adopted May 22, 2007

Revised ~~July 26, 2022~~ August 22, 2023

4. The rules contained in the current edition of *Rosenberg's Rules of Order* shall govern the Commission in all cases to which they are applicable and in which they are not inconsistent with state law or any special rules of order the Commission may adopt.
5. All meetings of the Commission, including Committee Meetings, and Workshops, are public meetings and shall be held in conformance with the Virginia Freedom of Information Act. Remote participation in meetings shall be in accordance with the Remote Participation policy.
6. Workshops shall be scheduled as needed to allow informal dialogue on a topic or narrow range of topics. Appropriate staff shall be available to brief and facilitate as well as provide subject matter expertise. No official actions shall be taken during workshops.

E. Enabling Act Authorizations

The Acts of Assembly authorize and empower the Commission to perform a variety of specified acts by means of its own officers, agents and employees or by contracts with any persons. Some of the most significant authorizations are:

1. To construct, improve, extend, enlarge, reconstruct, maintain, equip, repair and operate a sewage disposal system or systems, with or without associated water systems.
2. To issue revenue bonds, notes or other obligations.
3. To fix and collect rates, fees and other charges for HRSD services and facilities.
4. To acquire land, structures, property, rights, rights-of-way, easements, and other property interests by purchase, lease, grant or the exercise of the right of eminent domain in connection with sewage disposal systems or associated water systems.
5. To employ, at its discretion, consulting engineers, attorneys, accountants, construction and financial experts, managers and other such officers, employees and agents as may be necessary, and to fix their compensation.
6. To sue and to be sued.

HRSD Commission Governance Guidelines

Adopted May 22, 2007

Revised ~~July 26, 2022~~ August 22, 2023

7. To prevent any person, jurisdiction or corporation from discharging into District waters any sewage, industrial wastes or other refuse that would pollute these waters.
8. To seek civil penalties or civil charges against owners in violation of pretreatment standards in permits or other requirements of HRSD's approved industrial waste control program.
9. To make and enter into all contracts and agreements necessary or incidental to the performance of its duties and execution of its powers.
10. The Commission does not have the power to mortgage, pledge, encumber or otherwise dispose of any part of the sewerage system or associated water systems except that which may no longer be necessary or useful for the Commission's purposes

SECTION 2. HRSD MANAGEMENT AND THE COMMISSION

Newly appointed Commissioners will receive a briefing from the General Manager and Department Directors regarding matters related to HRSD's mission and core services. At a minimum, Commissioners are briefed on Commission adopted policies, operations, financial matters and strategic directions. The Commission Secretary will provide information related to the Virginia [Freedom of Information Act](#) and Commission membership. In addition, new Commissioners ~~shall~~ may tour HRSD facilities as their schedules permit and be introduced to the chief elected officials of their localities as appropriate and practical to facilitate effective working relationships.

Commissioners have complete access to the General Manager and the Deputy General Manager, who each may refer them to Department Directors or other appropriate resources for assistance. The Secretary and Assistant Secretary of the Commission shall assist Commissioners with matters related to scheduling, expense reimbursement, access to information and meeting attendance.

A. Staff Relations

1. The Commission appoints a General Manager, who serves at the pleasure of the Commission. As the chief administrative officer, the Commission delegates day-to-day operations to the General Manager within the broad framework of Commission established policies, budget and strategies. The Commission shall review the General Manager's performance and set compensation at least annually.

HRSD Commission Governance Guidelines

Adopted May 22, 2007

Revised ~~July 26, 2022~~ August 22, 2023

2. The Commission appoints a Secretary, Assistant Secretary and a Treasurer who serve in these roles at the pleasure of the Commission. These appointments are made from existing staff positions. The Commission fixes their compensation through the annual budget process as these positions are in the HRSD position classification and compensation system.
3. The Commission periodically reviews and assesses the compensation paid to all HRSD employees as part of the annual budget process.
4. The Commission has delegated to the General Manager the responsibility to establish and maintain appropriate human resource policies.

B. Financial Oversight

1. The Commission approves HRSD's Financial Policy.
2. The Commission approves the Annual Operating and Capital Budgets, Capital Improvement Program (CIP), Financial Forecast and Rate Schedules. HRSD's Capital Improvement Program is the result of significant work by all the departments in evaluating and recommending Capital Improvement Projects that ensure regulatory compliance, provide for adequate infrastructure reinvestment and meet the future growth needs of Hamptons Roads.
3. The Finance Committee meets as required to perform their financial oversight duties, including overseeing its auditors, and reports to the Commission regarding these activities.

C. Signatory Authorization

Documents requiring the signature of HRSD shall be signed by such officer or officers as the Commission may from time to time designate. If signature is authorized by a vote of the Commission, the authorization should also include the identification of the officer or officers permitted to sign the approved document on behalf of HRSD. The General Manager and the Deputy General Manager are authorized to sign on behalf of HRSD in the ordinary course of business any and all documents not requiring specific Commission approval. Additionally, the Commission has authorized the General Manager to delegate formal signatory authority to Senior Management and their staff as necessary for the effective operations of HRSD.

The Commission Secretary shall maintain a record of all specific signatory authorizations.

HRSD Commission Governance Guidelines

Adopted May 22, 2007

Revised ~~July 26, 2022~~ August 22, 2023

SECTION 3. COMMISSION MEETINGS

A. Commission Meeting Agenda

1. The Commission shall approve ~~all~~ policies that govern HRSD business processes, *significant* financial practices, or service to localities except for those policies specifically delegated to the General Manager.
2. The Commission Meeting agenda shall be structured to ensure efficient and effective use of Commissioner's time and expertise.
3. The Commission Meeting agenda shall be prepared by the General Manager and distributed to the Commission typically five calendar days prior to the meeting date. Public notice of the meeting and posting of the agenda shall be in accordance with the Virginia Freedom of Information Act (§ 2.2-3700 et. Seq. of the Code of Virginia). The General Manager shall review the agenda with the Commission Chair prior to the meeting.
4. The Commission Meeting agenda is comprised of Regular Agenda ~~Items~~, Consent Agenda and Informational Items.
 - Regular Agenda Items each require an individual vote by the Commission.
 - Consent Agenda Items generally reflect more routine business items and are grouped and may be voted on by the Commission in a singular vote. Consent ~~a~~Agenda items shall be limited to items meeting the requirements for Commission approval as detailed herein but not typically warranting a full briefing due to the nature of the action or previous communication with the Commission. ~~Other items~~Any item may be moved from the Consent Agenda to the Full Agenda when determined by the General Manager *or any Commission member* to be significant *or warrant a discussion*.
 - Informational Items are for information purposes and do not require an action of the Commission.

HRSD Commission Governance Guidelines

Adopted May 22, 2007

Revised ~~July 26, 2022~~ August 22, 2023

B. Commission Meeting Format

Item	Regular Agenda	Consent Agenda	No Action Required/ Informational/ Recognition
Agreements*	<ul style="list-style-type: none"> • >\$50,000 Design or Construction • Real property - Permanent use of • Real property - Temporary use of >1 year • HRSD Assets use of ><i>\$200,000</i> • Multiple years and >\$200,000 • Obligates financial or personnel resources >\$200,000 • Intellectual Property Rights, Royalties and Licenses • <i>Service Area Expansion</i> • <i>Sewer Service Agreements</i> • <i>Transfer of Assets to other entity</i> • <i>Transfer of Assets to HRSD</i> 		
Agreements – Grants or contributions of value (Receipt and Award)*	>\$200,000	<i><\$200,000 if required by granting agency</i>	
Agreements – Nutrient Trading Agreements*	>\$200,000 per year		
Agreements – Purchasing* <ul style="list-style-type: none"> • Contract Awards • Purchase Orders • Task Orders 		>\$200,000	
Change Orders		>25% of original contract value or \$50,000	
Alternative Project Delivery Methods	<ul style="list-style-type: none"> • Use of Delivery Method • Comprehensive Agreement • Guaranteed Maximum Price • Stipulated Price • Vendor Proposal Compensation >\$200,000 		
Audit Reports and Updates			✓
Awards and Recognition Earned or Granted			✓
Budget	<ul style="list-style-type: none"> • Operating Budget • Capital Budget • Capital Improvement Program – 10-year program without authorization of specific projects • Financial Forecast • Rate Schedule 		

HRSD Commission Governance Guidelines

Adopted May 22, 2007

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Item	Regular Agenda	Consent Agenda	No Action Required/ Informational/ Recognition
Capital Improvement Project – Non-Regulatory	<ul style="list-style-type: none"> • New CIP • Initial Appropriation • Additional Appropriation $\geq \\$1,000,000$ • Reduction in Scope and/or Appropriation >25% 	Additional Appropriation $< \$1,000,000$	
Capital Improvement Project – Regulatory	<ul style="list-style-type: none"> • New CIP • Initial Appropriation • Additional Appropriation $\geq \\$10,000,000$ • Reduction in Scope and/or Appropriation >25% 	Initial or Additional Appropriation $< \$10,000,000$	
Debarment of a Vendor	✓		
Emergency Declaration			✓
Monthly Reports			✓
Personnel	<ul style="list-style-type: none"> • Selection of General Manager, Secretary, Treasurer 		<ul style="list-style-type: none"> • Employee length of service ≥ 20 years • Employee promotion \geq Grade 9 • New employee \geq Grade 9
Policies – New, Modified, Amended or Reissued	✓		
Real Property	<ul style="list-style-type: none"> • Public Hearing for Acquisition by Condemnation or other means • Easement Acquisition, Dedication or Disposition $> \\$50,000$ 	Vacation of Easement	
Real Property – Sale, Lease or Conveyance of HRSD property	✓		
Regulations	<ul style="list-style-type: none"> • HRSD Enforcement Response Plan • HRSD Industrial Wastewater Discharge Regulations 		
Rejection of Bids	$> \$200,000$		
Selection of Commission Consultants	<ul style="list-style-type: none"> • Auditors • Legal Counsel 		

** Addendums or other changes where the Commission has authorized the General Manager to execute same, substantially as presented, together with such changes, modifications and deletions as the General Manager may deem necessary will not be presented for Commission approval unless recommended by legal counsel.*

SECTION 4. ANNUAL CALENDAR OF COMMISSION TOPICS

HRSD Commission Governance Guidelines

Adopted May 22, 2007

Revised ~~July 26, 2022~~ August 22, 2023

Topic	Schedule	Frequency
EPA Consent Decree Update and Public Meeting	January	Annually
Capital Improvement Program Update	January	Quarterly
Evaluate General Manager's Performance	January	Annually
Commission Work Session to review Budget	February	Annually
Finance Committee Meeting to review CIP	March	Annually
Commission Work Session to review Budget	March	Annually
Capital Improvement Program Update	April	Quarterly
Finance Committee Meeting to review Budget	April	Annually
Receive Finance Committee report on Budget	April	Annually
Appoint Operations & Nominations (O&N) Committee	May	Annually
Approve Annual Operating and Capital Budgets, Capital Improvement Program, Financial Forecast and Rate Schedules	May	Annually
O&N Committee Meeting after Regular Meeting	May	Annually
O&N Committee Meeting before Regular Meeting	June	Annually
Election of Officers	June	Annually
Appoint Finance Committee	June-July	Annually
Capital Improvement Program Update	July	Quarterly
Commission Work Session – Ethics, FOIA and Governance Guidelines Training	August	Annually
Water Quality / Nutrient Compliance Update	August	Annually
Water Technology and Research Update	August	Annually
Finance Committee Meeting to Review Annual Comprehensive Financial Report (ACFR)	October	Annually
Capital Improvement Program Update	October	Quarterly
Asset Management Update	October	Annually
Diversity Procurement Report	October	Annually
Accept Finance Committee's Report on ACFR	November	Annually

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Adopted May 22, 2007

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SECTION 5. ADVISORY ROLE OF FORMER COMMISSIONERS

So as not to lose the benefit of the insights gained during their years of service, former Commissioners may be asked to serve in an advisory role following the end of their term. Equipment required to facilitate communications with the General Manager and Commission officers may be provided to those serving in an advisory role.

Approved:

Stephen C. Rodriguez
Commission Chair

Date

Attest:

Jennifer L. Cascio
Commission Secretary

Date

Commission Seal

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #6

13. Procurement Policy
Proposed Revisions

COMMISSION ADOPTED POLICY
Procurement Policy



Adopted: December 16, 2014	Revised: July 27, 2020 <u>August 22, 2023</u> Effective: August 1, 2020	Page 1 of 7
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1.0 **Purpose and Need**

All procurement shall be in accordance with the Code of Virginia §2.2-4300, the Virginia Public Procurement Act, as supplemented herein.

2.0 **Guiding Principles**

1. HRSD is committed to competitive procurement practices that are accountable to our ratepayers and the public, ethical, impartial, professional, transparent and fully in accordance with applicable law.
2. The Chief of Procurement is responsible for the purchase, rent, lease, or otherwise acquiring goods, professional and non-professional services, and certain construction services. In addition, the Chief of Procurement is responsible for control and disposal of excess, obsolete, and salvageable materials and equipment.

The Chief of Procurement shall establish procedures consistent with this policy and may designate other HRSD staff to act on his/her behalf.

3. The Director of Engineering is responsible for procurement of professional and non-professional services related to the study, design, construction, real estate and property acquisition associated with capital improvement projects or facility projects.

The Director of Engineering shall establish procedures consistent with this policy and may designate other HRSD staff to act on his/her behalf.

4. Except for small purchases (less than \$10,000) and certain easement acquisitions, no employee has the authority to enter into any purchase agreement or contract except the Chief of Procurement or the Director of Engineering or such other employee as may be designated by the General Manager.
5. Fair market value shall be the basis of all real estate acquisitions with appropriate compensation for related restoration and/or inconvenience. Additional costs, in accordance with applicable state law, shall be included as required in procurement through eminent domain procedures.

COMMISSION ADOPTED POLICY
Procurement Policy



Adopted: December 16, 2014	Revised: July 27, 2020 <u>August 22, 2023</u> Effective: August 1, 2020	Page 2 of 7
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3.0 **Definitions**

Agreement/Contract. An understanding, in writing, between two or more competent parties, under which one party agrees to certain performance as defined in the agreement and the second party agrees to compensation for the performance rendered in accordance with the conditions of the agreement.

Fair Market Value. The price for an item upon which purchaser and supplier agree in an open market when both are fully acquainted with market conditions.

Total Value. Cost of all related procurement actions, even across fiscal years, that are known at the time of the procurement action including delivery, assembly, start-up, warranty, etc. Each procurement action must be able to meet the business objective individually, without the need for additional procurement actions.

4.0 **Procedures**

1. Generally, competition shall be sought for all procurement with the following exceptions:
 - a. Purchase of goods or services other than professional services where the Total Value will not exceed \$10,000. Related purchases shall not be divided into separate actions to meet this threshold.
 - b. Sole Source – Purchase of goods or services where there is only one source practicably available. The requesting department shall provide a written determination supporting the sole source to the Chief of Procurement for approval. The HRSD Commission must approve all sole sources above ~~\$120~~200,000 for specific vendor and specific application.
 - c. Emergency – Where emergency actions are required to protect public safety, public health, HRSD employees or property or the environment, a contract can be awarded without competition upon a written emergency declaration, approved by General Manager. Competition should be sought if possible with emergency contracts even if typical procurement procedures cannot be fully followed.

COMMISSION ADOPTED POLICY
Procurement Policy



Adopted: December 16, 2014	Revised: July 27, 2020 <u>August 22, 2023</u> Effective: August 1, 2020	Page 3 of 7
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- d. Real Property – Where acquisition or lease is required in support of HRSD facilities.
2. In accordance with § 2.2-4303 G. competitive sealed bids or competitive negotiation is not required for purchase of goods and services other than professional services where the **total value of the procurement will not exceed \$10,000**. The following procedure shall be followed:
 - a. A minimum of one quote is required. When possible, multiple quotes should be obtained. Use of small businesses and businesses owned by women, minorities, and service-disabled veterans is encouraged for all procurement actions whenever possible.
 - b. Purchase is normally made using an HRSD ProCard.
 - c. Purchase may be made by any HRSD employee granted purchasing authority by their department director.
 - d. Basis of award shall be a determination that the stated need will be met, and the price is fair and reasonable.
 3. In accordance with § 2.2-4303 G. competitive sealed bids or competitive negotiation is not required for purchase of goods and services other than professional services where **the total value of the procurement will be greater than \$10,000 and not to exceed \$200,000**. The following procedure shall be followed:
 - a. Purchases shall be initiated by the submission of a requisition to Procurement or Engineering.
 - b. An unsealed (informal) quote shall be solicited by Procurement or Engineering from three sources in response to an Invitation for Bid (IFB) or Request for Proposal (RFP).
 - c. Basis of award shall be lowest responsive and responsible bidder, offeror or best value as determined by criteria included in the IFB or RFP.

COMMISSION ADOPTED POLICY
Procurement Policy



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4. In accordance with § 2.2-4303 G, competitive negotiation is not required for purchase of **professional services where the total value of the procurement will not exceed \$80,000**. The following procedure shall be followed:
 - a. Purchases shall be initiated by the submission of a requisition to Procurement or Engineering.
 - b. An unsealed (informal) quote shall be solicited by Procurement or Engineering from three sources in response to an IFB or RFP.
 - c. Basis of award shall be lowest responsive and responsible offeror or best value as determined by criteria included in the IFB or RFP.
5. In accordance with §2.2-4308, design-build or construction management contracts shall be in accordance with [Appendix A](#) of this policy.
6. In accordance with §2.2-4310 B, HRSD promotes the use of small businesses and businesses owned by women, minorities, ~~and~~ service-disabled veterans, and employment services organizations in procurement transactions in accordance with [Appendix B](#) of this policy.
7. In accordance with §2.2-4316, comments concerning specifications or other provisions in IFB or RFP must be submitted and received in accordance with the procedures specified in the IFB or RFP for comment submittal.
8. In accordance with §2.2-4318, if the bid from the lowest responsive, responsible bidder exceeds available funds, negotiations may be entered with the apparent low bidder to obtain a contract price within available funds in accordance with [Appendix C](#) of this policy.
9. In accordance with §2.2-4321, contractors may be debarred from contracting for particular types of supplies, services, insurance or construction, for specified periods of time in accordance with [Appendix D](#) of this policy.
10. In accordance with §2.2-4330 C, bids may be withdrawn due to error for other than construction contracts in accordance with [Appendix E](#) of this policy.

COMMISSION ADOPTED POLICY
Procurement Policy



Adopted: December 16, 2014

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11. In accordance with §56-575.3:1, a project under the Public-Private Education Facilities and Infrastructure Act shall be in accordance with [Appendix F](#) of this policy.
12. Acquisition of easements (temporary or permanent) may be made by the Director of Engineering (or his/her designee) up to ~~\$250,000~~.

5.0 **Approvals**

The following actions specifically require the approval of the HRSD Commission before executing unless executed under an approved emergency declaration:

1. **Agreements.** Contracts or purchase orders where the total value is projected to exceed \$200,000.
2. **Sole Source Procurement.** Initial sole source determination for specific vendor, items(s) and location(s) where the Total Value is projected to exceed ~~\$4200,000~~ (§2.2-4303E).
3. **Modifications to Agreements (Task Orders).** Where the Total Value is projected to exceed **\$200,000**.
4. **Cooperative Procurement.** Where the Total Value of HRSD's participation is projected to exceed **\$200,000** (§2.2-4304).
5. **Change Orders (§2.2-4309).** Where the Total Value exceeds **25 percent** of the original contract award or **\$50,000** whichever is greater.
6. **Rejection of all Bids.** Where the Total Value is projected to exceed **\$200,000** (§2.2-4319).
7. **Design-Build or Construction Management Agreements.** (§2.2-4306).
8. **Design-Build Proposal Compensation.** Where the Total Value is projected to exceed \$200,000.
9. **Debarment.** (§2.2-4321).
10. **Determination of Non-responsibility.** (§2.2-4359).

COMMISSION ADOPTED POLICY
Procurement Policy



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11. **Real Property**

- a. Acquisition by condemnation in accordance with the Code of Virginia §15.2
- b. Acquisitions by purchase, lease, grant or conveyance
- c. Sale, lease or permanent encumbrance of HRSD property
- d. Easements or Right of Entry Agreements (temporary or permanent) with value in excess of ~~\$250,000~~ \$250,000
- e. Vacation of existing easement(s)

12. **Intellectual Property.** All Intellectual Property Rights Agreements and Royalty Distribution Agreements.

13. **Agreements with other Entities.** Agreements which include any of the following criteria:

- a. Design or construction of infrastructure with a constructed value in excess of \$50,000
- b. Provides use of real property for temporary (greater than one year) or permanent use
- c. Provide use of ~~assets personal property~~ valued at more than ~~\$2050,000 for temporary (greater than one year) or permanent use~~
- d. Provides a service or other benefit that spans multiple years and greater than \$200,000
- e. Obligates significant financial or personnel resources (\$200,000 or more)
- ~~f. Obligates significant personnel resources (one full-time employee or more)~~
- ~~g. Is or has the potential to be politically significant~~

COMMISSION ADOPTED POLICY
Procurement Policy



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6.0 **Ethics**

HRSD employees involved in the procurement process are expected to maintain high ethical standards. In addition to HRSD's Standards of Conduct and HRSD's Ethics Policy, the following State laws apply:

1. Virginia Public Procurement Act (VPPA); (§2.2-4300)
2. Ethics in Public Contracting (§2.2-4367)
3. Virginia Governmental Frauds Act (§18.2-498.1) and Articles 2 (§18.2-438) and 3 (§18.2-446) of Chapter 10 of Title 18.2.
4. State and Local Government Conflict of Interests Act (§ 2.2-3100)

7.0 **Responsibility and Authority**

This policy was developed in accordance with HRSD's Enabling Act and the Code of Virginia. Any changes this policy shall be made in writing and approved by the HRSD Commission.

HRSD's General Manager and the Chief of Procurement are the designated administrators of this policy. The Chief of Procurement shall have the day-to-day responsibility and authority for implementing the provisions of this policy.

Approved:

Stephen Rodriguez
Commission Chair

Date

Attest:

Jennifer L. Cascio
Commission Secretary

Date

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix A
Design-Build and Construction Management Contracting



Adopted: December 16, 2014

Revised: July 26~~67~~, 2020~~3~~
Effective: August 1, 2020~~3~~

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1.0 **Purpose and Need**

Design-build and construction management contracting methods provide opportunity for HRSD to contract for specific projects where traditional design-bid-build may not be in the best interest of HRSD. These non-traditional procurement methods shall only be used in accordance with this policy.

2.0 **Procedures**

While the competitive sealed bid process remains the preferred method of construction procurement for HRSD, a contract for construction on a design-build fixed price or on a construction management basis may be used, provided a written determination made in advance is approved by the Commission which sets forth that competitive sealed bidding is either not practicable or not fiscally advantageous.

Criteria for Use of Design-Build Contracts – Design-Build contracts are intended to minimize the project risk and to reduce the delivery schedule by overlapping the design phase and construction phase of a project.

Criteria for Use of Construction Management Contracts – Construction Management contracts may be approved for use on projects where the project complexity will benefit from the early selection of a construction manager or when value engineering and/or constructability analysis is desirable. Construction management may be utilized on projects where the project cost is expected to be less than the project cost threshold established in the procedures adopted by the Secretary of Administration for utilizing construction management contracts, provided that (i) the project is a complex project and (ii) the project procurement method is approved by the Commission. The written approval of the Commission shall be maintained in the procurement file. –

2.1. **Procedure for Design-Build or Construction Management Contracts**

2.1.1. **General.** The Director of Engineering shall prepare a report documenting in writing that for a specific construction project; (i) a Design-Build or Construction Management contract is more advantageous than a competitive sealed bid construction contract; (ii) why there is a benefit to HRSD by using a Design-Build or Construction Management contract; and (iii) why competitive sealed bidding is not practical or fiscally advantageous; and (iv) these justifications shall be stated in the Request for Qualifications. This report shall be submitted to the General Manager for approval.

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix A
Design-Build and Construction Management
Contracting



Adopted: December 16, 2014

Revised: July 2667, 20203
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- 2.1.2. Design-Build construction projects involve retaining a party that provides both professional design and construction services. Construction Management projects involve retaining a firm to coordinate and administer contracts for construction services and may also include, if provided in the contract, the direct furnishing of construction services. Design-Build services shall be procured using a two-step competitive negotiation process which shall consider both technical capabilities and price for the services required for the project. Construction Management services shall be awarded and initiated no later than the completion of the Schematic Phase of design.
- 2.1.3. **Design-Build and Construction Management Firms.** The Director of Engineering shall obtain qualified Design-Build and Construction Management firms to provide needed services. A list of firms shall be accumulated through solicitation and other methods. The list of firms shall include small, women-owned, minority-owned or service disabled veteran-owned businesses
- 2.1.4. **Request for Qualification (RFQ).** A RFQ shall be prepared for each project and approved by the Director of Engineering. The RFQ shall state the criteria and goals of the project, the time and place for receipt of qualifications, the factors to be used in evaluating qualifications, the contractual terms and conditions, any unique capabilities or qualifications required of the proposer and any project specific requirements for the particular project. The RFQ shall normally consist of the following sections unless modified by the Director of Engineering:
- Cover Sheet
 - I. Introduction and/or Background
 - II. Instructions to Proposers
 - III. Scope of Work
 - IV. Tentative Procurement Schedule
 - V. Attachments
- 2.1.5. **Public Notice.** A Public Notice of the RFQ shall be posted, at least ten (10) business days prior to receipt of proposals for design-build or construction management services, ~~, in a newspaper or newspapers of general circulation in the area in which the contract is to be performed and on~~ on the HRSD Internet website. For Construction management services, the Public Notice shall also be published on the Commonwealth of Virginia's central electronic procurement website, known as eVA, at least thirty (30) days prior to the date

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix A
Design-Build and Construction Management
Contracting



Adopted: December 16, 2014	Revised: July 2667, 20203 Effective: August 1, 20203	Page 3 of 9
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set for receipt of qualification proposals. The Public Notice shall be sent directly to firms that have requested to be notified of work and may be sent to those firms believed to be qualified to perform the work. The Public Notice shall also be sent directly to organizations promoting small, women-owned, minority-owned and service disabled veteran-owned businesses and to similar businesses that have requested to be notified and/or are believed to be qualified to perform the work. An affidavit shall be placed in the project file certifying the advertising date and method.

- 2.1.6. **Contacts by Proposers.** Proposers may contact only the HRSD representative designated in the RFQ related to questions pertaining to the project. Responses to these questions which are relevant to the work will be documented and addenda will be issued to all proposers who have requested a copy of the RFQ.
- 2.1.7. **Selection Committee.** A Selection Committee shall evaluate the Statements of Qualifications (SOQ) and short-list proposers for further consideration. The Selection Committee shall consist of at least three (3) qualified HRSD staff members appointed by the Director of Engineering. The members of the Selection Committee shall have experience relevant to the project, with backgrounds in such areas as design, construction, contracts, project management and operations/maintenance.
- 2.1.8. **Statements of Qualifications.** The Selection Committee shall request a SOQ from any firm desiring consideration. The SOQ shall provide the information requested in the RFQ. Firms submitting a SOQ shall provide the electronic document by the date and time listed in the RFQ.
- 2.1.9. **Pre-Proposal Conference.** A pre-proposal conference may be held for complex or large projects to ensure clarity, review potential problems with the Scope of Work and answer questions related to the project. Attendance at the pre-proposal conference may be optional or mandatory as specified in the RFQ. If attendance is mandatory, SOQ's shall be considered only from those firms who attended the conference and met the requirements listed in the RFQ related to the pre-proposal conference.
- 2.1.10. **Opening of Statement of Qualifications.** The Director of Engineering or his/her designee shall document receipt of the SOQ's at the specified time and place. SOQ's not received at the specified time will not be considered.

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix A
Design-Build and Construction Management
Contracting



Adopted: December 16, 2014

Revised: July 26~~67~~, 2020~~3~~
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2.1.11. **Changes to the RFQ.** The Selection Committee shall determine whether any changes to the RFQ should be made to clarify errors, omissions or ambiguities or to incorporate project improvements or additional details. If such changes are required, an addendum shall be issued.

2.1.12. **Evaluation of Statement of Qualifications (Short-List Step).** The Selection Committee shall evaluate each SOQ. The Selection Committee may waive minor informalities in a SOQ but shall eliminate from further consideration any proposer determined to be non-responsive or deemed not fully qualified, responsible or suitable. Prior construction management or design-build experience shall not be required as a prerequisite for consideration or award of a contract. However, in the selection of a contractor, the selection committee may consider the experience of each contractor on comparable projects. The Selection Committee shall then select (short-list) two (2) or more responsive proposers based on the SOQ submitted in response to the RFQ. The Selection Committee either individually or as a group at any point in the evaluation may contact some or all references recommended by the proposer. The Selection Committee may use the information gained during the reference checks in the evaluation. The Selection Committee may ask questions or request additional information from any proposer.

2.1.13. **Request for Proposals (RFP).** A RFP shall be prepared for each project and approved by the Director of Engineering. The RFP shall provide further details not described in the RFQ and shall include the factors to be used in evaluating each proposal. For Design-Build contracts, the RFP shall include details regarding the project quality and performance requirements, conceptual design documents and information regarding the proposer's Contract Cost Limit (CCL) to determine the best value in response to the RFP. For Construction Management contracts, the RFP shall define the allowable level of direct construction involvement by the proposer, describe details regarding the proposer's CCL and define the pre-design, design, bid and construction phase services required. ~~No more than ten (10) percent of the construction work, as measured by the cost of the work, shall be performed by the construction manager with its own forces.~~ The Construction Management firm will procure the subcontractors services by publicly advertising and competitive sealed bidding to the maximum extent practicable. Documentation shall be placed in the file detailing the reasons any work is not procured by publicly advertised competitive sealed bidding. The RFP process shall include a separate technical proposal evaluation stage and a price proposal evaluation stage.

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix A
Design-Build and Construction Management
Contracting



Adopted: December 16, 2014

Revised: July 26~~67~~, 202~~03~~
Effective: August 1, 202~~03~~

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- 2.1.14. **Technical Proposals.** The Selection Committee shall initially request a technical proposal from those firms that were short-listed. The technical proposals shall provide the information requested in the RFP. Firms submitting a technical proposal shall provide the electronic document by the date and time listed in the RFP.
- 2.1.15. **Opening of Technical Proposals.** The Director of Engineering or his/her designee shall document receipt of the technical proposals at the specified time and place. Technical proposals not received at the specified time will not be considered.
- 2.1.16. **Preliminary Evaluation of Technical Proposals.** The Selection Committee shall review each technical proposal to first determine whether the proposals are responsive to the requirements of the RFP. The Selection Committee shall then evaluate and document (score) the technical proposal from the short-listed proposers based on an evaluation plan specified in the RFP. The Selection Committee shall keep confidential a preliminary ranking of the technical proposals. The Selection Committee may cancel or reject any and all technical proposals. The Director of Engineering shall prepare a report documenting the reasons for the cancellation or rejection. The Selection Committee may waive informalities in the technical proposals.
- 2.1.17. **Conferences During Preliminary Evaluation.** The Selection Committee may hold a question and answer conference with any or all proposers to clarify or verify the contents of a technical proposal. The conference may be in person or by telephone. Each proposer shall be allotted the same fixed amount of time for any conference held as part of the selection. Proposers shall be encouraged to elaborate on their qualifications, proposed services, relevant experience and details of the technical proposal for the project. Proprietary information from competing proposers shall not be disclosed to the public or to competitors.
- 2.1.18. **Changes to the RFP.** Based upon a review of the technical proposal and discussions with each short-listed proposer, the Selection Committee shall determine whether any changes to the RFP should be made to clarify errors, omissions or ambiguities or to incorporate project improvements or additional details. If such changes are required, an addendum shall be provided to each proposer. If addenda are issued by the Selection Committee, proposers will be given an opportunity to revise their technical proposals.

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix A
Design-Build and Construction Management
Contracting



Adopted: December 16, 2014	Revised: July 2 667 , 202 03 Effective: August 1, 202 03	Page 6 of 9
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- 2.1.19. **Final Evaluation of Technical Proposals.** At the conclusion of the technical proposal evaluation stage, the Selection Committee will meet to discuss each proposer. After the discussion is completed, each team member will be given an opportunity to adjust their score. The Selection Committee shall document and keep confidential a final ranking of the technical proposals. This documentation shall occur before any price proposals are received by HRSD.
- 2.1.20. **Price Proposals.** The Selection Committee shall request a price proposal from those firms short-listed during the price proposal evaluation stage. The price proposal shall provide the information requested in the RFP including any and all addendum. The price proposal will include a (CCL) based on the project scope of work and other information provided in the RFP and any subsequent changes to the RFP. Firms submitting a price proposal shall provide the requested information by the date and time listed in the RFP. For Construction Management contracts, price shall be a critical basis for award of the contract. Unless approved by the Commission in advance of issuance of the Public Notice, the price component for selection of a Construction Management firm shall be ~~at least fifty (50) percent~~ a significant portion of the weighted score.
- 2.1.21. **Opening of Price Proposals.** The Director of Engineering or his/her designee shall open and document receipt of the price proposals at the specified time and place. Price proposals not received at the specified time will not be considered.
- 2.1.22. **Evaluation of Price Proposals.** The Selection Committee shall review each price proposal to determine whether the proposals are responsive to the requirements of the RFP and any and all addenda. The Selection Committee shall document and keep confidential the results of each price proposal.
- 2.1.23. **Final Evaluation and Recommendation to Award a Contract.** The Selection Committee Chair shall tabulate the technical and price proposal scores as listed in the RFP to determine the recommended firm. The Selection Committee shall prepare a report documenting the process, summarizing the results and recommending the design-build or construction management firm for award to the Director of Engineering. Upon concurrence with the recommendation of the Selection Committee, the Director of Engineering ~~or~~ his/her designee shall negotiate a contract with the recommended firm. Otherwise, the Director of Engineering or his/her designee shall formally terminate negotiations with the proposer ranked first

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix A
Design-Build and Construction Management
Contracting



Adopted: December 16, 2014	Revised: July 2 003 , 202 03 Effective: August 1, 202 03	Page 7 of 9
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and shall negotiate with the proposer ranked second, and so on, until a satisfactory agreement can be negotiated. The Director of Engineering shall inform the General Manager of the results of the negotiation. The General Manager shall receive Commission approval of award to the recommended firm. The Commission may cancel or reject any and all proposals.

2.1.24. **Award of Design-Build or Construction Management Contract.** Upon approval by the Commission, the Director of Engineering shall forward all contract, bond and insurance forms to the selected firm for signature. The contract shall be prepared using the standard HRSD format approved by the Director of Engineering and reviewed by the HRSD attorney.

2.1.25. **Inspection of Proposals.** Any proposer may inspect the proposal documents after opening of the price proposals but prior to award of the contract. All records, subject to public disclosure under the Virginia Freedom of Information Act, shall be open to public inspection only after award of the contract.

2.1.26. **Emergency Procurement.** A contract for design-build or construction management services may be negotiated and awarded without competitive negotiation if the General Manager determines there is an emergency. The procurement of these services will be made using as much competition as practical under the circumstances. The Director of Engineering shall submit a report documenting the basis of the emergency and the selection of the particular firm. The Director of Engineering shall prepare a notice stating the contract is being awarded on an emergency basis and identifying what is being procured, the firm selected and the date the contract was or will be awarded. The notice shall be placed on the HRSD Internet website on the day HRSD awards or announces its decision to award, whichever comes first or as soon thereafter as practical.

2.1.27. **Proposal Compensation.** Proposal Compensation on designated Design-Build procurement efforts, short-listed firms that are not selected but have fully complied with all aspects of the RFQ and RFP may be provided proposal compensation (stipend) under certain conditions. The value of the proposal compensation will be determined on a case-by-case basis. Commission approval shall be required when the recommended amount exceeds \$200,000 for any single payment.

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix A
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Contracting



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2.2. Procedure for Changes to Design-Build or Construction Management Contracts

All changes to the Contract shall be by a formal Change Order as mutually agreed to by the firm and HRSD. The method of making such changes and any limits shall be in accordance with the Contract Documents. Change Orders shall be negotiated by HRSD staff and such actions reported to the Director of Engineering with recommendations for approval. Change Orders exceeding \$50,000 or 25% of the original contract amount, whichever is greater, shall be submitted to the Commission for approval prior to authorization. All Change Orders shall be executed by the firm and the Director of Engineering or his/her designee.

Extra work by the firm may be authorized by a written Work Change Directive within limits of authorization provided above with later inclusion in the Contract by formal Change Order.

In case of disputes as to the value of extra work, HRSD, within the limits of authorization provided above, may issue a directive in accordance with the Contract Documents to proceed with the work so as to not impede the progress and cause unnecessary delay and expense to the parties involved. The directive shall acknowledge the dispute by the firm, and the dispute shall be resolved at a later date.

2.3. Procedure for Progress Payments

Progress payments shall be paid in accordance with the Contract Documents. Requests for progress payments shall be prepared by the firm and approved by HRSD staff and the Director of Engineering. Requests for progress payments shall generally be submitted to HRSD on a monthly basis with payments by HRSD to the firm within the period of time specified in the Contract Documents.

Progress payments shall be based on unit prices, schedules of values, and other agreed-upon specified basis. Each progress payment shall represent the amount of completed work and materials on site to be incorporated into the work as accepted and approved, less the specified retainage and less previous payments. Payment for materials on site shall be in accordance with the Contract Documents.

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix A
Design-Build and Construction Management
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Progress payments may be reduced or withheld in accordance with the Contract Documents. Retainage may be reduced or increased in accordance with the Contract Documents.

2.4. Procedure for Final Payments

Final acceptance, payment, and release of claims shall be in accordance with the Contract Documents. Requests for final payments shall be prepared by the firm, certified and approved by HRSD staff and approved by the Director of Engineering.

3.0 Responsibility and Authority

Under the direction of the Director of Engineering, shall be responsible for overall development, management and implementation of this policy.

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix B
Participation of SWaM



Adopted: December 16, 2014

Revised: ~~June 26, 2018~~ July 14, 2023

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1.0 **Purpose and Need**

This policy is in accordance with §2.2-4310 B to facilitate the participation of small businesses and businesses owned by women, minorities, ~~and~~ service disabled veterans, and employment services organizations in HRSD procurement transactions.

HRSD is committed to ensuring fair consideration of all contractors and suppliers in its day-to-day purchase or lease of goods and services. HRSD recognizes that working with a wide range of contractors and suppliers provides an open, competitive and diverse business environment.

HRSD recognizes its responsibilities to the communities that it serves and the society in which it conducts business. The inclusion of small, women-owned, minority-owned, ~~and~~ service disabled veteran-owned, and employment services organizations (SWaM) businesses must be a function of our normal, day-to-day purchasing activities. No potential contractor or supplier will be precluded from consideration on the basis of race, religion, color, sex, sexual orientation, gender identity, national origin, age, ~~or~~ disability, status as a service disabled veteran, or any other basis prohibited by state law relating to discrimination in employment. (Code of Virginia, § 2.2-4310A).

Therefore, HRSD's policy is to actively solicit and encourage SWaM businesses to participate in procurement opportunities through equally fair and open competition for all contracts. Every employee who is involved in procurement decisions for the purchase of goods or services is charged with making giving every consideration to using qualified SWaM businesses in a manner that is consistent with state and federal laws and regulations. Further, each of HRSD's contractors and suppliers are encouraged to provide for the participation of SWaM businesses through partnerships, joint ventures, subcontracts and other contractual opportunities.

HRSD shall not accept a bad business deal or a lower quality contractor, supplier, product or service in order to achieve greater participation of SWaM businesses in HRSD procurement.

As an integral part of the company-wide culture, HRSD does not discriminate because of race, religion, color, sex, sexual orientation, gender identity, national origin, age, disability, status as a service disabled veteran, or any other basis prohibited by law. Additionally, in procuring goods or services or in making disbursements, HRSD shall not (i) discriminate against a faith-based organization on the basis of the organization's religious character or (ii) impose conditions that (a) restrict the religious character of the faith-based organization, except, in accordance with Virginia Code §2.2-4343.1(F), that no funds shall be expended on contracts for ~~sectarian~~ religious worship, instruction, or proselytizing, or (b)

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix B
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Adopted: December 16, 2014

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2023

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impair, diminish, or discourage the exercise of religious freedom by the recipients of such goods, services, or disbursements.

2.0 Procedures

The Procurement Division shall:

1. Ensure SWaM businesses have the maximum practicable opportunity in procurement and contractual activities
2. Apprise potential SWaM businesses of HRSD's procurement activities
3. Identify SWaM businesses for HRSD solicitations
4. Promote the use of SWaM contractors through formal and informal training classes
5. Maintain diversity procurement data of contracts and subcontracts awarded to SWaM businesses
6. Monitor, evaluate, and report on the utilization of SWaM contractors at least annually to the HRSD Commission
7. Include qualified businesses selected from the HRSD centralized contractor/supplier database, the Virginia Department of Small Business and Supplier Diversity (Code of Virginia, § 2.2-4310), and/or the Carolinas-Virginia Minority Supplier Development Council consistent with this policy whenever soliciting quotes or qualifications

All employees with purchasing responsibility or who are involved in procurement decisions for goods and services shall give every consideration to using qualified SWaM contractors/suppliers and consult with the Procurement Division as required to identify SWaM contractors/suppliers.

Certified Minority Business Enterprise (MBE). No contractor/supplier shall be considered a Small Business Enterprise, a Minority-Owned Business Enterprise, a Women-Owned Business Enterprise or a Service Disabled Veteran-Owned Business Enterprise unless certified as such by the Virginia Department of Small Business and Supplier Diversity or Carolinas-Virginia Minority Supplier Development Council.

3.0 Responsibility and Authority

COMMISSION ADOPTED POLICY
Procurement Policy – Appendix B
Participation of SWaM



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Under the direction of the Director of Finance, the Chief of Procurement, as well as the Director of Engineering, shall be responsible for overall development, management and implementation of this policy.

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #7

14. Ethics Policy
Proposed Revisions

1.0 Purpose and Need

As a public body, gaining and keeping the trust of the public is paramount. HRSD Commissioners and employees are committed to maintaining high ethical standards in every aspect of their business as members of a public body. As a political subdivision of the Commonwealth, HRSD Commissioners and employees are committed to complying with all applicable laws and regulations governing ethics and conflicts of interest. **This policy is applicable to all HRSD Commissioners and employees.**

2.0 Definitions

Conflict of Interest – A situation in which a person is in a position to derive personal benefit from actions or decisions made in their official capacity.

Gift – Any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having a monetary value. It includes services as well as gifts of transportation, local travel, lodgings and meals, whether provided in-kind, by purchase of a ticket, payment in advance or reimbursement after the expense has been incurred. goods, meals, services, loans, tickets to events, greens fees, travel, lodging or similar items with monetary value or discounts, favors, gratuities, hospitality, forbearance, etc. This includes prizes awarded from drawings or similar games of chance at events attended in an official capacity. This also includes wreaths, candy, cookies, fruit baskets, etc., whether addressed to an individual or to HRSD.

Not a Gift – For the purposes of this policy the following are not considered gifts:

- Gifts with a value of less than \$20;
- Offer of a ticket, coupon, admission or pass if such item is **not** used;
- Honorary degrees;
- Food or beverage consumed and mementos received at an event at which an individual is performing official duties or is a speaker;
- Registration or attendance fees (not travel costs) at an event at which individual is a speaker or event coordinator;
- Unsolicited awards of appreciation or recognition (plaque, trophy, wall or desk memento);
- Gifts from relatives or Personal Friends;
- A devise or an inheritance;
- Travel paid for by the United States government or any of its territories, or any state or political subdivision of such state;
- Travel, meals and activities directly associated with and paid for by a professional association that HRSD pays dues to on behalf of the agency or individual as part of their official duties;
- Scholarships awarded competitively;

- Travel related to an official meeting of HRSD; and
- Travel, lodging, meals, activities and logo clothing and related similar items associated with recruitment activities for permanent employment outside of HRSD while employed in an intern position

HRSD Commissioner – A non-salaried citizen member of the HRSD Commission.

Immediate Family – Includes spouse, children, parents, brothers and sisters, and any other person living in the same household as the employee. (*Code of Virginia*, § 2.2-4368).

Intern Positions – On-the-job experience for high school students, college and university students, or post-graduate adults, hired on a part-time seasonal or part-time temporary basis.

Official Responsibility - Administrative or operating authority, whether intermediate or final, to initiate, approve, disapprove or otherwise affect a procurement transaction, or any claim resulting therefrom.

Pecuniary Interest Arising from the Procurement - A personal interest in a contract as defined in the State and Local Government Conflict of Interests Act (§ [2.2-3100](#) et seq.).

Personal Friend – An individual whose relationship with an HRSD employee or HRSD Commissioner pre-dates employment/appointment with HRSD and the relationship has a history of gift exchange or with whom a personal relationship developed totally unrelated to the employee's or HRSD Commissioner's position with HRSD.

Procurement Transaction - All functions that pertain to the obtaining of any goods, services or construction, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

Public employee - Any person employed by a public body, including elected officials or appointed members of governing bodies.

Widely Attended Event – An event to which at least 25 persons have been invited or there is a reasonable expectation that at least 25 persons will attend the event and the event is open to individuals (i) who are members of a public, civic, charitable or professional organization, (ii) who are from a particular industry or profession, or (iii) who represent persons interested in a particular

issue. Golf outings are never considered a widely attended event or a part of a widely attended event.

3.0 Guiding Principles

All HRSD employees having official responsibility for Procurement Transactions shall conduct business in a fair and impartial manner with the avoidance of any impropriety or appearance of impropriety. Transactions relating to the expenditure of public funds require the highest degree of public trust.

Except as may be specifically allowed by the *Code of Virginia* § 2.2-3112, subdivisions B 1, 2, and 3, no HRSD employee having official responsibility for a Procurement Transaction shall participate in that transaction on behalf of HRSD when the employee knows that:

- The employee is contemporaneously employed by a bidder, offeror, or contractor involved in the Procurement Transaction; or
- The employee, the employee's partner, or any member of the employee's immediate family holds a position with a bidder, offeror, or contractor such as an officer, director, trustee, partner or the like, or is employed in a capacity involving personal and substantial participation in the Procurement Transaction, or owns or controls an interest of more than five percent; or
- The employee, the employee's partner, or any member of the employee's immediate family has a pecuniary interest arising from the Procurement Transaction; or
- The employee, the employee's partner, or any member of the employee's immediate family is negotiating, or has an arrangement concerning prospective employment with a bidder, offeror, or contractor.

No HRSD employee having administrative or operating authority, whether intermediate or final, to initiate, approve, disapprove, or otherwise affect a Procurement Transaction, or any claim resulting there from:

- Shall solicit, demand, accept, or agree to accept from a bidder, offeror, contractor, or subcontractor any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal or minimal value present or promised, unless consideration of substantially equal or greater value is exchanged; (*Code of Virginia*, § 2.2-4371)

- Shall accept employment from any bidder, offeror, or contractor with whom the employee dealt in an official capacity concerning Procurement Transactions for a period of one year from the cessation of employment by HRSD unless the employee or former employee provides written notification to HRSD prior to commencement of employment by that bidder, offeror, or contractor. (*Code of Virginia*, § 2.2-4370)

HRSD Commissioners and employees shall conduct themselves beyond reproach. Improprieties or the appearance of improprieties will not be tolerated. The following prohibitions apply to HRSD Commissioners, employees and their Immediate Families:

- Soliciting, accepting or receiving ~~any~~ any single Gift with a value in excess of \$100 or any combination of Gifts with an aggregate value in excess of \$100 within any calendar year Gift from any entity or person seeking to contract with HRSD. ~~subject to exemptions for Gifts from relatives or Personal Friends. Gifts with a value of less than \$20 are not subject to aggregation for purposes of this prohibition.~~
- Having a Personal Interest in or benefiting from any contract with HRSD other than the employee's own employment contract. Where such interest pre-exists, it shall be disclosed and the HRSD Commissioner or employee shall refrain from voting on or acting on behalf of HRSD in any manner in relation to the contract.
- Participating in a transaction with HRSD where the employee has a Personal Interest in or may benefit from the transaction. Such interest shall be disclosed and the HRSD Commissioner or employee shall refrain from voting on or acting on behalf of HRSD in any manner in relation to the transaction.
- For a period of 12 months post-employment or appointment, HRSD Commissioners and Employees at the Chief Level or above are prohibited from engaging in transactions for compensation with HRSD. All other former employees must provide a written notification to HRSD prior to any such engagement.

Food, beverages, mementos, entertainment or the cost of admission may be accepted when such a Gift is accepted or received while in attendance at a Widely Attended Event and is associated with the event.

~~Gifts shall be returned whenever practicable. If return is not practicable, perishable gifts may be shared with the entire work center. Non-perishable gifts shall be collected and distributed to local charities as appropriate.~~

No person shall be in violation of this policy if the Gift is not used by such person and the Gift is returned to the sender or delivered to a charitable organization within a reasonable period of time.

4.0 Procedures

This policy shall be communicated and provided to all HRSD Commissioners and employees upon commencement of appointment/employment and an acknowledgement of such shall be retained permanently in each employee's personnel file [Enterprise Resource Planning (ERP) System]. HRSD Commissioners' acknowledgements shall be retained by the Commission Secretary.

HRSD Commissioners or employees who have a Personal Interest in a company doing business with HRSD, or believe they have any other conflict requiring disclosure, shall disclose those interests immediately upon discovery of the personal interest in a company doing business with HRSD or other potential conflict. The Conflict of Interest Disclosure Form will include name and address of company doing business with HRSD, name and position of person at the company, as well as start and end date of the conflict.

HRSD Commissioners or employees who receive ~~G~~gifts at widely attended events that exceed \$100 in value shall disclose those gifts within 60 days of receiving a gift. The Gift Disclosure Form will include the name of the company/vendor giving the gift, estimated value and date received.

Employee disclosure forms will be available in the ERP system. HRSD Commissioner disclosure forms shall be obtained through, filed with and retained by the Commission Secretary. All disclosure forms may be reviewed by legal counsel.

Training on the Ethics Policy shall be provided to all HRSD employees on a biannual basis with records of attendance maintained in the ERP system. Training on the Ethics Policy will be provided to HRSD Commissioners at time of appointment and periodically thereafter.

COMMISSION ADOPTED POLICY
Ethics



Adopted: October 27, 2015

Revised: ~~July 26, 2022~~ August 22, 2023
Effective: ~~July 26, 2022~~ August 22, 2023

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5.0 Responsibility and Authority

This policy shall be reviewed annually by the Operations and Nominations Committee and revised as required to conform to current law and regulations.

Approved:

Stephen C. Rodriguez
Commission Chair

Date

Attest:

Jennifer L. Cascio
Commission Secretary

Date

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #8

15. Freedom of Information Act – Public Records Policy
Proposed Revisions

COMMISSION ADOPTED POLICY
Freedom of Information Act –
Public Records



Adopted: December 21, 2004

Revised: ~~September 28, 2024~~
August 22, 2023

Page 1 of 10

1.0 Purpose and Need

HRSD is occasionally requested to provide records in accordance with the Virginia Freedom of Information Act (FOIA), found in Code of Virginia §§ 2.2-3700 through 2.2-3715 of the Code of Virginia. FOIA guarantees the people of the Commonwealth, representatives of newspapers and magazines with circulation in the Commonwealth, and representatives of radio and television stations broadcasting in or into the Commonwealth access to public records held by public bodies, public officials and public employees. All public records are presumed open unless an exemption is invoked or otherwise prohibited by law.

2.0 Definitions (See also Virginia Code § 2.2-3701)

2.1 **Information** – as used in the exclusions established by Code of Virginia §§ 2.2-3705.1 through 2.2-3705.7, means the content within a public record that references a specifically identified subject matter, and shall not be interpreted to require the production of information that is not embodied in a public record.

2.2 **Public Records (also referred to herein as “Records”)** – all writings and recordings that consist of letters, words or numbers, or their equivalent, set down by handwriting, typewriting, printing, photostating, photography, magnetic impulse, optical or magneto-optical form, mechanical or electronic recording or other form of data compilation, however stored, and regardless of physical form or characteristics, prepared or owned by, or in the possession of a public body or its officers, employees or agents in the transaction of public business.

~~2.2.3~~ **Records Held by Others** – records consisting of studies, reports, plans, specifications and other project-related information prepared by consultants, contractors, suppliers and vendors working directly for HRSD as part of a specific project or service contract.

~~2.3.4~~ **Working Papers** – records prepared by or for ~~certain executive level public officials~~ the HRSD General Manager for their personal or deliberative use.

3.0 Guiding Principles

~~Subject to applicable exemptions from mandatory disclosure and laws mandating confidentiality, all public records of HRSD shall be open to the citizens of the Commonwealth, representatives of newspapers and magazines with circulation in the Commonwealth, and representatives of radio and television stations broadcasting in or into the Commonwealth during HRSD’s regular office hours.~~

COMMISSION ADOPTED POLICY
Freedom of Information Act –
Public Records



Adopted: December 21, 2004

Revised: ~~September 28, 2024~~
August 22, 2023

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3.0 FOIA Rights and Responsibilities

In an effort to increase awareness of the public's right to information, Virginia requires all public agencies to make their FOIA compliance doctrine "*FOIA Rights and Responsibilities: The Rights of the Requesters and the Responsibilities of HRSD*" available. This section includes:

- A "plain language" explanation of the rights of the requester under FOIA, the procedure to obtain records, and the responsibilities of HRSD in complying with FOIA;
- Information on how to reach HRSD's designated FOIA Officer;
- A general description of the types of public records maintained by HRSD and exemptions in law that permit or require such public records to be withheld from release; and
- HRSD's policy on records it routinely withholds as permitted by FOIA.
- [Policies complying with the following statement, which is provided herein in accordance with Virginia Code § 2.2-3704.1\(A\)\(6\).](#)

["A public body may make reasonable charges not to exceed its actual cost incurred in accessing, duplicating, supplying, or searching for the requested records and shall make all reasonable efforts to supply the requested records at the lowest possible cost. No public body shall impose any extraneous, intermediary, or surplus fees or expenses to recoup the general costs associated with creating or maintaining records or transacting the general business of the public body. Any duplicating fee charged by a public body shall not exceed the actual cost of duplication. Prior to conducting a search for records, the public body shall notify the requester in writing that the public body may make reasonable charges not to exceed its actual cost incurred in accessing, duplicating, supplying, or searching for requested records and inquire of the requester whether he would like to request a cost estimate in advance of the supplying of the requested records as set forth in subsection F of § 2.2-3704 of the Code of Virginia."](#)

3.1 The Rights of Requesters

- Requesters have the right to request to inspect or receive copies of public records, or both. Only HRSD employees will access information and public records stored electronically.
- HRSD may require the requester to provide their name and legal address.
- Requesters have the right to request that any charges for the requested records be estimated in advance. HRSD must notify you in writing that it may make reasonable charges not to exceed its actual cost incurred in accessing, duplicating, supplying, or searching for the requested records and inquire if you would like to request a cost estimate in advance of supplying the requested records. If you request a cost estimate, the period of time for HRSD's response to the records request does not begin until it receives a response from you regarding the estimate. If there is no response from you within 30 days following provision of the estimate, HRSD will consider the request withdrawn.
- Records may be requested by U.S. Mail, fax, email, in person, or over the phone. FOIA does not require that you use any particular method to convey your request. FOIA also does not require that your request be in writing, nor do you need to state that you are requesting records pursuant to FOIA. From a practical perspective, it is helpful for all parties for requests to be submitted in writing. ~~written requests are preferred~~ This allows you to create a record of your request and provide HRSD with a clear statement of what records you are requesting. This helps to prevent misunderstanding over a verbal request and allow you to create a record of your request. However, HRSD cannot refuse to respond to your FOIA request if you elect not to submit it in writing.
- Requesters must identify the records they are seeking with reasonable specificity. This is a common-sense standard. It does not refer to or limit the volume or number of records that you are requesting; instead, it requires you to be specific enough to allow HRSD to identify and locate the records that you are seeking.
- HRSD is only required to provide existing public records. FOIA gives you a right to inspect or receive a copy of records. It does not apply to a situation where you are asking general questions about the work of HRSD, nor does it require HRSD to create a record that does not exist.

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Freedom of Information Act –
Public Records



Adopted: December 21, 2004

Revised: ~~September 28, 2021~~
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- Requesters may choose to receive electronic records in any format used by HRSD in the regular course of business. For example, requesters may elect to receive those records electronically, via email, on a computer disk or flash drive, or to receive a printed copy of those records.
- If HRSD has questions about your request, please cooperate with staff's efforts to clarify the type of records that you are seeking, or to attempt to reach a reasonable agreement about a response to a large or complex request. Making a FOIA request is not an adversarial process, but discussion may be needed to understand what records are being sought in the request.
- To request records from HRSD or ask questions about requesting records, you may contact the designated FOIA officer:

Jennifer Cascio
FOIA Officer
HRSD
PO Box 5911
Virginia Beach, Virginia, 23471-0911
757.460.7003
FOIA@hrsd.com

- In addition, the Freedom of Information Advisory Council (FOIA Council) is available to answer any questions you may have about FOIA. The Council was created in the legislative branch of state government to issue opinions on the operation and application of FOIA, to publish educational materials, and to provide training about FOIA. However, please be aware that the Council is not a records repository and does not process records requests on behalf of other public bodies, nor is the Council an investigative or enforcement agency. The Council may be contacted by or by phone at 804.698-1810 or toll free at 866.448.4100 or by email at foiacouncil@dls.virginia.gov.
- If the requester believes that their FOIA rights have been violated, they may file a petition in district or circuit court to compel compliance with FOIA. Alternatively, the requester may contact the FOIA Council for a nonbinding advisory opinion.
- The FOIA Council also accepts comments on the quality of assistance provided to the requester by HRSD. The comment form is available online at <http://foiacouncil.dls.virginia.gov/sample%20letters/welcome.htm>.

3.2 The Responsibilities of HRSD in Responding to Requests

- HRSD must respond within five working days of receiving a request. "Day One" is considered the working day after a request is received. The five-day period does not include weekends, ~~or~~ state holidays, or when HRSD is closed for business.
- The reason for the request for public records is irrelevant, and the requester is not obligated to state why they want the records.
- FOIA requires HRSD to make one of the following responses to a request within the five working day time period:
 - (1) The requested records are provided in their entirety.
 - (2) The requested records are withheld in their entirety because they are subject to a specific statutory exemption. If all of the records are being withheld, HRSD must send a written response identifying the volume and subject matter of the records being withheld and stating the specific section of the Code of Virginia that authorizes withholding the records.
 - (3) The requested records are provided in part, but are withheld in part. HRSD cannot withhold an entire record if only a portion of it is subject to an exemption. In this instance, HRSD will redact the portion of the record that may be withheld and provide the remainder of the record. HRSD must provide a written response stating, with reasonable particularity, the subject matter of the withheld portions and the specific section of the Code of Virginia that authorizes the withholding of the records.
 - (4) That the requested records cannot be found or do not exist. Only documents that exist will be made available for inspection or produced. It is not the responsibility of HRSD to create any documents to respond to a request. However, if HRSD knows that another public body has the requested records, contact information for the other public body will be included in the response.
 - (5) If it is not practically possible for HRSD to provide the requested records or to determine whether they are available within the five work-day period, including an explanation of the conditions that make

COMMISSION ADOPTED POLICY
Freedom of Information Act –
Public Records



Adopted: December 21, 2004

Revised: ~~September 28, 2024~~
August 22, 2023

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the response impossible. Thereafter, HRSD shall have seven additional work days, for a total of 12 working days, to respond to the request.

- If the request is for a very large number of records, or the request is complex, and HRSD believes that we cannot provide the records within 12 working days without disrupting our other organizational-operational responsibilities, HRSD may petition the circuit court for additional time to respond to the request. However, HRSD will make a reasonable effort to reach an agreement with the requester concerning the production of the records before petitioning the court for additional time.
- The time periods and responses described above may be tolled or adjusted consistent with the cost-related provisions of FOIA and this Policy.
- The FOIA Officer shall take all necessary precautions for preservation and safekeeping of the records.
- If HRSD receives a request for records related to public safety that are excluded under clauses (a) or (b) of Code of Virginia § 2.2-3705.2(14), HRSD shall notify the Secretary of Public Safety and Homeland Security or their designee of such request and the response made by HRSD to the request.

3.3 Costs

FOIA allows HRSD to charge for the actual costs of responding to FOIA requests. This would include items like staff time spent searching for the requested records, copying costs, or any other costs directly related to supplying the requested records. No charges will include general overhead costs and HRSD will not impose any extraneous, intermediary, or surplus fees or expenses to recoup the general costs associated with creating or maintaining records or transacting the general business of HRSD. Any duplicating fee charged by HRSD shall not exceed the actual cost of duplication.

If HRSD estimates that it will cost more than \$200 to respond to a request, ~~we may require you to pay~~ a deposit, not to exceed the amount of the estimate, shall be required before proceeding with the request. The period for providing a response to the request does not include the time between when a deposit is requested and when a requester responds.

COMMISSION ADOPTED POLICY
Freedom of Information Act –
Public Records



Adopted: December 21, 2004

Revised: ~~September 28, 2024~~
August 22, 2023

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All deposits shall be paid by credit card or by check or money order payable to HRSD and mailed or delivered to HRSD's office at 1434 Air Rail Avenue, Virginia Beach, Virginia 23455. Any outstanding balance will be immediately due and payable must be paid by the requester before or as the responding upon providing the requested records are released. Any balance remaining from the deposit shall be returned to the requester.

If a requester owes HRSD money from a previous FOIA request that has remained unpaid for more than 30 days, HRSD may require payment of the past-due bill before responding to a new FOIA request.

- 3.3.1 Labor Costs: Time necessary to respond to the request, including to locate, retrieve, and/or reproduce records will be charged at the hourly rate for the staff person responding to the request as listed in the fee schedule below.
- 3.3.2 Paper Copies: Cost for providing paper copies will be based on prices established in HRSD's copier (machine usage fee) and paper supply contracts as listed in the fee schedule below. Larger drawings and blueprints will be copied by outside contractors and charged at their usual rate. Postage and other material fees will be charged at their actual costs.
- 3.3.3 Electronic Records: Costs for providing electronic records will be charged at the hourly rate as listed in the fee schedule below. Any materials such as flash drives provided to the requester will be charged at their actual costs.
- 3.3.4 There will be no mark-up or profit charged to the above-mentioned costs nor shall HRSD charge any extraneous, intermediary, or surplus fees or expenses to recoup the general costs associated with creating or maintaining records or transacting the business or HRSD. HRSD will make all reasonable efforts to supply the requested records at the lowest possible cost, including utilizing the appropriate staff person to respond to the request.
- 3.3.5 Charges may be waived if the request is specific and limited such that responsive electronic records can be found and produced for less than \$200. However, HRSD maintains the right to recover all costs incurred consistent with FOIA.

COMMISSION ADOPTED POLICY
Freedom of Information Act —
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3.3.6 Fee Schedule

• Paper Copies:

<u>Size</u>	<u>Cost per Page</u>
<u>8 1/2" x 11"</u>	<u>\$0.13</u>
<u>8 1/2" x 14"</u>	<u>\$0.14</u>
<u>11" x 17"</u>	<u>\$0.15</u>

• Hourly rate of person searching for records:

<u>Grade</u>	<u>Hourly Rate</u>	<u>Title</u>
<u>4</u>	<u>\$24.93</u>	<u>Coordinators</u>
<u>5</u>	<u>\$27.17</u>	<u>GIS CAD & Safety Technician</u>
<u>6</u>	<u>\$30.91</u>	<u>Public Information Specialists/Procurement Specialist/Contract Specialists</u>
<u>7</u>	<u>\$35.18</u>	<u>FOIA Officer/Supervisor/Specialists/Chief Systems Operators/Engineering Analysts</u>
<u>8</u>	<u>\$41.80</u>	<u>Analysts/Safety Professionals/Ops Superintendents/Supervising Specialists</u>
<u>9</u>	<u>\$47.57</u>	<u>Managers/Scientists</u>
<u>10</u>	<u>\$51.86</u>	<u>Process Engineers</u>
<u>11</u>	<u>\$59.01</u>	<u>Chiefs</u>
<u>12</u>	<u>\$73.17</u>	<u>Directors</u>

IT Staff:

<u>Grade</u>	<u>Hourly Rate</u>	<u>Title</u>
<u>4</u>	<u>\$26.17</u>	<u>Admin Coordinator</u>
<u>5</u>	<u>\$28.52</u>	<u>Telecom Coordinator</u>
<u>6</u>	<u>\$32.46</u>	<u>Systems Analyst/Web portal programmer</u>
<u>7</u>	<u>\$36.94</u>	<u>IT Helpdesk supervisor</u>
<u>8</u>	<u>\$43.89</u>	<u>Analysts/Developers/Administrators</u>
<u>9</u>	<u>\$49.95</u>	<u>Managers and Engineers</u>
<u>11</u>	<u>\$61.96</u>	<u>Chiefs</u>
<u>12</u>	<u>\$76.83</u>	<u>Director</u>

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3.4 Types of Records

Records maintained by HRSD include, for example, [minutes of HRSD Commission meetings](#), personnel records, record drawings, and contracts into which HRSD has entered. If you are unsure whether HRSD has the record(s) you seek, please contact the HRSD FOIA Officer directly.

3.5 Commonly Used Exemptions

The Code of Virginia allows any public body to withhold certain records from public disclosure in its discretion. For a full list of exemptions, see the Code of Virginia § 2.2-3705.1 *et seq.* Exemptions HRSD may use include, but are not limited to, the following:

- Personnel records § 2.2-3705.1(1)
- Records subject to attorney-client privilege § 2.2-3705.1(2)
- Vendor proprietary information § 2.2-3705.1 (6)
- Appraisals and cost estimates of real property subject to a proposed purchase, sale or lease, prior to the completion of such purchase, sale or lease § 2.2-3705.1 (8)
- [Information relating to the negotiation and award of a contract, prior to a contract being awarded](#) § 2.2-3705.1 (12)
- The portions of records that contain account numbers or routing information for any credit card, debit card or any other account with a financial institution of any person or public body § 2.2-3705.1(13)
- [General Manager's correspondence and working papers](#) § 2.2-3705.7(2)
- [Customer account information](#) § 2.2-3705.7(7).
- [Information and records containing written advice of counsel, information protected by attorney-client privilege, and legal memoranda and other work product for litigation or administrative investigations](#) § 2.2-3705.1 (2), (3).
- Information, such as social security numbers, made confidential under other laws.

3.6 Policy Regarding the Use of Exemptions

~~HRSD reserves the right to withhold, exempt or redact any and all records that are allowed or required to be withheld, exempted, redacted, or excluded from production by law.~~ It is HRSD's policy to ~~exempt any and all records that are allowed to be exempted, redacted or excluded from production by law~~ [withhold any information and records to protect](#):

COMMISSION ADOPTED POLICY
Freedom of Information Act –
Public Records



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- [the privacy of HRSD personnel and officials,](#)
- [the property and pecuniary interests of HRSD,](#)
- [the privacy of customers,](#)
- [legal advice, work product, or attorney-client privilege,](#)
- [HRSD's interests related to administrative investigations and litigation,](#)
- [matters for discussion in closed meeting of the HRSD Commission, and](#)
- [the safety of HRSD systems and facilities, and the public generally.](#)

3.7 Resources available to the public:

- [Chapter 37 of Title 2.2 of the Code of Virginia, as amended, also known as The Virginia Freedom of Information Act;](#)
- the [FOIA Council](#); and
- the [Virginia Coalition for Open Government](#).

4.0 HRSD's Procedures

4.1 Any requests for [information-public records](#) should be immediately forwarded to the FOIA Officer (~~Commission Secretary~~), who will log when and by whom the request was received. The FOIA Officer will provide the General Manager with a copy of each request and seek their guidance on obtaining legal advice, if necessary, and determining who should respond. The FOIA Officer will coordinate the response and assure the request is acted upon in the prescribed amount of time, logging the response date. The Director of Communications will serve as backup FOIA Officer when necessary.

4.2 The FOIA Officer shall be trained annually by legal counsel ~~or the Virginia Freedom of Information Advisory Council, the FOIA Council, or through an online course offered by the FOIA Council.~~ Training shall be completed as required by [the Code of Virginia.](#)

Approved: _____

~~Frederick N. Eloffson~~ Stephen C. Rodriguez
Commission Chair

_____ Date

Attest: _____

Jennifer L. Cascio
Commission Secretary

_____ Date

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #9

16. Capital Improvement Program (CIP)
Quarterly Update

The background features a serene sunset over a body of water, with reeds in the foreground. The sky is a mix of orange and blue, and the sun is low on the horizon, creating a lens flare effect. The water reflects the sunset. The image is framed by blue wavy borders at the top and bottom, which contain a pattern of water droplets.

HRSD

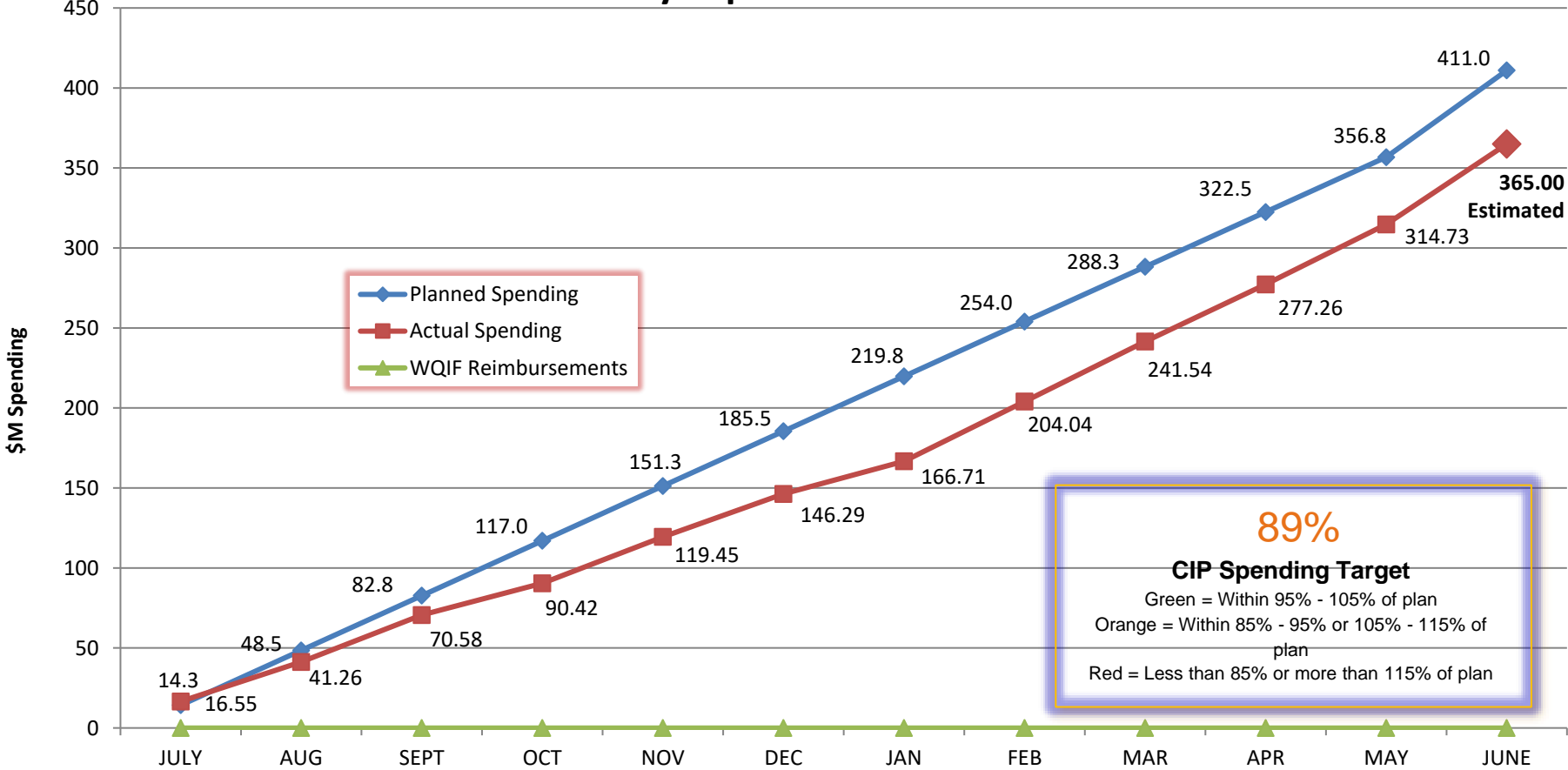
Capital Improvement Program
Commission Briefing

July 25, 2023

- CIP Expenditures for FY-2023
- CIP Performance Metrics
- Engineering Department Staffing
- Firms Used for Engineering and Construction Efforts
- Consent Decree/Sewer Rehabilitation Plan – Project Status
- Significant Project Updates
- SWIFT Program Summary
- Focus – CIP Funding Sources & Status

CIP Expenditures for FY-2023

FY2023 Capital Improvement Program Cumulative Monthly Expenditures & Reimbursements



Month



CIP Expenditures for FY-2023

CIP Projects with Largest Spending Projections in FY-2023

Project Name	Planned FY-2023 CIP Spending	Actual FY-2023 Spending	Differential
James River TP ANRI Improvements	\$70,362,000	\$57,338,000	-\$13,024,000
James River SWIFT Facility	\$69,435,000	\$54,678,000	-\$14,757,000
Nansemond TP ANRI Improvements Phase II	\$34,051,000	\$35,569,000	\$1,485,000

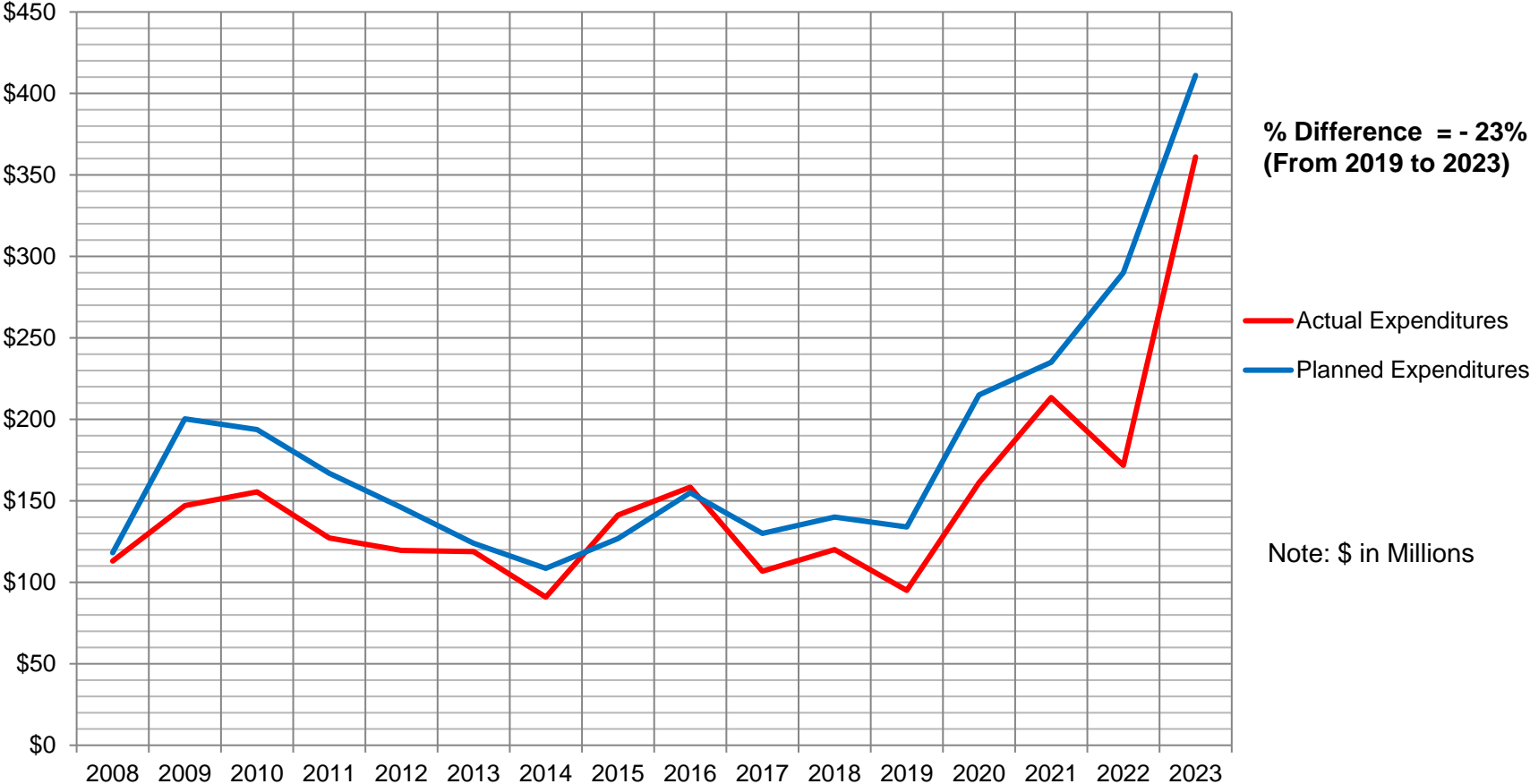
CIP Expenditures for FY-2023 (cont.)

CIP Projects with Largest Spending Projections in FY-2023

Project Name	Planned FY-2023 CIP Spending	Actual FY-2023 Spending	Differential
Nansemond TP Struvite Recovery and Digester Upgrades	\$26,947,000	\$8,652,000	-\$18,295,000
Tabb PRS and Offline Storage Facilities	\$18,327,000	\$518,000	-\$17,809,000
Eastern Shore Infrastructure Improvements	\$16,376,000	\$18,444,000	\$2,068,000
		Total:	-\$60,332,000

CIP Expenditures for FY-2023 (cont.)

Planned vs. Actual CIP Spending



CIP Projects Substantially Completed in FY-2023:

Projects Planned to be Completed = 37

Projects Actually Completed = 21

% of Projects Completed = 57%

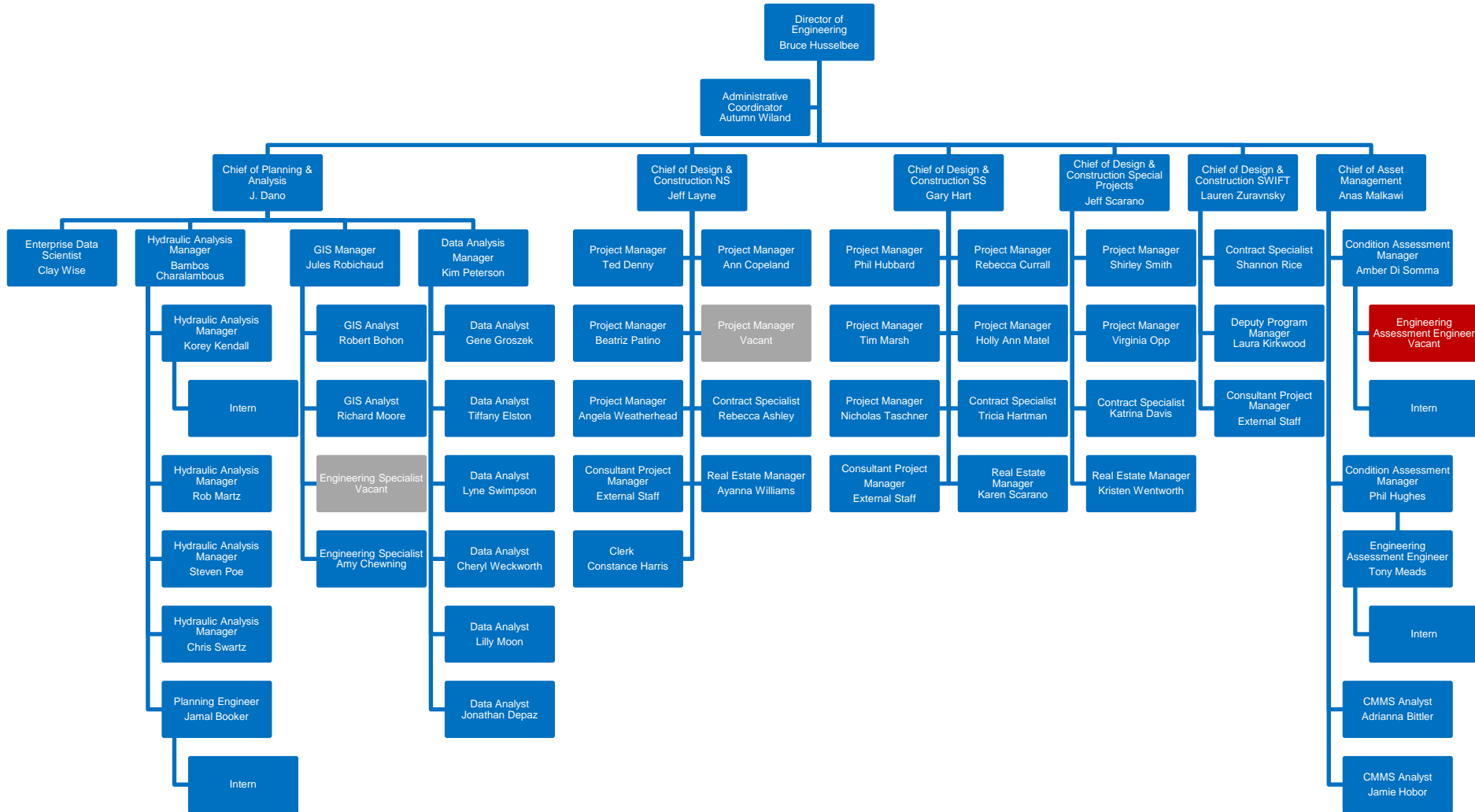
Past Performance:

	<u>% Complete by End of FY</u>	<u>% Complete by End of FY-2023</u>
FY-2017	70%	100%
FY-2018	75%	100%
FY-2019	71%	100%
FY-2020	53%	100%
FY-2021	66%	100%
FY-2022	55%	88%

CIP Projects Not Completed in FY-2023:

<u>Reasons for Projects Completed Late</u>	<u># of Projects</u>
Construction related delays	5
Design related delays	4
Supply chain and material delivery delays	3
External project not managed by HRSD	2
Property acquisition delays	2

Engineering Department Staffing



Firms Used for Engineering Services Annual Contracts

Contract	# Task Orders	Active Contract Value	Remaining Balance
Architectural Mechanical Electrical Projects*	13	\$2,752,983.70	\$1,793,395.51
Condition Assessment	43	\$3,963,492.34	\$1,049,333.32
Construction Inspection	3	\$341,757.89	\$154,222.71
Environmental Services	4	\$1,471,433.95	\$375,311.55
General Engineering Services (3)	66	\$30,231,776.00	\$17,887,785.93
Interceptor Systems Projects	35	\$14,824,077.89	\$8,151,412.07
Land Surveying and Related Work*	3	\$157,451.57	\$11,480.03
Real Estate Services (2)	10	\$564,858.50	\$261,612.54
Structural Project*	17	\$463,558.73	\$206,485.82
	194	\$54,771,390.57	\$29,891,039.48

* SWAM Firms

Firms Used for Engineering Services Individual Contracts

CONSULTANT	# CONTRACT	VALUE	REMAINING
AECOM TECHNICAL SERVICES INC	10	\$74,584,862.54	\$31,340,892.19
AH ENVIRONMENTAL CONSULTANTS	1	\$2,314,052.00	\$723,850.17
BLACK AND VEATCH CORP	4	\$2,141,597.00	\$1,308,227.00
BOWMAN CONSULTING GROUP, LTD.	1	\$412,567.50	\$259,530.09
BROWN AND CALDWELL	4	\$7,926,238.00	\$4,842,935.76
CDM SMITH INC	3	\$8,235,941.00	\$427,467.35
DEWBERRY ENGINEERS INC.	1	\$798,164.01	\$753,807.01
EARTH DATA INCORPORATED	3	\$7,410,583.37	\$4,423,527.19
GANNETT FLEMING INC	5	\$13,360,610.35	\$4,440,878.51
HAZEN AND SAWYER PC	5	\$7,004,314.46	\$2,358,537.28
HDR ENGINEERING INC	1	\$13,485,193.12	\$65,299.19
KIMLEY HORN AND ASSOCIATES INC	14	\$21,161,635.69	\$15,179,938.09
MICHAEL BAKER INTERNATIONAL INC	1	\$729,486.00	\$651,498.98
RAMBOLL AMERICAS ENGINEERING SOLUTIONS, INC.	2	\$2,659,912.60	\$1,730,348.01
RUMMEL KLEPPER AND KAHL LLP DBA RK AND K	10	\$28,322,933.27	\$20,544,623.11
TETRA TECH INC	1	\$1,109,847.00	\$936,403.54
VHB	2	\$2,169,324.96	\$716,899.44
WHITMAN REQUARDT AND ASSOCIATES LLP	1	\$228,053.00	\$227,257.39
	69	\$194,055,315.87	\$90,931,920.30

Firms Used for Construction Services Annual Contracts

CONTRACTOR	SWAM	#TASK ORDERS	VALUE	REMAINING
BRIDGEMAN CIVIL CONSTRUCTION INC	X	51	\$14,331,834.35	\$1,585,084.60
TIDEWATER UTILITY CONSTRUCTION INC	X	31	\$5,392,292.03	\$1,425,825.66
		82	\$19,724,126.38	\$3,010,910.26

Firms Used for Construction, Design-Build and CM Services Individual Contracts

CONTRACTOR	SWAM	#CONTRACTS	VALUE	REMAINING
A.C. SCHULTES		2	\$57,839,700.00	\$37,978,740.00
ALLAN MYERS VA, INC.		1	\$4,938,947.48	\$0.00
BASIC CONSTRUCTION COMPANY LLC	X	1	\$4,096,015.98	\$2,160,347.17
BRIDGEMAN CIVIL INC	X	12	\$76,992,482.29	\$56,421,808.13
CITY OF NEWPORT NEWS		1	\$1,493,137.92	\$1,493,137.92
COASTAL DESIGN & CONSTRUCTION	X	1	\$2,384,136.00	\$2,457.00
COMMONWEALTH OF VIRGINIA DEPT OF TRANSP		1	\$593,340.00	\$0.00
CROWDER CONSTRUCTION COMPANY		4	\$59,003,460.03	\$909,265.19
E T GRESHAM COMPANY	X	2	\$9,252,179.81	\$3,666,494.62
GARNEY COMPANIES		3	\$479,153,473.72	\$400,785,630.36
HENDERSON INC	X	2	\$18,852,497.79	\$1,336,804.56
HOWARD BROTHERS CONTRACTOR INC	X	1	\$7,650,263.58	\$6,224,960.14
J SANDERS CONSTRUCTION	X	2	\$2,898,470.00	\$2,182,095.10
KIEWIT INFRASTRUCTURE SOUTH		2	\$33,607,504.17	\$26,356,263.10
MEB GENERAL CONTRACTORS INC	X	9	\$304,387,243.18	\$273,590,438.05
PARKWAY GRADING	X	1	\$917,435.00	\$917,435.00
SHAW CONSTRUCTION CORP	X	4	\$19,585,354.10	\$9,653,868.57
TIDEWATER UTILITY CONSTRUCTION INC	X	7	\$51,837,531.55	\$27,753,486.59
ULLIMAN SCHUTTE CONSTRUCTION LLC		1	\$570,672.00	\$238,352.71
ULLIMAN SCHUTTE - ALBERICI JOINT VENTURE		2	\$534,500,298.00	\$371,380,904.93
WALTER VIA	X	1	\$982,096.56	\$0.00
		60	\$1,671,536,239.16	\$1,223,052,489.14

Consent Decree/Sewer Rehabilitation Plan – Project Updates

- Consent Decree Condition Assessment Program (CAP) identified condition defects in the regional sanitary sewer system.
- EPA/VDEQ approved the Rehabilitation Action Plan (RAP) in May 2015.
- RAP addresses improvements to gravity mains, force mains, pump stations and associated system compounds.
- RAP will be implemented in three phases:
 - Phase 0 (June 2017)
 - Phase 1 (May 2021)
 - Phase 2 (May 2025)

Consent Decree/Sewer Rehabilitation Plan Project Updates (Phase 2)

CIP	Project Name	Project Status	Total CIP Cost
AB010000	Army Base 24-Inch and 20-Inch Transmission Main Replacements	Design	\$27,343,000
AT011510	Shipps Corner Interim Pressure Reducing Station	Complete	\$3,691,148
AT011520	Shipps Corner Pressure Reducing Station Modifications	Design	\$1,826,426
AT011900	Great Bridge Interceptor Extension 16-Inch Replacement	Design	\$11,915,000
AT013000	Washington District Pump Station Area Sanitary Sewer Improvements	Construction	\$12,188,492
AT013010	Washington District Pump Station Replacement**	Design	\$9,400,000
AT013100	South Norfolk Area Gravity Sewer Improvements Phase 1	Complete	\$968,005
AT013110	South Norfolk Area Gravity Sewer Improvements Phase 2	Design	\$10,566,000
AT015400	Dozier's Corner Pump Station Replacement**	Design	\$17,121,868
BH014000	West Avenue and 35th Street Interceptor Force Main Replacement	Construction	\$4,404,011
BH014500	Ivy Home-Shell Road Sewer Extension Division I Replacement	Design	\$2,243,200
BH014600	46th Street Diversion Sewer Rehabilitation Replacement	Construction	\$12,178,333
BH014900	Hampton Trunk Sewer Extension Division K Gravity Improvements	Construction	\$4,644,400
BH015900	Bloxoms Corner Force Main Replacement	Construction	\$6,038,563
CE011300	Birchwood Trunk 24-Inch 30-Inch Force Main at Independence Boulevard Replacement Phase II	Design	\$1,702,700
CE011600	Poplar Hall Davis Corner Trunk 24-Inch Gravity Sewer Improvements	Design	\$2,262,394
CE012000	Poplar Hall Davis Corner Trunk 24-Inch Gravity Sewer Improvements (I-264 VDOT Betterment)	Complete	\$233,180
GN010730	Horizontal Valve Replacement Phase III	Complete	\$0
GN014900	North Shore Gravity Sewer Improvements Phase I	Construction	\$13,095,613

Consent Decree/Sewer Rehabilitation Plan Project Updates (Phase 2)

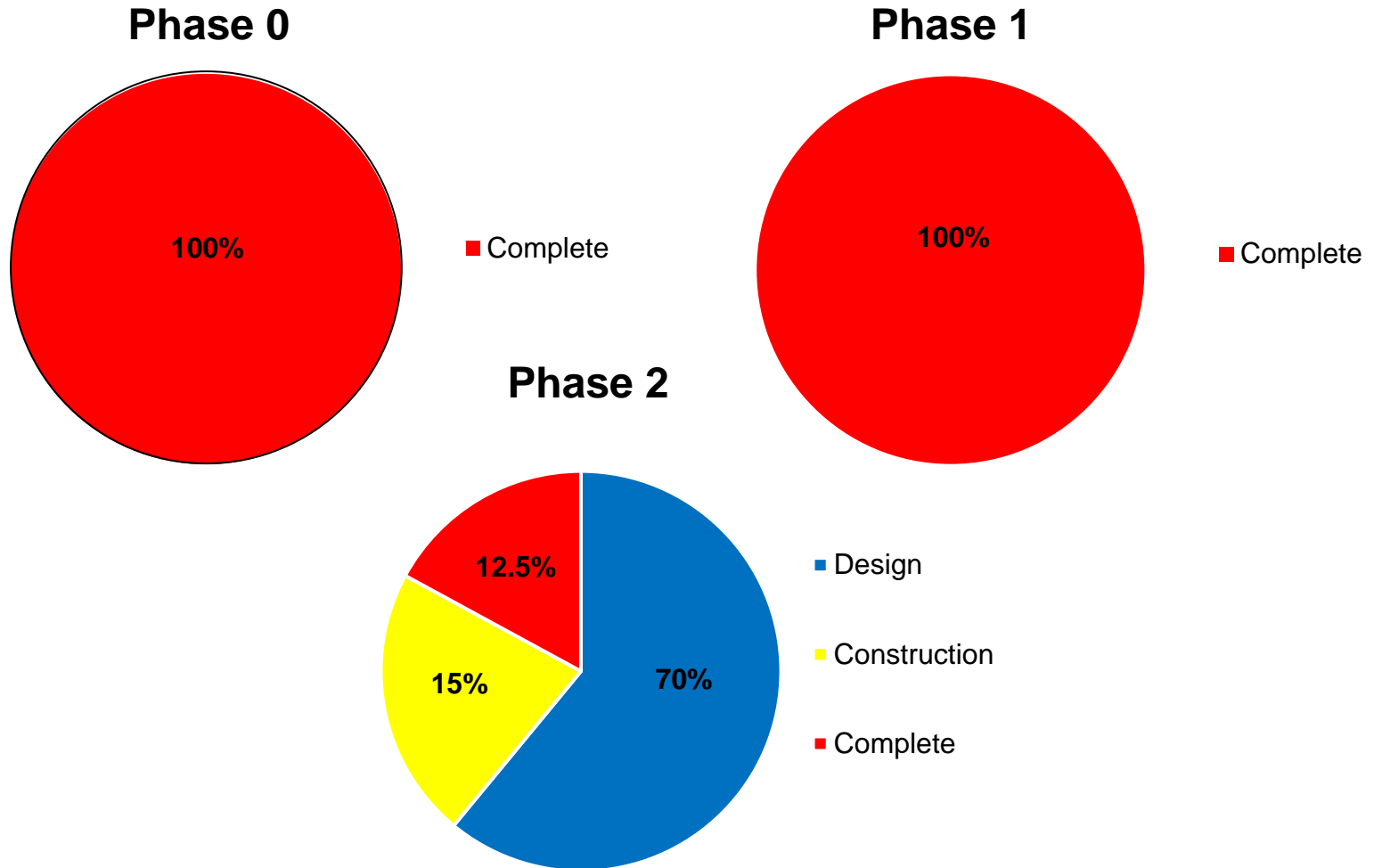
CIP	Project Name	Project Status	Total CIP Cost
GN015000	South Shore Gravity Sewer Improvements Phase I	Design	\$942,804
GN015300	Interceptor System Valve Improvements Phase I	Design	\$3,259,305
GN015400	South Shore Aerial Crossing Improvements	Design	\$290,758
JR013500	Lucas Creek Pump Station Replacement	Construction	\$23,401,243
NP010620	Suffolk Pump Station Replacement**	Design	\$12,049,000
NP012400	Western Branch Sewer System Gravity Improvements	Design	\$5,100,000
NP012500	Shingle Creek and Hickman's Branch Gravity Sewer Improvements	Complete	\$1,230,006
VP010920	Norview Estabrook Division I 18-Inch Force Main Replacement Phase II, Section 2	Design	\$1,988,585
VP014010	Ferebee Avenue Pump Station Replacement*	Design	\$5,852,747
VP014020	Sanitary Sewer Project 1950 12 Inch Force Main and 24-Inch & 18-Inch Gravity Replacement	Design	\$7,179,000
VP014021	Sanitary Sewer Project 1950 FM Replacement Part 1	Complete	\$4,380,265
VP014022	Sanitary Sewer Project 1950 FM Replacement Part 2	Construction	\$20,833,818
VP014700	Ingleside Road Pump Station Replacement	Design	\$3,810,449
VP014800	Lee Avenue-Wesley Street Horizontal Valve Replacement	Design	\$4,081,470
VP015320	Larchmont Area Sanitary Sewer Improvements**	Design	\$38,734,000
VP015400	Lafayette Norview-Estabrook Pump Station Replacements**	Design	\$18,495,895
VP016500	Norview-Estabrook Division I 12-Inch Force Main Replacement	Design	\$1,973,163
VP016700	Norview-Estabrook Division I 18-Inch Force Main Replacement Phase III	Design	\$3,116,334
VP017110	Central Norfolk Area Gravity Sewer Improvements Phase I	Complete	\$136,403
VP017120	Central Norfolk Area Gravity Sewer Improvements Phase II*	Design	\$7,160,000
VP018000	Park Avenue Pump Station Replacement	Construction	\$15,366,578
YR010300	Foxridge Sanitary Sewer System Sections 1, 4 & 5 Gravity and Woodland Road Fox Hill Road Gravity Sewer Rehabilitation	Design	\$3,962,504

\$384,897,299

* Projects approved by the USEPA with one-year time extension

** Projects approved by the USEPA with two-year time extension

Consent Decree / Sewer Rehabilitation Plan – Project Updates



James River SWIFT and Advanced Nutrient Reduction Improvements

Owner's Consultant:

AECOM with Hazen and Sawyer

Design-Build Team:

Ulliman & Schutte-Alberici
with HDR and Black & Veatch

Schedule Completion: Oct. 2026

Project Value: \$579M

Funding: WIFIA, VRLF, WQIF



Nansemond Advanced Nutrient Reduction Improvements Phase II

Owner's Consultant:

AECOM with Hazen and Sawyer

Design-Build Team:

Garney with Tetra Tech

Schedule Completion: April 2026

Project Value: \$293M

Funding: WIFIA, VRLF, WQIF



Medium Voltage Switchgear Building

Nansemond Struvite Recovery & Digester Upgrades

Engineers:

Hazen and Sawyer/HDR

Contractor:

MEB General Contractors

Schedule Completion: Sept. 2025

Project Value: \$60M

Funding: VRLF & HRSD Revenue Bond



Pre-Dewatering Building

Celebrating 5 years of the SWIFT Program



Note: Governor's approval letter received for the James River Crossing (Boat Harbor Force Main project).

SWIFT Program Construction Highlights – 2023 Q2



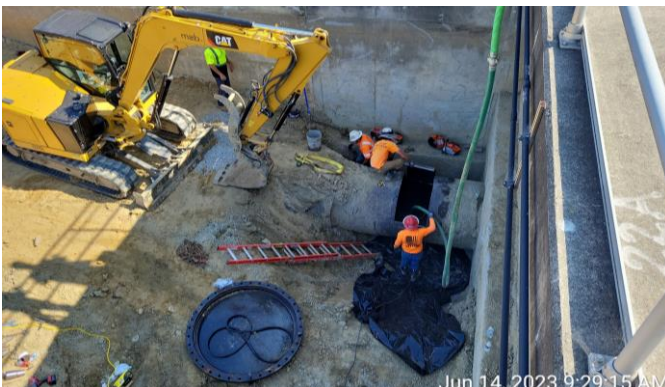
James River SWIFT

- Major concrete pours at SWIFT Building 1 and Building 2
- Protection of JRTP Shoreline complete



Boat Harbor PS & Sitework

- Closed out Site Improvements contract
- Mobilized Pump Station contractor



Nansemond ANRI Ph. 2

- Started Auger Cast Piles for Secondary Clarifiers 6 and 7
 - ✓ installation is ahead of schedule
- Poured Medium Voltage Switchgear Building foundation slab

CIP Funding Sources & Status

Active Capital Grants							
Grant Name	Funder	Project	CIP #	Application Submitted	Amount Requested	HRSD Award Amount	
American Rescue Plan Act	VDEQ	Eastern Shore Infrastructure Improvements - Transmission Force Main Phase II (Accomac Sewer Collection System)	ES010200	11/28/2022	\$ 8,367,000	\$ 4,183,500	
American Rescue Plan Act	VDEQ	James River Treatment Plant Advanced Nutrient Reduction Improvements	JR013400	10/7/2022	\$ 50,000,000	\$ 16,940,000	
American Rescue Plan Act	VDEQ	Nansemond Treatment Plant Advanced Nutrient Reduction Improvements Phase II	NP013820	10/7/2022	\$ 50,000,000	\$ 14,640,000	
FY2024 Congressionally Directed Funding, Warner-Kaine	CDF FY24	Eastern Shore Wastewater Improvements	ES010100	3/9/2023	\$ 9,677,112	\$ -	
Water Quality Improvement Fund, Conveyance	VDEQ	Chesapeake-Elizabeth Treatment Plant Conveyance	Multiple	2/7/2023	\$ 100,647,746	\$ -	
Water Quality Improvement Fund, Conveyance	VDEQ	Eastern Shore TFM Phase 1	ES010100	5/2/2022	\$ 4,900,000	\$ -	
Water Quality Improvement Fund, Nutrient Reduction	VDEQ	James River SWIFT - Advanced Nutrient Reduction Improvements	JR013400	3/23/2023	\$ 344,741,547	\$ -	
					\$ 568,333,404	\$ 35,763,500	

CIP Funding Sources & Status (cont.)

Upcoming Capital Grant Applications						
Grant Name	Funder	Project	CIP #	Application Submitted	Amount Requested	HRSD Award Amount
Water Quality Improvement Fund, Nutrient Reduction	VDEQ	Nansemond	NP013820, GN016380	in progress	tbd	\$ -
Water Quality Improvement Fund, Conveyance	VDEQ	Boat Harbor	BH0157xx	not yet started	tbd	\$ -
Water Quality Improvement Fund, Conveyance	VDEQ	Middlesex	MP013730	not yet started	tbd	\$ -
Fiscal Year 2024 State and Local Cybersecurity Grant Program (SLCGP)	FEMA- VDEM	Cybersecurity	AD012500	NOFO not yet released	tbd	\$ -

Questions?

HRSD Commission Meeting Minutes
July 25, 2023
Attachment #10

20. Informational Items

AGENDA ITEM 20. – July 25, 2023

Subject: Informational Items

Recommended Action: No action is required.

Brief: The following items listed below are presented for information.

- a. Management Reports
 - (1) [General Manager](#)
 - (2) [Communications](#)
 - (3) [Engineering](#)
 - (4) [Finance](#)
 - (5) [Information Technology](#)
 - (6) [Operations](#)
 - (7) [Talent Management](#)
 - (8) [Water Quality](#)
 - (9) [Report of Internal Audit Activities](#)
- b. [Strategic Planning Metrics Summary](#)

July 17, 2023

Re: General Manager's Report

Dear Commissioners:

Over the next year, we will be reaffirming our alignment with our Strategic Plan. Our monthly reports will have the same level of detail but will be structured around our Strategic Plan Priorities. This will be a work in progress, so we are asking for your patience and feedback.



Environmental Responsibility

On June 21, 2023, we are delighted to announce that the Governor approved our request to use the subaqueous bottom for the 4.6-mile pipeline connecting the Boat Harbor (BH) Pump Station (PS) to the Nansemond Treatment Plant (NTP) and other required installation work. This was a tremendous effort by our team which required working closely with the Virginia Marine Resources Commission (VMRC) to get their recommendation for approval.

The Department of Environment Quality (DEQ) initiated a new \$1 million Pay for Documented Performance pilot program where they would buy nutrient credits from the Virginia Nutrient Credit Exchange. Each utility submitted bids and DEQ selectively agreed to buy pounds from utilities throughout the Chesapeake Bay watershed. HRSD's bids resulted in receiving 40% of the total allotment. DEQ will buy the pounds at the bid price at the end of the year based on actual performance. This was a great opportunity to support one of the Commonwealth's innovative initiatives.

Treatment Compliance and System Operations: On June 6 in the City of Chesapeake, there was a Sanitary Sewer Overflow (SSO) due to a force main failure. Staff immediately activated a nearby pressure reducing station to lower pressures in the force main. On June 23, there was one SSO in the City of Hampton due to a heavy rainfall event. Staff were able to leverage our new Supervisory Control and Data Acquisition (SCADA) system to maximize gravity collection storage and balance system flow, lessening the impact of the SSO. This is a great example of how a smart sewer system using machine learning algorithms could be advantageous to HRSD. There were also a couple of SSOs in the Surry system in late June due to large storm events.

Our Treatment Process Engineers (TPEs) worked with the Small Communities Division (SCD) over the last month to optimize the King William Treatment Plant (KWTP). As a result of the improved performance, additional capacity became available, reducing the need to pump and haul, saving \$40,000 - \$50,000 per month.

Water Quality: One civil penalty for \$2,000 was issued this month to waste hauler, Stemmler Plumbing Repair, Inc. There were three technical violations and one administrative violation.

At the Show Cause meeting, the company outlined steps it would take to prevent this from happening again.



Financial Stewardship

Total revenues ended the year slightly higher than expected due to water consumption coming in 1.8% higher than budget. Interest Income was significantly higher than budget as the Federal Reserve significantly raised interest rates over the last year to tame inflation. Total Expenses remained below budget as staff have managed operating costs well in the face of significant cost increases in power, chemicals, parts and other areas. On the collections front, there has been a significant effort to increase collections and a downward trend is showing for accounts receivable aging.

The DEQ informed us that due to the General Assembly budget impasse, the amendments that appropriated additional Water Quality Improvement Funds (WQIF) were not approved. As such, the \$105 million WQIF conveyance grant for the Chesapeake-Elizabeth diversion improvements that was included in our FY2024 budget was not approved. Staff are reworking our Plan of Finance to determine the financial impact, but it would likely mean a new debt issuance may be needed sooner than expected, which will lower our debt service coverage ratio. Staff is evaluating different financing options to find the lowest of capital.



Talent

Beginning July, our leadership team will review our business-related metrics developed by our Strategic Plan. As an example, we will review staffing and turnover, financial metrics, social media trends and community engagement activities. The purpose of these meetings is to make data-driven decisions as needed to optimize organizational performance that aligns with our Strategic Plan. This will be similar to our existing monthly meeting on our Permit Limit and Discharge Monitoring Reports (DMR) where we review the data as a group and adjust as needed.

Staff are working closely with our compensation consultant, Mercer, to develop the framework for the study. This project will include an executive sponsor, project manager and cross-departmental team and others to ensure the study stays on schedule, under budget and meets our organizational needs.

I participated in the following meetings/activities with HRSD personnel:

1. Attended the Regional Granulated Activated Carbon workshop. It looks like it may be feasible to use our existing multiple hearth incinerators to regenerate Granular Activated Carbon (GAC), but more work needs to be done to build the business case.
2. Presented HRSD's Strategic Plan at the SWIFT Partnering meeting.
3. Met with staff to discuss the draft Service Area Expansion policy revisions.
4. Held our first Water and Wastewater Professionals Day luncheon across all work centers on June 29. It was a perfect opportunity to recognize our staff for the great work they do.



Community Engagement

Staff interviewed and selected a rebranding consultant to help us with our Community Engagement strategy. This consultant will review existing data, conduct their own research and hold a branding workshop to determine the best strategy moving forward. It is critical for our ratepayers to see the value they receive when paying their monthly bill.

HRSD continues to receive Low-Income Household Water Assistance Program (LIHWAP) payments. As of the end of June, a total of \$6.5 million has been applied to over 10,000 low-income qualified customer accounts for water, sewer and wastewater charges. After distributing over \$16 million to 53,000 households across the Commonwealth in seven months, the original funding is officially exhausted. Staff are working to make the additional \$2.4 million available for disbursement, as funds must be expended by September 30, 2023. There is a significant lobby trying to make this a permanent program, but the most recent bipartisan debt ceiling bill restricting spending for the next two years will make things very challenging.

I participated in the following external meetings/activities:

1. Staff toured the AlexRenew tunnel project and met with their new General Manager.
2. Presented HRSD's Integrated Plan at the regional joint meeting with the Virginia Department of Health (VDH) and Directors of Utilities.
3. Performed a site visit of the former Lambert's Point golf course.
4. Presented HRSD's Strategic Plan with Hazen at the Annual Conference and Exposition (ACE) for the American Water Works Association (AWWA).
5. Attended the Potomac Aquifer Recharge Oversight Committee (PAROC) meeting.



Innovation

The Engineering Department is working with a large group to participate in a Water Research Foundation (WRF) grant entitled, Preparing the Water Sector to Embrace Technology: Skillsets and Enterprise Management Approaches for the Digital Age. We have responded to the request for proposals from WRF as a team member and should be informed if our team is successful in the coming months.

The 2023 Water Environment Federation (WEF) Innovations in Process Engineering Conference was held in June. A large portion of the technical program was focused on partial denitrification-anammox (PdNA), most of that work led by HRSD and DCWater. It appears that this patented technology is gaining traction as new PdNA applications are now being considered for treatment plants in the US and overseas.

Thanks for your continued dedicated service to HRSD, the Hampton Roads region, the Commonwealth, and the environment.

I look forward to seeing you in person in Newport News at 9 am on Tuesday, July 25, 2023.

Respectfully submitted,

Jay Bernas, P.E.
General Manager

TO: General Manager
FROM: Director of Communications
SUBJECT: Monthly Report for June 2023
DATE: July 7, 2023

A. Publicity and Promotion

1. HRSD and/or SWIFT were mentioned or featured in 10 news stories or media/social media mentions. Topics included:
 - a. HRSD issues public comment to EPA
 - b. How cities are trying to stop their land from sinking
 - c. Newport News, Hampton Roads Sanitation District sues Seaview Lofts owners
 - d. Norfolk weighs what to do with Lambert's Point Golf Course – and Norfolk residents want a park
2. Analysis of media coverage

What are the key results for June?

Mentions

Compared to last period

121

↑ 476%

Previous Value: 21

Total Potential News Reach

Compared to last period

158M

↑ 8488%

Previous Value: 1.84M

Sentiment

Compared to last period

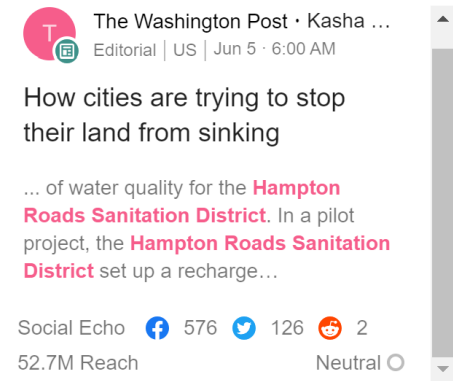
0

↓ 100%

Previous Value: 5

What is the top performing news content?

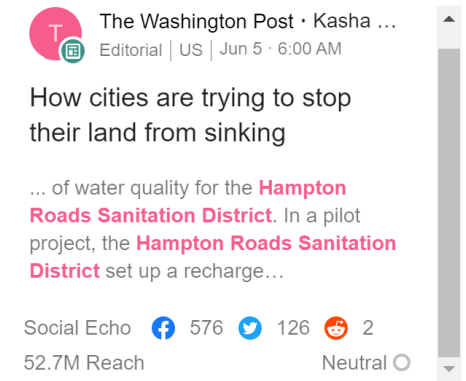
Top Article by Reach



Top Article by Reach and Volume



Top Article by Social Echo



What are the top entities and keywords?

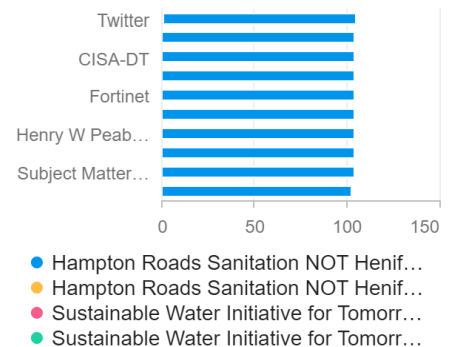
Top Entities



Top Keywords

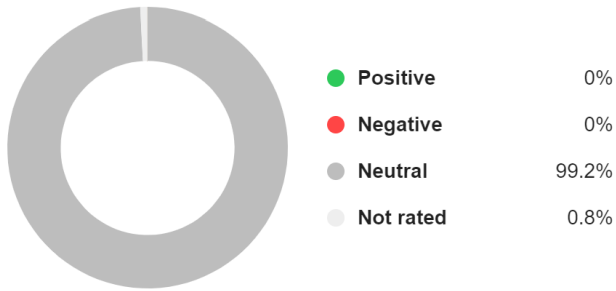


Top Organizations

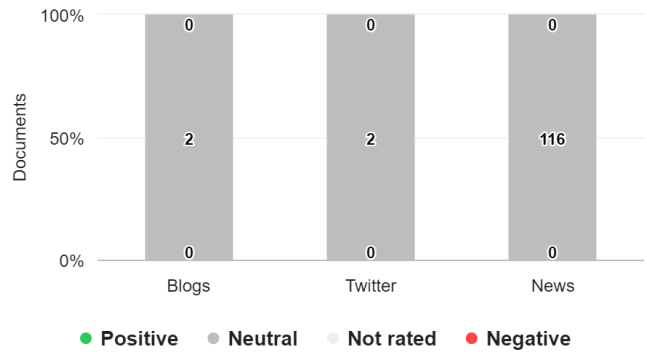


How favorable is the content?

Sentiment Share of Voice

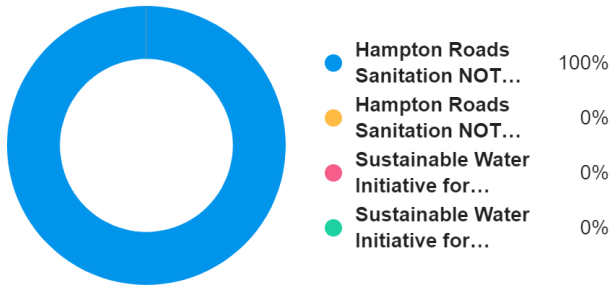


Sentiment by Source Type

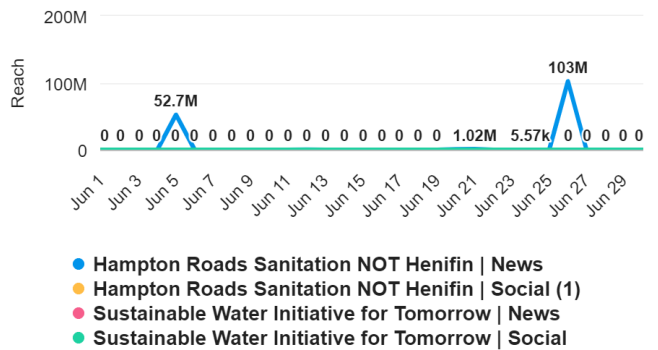


What is the potential reach?

Share of Voice by Reach

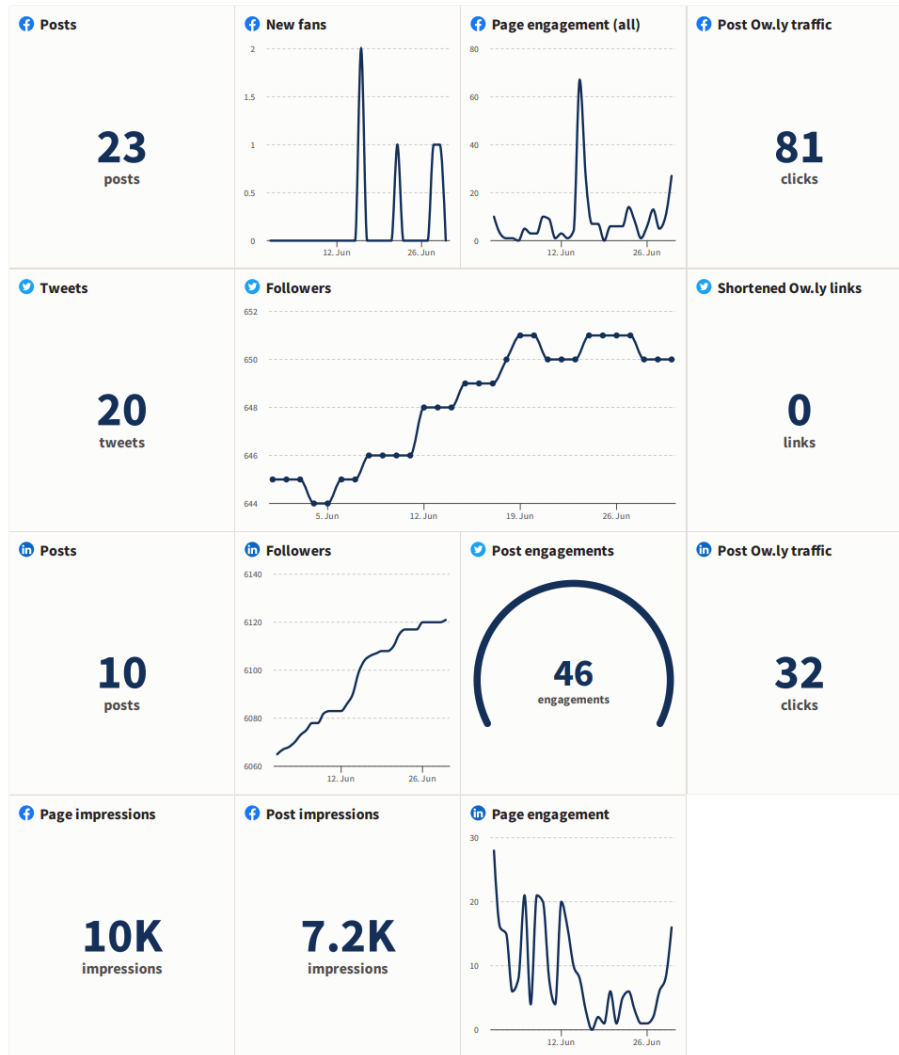


Potential News Reach



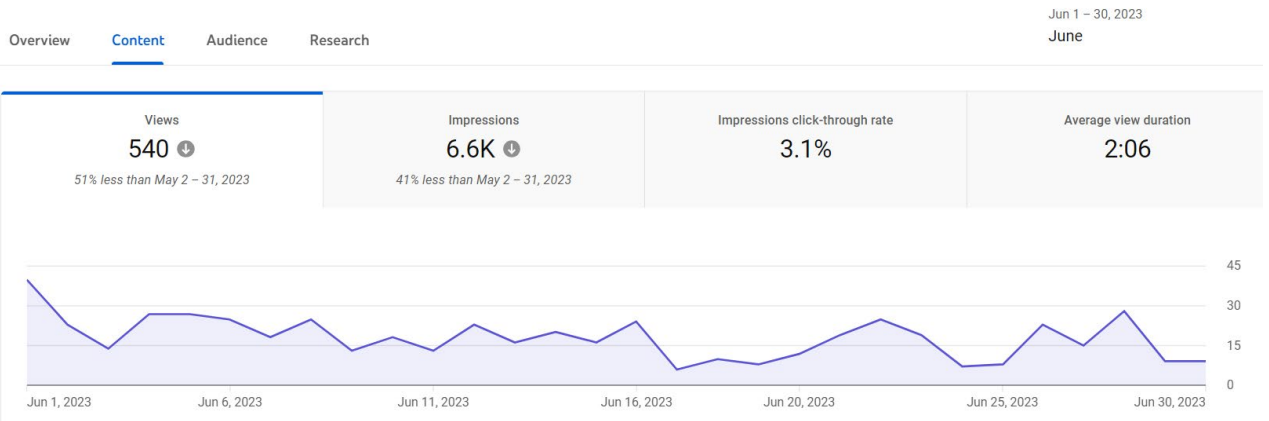
B. Social Media and Online Engagement

1. Metrics – Facebook, Twitter and LinkedIn



2. YouTube

Channel analytics



3. Top posts on Facebook, Twitter, and YouTube

a. Top Facebook post



b. Top Tweet



- c. Top YouTube Videos
 - (1) [The Wastewater Treatment Process](#) (99 views)
 - (2) [SWIFT Research Center: What is the Potomac Aquifer](#) (55 views)
 - (3) [National Infrastructure Week: James River SWIFT](#) (49)
 - (4) [HRSD Atlantic Treatment Plant Cambi Tour](#) (46)
 - (5) [HRSD Employee Testimonials - Robert](#) (42 views)

4. Website and Social Media Impressions and Visits

- a. Facebook:
 - (1) 10,210 page impressions
 - (2) 7,229 post impressions reaching 6,839 users
 - (3) Facebook Engagement of 263 (226 reactions, 21 shares, and 16 comments)
- b. Twitter:
 - (1) 2,401 tweet impressions
 - (2) 235 profile visits
 - (3) 4 mentions
- c. HRSD.com/SWIFTVA.com: 964 page visits
- d. LinkedIn Impressions:
 - (1) 10,643 page impressions
 - (2) 8,731 post impressions
- e. YouTube: 540 views
- f. Next Door unique impressions: 18,667 post impressions from 17 targeted neighborhood postings and one region-wide posting shared with 578,153 total residents
- g. Blog Posts: (1) [Which Type of Bag is Best for the Environment?](#)
- h. Construction Project Page Visits – 1,842 total visits (not including direct visits from home page, broken down as follows:
 - (1) 1,460 visits to individual pages
 - (2) 382 to the status page

C. News Releases, Advisories, Advertisements, Project Notices, Community Meetings and Project Web Postings:

- 1. News Releases: 0
- 2. Traffic Advisories: 0
- 3. Construction Notices and/or notices to neighbors: 11
- 4. Advertisements: 0
- 5. Project Notices: (via 16 door hangings to 530 residences)

6. Project/Community Meetings: (1) 06/26/2023 – Larchmont Civic League | 40 attendees (35 in-person and 5 via Zoom)
7. New Project Web Pages: 0
8. New Project Videos: 0

D. Special Projects and Highlights

1. Director attended the NACWA Strategic Communications Conference. The two-day event featured numerous presentations, workshops and panel discussions related to external communications, communication strategies, community outreach and education ideas and internal communications and employee engagement. The event yielded several takeaways that the communications department will be implementing over time, particularly in areas of internal communication and employee engagement.
2. Director, Public Information Specialist and Engineering staff attended the Larchmont/Edgewater Civic League meeting to present information about the upcoming pump station projects in development in partnership with the City of Norfolk.
3. Director attended and participated in the SWIFT partnering session.

E. Internal Communications

1. Director participated in the following internal meetings and events:
 - a. Crisis Management Planning taskforce meeting
 - b. Strategic Plan governance team quarterly meeting
 - c. Crisis Communications plan development meetings with consultant
 - d. Strategic Carbon Footprint Reduction Committee meeting
 - e. Website refresh customer survey preparation meeting
 - f. Strategic Plan metrics review meeting
 - g. Security Update meetings
 - h. Bi-weekly GM briefings
 - i. Discharge Monitoring Report (DMR), SWIFT Quality Steering Team (QST) and HRSD QST meetings
 - j. Weekly check-in meetings with Deputy General Manager
2. Director also conducted biweekly Communications department status meetings and weekly one-on-one check-in meetings.
3. Staff attended 24 project progress and outreach development meetings with various project managers.

F. Metrics

1. Educational and Outreach Activities: 48 (39 virtual, 9 in-person)
 - a. Self-guided SWIFT Virtual Tours – 39 views (analytics specify number of times “Take a Tour” button was selected)

- b. 06/01/2023 – SWIFT Tour | Norfolk Academy | 15 attendees
 - c. 06/01/2023 – SWIFT Tour, Nansemond River Preservation Alliance | 3 attendees
 - d. 06/05/2023 – FOG Activity, Cox High School | 40 attendees
 - e. 06/06/2023 – Wastewater Presentation, Forrest Glen Middle School | 45 attendees
 - f. 06/07/2023 – SWIFT Tour, HRSD employees | 4 attendees
 - g. 06/12/2023 – SWIFT Tour, Nansemond River High School engineering students | 18 attendees
 - h. 06/28/2023 – Edible Aquifer activity & career talk, Victory STARBASE | 18 attendees
 - i. 06/29/2023 – SWIFT Tour, Portsmouth Answer Camp | 17 attendees
 - j. 06/30/2023 – SWIFT Tour, Boater Pump Out interns | 12 attendees
2. Number of Community Partners: 6
- a. Norfolk Academy
 - b. Nansemond River Preservation Alliance
 - c. Virginia Beach Public Schools
 - d. Suffolk Public Schools
 - e. Portsmouth Public Schools
 - f. Larchmont/Edgewater Civic League
3. Additional Activities Coordinated by Communications Department: 4
- a. 06/02/2023 -- Shored Up Event | 40 attendees
 - b. 06/06/2023 -- Larchmont Elementary School Career Day | 90 attendees |
 - c. 06/07/2023 -- ATP Tour Commonwealth Challenge Youth Academy | 20 attendees
 - d. 06/20/2023 -- VIP Tour ERP Norfolk State Students | 15 attendees |
4. Monthly Metrics Summary

Item #	Strategic Planning Measure	Unit	June 2023
M-1.4a	Total Training Hours per Full Time Employee (4) - Current Month	Hours / #FTE	4.38
M-1.4b	Total Training Hours per Full Time Employee (4) - Cumulative Fiscal Year-to-Date	Hours / #FTE	17.79
M-5.2	Educational and Outreach Events	Number	48
M-5.3	Number of Community Partners	Number	6

Respectfully,

Leila Rice, APR
 Director of Communications

TO: General Manager
FROM: Director of Engineering
SUBJECT: Engineering Monthly Report for June 2023
DATE: July 13, 2023



Environmental Responsibility

Condition assessment of HRSD's existing interceptor force main system is a focal point with the review of three recent buried pipe failures. A failure of an existing ductile iron force main on Shell Road in Chesapeake indicated internal corrosion. This segment of pipe was previously planned for replacement, but the failure occurred before the project could be implemented. A second failure in the Great Bridge section of Chesapeake was also the result of internal corrosion. This segment of pipe was also under consideration for replacement. A third failure occurred on a segment of ductile iron pipe in Portsmouth. This failure was due to external corrosion believed to be caused by an adjacent gas line which had a cathodic protection system installed. Continued work is still needed to better plan for pipe replacements when problems are found.

Vibration monitoring is used to proactively check for minor vibrations which can occur in critical assets including centrifuges, blowers, pumps, and motors, prior to damage or failure. A pilot program was installed at the Virginia Initiative Plant (VIP) in Fiscal Year (FY)-2023. This pilot was successful, and a full scale implementation of this technology is planned for each treatment plant to protect critical assets in the coming year.



Financial Stewardship

Capital Improvement Program (CIP) spending for the 11th month of FY2023 was above the planned spending target.

CIP Spending (\$M):

	Current Period	FYTD
Actual	37.36	314.73
Plan	34.25	356.75

Final CIP invoices for FY-2023 are still being received, but estimates indicate that total CIP spending for FY23 will be approximately \$361M. The CIP spend target for FY-2023 was \$411M. This plan-to-actual-spend ratio is 87% which is above recent years and is a good indicator that HRSD is implementing the CIP in accordance with planning projections. This high level of spending will continue for the next few years as the Sustainable Water Initiative For Tomorrow (SWIFT) Program continues to be delivered.

Operating costs for the Engineering Department were below planned levels in FY23. We ended the FY at 97% of the planned Operating Budget spending. This was primarily due to unfilled positions over the FY.



Talent

Staff retention and recruitment remain significant priorities for the Engineering Department. Three positions are needed to fully staff the Engineering Department. Ms. Kristen Wentworth joined the Engineering Department as a Real Estate Manager. We continue to search for qualified candidates and hope to be fully staffed by the Fall.

Training and continuous learning are critical to the success of the Engineering Department. Each year our target is to provide each staff member with 40 hours of training. For FY-2023, we provided 35 hours of training for each employee. This level of training was above previous years and should increase as the conferences and seminars that provide learning opportunities are now being held more frequently.



Community Engagement

Staff provided outreach to numerous school groups including Larchmont Elementary, Portsmouth Middle School and Nansemond River High School. This outreach was focused on careers in STEM fields and how students can apply their learning in real world applications.

Mr. Gary Hart was a guest speaker at the Hampton Roads Utility and Heavy Construction Association (HRUHCA) Annual Engineer's Night meeting. This is a good opportunity to discuss HRSD's CIP and various needs with the local contracting community. HRSD has been a member of HRUHCA for many years and we continue to engage with this group to grow relationships with their members.



Innovation

Staff provided a briefing to the Potomac Aquifer Recharge Oversight Committee (PAROC) regarding the construction at the James River Treatment Plant (JRTP). This briefing provided a status update of the various construction contracts including the plant improvements and well drilling efforts.

The Engineering Department is working with a large group to participate in a Water Research Foundation (WRF) grant entitled, *Preparing the Water Sector to Embrace Technology: Skillsets and Enterprise Management Approaches for the Digital Age*. We have responded to the request for proposals from WRF as a team member and should be informed if our team is successful in the coming months.

Strategic Planning Metrics Summary

1. Educational and Outreach Events: 5
 - a. 06/06/2023 – Staff presented at the Larchmont Elementary School Annual Career Day.
 - b. 06/12/2023 – Staff provided a tour of the SWIFT Research Center to students from Nansemond River High School.

- c. 06/20/2023 – Staff presented HRSD’s Capital Improvement Program at the Hampton Roads Utility and Heavy Construction Association (HRUHCA) – Engineer’s Night.
- d. 06/28/2023 – Staff presented at the Portsmouth Middle School Annual Career Day.
- e. 06/28/2023 – Staff presented the Eastern Shore Infrastructure Improvements Project at the WEF Collections System Specialty Conference.

2. Number of Community Partners: 5

- a. Norfolk Public Schools
- b. Suffolk Public Schools
- c. HRUHCA
- d. Portsmouth Public Schools
- e. WEF

3. Number of Research Partners: 0

4. Monthly Metrics Summary:

Item #	Strategic Planning Measure	Unit	June 2023
M-1.4a	Total Training Hours per Full Time Employee (53) - Current Month	Hours / #FTE	1.41
M-1.4b	Total Training Hours per Full Time Employee (53) - Cumulative Fiscal Year-to-Date	Hours / #FTE	35.06
M-5.2	Educational and Outreach Events	Number	5
M-5.3	Number of Community Partners	Number	5
M-5.4	Number of Research Partners	Number	0

5. Annual Metrics:

Item #	Strategic Planning Measure	Unit	FY-2023
M-2.1	CIP Delivery – Budget	Percentage	129%
M-2.2	CIP Delivery – Schedule	Percentage	141%
M-5.4	Number of Research Partners	Number	1

Bruce W. Husselbee

Bruce W. Husselbee, PhD, P.E., DBIA

TO: General Manager
FROM: Director of Finance
SUBJECT: Monthly Report for June 2023
DATE: July 17, 2023

A. General

1. The June 30 Interim Financial Report indicates that revenues are 102 percent of year-end budgetary expectations and overall expenses are below budget by six percent. These are preliminary numbers, and expenses are likely to continue to rise as the Finance Department begins the preparation of HRSD's financial statements. The largest operating revenue sources, Wastewater Revenues, are at 101 percent of budgetary expectations because billed water consumption is 1.8 percent higher than anticipated. Fee collections, at 117 percent of budgetary expectations, are significantly higher than last year's revenues because cut-off activities were suspended during the pandemic. Interest Income is at 381%, primarily due to upward market value adjustments and higher interest rates. Despite inflationary pressures, operating expenses appear to be well controlled.
2. Staff initiated a review of Water Infrastructure Finance and Innovation Act (WIFIA) Tranche #3 funding to determine if HRSD would be better served by applying this funding to cover budget increases for projects included in WIFIA Tranches #1 and #2.
3. Staff are preparing the first reimbursement package for WIFIA Tranche 2. We will now be drawing funds from both Tranche 1 and Tranche 2.
4. Accounts Receivable balances for June 2023 continue to show a downward trend due to staff's increased collection and outbound communication efforts.
5. Since mid-November 2022, HRSD has been working with the Virginia Department of Social Services' third party to distribute Virginia Low-Income Household Water Assistance Program (LIHWAP) funding. Original funding is officially exhausted, distributing over \$16M dollars in less than seven months to over 53,000 households across the Commonwealth. Approximately \$6.5 million has been applied to over 10,000 low-income qualified HRSD and Hampton Roads Utility Billing Service (HRUBS) customer accounts for water, sewer and wastewater charges. HRSD accepts LIHWAP payments on behalf of HRUBS partner localities.

The following is a breakout of combined water, sewer, and wastewater treatment assistance received for all HRSD and locality HRUBS charges:

	HRSD	City/County	TOTAL LIHWAP
Norfolk	\$ 936,435.04	\$ 2,194,260.29	\$ 3,130,695.33
Newport News	\$ 938,899.39		\$ 938,899.39
Suffolk	\$ 244,660.00	\$ 662,834.96	\$ 907,494.96
Chesapeake	\$ 273,288.99	\$ 398,827.42	\$ 672,116.41
Virginia Beach	\$ 403,740.41		\$ 403,740.41
Portsmouth	\$ 367,453.46		\$ 367,453.46
James City	\$ 30,396.97	\$ 39,784.57	\$ 70,181.54
Smithfield	\$ 6,499.66	\$ 9,924.27	\$ 16,423.93
King William	\$ 8,100.12	\$ 1,621.08	\$ 9,721.20
Urbanna	\$ 4,032.53	\$ 1,706.41	\$ 5,738.94
Aqua	\$ 4,946.18		\$ 4,946.18
Isle of Wight	\$ 3,714.25		\$ 3,714.25
Windsor	\$ 3,472.44		\$ 3,472.44
Gloucester	\$ 3,189.56		\$ 3,189.56
Surry County	\$ 2,208.48	\$ 756.10	\$ 2,964.58
Town of Surry	\$ 1,754.72	\$ 145.41	\$ 1,900.13
Williamsburg	\$ 111.80		\$ 111.80
	\$ 3,232,904.00	\$ 3,309,860.51	\$ 6,542,764.51

6. Virginia received an additional \$2.4 million in LIHWAP funds and is in the process of making funds available for disbursement. Customer applications are still being accepted until funding is exhausted. In accordance with LIHWAP guidelines, all funding must be spent by the end of September 2023.

B. Interim Financial Report

1. Operating Budget for the Period Ended June 30, 2023

	Amended Budget	Current YTD	Current YTD as % of Budget (100% Budget to Date)	Prior YTD as % of Prior Year Budget
Operating Revenues				
Wastewater	\$ 366,882,000	\$ 371,633,886	101%	103%
Surcharge	1,755,000	1,563,678	89%	100%
Indirect Discharge	3,200,000	4,437,906	139%	106%
Fees	2,910,000	3,406,419	117%	15%
Municipal Assistance	800,000	780,210	98%	148%
Miscellaneous	1,254,000	1,601,118	128%	173%
Total Operating Revenue	376,801,000	383,423,217	102%	102%
Non Operating Revenues				
Facility Charge	7,150,000	7,127,213	100%	95%
Interest Income	1,570,000	5,989,328	381%	-136%
Build America Bond Subsidy	2,026,000	2,026,619	100%	100%
Other	302,000	1,705,538	565%	194%
Total Non Operating Revenue	11,048,000	16,848,698	153%	77%
Total Revenues	387,849,000	400,271,915	103%	102%
Transfers from Reserves	18,868,701	18,868,701	100%	100%
Total Revenues and Transfers	\$ 406,717,701	\$ 419,140,616	103%	101%
Operating Expenses				
Personal Services	\$ 63,418,297	\$ 65,659,596	104%	98%
Fringe Benefits	26,570,561	26,357,803	99%	95%
Materials & Supplies	13,735,885	12,972,101	94%	97%
Transportation	1,797,226	1,551,027	86%	88%
Utilities	15,555,652	15,552,281	100%	106%
Chemical Purchases	13,776,120	13,515,167	98%	102%
Contractual Services	58,308,888	40,637,863	70%	71%
Major Repairs	12,409,035	7,485,577	60%	59%
Capital Assets	625,737	237,106	38%	69%
Miscellaneous Expense	3,727,334	2,903,312	78%	85%
Total Operating Expenses	209,924,735	186,871,833	89%	87%
Debt Service and Transfers				
Debt Service	67,120,000	67,776,347	101%	95%
Transfer to CIP	129,412,966	129,412,966	100%	100%
Transfer to Risk management	260,000	260,004	100%	100%
Total Debt Service and Transfers	196,792,966	197,449,317	100%	98%
Total Expenses and Transfers	\$ 406,717,701	\$ 384,321,150	94%	92%

2. Notes to Interim Financial Report

The Interim Financial Report summarizes the results of HRSD's operations on a basis of accounting that differs from generally accepted accounting principles. **Revenues are recorded on an accrual basis, whereby they are recognized when billed**, and expenses are generally recorded on a cash basis. No provision is made for non-cash items such as depreciation and bad debt expense.

This interim report does not reflect financial activity for capital projects contained in HRSD's CIP.

Transfers represent certain budgetary policy designations as follows:

- a. Transfer to CIP: represents current period's cash and investments that are designated to partially fund HRSD's capital improvement program.
- b. Transfers to Reserves: represents the current period's cash and investments that have been set aside to meet HRSD's cash and investments policy objectives.

3. Reserves and Capital Resources (Cash and Investments Activity) for the Period Ended June 30, 2023

HRSD - RESERVE AND CAPITAL ACTIVITY

June 30, 2023

	General Reserve				Capital		
	General	CARES - ARPA	Debt Service	Risk Mgmt Reserve	Paygo	Debt Proceeds	
	Unrestricted	Restricted	Restricted	Unrestricted	Unrestricted	Restricted	
Beginning - July 1, 2022	\$ 189,168,885	\$ 420	\$ 33,134,065	\$ 4,279,547	\$ 32,535,033	\$ -	-
Current Year Sources of Funds							
Current Receipts	408,051,342						
Line of Credit					34,858,510		
VRA Draws					73,727,492		
WIFIA Draws					80,180,408		
Transfers In	-			260,004	129,412,966		
Sources of Funds	408,051,342	-	-	260,004	318,179,376	-	-
Total Funds Available	\$ 597,220,227	\$ 420	\$ 33,134,065	\$ 4,539,551	\$ 350,714,409	\$ -	-
Current Year Uses of Funds							
Cash Disbursements	263,140,813				347,599,025		
CARES Adjustment		(3,986)					
Transfers Out	129,672,970						
Uses of Funds	392,813,783	(3,986)	-	-	347,599,025	-	-
End of Period - June 30, 2023	\$ 204,406,444	\$ 4,406	\$ 33,134,065	\$ 4,539,551	\$ 3,115,384	\$ -	-
Unrestricted Funds	\$ 212,061,379						

4. Capital Improvements Budget and Activity Summary for Active Projects for the Period Ended June 30, 2023

HRSD - PROJECT ANALYSIS

June 30, 2023

Classification/ Treatment Service Area	Appropriated Funds	Expenditures		Total		
		prior to 7/1/2022	Year to Date FY2023	Project Expenditures	Encumbrances	Available Funds
Administration	73,738,240	24,017,666	6,130,068	30,147,734	1,107,861	42,482,645
Army Base	163,448,800	124,990,776	876,104	125,866,880	645,345	36,936,575
Atlantic	240,329,164	79,425,640	4,031,417	83,457,057	17,846,171	139,025,936
Boat Harbor	516,164,791	55,428,123	37,747,832	93,175,955	348,843,797	74,145,039
Ches-Eliz	183,518,801	118,083,285	3,850,537	121,933,822	4,643,232	56,941,747
Eastern Shore	62,075,892	3,409,844	23,517,924	26,927,768	15,826,143	19,321,981
James River	349,972,248	40,526,157	65,731,434	106,257,591	216,892,114	26,822,543
Middle Peninsula	103,516,303	19,904,529	9,148,387	29,052,916	9,537,892	64,925,495
Nansemond	497,486,169	41,289,643	57,094,092	98,383,735	315,441,156	83,661,278
Surry	60,391,465	38,362,111	2,717,422	41,079,533	11,279,769	8,032,163
VIP	181,908,482	17,792,976	18,924,175	36,717,151	38,115,500	107,075,831
Williamsburg	28,535,758	20,517,874	4,794,128	25,312,002	500,052	2,723,704
York River	82,232,518	13,910,493	7,475,986	21,386,479	14,393,346	46,452,693
General	1,148,512,984	153,413,076	103,909,095	257,322,171	318,311,022	572,879,791
	3,691,831,615	751,072,193	345,948,601	1,097,020,794	1,313,383,400	1,281,427,421

5. Debt Management Overview

HRSD - Debt Outstanding (\$000's)

June 30, 2023

	Principal			Interest	
	May 2023	Principal Payments	Principal Draws	Jun 2023	Payments
Fixed Rate					
Senior	165,093	-	-	165,093	-
Subordinate	740,261	(1,521)	12,190	750,930	(159)
Variable Rate					
Subordinate	50,000	-	-	50,000	(133)
Line of Credit	33,721		34,859	68,580	(132)
Total	\$ 989,075	\$ (1,521)	\$ 47,049	\$ 1,034,603	\$ (424)

HRSD- Series 2016VR Bond Analysis

June 30, 2023

	SIFMA Index	HRSD	Spread to
			SIFMA
Maximum	4.71%	4.95%	0.24%
Average	0.80%	0.66%	-0.14%
Minimum	0.01%	0.01%	0.00%
As of 06/30/23	4.01%	3.95%	-0.06%

* Since October 20, 2011 HRSD has averaged 66 basis points on Variable Rate Debt

6. Financial Performance Metrics for the Period Ended June 30, 2023

HRSD - UNRESTRICTED CASH

Can be used for any purpose since it is not earmarked for a specific use and is extremely liquid

		Days Cash on Hand	Adjusted Days Cash on Hand
Total Unrestricted Cash	\$ 212,061,379		369
Risk Management Reserve	\$ (4,539,551)	(8)	361
Capital (PAYGO only)	\$ (3,115,384)	(6)	355
Adjusted Days Cash on Hand	\$ 204,406,445		355

Risk Management Reserve as a % of Projected Claims Cost is 25% YTD compared to 25% Policy Minimum
Days Cash on Hand Policy Minimum is 270-365 days.

HRSD - SOURCES OF FUNDS

June 30, 2023

Primary Source	Beginning	YTD	YTD	YTD	Ending	Allocation of	Credit	Current
	Market Value				Market Value			
	July 1, 2022	Contributions	Withdrawals	Income Earned	June 30, 2023			Yield
BAML Corp Disbursement Account	25,498,734	617,309,378	612,546,687	500,305	30,761,730	19.2%	N/A	0.55%
VIP Stable NAV Liquidity Pool	144,268,153	10,000,000	30,000,000	5,243,084	129,511,237	80.8%	AAAm	5.25%
Total Primary Source	\$ 169,766,887	\$ 627,309,378	\$ 642,546,687	\$ 5,743,389	\$ 160,272,967	100.0%		

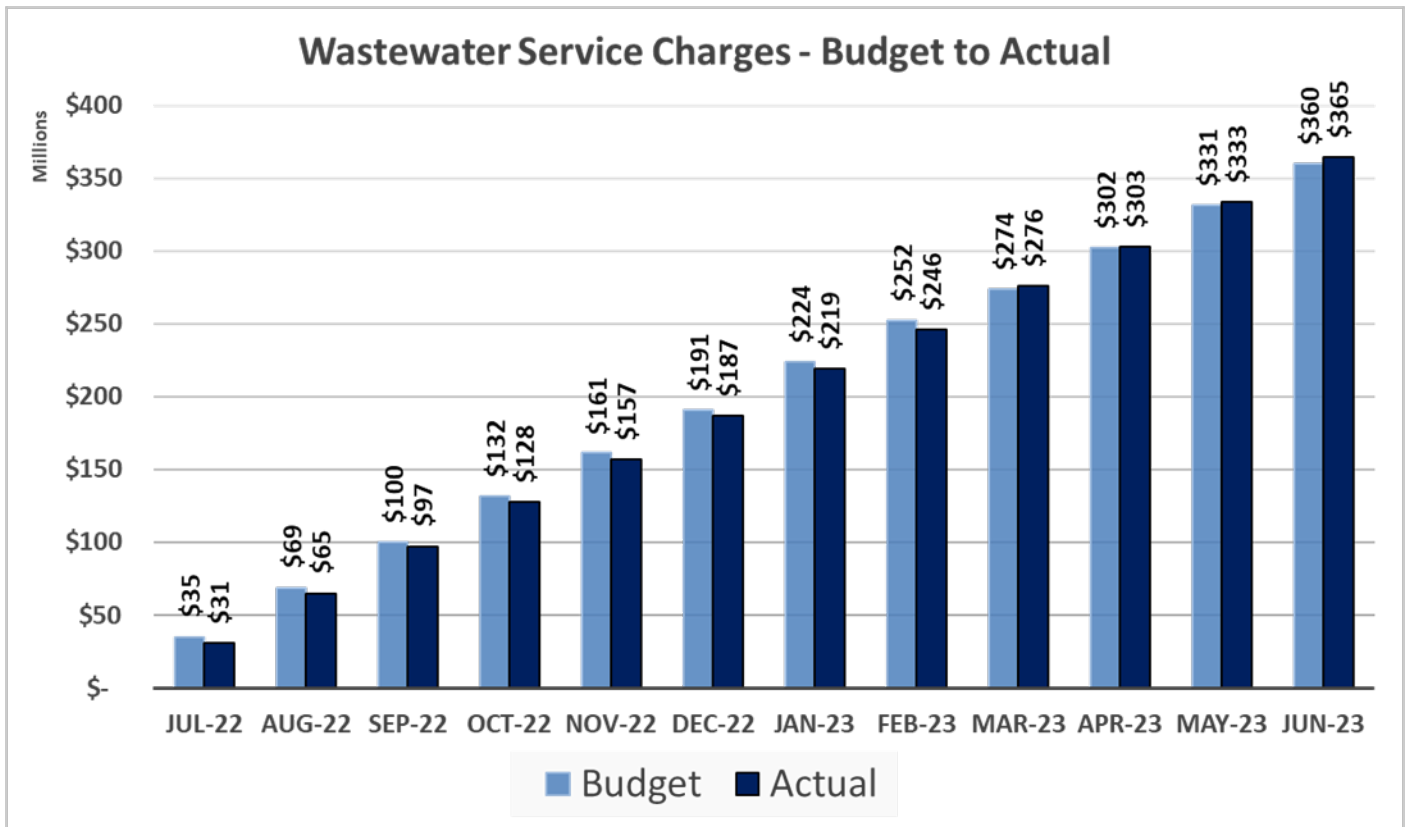
VIP Stable NAV Liquidity Pool out performed Va Local Government Investment Pool's (the market benchmark) by 0.01% in June 2023.

Secondary Source	Beginning	YTD	YTD	YTD	Ending	Ending Cost	LTD	Yield to
	Market Value				Market Value			
	July 1, 2022	Contributions	Withdrawals	Income Earned	June 30, 2023		Mkt Adj	at Market
VIP 1-3 Year High Quality Bond Fund	62,932,017	-	12,548	1,157,373	63,074,075	64,888,842	(1,814,767)	4.98%
Total Secondary Source	\$ 62,932,017	\$ -	\$ 12,548	\$ 1,157,373	\$ 63,074,075	\$ 64,888,842	\$ (1,814,767)	

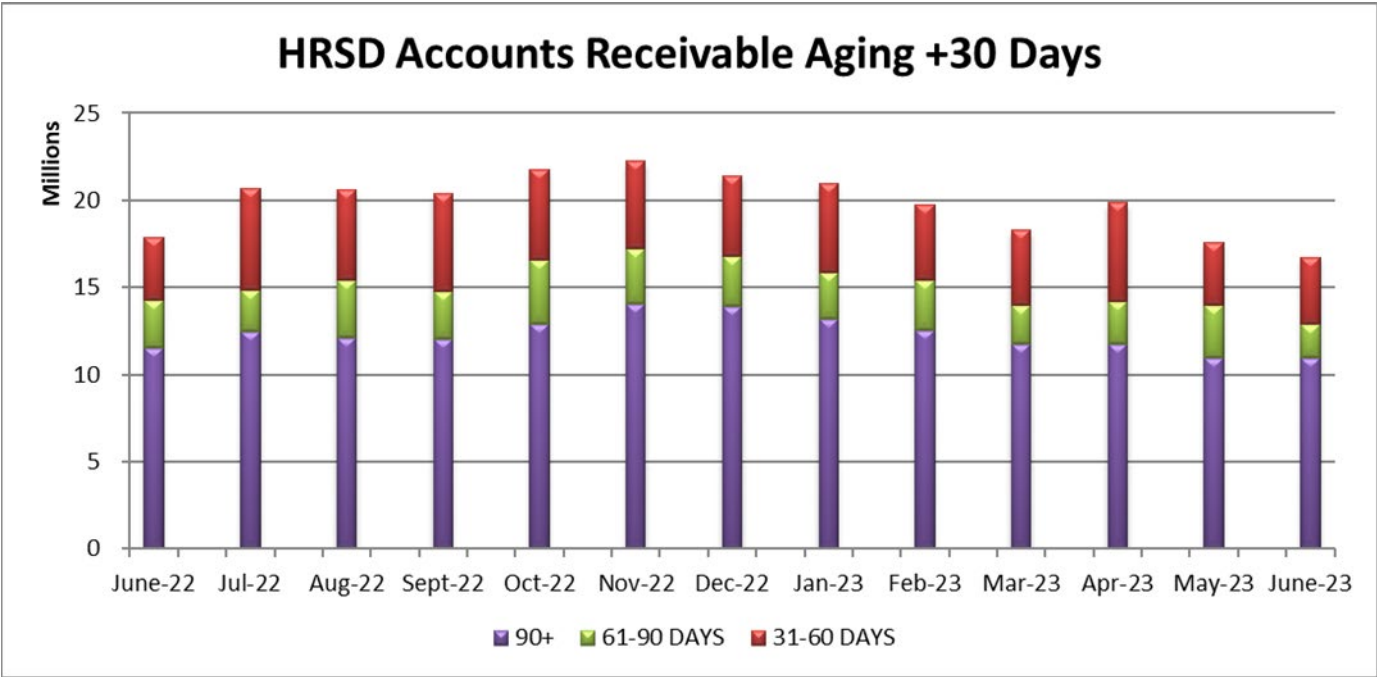
VIP 1-3 Year High Quality Bond Fund under performed ICE BofA ML 1-3 yr AAA-AA Corp/Gov Index (the market benchmark) by 0.05% in June 2023.

	Total	Fund Alloc
Total Primary Source	\$ 160,272,967	71.8%
Total Secondary Source	\$ 63,074,075	28.2%
TOTAL SOURCES	\$ 223,347,042	100.0%

7. Summary of Billed Consumption

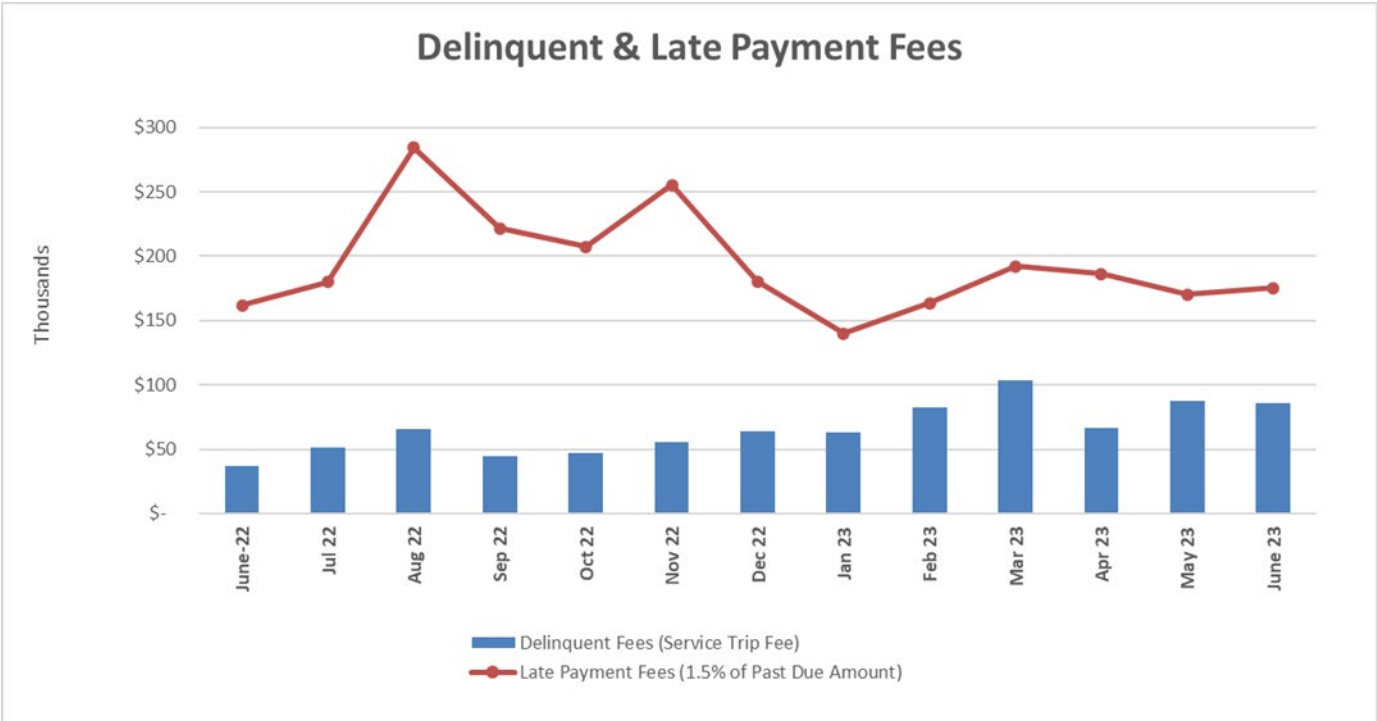


Summary of Billed Consumption (,000s ccf)							
Month	FY2023 Cumulative Budget Estimate	% Difference		% Difference		% Difference	
		FY2023 Cumulative Actual	From Budget	Cumulative FY2022 Actual	From FY2022	Cumulative 3 Year Average	From 3 Year Average
July	5,015	4,682	-6.6%	4,976	-5.9%	4,947	-5.4%
Aug	9,883	9,651	-2.3%	9,518	1.4%	9,641	0.1%
Sept	14,413	14,207	-1.4%	14,347	-1.0%	14,345	-1.0%
Oct	18,892	18,679	-1.1%	19,048	-1.9%	18,955	-1.5%
Nov	23,125	22,776	-1.5%	22,953	-0.8%	22,412	1.6%
Dec	27,336	27,133	-0.7%	27,541	-1.5%	27,558	-1.5%
Jan	32,088	31,669	-1.3%	31,865	-0.6%	32,148	-1.5%
Feb	36,182	35,601	-1.6%	36,188	-1.6%	36,087	-1.3%
March	39,309	39,806	1.3%	40,229	-1.1%	40,452	-1.6%
Apr	43,360	43,734	0.9%	44,569	-1.9%	44,644	-2.0%
May	47,508	48,071	1.2%	48,315	-0.5%	48,656	-1.2%
June	51,620	52,548	1.8%	53,243	-1.3%	53,324	-1.5%



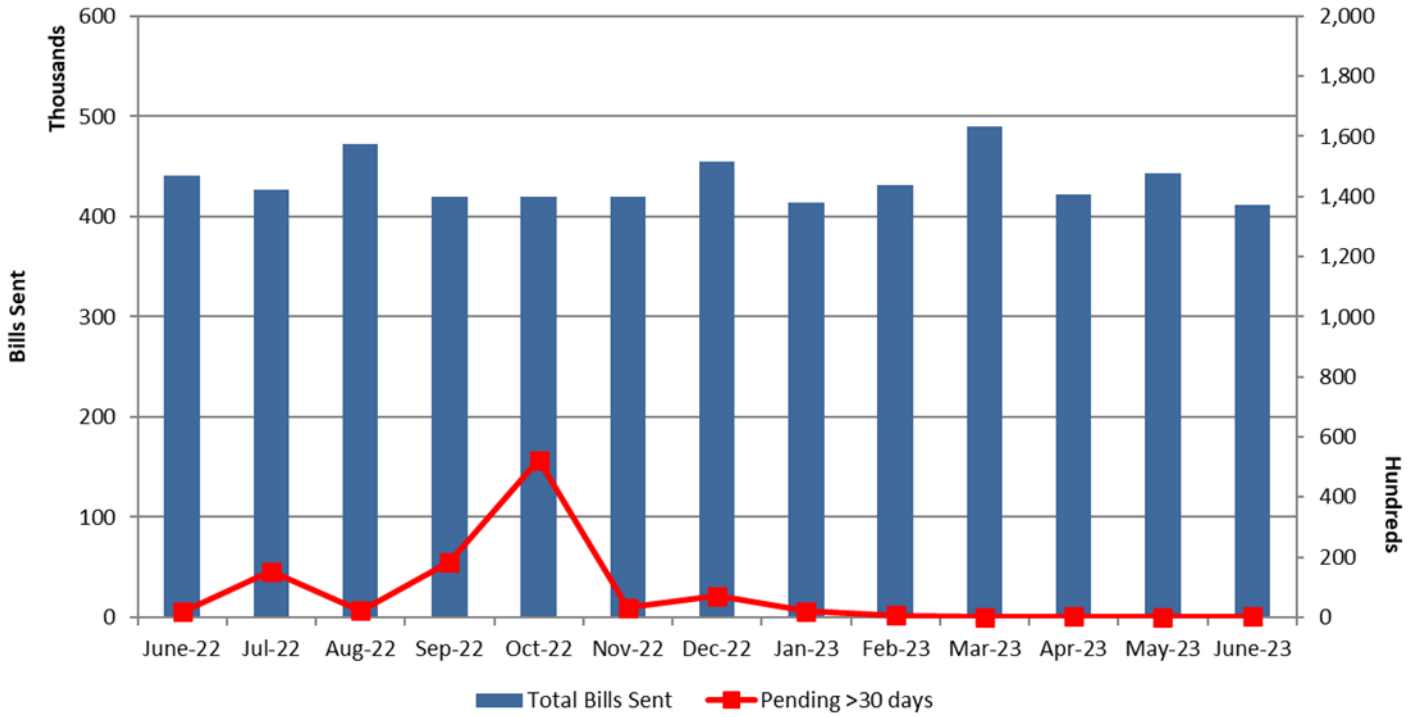
C. Customer Care Center

1. Accounts Receivable Overview

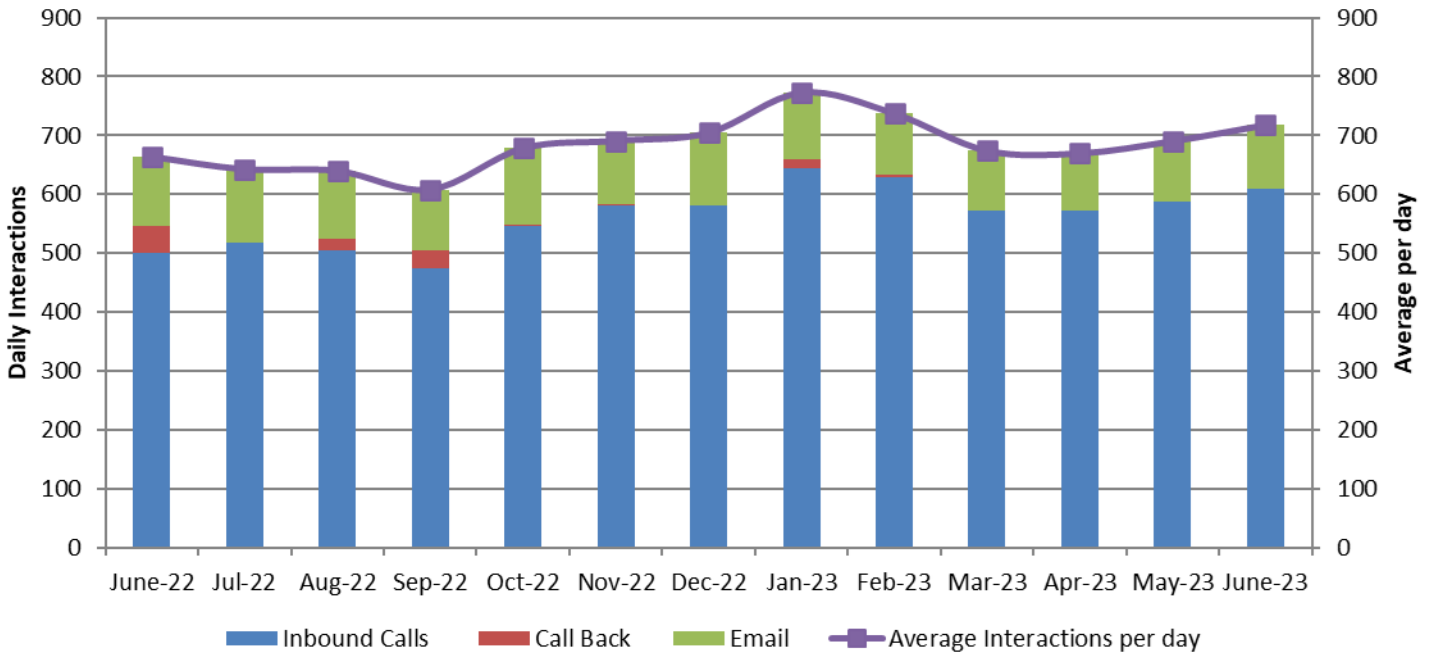


Apr 20-Feb 22 Field Activity was suspended late March 2020 in response to COVID-19

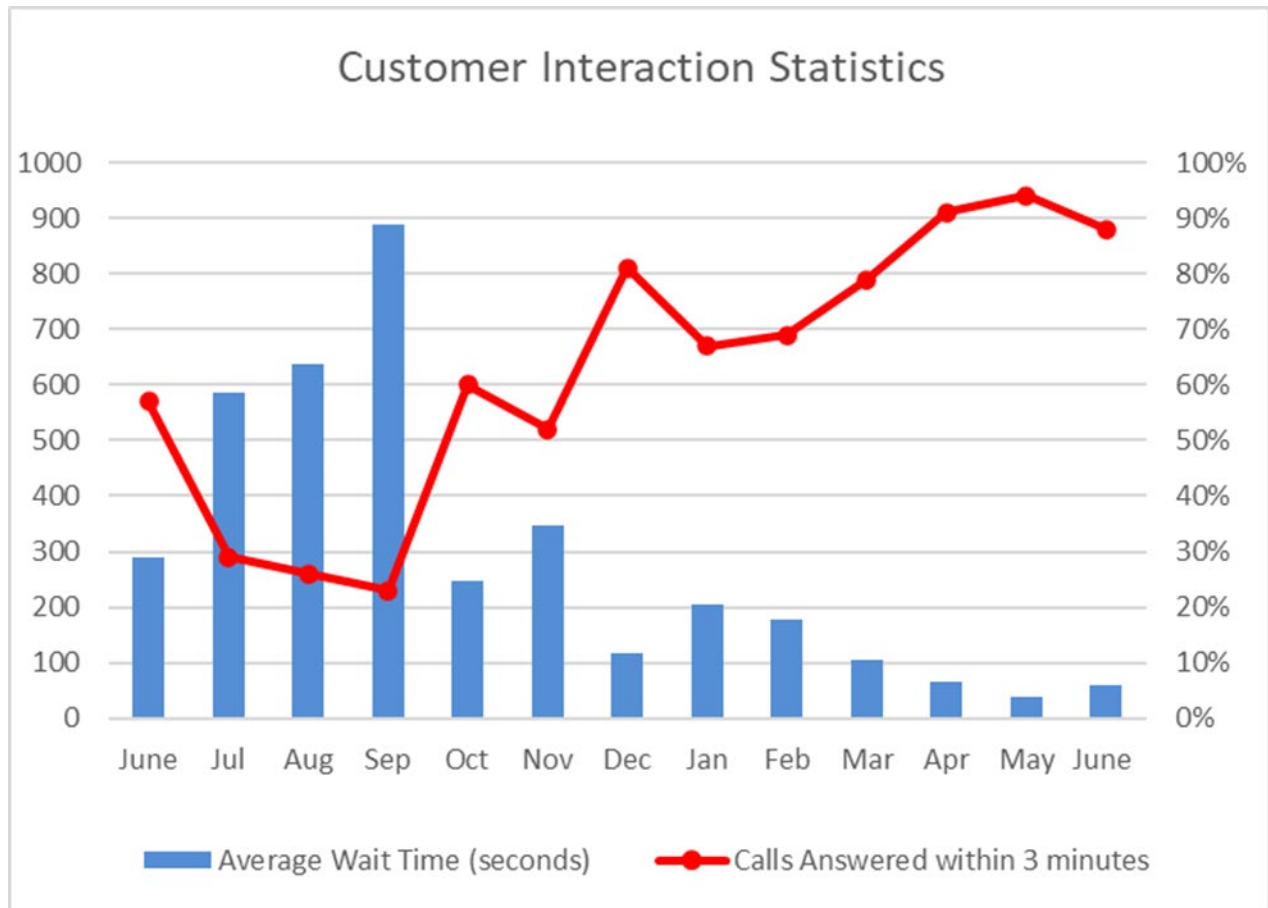
Billing Summary



Call Center Interactions (per day)

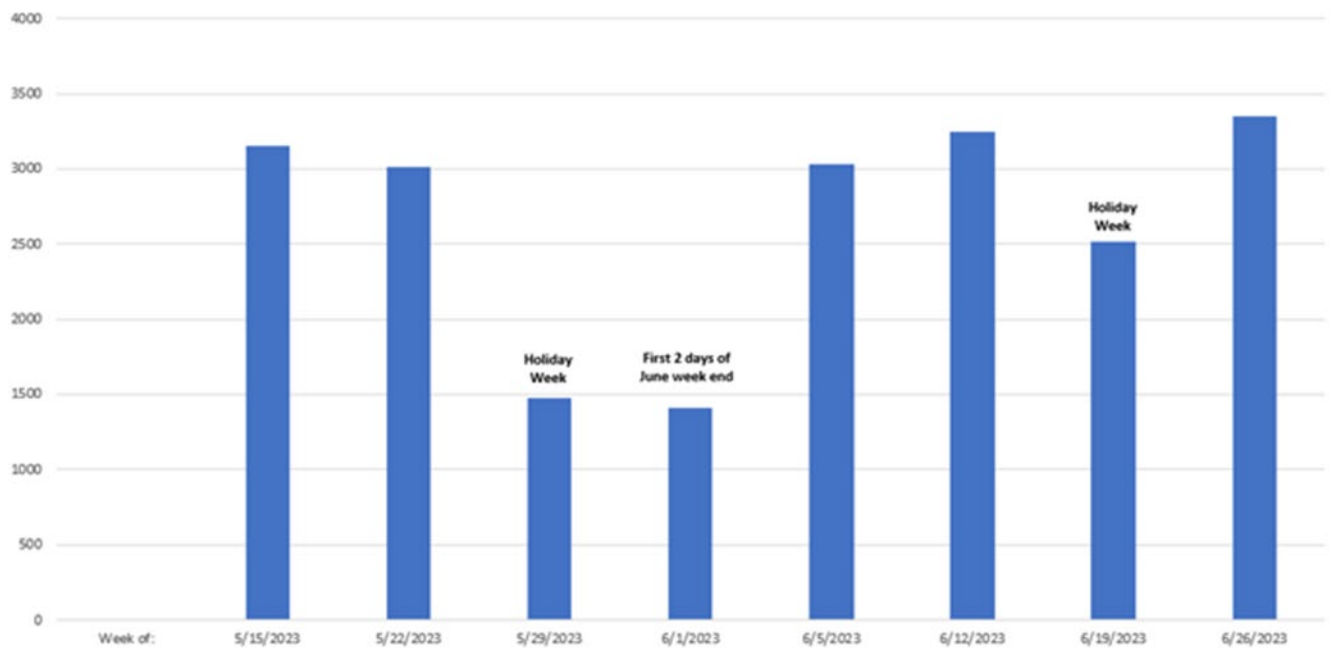


2. Customer Care Center Statistics



Customer Interaction Statistics	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Calls Answered within 3 minutes	57%	29%	26%	23%	60%	52%	81%	67%	69%	79%	91%	94%	88%
Average Wait Time (seconds)	291	587	638	887	246	347	117	206	177	105	66	37	60
Calls Abandoned	15%	25%	25%	31%	14%	18%	8%	12%	11%	7%	5%	4%	5%

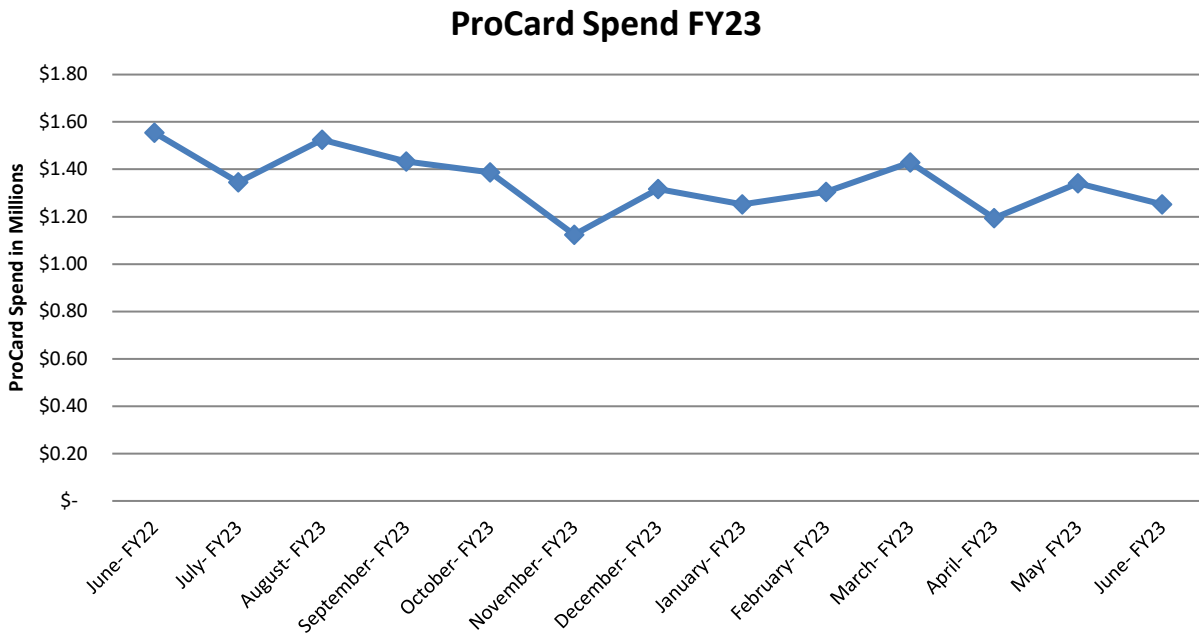
Total Calls Received by Week



D. Procurement Statistics

Savings	Current Period	FYTD
Competitive Savings ¹	\$204,775	\$4,152,113
Negotiated Savings ²	\$4,745	\$79,190
*Salvage Revenues	\$16,612	\$60,906
Corporate VISA Card - Estimated Rebate	\$18,648	\$236,956

*Increased FYTD amount by \$11,161 for Salvage Revenues not recorded in monthly totals.



¹ Competitive savings are those savings obtained through the informal/formal bidding process. All bids received (except for the lowest responsive/responsible bid) added together and averaged. The average cost is subtracted from the apparent low responsive/responsible bidder.

² Negotiated savings are savings obtained during a Request for Proposal process, or if all bids received exceed the budgeted amount, or if only one bid is received.

E. Monthly Strategic Planning Metrics Summary

1. Educational and Outreach Events: 0
2. Community Partners: 0
3. Monthly Metrics

Item #	Strategic Planning Measure	Unit	June 2023
M-1.4a	Training During Work Hours Per Full Time Employee (103) – Current Month	Hours / #FTE	0.11
M-1.4b	Total Training During Work Hours Per Full Time Employee (103) – Cumulative Fiscal Year-to-Date	Hours / #FTE	8.33
M-5.2	Educational and Outreach Events	Number	0
M-5.3	Number of Community Partners	Number	0
	Wastewater Revenue	Percentage of budgeted	101%
	General Reserves	Percentage of Operating Budget less Depreciation	113%
	Liquidity	Days Cash on Hand	355 Days
	Accounts Receivable (HRSD)	Dollars	\$36,980,785
	Aging Accounts Receivable	Percentage of receivables greater than 90 days	29.7%

4. Annual Metrics

Item #	Strategic Planning Measure	Unit	FY-2023
M-2.4	Infrastructure Investment	Percentage of Total Cost of Infrastructure	*
M-4.3	Labor Cost/MGD	Personal Services + Fringe Benefits/365/5-Year Average Daily Flow	*
M-4.4	Affordability	6.5 CCF Monthly Charge/Median Household Income ^[1]	*
M-4.5	Operating Cost/MGD	Total Operating Expense /365/5-Year Average Daily Flow	*
	Billed Flow	Percentage of Total Treated	*
	Senior Debt Coverage	Cash Reserves/ Senior Annual Debt Service	*
	Total Debt Coverage		*

* These metrics will be reported upon completion of the annual financial statements.

Respectfully,

Steven G. de Mik

Steven G. de Mik
Deputy General Manager/CFO

^[1] Median Household Income is based on the American Community Survey (US Census) for Hampton Roads

TO: General Manager
FROM: Director of Information Technology
SUBJECT: Information Technology Department Report for June 2023
DATE: July 17, 2023

A. General

1. Scott Howerin, Chief of IT Operations and Support, continues orientation and acclimation, meeting with staff, touring facilities, and familiarizing himself with HRSD's extensive business and operational computer networks.
2. Staff are preparing for the upcoming Surface Pro replacement and operating system upgrade to Microsoft Windows 11. The deployment servers and preliminary master disk images are being configured and tested within ITD, prior to end user functional testing. This is the same methodology used in the last Surface Pro rollout and has proven to be effective and efficient.
3. Members of the Cybersecurity Division began the process of inspecting and assessing all networked assets as part of ITD's vulnerability management program. A combination of automated tools and human observation, the program strives to identify known and potential weaknesses (vulnerabilities) specific to HRSD's IT infrastructure. Actions are then taken to mitigate any potential threats (i.e., software patches, firmware upgrades, system reconfigurations, etc.).
4. The IT Help Desk processed 378 work orders and requests for assistance in June, ensuring availability of computing resources to those working locally and remotely.
5. The Enterprise Services Division recently demoed proof of concept for a web-based application they're developing to track all relevant information on a system-by-system basis, including software versioning, hardware configurations, programmatic changes, as well as contractual details pertaining to maintenance and support contracts, and more. The application, Systems Information Repository (SIR) will eventually centralize existing systems documentation, licensing details, configuration parameters, system change logs, and other relevant information which currently exists in folders unique to each system.

B. Strategic Planning Metrics Summary

1. Educational and Outreach Events: 0
2. Number of Community Partners: 0

3. Metrics Summary

Item #	Strategic Planning Measure	Unit	June 2023
M-1.4a	Training During Work Hours Per Full-Time Employee (54) – Current Month	Total Training Hours / # FTE	4.25
M-1.4b	Total Training During Work Hours Per Full-Time Employee (54) – Cumulative Fiscal Year-to-Date	Total Training Hours / # FTE	37.85
M-5.2	Educational and Outreach Events	Number	0
M-5.3	Number of Community Partners	Number	0

Respectfully,

Don Corrado

TO: General Manager
FROM: Director of Operations
SUBJECT: Operations Report for June 2023
DATE: July 17, 2023

A. Interceptor Systems

1. North Shore (NS)

- a. There was one Sanitary Sewer Overflows (SSO).

On June 23 an intense rainfall event induced an SSO at Bayshore Pump Station (PS) in the City of Hampton and resulted in a total of 3,460 gallons of lost sewage.

- b. There was one odor complaint, four interceptor complaints, and twenty system alarms during the month. The interceptor complaints were all investigated and immediately fixed or found not to be on HRSD's infrastructure. Most of the system alarms occurred on the June 23 event and were all related to heavy thunderstorms. All issues were fully resolved by staff.
- c. There were no Miss Utility 'No Shows' and three after-hour emergency tickets reported for the month.
- d. During a significant wet weather event on June 23, the NS System Manager, utilized the Supervisory Control and Data Acquisition (SCADA) system to avert two potential SSOs at Claremont PS. Monitoring and adjusting settings during these events, staff were able to balance the system and focus on maximizing the gravity collection storage capacity as a system and not as discrete, individualize service areas. This example of SCADA controls is the beginning stages of where Smart Sewer will take HRSD in the very near future.

2. South Shore (SS)

- a. There was one SSO reported this month. On June 6, the City of Chesapeake reported a force main failure near the intersection of Shell Road and Bay Oak Drive. Staff immediately activated Deep Creek Pressure Reducing Station (PRS) to decrease pressures in the force main. Approximately 3,400 gallons was lost leaked into a nearby storm culvert.
- b. There was one odor complaint reported this month. Staff responded by sealing the utility access lid with a tar epoxy. Staff will monitor the area for further action.
- c. In June, staff spent a significant amount of time with the City of Norfolk on the transfer of the city Pump Station #57 located at the intersection of Robin Hood Road and Birch Street. Staff also removed approximately 20 yards of grit and grease from the wet well.

B. Major Treatment Plant Operations

1. Army Base Treatment Plant (ABTP), Virginia Initiative Plant (VIP), Treatment Projects Team (TPT) (ACV Group)

a. ABTP

- (1) The plant met all Virginia Pollution Discharge Elimination System (VPDES) permit requirements and had no odor complaints.
- (2) The plant had an exception on June 7 for failing to record two valid Thermal Hydrolysis Process (THC) readings per hour. The THC analyzer would not calibrate correctly. Electrical and instrumentation staff changed all O-rings, replaced the ceramic filter, and swapped all calibration gasses with new bottles.
- (3) The plant had an exception on June 22 for failing to record two valid THC readings per hour. The Electrical and Instrumentation (E&I) staff have continuously monitored and been troubleshooting the issue. We are waiting on STI/CEMS to schedule the plant for a service visit.
- (4) The plant had a Regulatory Reporting Procedure (RRP) for loss of dichlorination. Preventative maintenance (PM) was being performed on the sodium bisulfite pumps. The pump was returned to service in auto and went air bound.

b. VIP

- (1) The plant met all VPDES permit requirements.
- (2) Ammonia-Based Aeration Control is operating at an average Dissolved Oxygen (DO) level in the aeration tanks of 0.5 mg/L for June. No supplemental carbon chemical addition was used for denitrification.
- (3) Plant Quality Steering Team (QST) participated in planning sessions for ongoing plant projects including Incinerator and Blower Building MCC Upgrades, Solids Thickening, Dewatering Centrifuge Replacement, Army Base Solids Diversion, Incinerator Burner Replacement, Aeration Tank Gate Replacement, and Administration Building Renovation.

c. TPT

- (1) Supported Onancock Treatment Plant (TP) with maintenance activities.
- (2) Completed installation of Serria flow meter on zone 3 tanks 7, 5, 4 at Nansemond Treatment Plant (NTP).
- (3) Completed fabrication of spray headers for MIFAS tanks 1-3 at James River Treatment Plant (JRTP).
- (4) Assisted South Shore Interceptors with completing multiple force main line

PM's.

2. Atlantic (ATP), Boat Harbor (BHTP), and Nansemond (NTP) Treatment Plant (ABN Group)

a. ATP

- (1) The plant met all VPDES permit requirements.
- (2) THP maintenance is ongoing with quite a few repairs taking place.
- (3) Combined Heat and Power (CHP) engine #2 was tested. When staff attempted to load this generator, it would fail. A contractor discovered blocked exhaust ports and cleared the ports. The generator is working and testing should take place soon so that the plant can run the CHP engines for energy generation using the digester gas.

b. BHTP

- (1) No odor exceptions occurred for the month of June. No odor complaints were reported.
- (2) Two Maximum Achievable Control Technology (MACT) 129 deviations occurred for the month. The first even occurred on June 24, when a Furnace Non-Potable Water (FNPW) pump failed causing a drop in water flow to the incinerator. The second event occurred on June 27 due to loss of power to the plant.
- (3) Three THC reportable events occurred. The first event on June 13 was due to a Flame Ionization Detector (FID) flame failure. The second event occurred on June 19 due to an air compressor fault. The third event occurred on June 27 due to a failed calibration. All failures were corrected.
- (4) Staff began nitrification efforts in May, with major changes to plant process. Plant staff worked to troubleshoot and optimize the side-stream process. This is an ongoing effort and staff continue to work through optimization.
- (5) Staff celebrated 75 years of operation in June.

c. NTP/Sustainable Water Initiative for Tomorrow (SWIFT) Research Center

- (1) The plant had zero VPDES permit violation. There were no odor exceptions or odor complaints during the month.
- (2) The total SWIFT recharge volume into the Potomac aquifer was 19.23 million gallons (MG) (69.0% Recharge Time based on 650gpm).
- (3) There was one reportable event.

On June 5, contractors hit a two-inch non potable water line while digging. Plant staff used the vac trailer to recover 1000 gallons, while roughly 50 gallons were lost to the ground.

3. James River (JRTP), Williamsburg (WBTP), and York River (YRTP) Treatment Plant (JWY Group)

a. JRTP

- (1) The plant met all VPDES permit requirements.
- (2) Staff focused on increasing percentage cake solids and solids recovery of the newer centrifuge.
- (3) Condition Assessment (CA) of main flow piping revealed exposed rebar due to corrosion in several locations. Pipe was assessed operational and corrective measures will be planned out.
- (4) Work continues on the Advanced Nutrient Removal Improvements (ANRI)/SWIFT Project with numerous construction-related activities.
- (5) The off-site ANRI/SWIFT-related construction projects continue to progress.

b. WBTP

- (1) The plant met all VPDES permit requirements. There were one reportable wastewater event, one reportable air event, and two incinerator air deviations. The wastewater event was a use of the short outfall. The incinerator air event was a use of the emergency bypass stack. The incinerator air deviations were a failure of the total hydrocarbon meter to record two valid readings per an hour due to calibration issues.
- (2) Contractors performed unrelated work onsite. A contractor completed repairs to the #1 primary influent pipe known to have severe crown corrosion by applying an epoxy liner. The contractor for Virginia Natural Gas completed installation of the new gas line with branch lines serving the incinerator, dewatering, and the administration building. The contractor completed work replacing brick in the #2 incinerator hearths.

c. YRTP

- (1) The plant met all VPDES permit requirements. There were no reportable wastewater events and no odor scrubber deviations.
- (2) Staff focused on completing annual PMs and repaired a large rubber coupling on the odor scrubber fan inlet duct. Staff also assisted the contractor working on the administration building by performing system shutdowns to allow contractors to make piping connections. Staff successfully completed two separate inspections with the Virginia Department of Environmental Quality (DEQ) for above and Underground

Storage Tanks (UST).

d. Multiple Hearth Incinerator (MHI) Operations Events Summary

- (1) All plants (Army Base, Boat Harbor, Virginia Initiative, and Williamsburg) met the 100 PPM THC limit with continuous emissions monitoring valid data captured of greater than 60%.
- (2) The MHIs had one deviation from the required 129 Sewage Sludge Incineration (SSI) rule minimum operating parameters, one minor bypass event and one reportable bypass event that lasted more than an hour. events (<60 minute).

C. Small Communities Division (SCD)

1. Middle Peninsula

- (1) There were no SSOs or Odor Complaints this month.
- (2) There was one Permit violation this month at King William Treatment Plant (KWTP) for exceeding the reuse water permit limit for E.Coli. The Corrective Action Threshold (CAT) limit of >35MPN for consecutive samples was exceeded on June 28 and 29 with both samples reading 228MPN. Staff are performing disinfection on the reuse well and running additional samples before returning to reuse operations.

a. West Point Treatment Plant (WPTP)

E&I and Operations staff coordinated several shutdowns to perform electrical switch gear work on the 480v service to the tertiary treatment filter.

b. West Point Collection System

Pump Stations Oak Grove and 14th and Lee Street were cut over to the new Ovation SCADA system.

c. Mathews Collection System

HRSD's Project Team is currently working on installing a bypass pump at Church Street Pump Station.

d. King William Treatment Plant (KWTP)

- (1) Several meetings with staff were held to maximize flow through the plant. Programming changes with the EQ tanks combined with more routine membrane maintenance have increased plant performance. Staff continue to optimize overall treatment plant performance.
- (2) Held meetings with both Purina and the Purina Mine owner regarding re-use storage and Purina's Withdraw permit.

2. Surry Systems

- a. There were two SSOs, zero odor complaints, and zero collection system issues in Surry County this month.
- (1) On June 23 a thunderstorm inundated the Dendron Service Area and led to Dendron PS 1B (Railroad Ave.) overflowing for approximately an hour. SSA responded and verified the station was running properly. The estimated spill volume is 97 gallons.
 - (2) On June 25 a Comm Alarm for Mount Ray PS was sent out to SSA and SCD management. SCD Management and SSA responded to the station and ran the station pump Variable Frequency Drive (VFD) in manual mode and diverted Industrial Park PS to storage to stop the spill. The estimated volume of the spill was 7,000 gallons.
- b. No Miss Utility "no shows" and no after-hour emergency tickets were reported for the month.

3. Lawnes Point

Pump and Haul operations continue at Lawnes Point. Atlantic Heating and Cooling performed five (5) days of pump and haul of the Sequential Batch Reactor (SBR) tank this month.

4. Eastern Shore (ES)

a. Onancock Treatment Plant

- (1) Rehabilitated chemical injection system for Membranes.
- (2) Cross-trained staff from other plants to provide emergency coverage at the plant as needed.

b. Onancock Collection System

- (1) Secured a Landscaping contract for Eastern Shore PS.
- (2) Staff provided instruction on Geographical Information System

(GIS) system and Field Maps.

c. Chincoteague Treatment Plant

Planning is underway for HRSD to assume ownership of the package plant in mid-2023.

D. Electrical & Instrumentation (E&I)

1. Staff worked with vendor to review all Programmable Logic Controllers (PLC) and VFDs at VIP and ABTP. The objective of this effort was to perform a baseline evaluation of our existing assets to support a data driven replacement strategy.
2. The Main Circuit Breaker (MCB) in the Incineration Building at WBTP has been experiencing nuisance tripping. Staff adjusted the setpoints and used the opportunity to illustrate the necessary steps when installing electrical breakers.
3. Staff assisted with a power outage at WPTP. The outage was needed to complete warranty repairs of the remote operator for the Tertiary Filter System's main circuit breaker.
4. The main circuit breaker tripped due to failed motor leads at the WPTP. Staff were unable to reset the circuit breaker with the Remote Breaker Operator switch and therefore had to close the circuit breaker manually. The Electrical Engineering Intern created a standard operating procedure to ensure safe and consistent operation.
5. Staff responded to multiple communication fails on the communication hub in Mathews County. Staff performed functional testing and returned the equipment to normal operation.
6. Staff worked with contractors and the Interceptors Division to update the existing controls to the new SCADA Remote Terminal Unit (RTU) controls at Rodman Avenue PS. This station was successfully cutover to the new controls.
7. Staff participated in the successful completion of cutover testing for the new SCADA System at Suffolk, Rodman Avenue, WP #9 Oak Grove Road, and WP #11 14th and Lee Street PSs.
8. Staff participated in the successful application and testing of Global Changes for SCADA at Hampton University, Lodge Road, and Patrick Henry PSs, and the Kingsmill/Williamsburg Pressure Control Valves. The final site testing was completed by SEI staff, Emerson staff, Industrial Automation Programmers (IAP's), E&I staff, and Interceptor Systems staff.
9. NS Electrical Manager continues to work with Virginia Energy Purchasing Governmental Association (VEPGA) to resolve widespread issues with the new Dominion Energy (DE) Customer Portal.
10. Staff responded to 14 SCADA and seven Telog communication failures.

E. Support Systems

1. Facilities Maintenance (FM)

- a. FM staff: Renovation of the Electrical shop at ATP continues. Workstations have been installed in the new IAP office space.
- b. The Carpentry Shop (CS) has completed the counter trim and painting of spaces at the ATP renovation project. CS staff also made backings for no trespassing signs for the Lambert's Point Golf course.
- c. The Machine Shop (MS) had a total of 17 projects with five pump rebuilds. There were two notable projects for this month. One was an emergency screw conveyer job from BHTP. The shaft was turned out in less than 24 hours to get back online. The other was at JRTP where staff manufactured obsolete chlorinated effluent parts that are no longer available. This allows the system to stay in operation for the foreseeable future.

2. Infrastructure Assessment (IA)

- a. Staff continue to work with Technical Services Division (TSD) and automotive superintendent on the transition of UST inspections to the IA group. Staff also performed multiple inspections with DEQ at various locations.
- b. The Concrete Coatings staff oversaw several coating and concrete rehabilitation projects.

F. Resource Recovery

- 1. There have been a significant number of requests from external companies wanting to engage HRSD in different ventures because of the new Federal incentives. Staff are reviewing each request to identify potential savings or new opportunities.
- 2. The existing Daily Plant Operator Report software (DPOR) was customized for the plants and has become difficult to use and the manufacturer has not been providing good support. The new replacement system, Water Information Management System (WIMS), was purchased to replace the existing software. Staff have been planning the implementation of the new software at the treatment plants and Small Communities.

G. Water Technology and Research

The recent 2023 Water Environment Federation (WEF) Innovations in Process Engineering Conference was held in Portland in June. A large portion of the technical program was focused on partial denitrification-anammox (PdNA), most of that work led by HRSD and DCWater. It was encouraging to see the growing interest and enthusiasm for this technology. New PdNA applications are now being considered for treatment plants in the US and overseas.

H. MOM reporting numbers

MOM Reporting #	Measure Name	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
2.7	# of PS Annual PMs Performed (NS)	4	3	4	3	2	3	5	4	3	4	0	1
2.7	# of PS Annual PMs Performed (SS)	3	6	7	8	3	1	2	2	5	13	4	0
2.7	# of Backup Generator PMs Performed (Target is 4.6)	17	15	10	13	16	12	15	12	12	10	15	12
2.8	# of FM Air Release Valve PMs Performed (NS)	105	192	136	181	403	337	184	305	225	236	111	119
2.8	# of FM Air Release Valve PMs Performed (SS)	8	193	135	98	149	131	258	241	189	97	411	224
2.9	# of Linear Feet of Gravity Clean (NS) (Target is 2,417 for HRSD)	2,685	4,501	4,298	2,197	3,549	3,935	5,602	1,553	2,512	1,161	1,139	242
2.9	# of Linear Feet of Gravity Clean (SS) (Target is 2,417 for HRSD)	0	6130	7044	14,051	6,967	0	8,964	13,303	8,515	17,055	6,772	0
2.9	# of Linear Feet of Gravity CCTV Inspection (HRSD Target 3,300 LF)	0	10,896	11,845	17,293	0	0	2,274	0	0	0	0	0

I. Strategic Measurement Data

1. Education and Outreach Events: 10

- a. 06/06/2023 – ATP Tour to P3 employees – David Ewing
- b. 06/06/2023 - WEF Innovations in Process Engineering Conference, Introduction & PdNA at HRSD – Charles Bott
- c. 06/06/2023 - WEF Innovations in Process Engineering Conference, Pilot and Full-Scale PdNA and PNA Experience at HRSD – Stephanie Klaus
- d. 06/06/2023 - WEF Innovations in Process Engineering Conference, Technical Design Aspects of AI/ML-Hybrid Models for Process Control – Charles Bott
- e. 06/07/2023 - ATP Tour to Commonwealth Challenge students – James Elder
- f. 06/07/2023 - WEF Innovations in Process Engineering Conference, Full-Scale Implementation of Partial Denitrification/Anammox (PdNA) IFAS - Stephanie Klaus
- g. 06/07/2023 - WEF Innovations in Process Engineering Conference, A Partnership for Potable Reuse: Demonstrating Cost Effective Management of Leachate 1,4-Dioxane through Cometabolic Biological Pretreatment at the Landfill – Hannah Stohr
- h. 06/08/2023 - WEF Innovations in Process Engineering Conference, Adaptation of Nitrifiers and Heterotrophs to Low Dissolved Oxygen Operation in an Activated Sludge BNR Pilot - Shashank Khatiwada
- i. 06/13/2023 - Chesapeake Bay Program Science and Technical Advisory Committee, Developing and Deploying the Next Generation of Mainstream Nitrogen Removal Technology through Partial Denitrification-Anammox (PdNA) – Charles Bott
- j. 06/20/2023 - VIP Tour for Elizabeth River Project students and professors – Matt Poe and Ali Gagnon

2. Community Partners: 4

- a. DOE Jefferson Lab
- b. Isle of Wright County
- c. Old Dominion University
- d. Purina

3. Monthly Metrics

Item #	Strategic Planning Measure	Unit	June 2023
M-1.4a	Training During Work Hours per Full Time Employee (FTE) (524) – Current Month	Hours / FTE	3.22
M-1.4b	Total Training During Work Hours per FTE (524) – Cumulative Year-to-Date	Hours / FTE	37.75
M-2.3a	Planned Maintenance Total Maintenance Hours	Total Recorded Maintenance Labor Hours	27,419.75
M-2.3b	Planned Maintenance – Preventive and Condition Based	percent of Total Maintenance Hours	55%
M-2.3c	Planned Maintenance - Corrective Maintenance	percent of Total Maintenance Hours	20%
M-2.3d	Planned Maintenance - Projects	percent of Total Maintenance Hours	25%
M- 4.1a	Energy Use: Treatment	kWh/MG	*
M-4.1b	Energy Use: Pump Stations	kWh/MG	*
M-4.1c	Energy Use: Office Building	kWh/MG	*
M-5.2	Educational and Outreach Events	Number	10
M-5.3	Number of Community Partners	Number	4

*Not available due to Dominion Energy system upgrades. Will provide in a future report

4. Annual Metrics

Item #	Strategic Planning Measure	Unit	FY-2023
M-2.3a	Planned Maintenance Total Maintenance Hours	Total Recorded Maintenance Labor Hours(average)	*
M-2.3b	Planned Maintenance – Preventive and Condition Based	% of Total Maintenance Hours (average)	*
M-2.3c	Planned Maintenance-Corrective Maintenance	% of Total Maintenance Hours (average)	*
M-2.3d	Planned Maintenance-Projects	% of Total Maintenance Hours (average)	*
M-3.6	Alternate Energy	Total kWh	*
M- 4.1a	Energy Use: Treatment	kWh/MG	*
M-4.1b	Energy Use: Pump Stations	kWh/MG	*
M-4.1c	Energy Use: Office Building	kWh/MG	*

* To be provided once data is reported

Respectfully submitted,
Chris Stephan
 Acting Director of Operations

TO: General Manager

FROM: Director of Talent Management (TM)

SUBJECT: Monthly Report for June 2023

DATE: July 14, 2023

A. Talent Management Executive Summary

1. Recruitment Summary

Current Vacancies	64
New Recruitment Campaigns	13
Job Offers Accepted – Internal Selections	3
Job Offers Accepted – External Selections	20
Internal Applications	36
External Applications	222
Average Days to Fill Position	227.05

*Number is not reflective of the true time to fill due to the Operations Pipeline positions which are posted continuously.

2. Employee Separation Summary

	June 2023	Total (April 2022- June 2023)
Career/Better Opportunity	1	26
Content of work	0	5
Family circumstances	0	5
Dismissal	2	16
Going to school	0	1
Lack of Opportunity for Advancement	1	2
Moving from the area	0	6
Salary	1	8
Retirement	1	21
End of Assignment (PT)	2	27
Administrative Separation	0	2
Unknown	1	3

3. Enterprise Resource Planning (ERP)

HRSD continued working with the consultant on system enhancements and changes to benefit interfaces.

4. Benefits and Compensation

- a. The Classification and Compensation team reviewed two positions.
- b. Mercer, the vendor for the compensation study has been selected and approved by the Commission.
- c. There were 14 responses to the benefits Request for Proposal (RFP).

5. Wellness Program

- a. Participation

Year Ten Participation Activities	Unit	June 2023	Year to Date (March 2023– May 2024)
My Spark Central Registrations	Number	10	65
Biometric Screenings	Number	15	29
Biometric Outcomes	Number	14	24
Annual Physicals	Number	16	30
Preventive Health Exams	Number	16	54
Preventive Health Assessments (PHA)	Number	16	160
Health coaching	Number	1	13
Age-appropriate vaccine	Number	4	11
Complete Smoke Attestation	Number	16	236
HRSD Lunch & Learns	Number	16	300
Wellness Activity/Challenges	Number	16	311

- b. The WellSpark Wellness Specialist did four onsite visits this month at the Boat Harbor Treatment Plant (BHTP), Eastern Shore, Nansemond Treatment Plant (NTP) and Atlantic Treatment Plant (ATP).
- c. Wellness Wednesday initiatives continued with four 10-minute meditation sessions and emailed wellness flyers. Topics included information on Men’s Health Month, the Omada Diabetes Prevention program, and National Fitness Day.
- d. The Wellness Specialist presented at New Employee Orientation (NEO) and conducted two lunch and learn sessions.

6. Organizational Development and Training (ODT)

- a. Conducted Leadership and Management Academy (LAMA) training in Motivation and Strategic Alignment for 10 participants.
- b. Conducted TAPS training for 25 participants.
- c. Conducted Your Role in Quality training for 26 new employees.
- d. Conducted the second day of Your Role in Quality (YRIQ) training for 14 participants.
- e. Continued working on the 2023 Workcenter Planning Day initiative.
- f. Continued work with the Customer Care Division to curate online learning paths, and integration of available Corporate Training courses.
- g. Continued work with consultant Hicks-Carter-Hicks (H-C-H) on several initiatives, including Diversity, Equity, and Inclusion (DE&I), Division Leaders Forum (DLF), and the Senior Leadership Retreat.
- h. Worked with the Customer Care Division to create training for new Youth Summer Intensive interns for the Customer Care Center (CCC).
- i. Continued work with the Water Quality Department to increase quality assurance training courses.
- j. Continued work on the Corporate Training software.
- k. Continued to work with the SharePoint Governance Team.

7. Apprenticeship Program

Work continued on the following:

- a. Apprenticeship Mentoring Program
- b. Building and structuring an Apprenticeship daytime program
- c. Developing Standard Operating Procedures for ODT responsibilities
- d. Trade curricula revisions and course development to update and enhance course offerings in Catalog
- e. Developing schedule to train all current supervisors and apprentices on the revised Apprenticeship Program

8. Safety Mishaps and Work-Related Injuries Status to Date (OSHA Recordable)

	<u>2022</u>	<u>2023</u>
Mishaps	36	14
Lost Time Mishaps	4	3
<i>Numbers subject to change pending HR review of each case.</i>		

9. Safety Division Monthly Activities

Safety Training Classes	16
Work Center Safety Inspections	11
Reported Accident Investigations	2
Construction Site Safety Evaluations	8
Contractor Safety Briefings	1
Hot Work Permits Issued	0
Confined Space Permits Issued/Reviewed	352
Industrial Hygiene Monitoring Events	2

B. Monthly Strategic Planning Metrics Summary

1. Education and Outreach Events: (4)

- a. 6/1/2023 - Portrait of a Hampton Graduate, The Academies of Hampton Career Fair
- b. 6/16/2023 - Virginia Employment Commission (VEC) Veteran/Spouse Employer Panel
- c. 6/23/2023 - City of Norfolk, Pride Celebration Career Table
- d. 6/23/2023 - Commonwealth Catholic Charities Employment and Resource Fair

2. Community Partners: (4)

- a. City of Hampton Public Schools
- b. City of Norfolk
- c. Virginia Employment Commission
- d. Virginia Career Works, Hampton Roads Region

3. Monthly Metrics

Item #	Strategic Planning Measure	Unit	June 2023
M-1.1a	Employee Turnover Rate (Total)	Percentage	0.84%
M-1.1b	Employee Turnover - Service Retirements	Percentage	0.1%
M-1.4a	Total Training Hours Per Full Time Employee (18)	Total Training Hours/ FTE	5.94
M-1.4b	Total Training During Work Hours Per Full Time Employee (18) – Cumulative Fiscal Year-to-Date	Hours / FTE	36.14
M-5.2	Educational and Outreach Events	Number	4
M-5.3	Community Partners	Number	4

4. Annual Metrics

Item #	Strategic Planning Measure	Unit	FY-2023
M-1.1a	Employee Turnover Rate (Total)	Percentage	9.74%
M-1.1b	Employee Turnover Rate within Probationary Period	Percentage	1.97%
M-1.2	Internal Employee Promotion Eligible	Percentage	74.78%
M-1.3	Average Time to Fill a Position	Calendar Days	150.24
M-1.5a	Safety OSHA 300 Incidence Rate Total Cases	# per 100 Employees	4.9
M-1.5b	Safety OSHA 300 Incidence Rate Cases with Days Away	# per 100 Employees	0.94
M-1.5c	Safety OSHA 300 Incidence Rate Cases with Restriction, etc.	# per 100 Employees	2.7

Respectfully submitted,

Dorissa Pitts-Paige
 Director of Talent Management

TO: General Manager
FROM: Director of Water Quality (DWQ)
SUBJECT: Monthly Report for June 2023
DATE: July 12, 2023



Environmental Responsibility

1. HRSD's Regulatory Performance:
 - a. The monthly Discharge Monitoring Report (DMR) Summary and Items of Interest: [Effluent and Air Emissions Summary](#)
 - b. WQ Staff participated in DEQ Underground Storage Tank (UST) inspections at multiple North Shore pump stations and York River Treatment Plant on June 14 and 21 and DEQ Aboveground Storage Tank (AST) inspection at York River on June 28.

2. Pretreatment and Pollution Prevention Program Highlights:

One civil penalty was issued by the Pretreatment & Pollution Prevention (P3) Division in June to Stemmler Plumbing Repair, Inc. - Newport News

An Enforcement Order was issued to Stemmler Plumbing Repair, Inc., a waste hauler based in Newport News, on June 12th, 2023 for three technical violations and one administrative violation. The Enforcement Order included a \$2,000 civil penalty invoice. Technical violations included: failure to follow special conditions of the permit, unauthorized discharge - no harm caused or evidence of intent, and failure to correct deficiency/violation. The administrative violation was for failure to properly maintain records as required for a three-year period. A Show Cause meeting was held on March 13th, 2023, and the permittee outlined steps taken to ensure compliance by providing HRSD training videos and instructions to drivers for discharging at HRSD facilities, and the creation of a Standard Operating Procedure for HRSD records retention. The Enforcement Order was accepted, and the civil penalty was paid in full on June 22nd, 2023.

3. Advocacy
 - a. The Chief of P3 participated in the Hampton Roads Regional Resilience Workshop with other regional utility partners such as Dominion Energy, Virginia Natural Gas, and the Cities of Norfolk and Virginia Beach. The purpose of the Workshop was to look at critical infrastructure and the effects that events such as

storms and sea level rise could have on the mission readiness of the Navy. The hope is to push forward some utility projects for Federal infrastructure money.

- b. The Sustainability Environment Advocacy (SEA) Group participated in the annual Clean the Bay Day events sponsored by the Chesapeake Bay Foundation. Over three sites across Hampton Roads, including 35 volunteers collected 550 pounds of trash. This included 10 large items.
- c. I participated in the following advocacy and external activities:
 - (1) Preparation meeting for the upcoming NACWA Utility Leadership Biosolids Management Committee meeting
 - (2) A call of the Virginia Biosolids Council. Highlights of the discussion included a briefing on a legislative proposal related to Per- and Polyfluoroalkyl substances (PFAS) related to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) as well as an update on a national study on PFAS in biosolids. HRSD staff supported sample collection from a Virginia Tech Agricultural Research and Extension Center property in Warsaw, Virginia for this effort.
 - (3) Participated in the Association of Biosolids and By-Products Associations call for updates on PFAS related legislation and research activity.
 - (4) Attended the Virginia Association of Municipal Wastewater Agencies (VAMWA) Board meeting and its quarterly membership meeting. Presented at the membership meeting on the recently approved Water Quality Standards for Virginia and its waterway assessment cycle.
 - (5) Provided DEQ Central Office and Tidewater Regional Office staff a tour of the Atlantic Treatment Plant's solids management process and discussed future permitting needs for other HRSD facilities.
 - (6) Attended the Virginia Forever Executive Board Meeting.

4. Monthly Metrics

Item #	Strategic Planning Measure	Unit	June 2023
M-2.5	North Shore/South Shore Capacity Related Overflows	# within Level of Service	1
M-3.1	Permit Compliance	# of Exceedances: # of Permitted Parameters	11:61,689
M-3.2	Odor Complaints	#	4
M-3.4	Pollutant Removal (Cumulative Fiscal Year-to-Date)	Total Pounds Removed	219,856,247

M-3.5	Pollutant Discharge (Cumulative Fiscal Year-to-Date)	% Pounds Discharged/ Pounds Permitted	17%
	Average Daily Flow	Total MGD for all Treatment Plants	143.74
	Pretreatment Related System Issues	#	0

5. Annual Metrics

Item #	Strategic Planning Measure	Unit	FY-2023
M-3.3	Carbon Footprint	Tons per MG	*
	Rolling 5 Year Average Daily Flow	MGD	145.71
	Rainfall reported at Norfolk International Airport	Inches	39.73"

*This metric will be reported upon closeout of fiscal year financials.



Financial Stewardship

Supported the generation of high-quality data for use in permitting and environmental management decisions through our Municipal Assistance Program (MAP), which offers services to other municipal and regional authorities throughout the state. HRSD costs for this program are reimbursed by the customer. Below are program highlights for the month.

1. HRSD provided sampling and analytical services to the following to support monitoring required for their respective VPDES permits:
 - a. City of Virginia Beach
 - b. Northumberland County
 - c. Westmoreland County
2. [MAP Billed Reimbursements](#) for service provided from April 1 to June 30, 2023.
3. [MAP Invoice Summary](#) for the second Quarter 2023 calendar year.



Talent

1. Central Environmental Laboratory (CEL) representatives attended the Virginia Water Environment Association (VWEA) Operations Challenge competition as Laboratory Event Coordinator and judges. Provided laboratory training to operators from regional utilities as part of event outreach.
2. The Water Quality Communication Team met to finalize Focus Group planning. Focus Group invitations were sent out to Water Quality employees for four Focus Group events occurring in August and September.
3. Provided a Lunch and Learn presentation to Water Quality staff on the SWIFT program's history, benefits and future direction along with current construction updates.
4. Director participated in the following meetings/activities with HRSD personnel:
 - a. Attended the Regional Granulated Activated Carbon workshop.
 - b. Presented on nutrient compliance objectives at the SWIFT Partnering meeting.
 - c. Presentation for the Water Quality Lunch and Learn
5. Monthly Metrics

Item #	Strategic Planning Measure	Unit	June 2023
M-1.4a	Training During Work Hours Per Full Time Employee (120) (Current Month)	Total Hours / # FTE	3.72
M-1.4b	Total Training During Work Hours Per Full Time Employee (120) (Cumulative Fiscal Year-to-Date)	Total Hours / # FTE	62.25



Community Engagement

1. Supported Microbial Source Tracking (MST) investigations in partnership with Hampton Roads' localities. This work is required as part of HRSD's Integrated Plan. Sampling and analytical services were provided for the localities and projects identified below:
 - a. City of Chesapeake (Southern Branch)
 - b. City of Hampton (New Market Creek)
 - c. City of Newport News (Southeast Newport News)
 - d. City of Norfolk (Mason Creek)
 - e. City of Suffolk (downtown)
 - f. City of Virginia Beach (Thalia Creek)

- g. James City County
2. Educational and Outreach Events: (3)
 - a. 06/07/2023: Norfolk State University/ Enterprise Resource planning (NSU/ERP) interns toured the Water Quality Services Building, observed a nitrification inhibition test, and visited a Regional Water Quality (RWQ) site.
 - b. 06/20/2023: Technical Service Division (TSD) provided NSU/ERP interns a tour of Virginia Initiative Plant (VIP), connecting the treatment process to the work of TSD
 - c. 06/29/2023: Student Field Activity and Tour in TSD with a Nansemond Suffolk Academy student
 3. Community Partners: (8)
 - a. City of Chesapeake
 - b. City of Virginia Beach
 - c. Hampton Roads Planning District Commission (HRPDC) Fats, Oils & Grease (FOG) Subcommittee
 - d. Lynnhaven River Now Citizen Monitoring project
 - e. US Fish and Wildlife Service
 - f. VDH – Chesapeake Local Health District
 - g. VDH – Division of Shellfish Sanitation
 - h. VDH – Wastewater Surveillance Program
 4. Director participated in the following external meetings/activities:
 - a. Toured the AlexRenew tunnel project and met with their new General Manager.
 - b. Attended the Potomac Aquifer Recharge Oversight Committee (PAROC) meeting.
 5. Monthly Metrics

Item #	Strategic Planning Measure	Unit	June 2023
M-5.2	Educational and Outreach Events	#	3
M-5.3	Community Partners	#	8



Innovation

1. CEL received Virginia Environmental Laboratory Accreditation Program renewal certification. Current Scope of Accreditation covers 400 components covering wastewater, drinking water and solid and chemical waste matrices.
2. Participated with Water Technology and Research staff in a 1.5 day workshop highlighting progress in SWIFT Research Center research activities and planning future work to build upon what has been completed thus far.
3. Annual Metrics

Item #	Strategic Planning Measure	Unit	FY-2023
M-4.2	R & D Budget	Percentage of Total Revenue	*%
M-5.4	Value of Research	Number	*
M-5.5	Number of Research Partners	Number	*

*These metrics will be reported upon closeout of fiscal year financials.

Respectfully submitted,

Jamie Heisig-Mitchell

Director of Water Quality

EFFLUENT SUMMARY FOR JUNE 2023

PLANT	FLOW mgd	% of Design	BOD mg/l	TSS mg/l	FC #/UBI	ENTERO #/UBI	TP mg/l	TP CY Avg	TN mg/l	TN CY Avg	CONTACT TANK EX
ARMY BASE	9.28	52%	3	4.9	3	1	0.96	0.62	3.2	3.6	18
ATLANTIC	44.62	83%	17	13	7	2	NA	NA	NA	NA	13
BOAT HARBOR	12.27	49%	5	5.6	2	1	0.74	0.48	24	26	6
CENT. MIDDLESEX	0.011	44%	<2	<1.0	<1	<1	NA	NA	NA	NA	NA
JAMES RIVER	12.42	62%	8	6.0	5	1	0.44	0.46	8.3	11	26
KING WILLIAM	0.083	83%	<2	<1.0	NA	3	0.28	0.086	1.5	1.8	NA
NANSEMOND	15.38	51%	2	3.1	1	1	0.70	0.56	2.7	3.9	1
NASSAWADOX	0.015	15%	3	11	<1	1	0.49	0.40	14	16	NA
ONANCOCK	0.207	28%	<2	0.13	<1	1	0.24	0.17	2.5	1.6	NA
URBANNA	0.063	63%	4	13	2	4	5.3	4.1	13	12	NA
VIP	29.68	74%	2	2.1	2	2	0.85	0.39	3.7	3.9	1
WEST POINT	0.330	55%	24	11	3	3	3.7	3.1	20	19	0
WILLIAMSBURG	8.59	38%	5	2.8	2	2	0.44	0.67	2.1	3.1	7
YORK RIVER	12.67	84%	1	0.71	1	<1	0.21	0.27	4.5	4.8	0
	<u>145.61</u>										

Tributary Summary

	% of Capacity
North Shore	56%
South Shore	70%
Small Communities*	41%

Tributaries	Annual Total Nitrogen			Annual Total Phosphorus		
	Discharged	Operational		Discharged	Operational	
	YTD	Projection	CY23	YTD	Projection	CY23
	%	Lbs	%	%	Lbs	%
James River	28%	2,417,029	68%	21%	221,505	70%
York River	36%	230,398	80%	37%	16,044	83%
Rappahannock	32%	NA	NA	39%	NA	NA

Rainfall (inch)

Permit Exceedances: Total Possible Exceedances, FY23 to Date: 11:61,689
Pounds of Pollutants Removed in FY23 to Date: 219,856,247
Pollutant Lbs Discharged/Permitted Discharge FY23 to Date: 17%

	<u>North Shore (PHF)</u>	<u>South Shore (ORF)</u>	<u>Small Communities (FYJ)</u>
Month	5.00"	7.10"	3.31"
Normal for Month	4.74"	4.81"	5.00"
Year to Date Total	22.28"	21.39"	17.86"
Normal for YTD	23.12"	21.53"	22.94"

*Small Communities includes Eastern Shore

AIR EMISSIONS SUMMARY FOR JUNE 2023

	No. of Permit Deviations below 129 SSI Rule Minimum Operating Parameters								Part 503e Limits		
	Temp 12 hr ave (F)	Venturi(s) PD 12 hr ave (in. WC)	Precooler Flow 12 hr ave (GPM)	Spray Flow 12 hr ave (GPM)	Venturi Flow 12 hr ave (GPM)	Tray/PBs Flow 12 hr ave (GPM)	Scrubber pH 3 hr ave	Any Bypass Stack Use	THC Mo. Ave (PPM)	THC DC (%)	BZ Temp Daily Ave Days >Max
MHI PLANT											
ARMY BASE	0	0	0	0	0	0	0	0	59	60	0
BOAT HARBOR	1	0	0	n/a	0	0	0	1	5	99	0
VIP	0	0	0	n/a	0	0	0	0	21	97	0
WILLIAMSBURG	0	0	0	n/a	0	0	0	1	16	96	0

ALL OPERATIONS

DEQ Reportable Air Incidents:	1
DEQ Request for Corrective Action:	0
DEQ Warning Letter:	0
DEQ Notice of Violation:	0
Other Air Permit Deviations:	0
Odor Complaints Received:	4
HRSD Odor Scrubber H2S Exceptions:	3

Items of Interest – June 2023

MULTIPLE HEARTH INCINERATION (MHI)

Total Hydrocarbon (THC) monthly averages (not to exceed 100 ppm) were met by all four MHI plants (Army Base, Boat Harbor, Virginia Initiative, and Williamsburg) with a THC continuous emissions monitoring (CEM) valid data captured of greater than 60%.

The MHIs had one (1) deviation from the required 129 SSI rule minimum operating parameters, one (1) minor bypass events (<60 minute), and one (1) reportable bypass event that lasted more than an hour.

Boat Harbor had a malfunction that required the use of the MHI emergency bypass stack for more than one hour on June 24. A low NPW scrubber flow tripped the ID fan that in turn triggered an interlock which kept plant operations from taking immediate corrective action. After the NPW flow was restored and the interlock satisfied normal MHI operations resumed. DEQ was notified per Title V prompt notification requirements.

Submitted to DEQ Army Base's compliant test report for MHI # 1 on June 15.

AIR PERMITS and ODOR CONTROL.

DEQ public noticed VIP's Title V draft air permit on June 5. The final permit is expected to be issued by the end of July.

Three (3) odor control scrubber system hydrogen sulfide (H₂S) exceptions were measured and documented in June.

Atlantic Plant received two (2) odor complaints from Ocean Lakes neighbors. Plant Staff and TSD responded to all complaints and followed up with our neighbors with investigation results as documented and relayed to them accordingly.

HRSD received a complaint regarding odors from North Avenue pump station in Newport News on June 22. North Shore Operations and TSD responded and found odors coming from the carbon odor control unit. The carbon media was replaced to eliminate the odors. No further complaints have been received.

HRSD received a complaint regarding odors from a manhole at 5313 Peake Lane in Portsmouth on June 30. South Shore Operations responded and sealed the manhole to stop the odors. No further complaints have been received.

TREATMENT

DEQ was notified of the following reportable events:

Army Base

On June 21 a loss of dechlorination for 45 minutes was reported. During maintenance work on the sodium bisulfite pumps, the lead pump was switched off without the lag pump being set to operate. When the lag pump was started, it was vapor bound and lost flow. Upon discovery of the loss of flow, the lead pump was placed back into service, and flow was reestablished. The PM procedure has been updated to start another pump before one is shut off to ensure constant flow and no disruptions, and plant operators have been retrained on how to respond to loss of bisulfite flow alarms.

Nansemond

On June 5 a contractor hit a Non-Potable Water (NPW) line during excavation. Upon discovery the NPW line valve was secured and line repaired. Approximately 1050 gallons of NPW were released, with approximately 1000 gallons recovered using a vac trailer. The remaining 50 gallons of NPW soaked into the ground.

Williamsburg

On June 26 an outfall control cabinet lost power when a component in the automatic transfer switch (ATS) for the outfall valves failed. This ATS was designed to detect and switch between available power sources. Though power was available, it was not detected by the ATS and the outfall valve was automatically closed. Approximately 675,534 gallons of fully treated effluent flowed over the weir and was sent to the short outfall. E&I removed the failed ATS component and rerouted the power supply directly to the valves.

SYSTEM

On June 6, a 24-inch force main failure occurred at the corner of Shell Road and Hopewell Drive. The failure location is immediately upstream of Deep Creek Pressure Reducing Station (PRS) which allowed staff to activate this PRS to reduce pressures in the main until repairs were completed on June 15. Approximately 3,400 gallons of raw wastewater entered a storm drain to Deep Creek Canal.

On June 23 a line of thunderstorms inundated the Dendron and Bayshore PS service areas. Pump stations were observed to be operating properly. The following raw wastewater overflow events were reported:

- Dendron PS1, 97 gallons to Cypress Swamp with a total rainfall of 0.80".
- Bayshore PS, 3,460 gallons to Chesapeake Bay with a total rainfall of 3.8".

On June 25, Mount Ray PS experienced a Programmable Logic Controller (PLC) failure causing pumps not to run. HRSD staff ran pumps in hand until the existing PLC could be reset and ultimately replaced. There were no solids present on the ground but lime was spread on June 26. Approximately 7,000 gallons of raw wastewater were released to the ground draining to Lawnes Creek.

SYSTEM/TREATMENT, SMALL COMMUNITIES, AND EASTERN SHORE

King William

On June 28, King William Treatment Plant (KWTP) had two consecutive Escherichia coli samples, 228 MPN/100 mL and 228 MPN/100 mL, exceeding the plant's Reuse Permit's Corrective Action Threshold (CAT) limit of <35 MPN/100 mL. Upon receipt of analytical results on June 30, HRSD staff notified Nestle personnel of the high E. coli samples and ceased reuse operations. Staff collected additional samples throughout the treatment process to identify the source of the high values and cleaned and performed maintenance on the plant's two UV systems. HRSD also utilized pump and haul to empty Nestle's reuse water storage tanks located on Nestle's site. Data for the additional samples was received on July 2, and the contamination was isolated to the reuse wet well. On July 5, staff put both treatment trains on standby and disinfected the reuse wet well with 3 mg-Cl₂/L of sodium hypochlorite. Following completion of the

King William, Continued

disinfection of the reuse wet well, the chlorinated water was pumped to the equalization basin at the head of the plant for subsequent treatment through the wastewater plant. Additional samples from the wet well are being collected to verify successful decontamination. Reuse operations will not be resumed prior to this verification. HRSD has been in communication with Nestle throughout the process to convey our findings and how we plan to proceed once more information is available.

2023 Metals, Ammonia, and TKN

		Limit	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec
Central Middlesex	Ammonia	0.56	0.02	NA	NA	0.06	NA	NA						
	TKN	3.0	NA	<0.50	NA	1.7	NA	NA						
King William	Zinc	*	54	NA	NA	35	NA	NA						
	TKN	3.0	1.9	1.1	1.6	0.76	0.61	0.53						
Nassawadox Riverside	Cadmium	2.0	<0.50	<0.50	<0.50	<0.50	<0.50	<0.50						
	Copper	23	<5.0	<5.0	<5.0	5.2	<5.0	<5.0						
	Nickel	38	14	18	14	<10	<10	<10						
	Zinc	150	<50	<50	<50	<50	<50	<50						
	Ammonia	1.7	0.31	0.67	0.44	0.14	0.19	0.09						
Onancock	Copper	12	2.2	NA	NA	0.80	NA	NA						
	Ammonia	0.90, 2.0	0.04	0.03	0.03	0.08	0.04	0.77						
Surry County	Copper	5.9	2.0	NA	NA	NA	NA	NA						
	Zinc	56	24	NA	NA	NA	NA	NA						
	Ammonia	0.77	NA	NA	NA	NA	NA	NA						
	TKN	3.0	NA	NA	NA	NA	NA	NA						
Urbanna	Ammonia	3.83, 9.08	0.04	0.16	0.02	0.02	0.92	0.05						

*No limit. Treatment objective 53 ug/L

Units: TKN, Ammonia: mg/L. Metals: ug/L

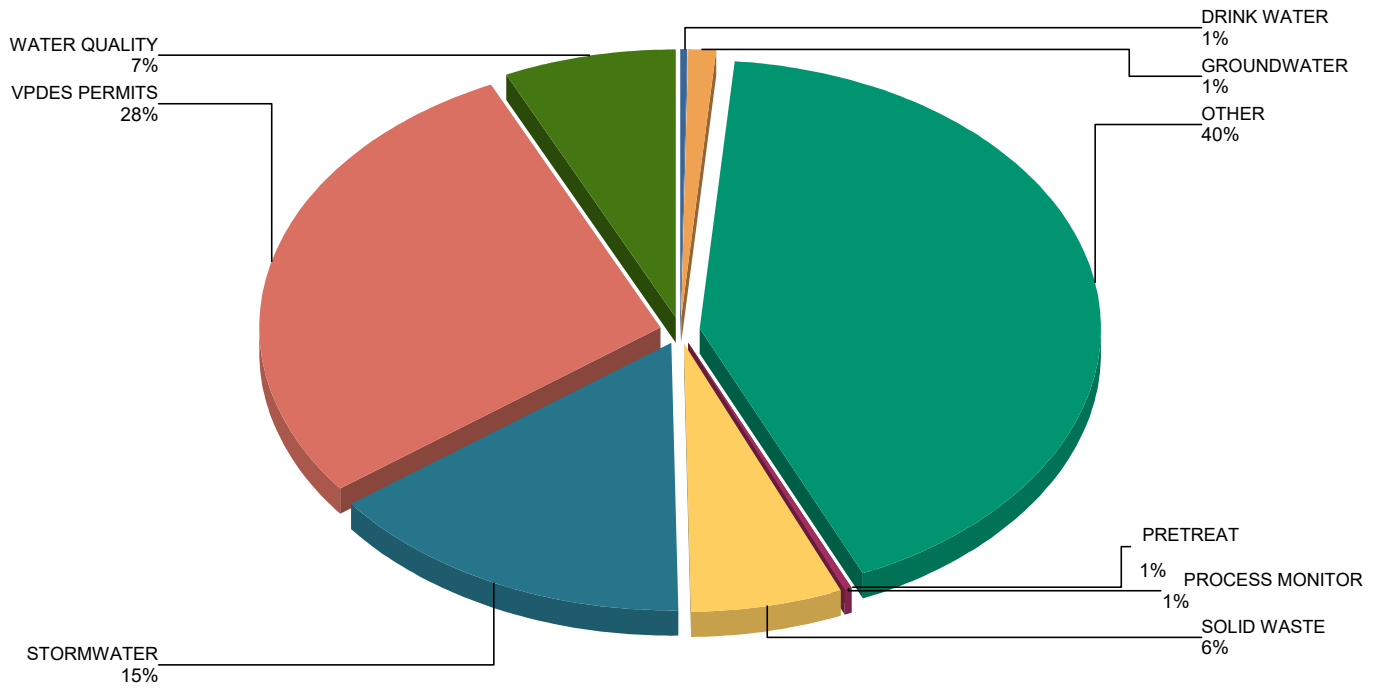
2023 MONTHLY FLOW AVERAGES

	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	YR AVG	FY AVG
Army Base	9.10	9.87	9.09	8.47	8.46	9.28							9.05	8.32
Atlantic	44.58	46.31	43.65	41.11	41.28	44.62							43.59	43.56
Boat Harbor	11.60	12.95	11.16	10.39	10.31	12.27							11.45	10.53
C.Middlesex	0.013	0.013	0.013	0.010	0.010	0.011							0.012	0.011
James River	12.46	13.31	11.87	12.13	12.03	12.42							12.37	12.02
King William	0.070	0.065	0.058	0.062	0.076	0.083							0.069	0.069
Lawnes Point	0.000	0.000	0.000	0.000	0.000	0.000							0.000	0.000
Nansemond	15.97	16.61	15.77	15.59	15.75	15.38							15.84	15.31
Nassawadox	0.016	0.015	0.013	0.013	0.014	0.015							0.014	0.014
Onancock	0.170	0.194	0.207	0.208	0.197	0.207							0.197	0.177
Surry, County	0.011	0.000	0.000	0.000	0.000	0.000							0.002	0.021
Surry, Town	0.000	0.000	0.000	0.000	0.000	0.000							0.000	0.014
Urbanna	0.035	0.039	0.046	0.050	0.056	0.063							0.048	0.055
VIP	27.26	30.12	27.54	27.47	27.99	29.68							28.34	24.21
West Point	0.466	0.470	0.389	0.359	0.373	0.330							0.398	0.358
Williamsburg	7.73	8.09	7.96	8.48	7.76	8.59							8.10	8.66
York River	12.69	13.74	12.00	12.37	12.31	12.67							12.63	11.50
North Shore	44.47	48.09	42.99	43.36	42.42	45.95							44.55	42.99
South Shore	96.91	102.91	96.06	92.64	93.47	98.95							96.83	92.03
Small Communities	0.78	0.80	0.73	0.70	0.72	0.71							0.74	0.72
TOTAL	142.16	151.79	139.78	136.70	136.62	145.61							142.11	135.73

Bold values indicate monthly plant flow average >95% of permitted design flow

Municipal Assistance Billed Reimbursements per Service From 04/01/2023 to 06/30/2023

Attachment 1



Notes: Other = Equipment purchase, consultation, validation studies, boater pump-out program, etc.

Municipal Assistance Invoice Summary

From 04/01/2023 - 06/30/2023

Municipality	Reimbursements	Reimbursements Fiscal Year 2023
Accomack County	\$2,938.44	\$9,617.01
Appomattox River Water Authority	\$0.00	\$15,751.97
Buckingham County	\$342.42	\$4,146.46
Chesapeake Public Works	\$0.00	\$718.98
City of Boise	\$0.00	\$3,725.63
City of Chesapeake	\$3,983.14	\$9,778.98
City of Emporia	\$253.83	\$1,232.43
City of Franklin	\$1,683.18	\$6,632.62
City of Fredericksburg	\$0.00	\$823.96
City of Hampton	\$11,001.80	\$27,422.92
City of Meridian WRRF	\$0.00	\$993.07
City of Norfolk	\$10,171.90	\$23,467.37
City of Portsmouth	\$7,737.64	\$21,278.86
City of Roanoke	\$0.00	\$1,726.94
City of Suffolk	\$8,708.43	\$22,444.63
City of Virginia Beach	\$11,419.29	\$29,877.29
Exmore WWTP	\$1,504.06	\$5,265.14
HRPDC	\$49,474.33	\$197,035.18
Henrico County	\$2,622.27	\$8,131.93
Hopewell RWTF	\$0.00	\$5,983.30
James City County Service Authority	\$0.00	\$1,219.80
Lynnhaven River NOW	\$331.95	\$1,977.38
METRO WATER RECOVERY	\$86.50	\$86.50
New Kent County	\$9,903.83	\$40,509.91
Northampton County WWTP	\$1,362.12	\$5,486.50
Northumberland Co. - Callao WWTP	\$2,879.50	\$9,375.46
Prince William County	\$49,475.20	\$56,117.86
Rivanna Water and Sewer Authority	\$535.20	\$6,452.30
Spotsylvania County	\$1,838.82	\$5,199.70
St Brides Corr Ctr WWTP	\$9,252.84	\$27,207.74
Stafford County	\$107.87	\$11,400.32
Town of Cape Charles	\$8,886.93	\$35,842.45
Town of Lawrenceville	\$0.00	\$4,677.83
Town of Round Hill	\$0.00	\$136.63

Town of South Hill	\$383.41	\$383.41
Upper Occoquan Service Authority	\$15,762.36	\$17,432.82
Virginia Department of Health	\$112,012.10	\$143,661.64
Western VA Water Authority	\$1,208.84	\$23,281.58
Westmoreland County	\$1,505.92	\$6,484.63
Totals:	<u>\$327,374.12</u>	<u>\$792,989.13</u>



The following Internal Audit Status document has been prepared by SC&H for the HRSD Commission. Below is a summary of projects in process, upcoming projects, and the status of current management action plan monitoring.

I. Projects in Process

Accounts Payable and ProCards

- **Tasks Completed (June 2023)**
 - Began prelim audit planning.
- **Upcoming Tasks (July 2023)**
 - Conduct audit entrance meeting (7/12).
 - Commence planning procedures.

Personally Identifiable Information

- **Tasks Completed (June 2023)**
 - Followed up with POCs regarding documentation requested.
 - Continued fieldwork procedures.
 - Continued drafting report.
- **Upcoming Tasks (July 2023)**
 - Send out follow up questions.
 - Finalize fieldwork procedures.
 - Internal review of fieldwork objectives.
 - Finalize draft report.
 - Schedule meetings with Business Owners to discuss findings.

Remote Access

- **Tasks Completed (June 2023)**
 - Finalized draft of risk and control matrix.
 - Internal review of risk and control matrix.
- **Upcoming Tasks (July 2023)**
 - Finalize fieldwork program.
 - Schedule fieldwork discussion meeting.

II. Upcoming Projects

- Design and Construction Estimating: September 2023



III. Management Action Plan Status

SC&H performs on-going management action plan (MAP) monitoring for completed internal audits/projects. SC&H begins MAP follow-up approximately one year following the completion of each audit and periodically follows up until conclusion.

For each recommendation noted in an audit report, SC&H gains an understanding of the steps performed to address the action plan and obtains evidence to confirm implementation, when available.

The following describes the current project monitoring status. This listing does not include audits which were determined by HRSD Management and the Commission to include confidential or sensitive information.

Audit	Report Date	Next Follow-up	Recommendations		
			Closed	Open	Total
Succession Planning	6/4/2021	July 2023	1	3	4
Safety Division	9/12/19	September 2023	2	1	3
Freedom of Information Act	12/21/2022	December 2023	0	1	1
Family Medical Leave Act (FMLA)	4/18/2023	April 2024	0	4	4
D&C: CIP Project Management	5/11/16	Closed	13	0	13
HR Benefits	11/22/16	Closed	15	0	15
Inventory	4/20/17	Closed	5	0	5
Procurement/ProCard	8/23/17	Closed	11	0	11
Engineering Procurement	4/20/18	Closed	8	0	8
Corporate Governance: Ethics Function	3/21/18	Closed	5	0	5
Treatment Plant Operations	10/15/18	Closed	9	0	9
Permitting	2/4/20	Closed	2	0	2
Payroll	3/27/20	Closed	3	0	3
Customer Care Division	7/26/19	Closed	4	0	4
Pollution Source Control	6/2/20	Closed	8	0	8
Fleet Services	2/24/2021	Closed	17	0	17
Biosolids Recycling	10/8/16	Closed	8	0	8
Unifier/ERP Integration	6/27/2022	Closed	4	0	4
Emergency Repairs	1/18/2022	Closed	3	0	3
SWIFT Program	2/24/2021	Closed	12	0	12
Totals			130	9	139

Annual Metrics		Target	FY-10	FY-11	FY-12	FY-13	FY-14	FY-15	FY-16	FY-17	FY-18	FY-19	FY-20	FY-21	FY-22	FY-23	
Item	Strategic Planning Measure	Unit															
M-1.1a	Employee Turnover Rate (Total)	Percentage	< 8%	5.63%	4.09%	6.64%	7.62%	8.22%	9.97%	6.75%	6.66%	9.99%	6.63%	6.78%	6.31%	16.04%	9.74%
M-1.1b	Employee Turnover Rate within Probationary Period	Percentage	0%		2.22%	8.16%	14.58%	9.68%	0.66%	0.13%	0.90%	1.01%	2.10%	3.08%	5.44%	1.64%	1.97%
M-1.2	Internal Employee Promotion Eligible	Percentage	100%		59%	80%	70%	71%	64%	69%	68%	85%	63%	78%	65%	75%	
M-1.3	Average Time to Fill a Position	Calendar Days	< 30		70	60	52	43.76	51	56	67	67	66	60	95	74.52	150.24
M-1.4	Training Hours per Employee - cumulative fiscal year-to-date	Hours	> 40		30.0	43.8	37.5	35.9	42.8	49.0	48.4	41.1	40.9	39.3	28.2	32.5	37.4
M-1.5a	Safety OSHA 300 Incidence Rate Total Cases	# per 100 Employees	< 3.5	6.57	6.15	5.8	11.2	5.07	3.87	7	5.5	5.7	4.1	4.8	4.1	4.53	4.9
M-1.5b	Safety OSHA 300 Incidence Rate Cases with Days Away	# per 100 Employees	< 1.1	0.74	1.13	1.33	0.96	1.4	0.82	1.9	1	1.1	0.8	1.34	1.3	1.09	0.94
M-1.5c	Safety OSHA 300 Incidence Rate Cases with Restriction, etc.	# per 100 Employees	< 0.8	3.72	4.27	2.55	4.5	2	1.76	3.6	2.8	2.8	1.8	1.6	4.1	3.43	2.7
M-2.1	CIP Delivery - Budget	Percentage			113%	96%	124%	149%	160%	151%	156%	160%	170%	170%	123%	120%	129%
M-2.2	CIP Delivery - Schedule	Percentage			169%	161%	150%	190%	172%	173%	167%	159%	159%	155%	152%	141%	
M-2.3a	Total Maintenance Hours	Total Available Mtc Labor Hours Monthly Avg			16,495	22,347	27,615	30,863	35,431	34,168	28,786	28,372	31,887	29,596	28,722	28,300	27,904
M-2.3b	Planned Maintenance	Percentage of Total Mtc Hours Monthly Avg			20%	27%	70%	73%	48%	41%	43%	59%	59%	62%	61%	61%	
M-2.3c	Corrective Maintenance	Percentage of Total Mtc Hours Monthly Avg			63%	51%	12%	10%	18%	25%	25%	24%	18%	19%	16%	15%	17%
M-2.3d	Projects	Percentage of Total Mtc Hours Monthly Avg			18%	22%	20%	18%	32%	34%	32%	27%	25%	22%	24%	22%	
M-2.4	Infrastructure Investment	Percentage of Total Cost of Infrastructure	2%		8.18%	6%	4%	7%	7%	5%	5%	4	5%	7%	6%	*	
M-3.3	Carbon Footprint	Tons per MG Annual Total			1.61	1.57	1.47	1.46	1.44	1.45	1.58	1.58	1.58	1.7	1.75	1.89	*
M-3.6	Alternate Energy (Incl. Green Energy as of FY19)	Total KWH			0	0	0	5,911,289	6,123,999	6,555,096	6,052,142	5,862,256	47,375,940	56,473,800	58,044,110	53,931,273	*
M-4.1a	Energy Use: Treatment	kWh/MG Monthly Avg			2,473	2,571	2,229	2,189	2,176	2,205	2,294	2,395	2,277	2,408	2,459	2,439	*
M-4.1b	Energy Use: Pump Stations	kWh/MG Monthly Avg			197	173	152	159	168	163	173	170	181	174	170	218	*
M-4.1c	Energy Use: Office Buildings	kWh/MG Monthly Avg			84	77	102	96	104	97	104	104	95	102	82	136	*
M-4.2	R&D Budget	Percentage of Total Revenue	> 0.5%		1.0%	1.4%	1.0%	1.3%	1.0%	0.8%	1.3%	1.4%	1.8%	1.3%	1.4%	1.4%	*
M-4.3	Total Labor Cost/MGD	Average Daily Flow		\$1,028	\$1,095	\$1,174	\$1,232	\$1,249	\$1,279	\$1,246	\$1,285	\$1,423	\$1,348	\$1,487	\$1,545	\$1,542	*
M-4.4	Affordability	Median Household Income	< 0.5%		0.48%	0.41%	0.43%	0.53%	0.55%	0.59%	0.64%	0.71%	0.60%	0.67%	0.65%	0.65%	*
M-4.5	Total Operating Cost/MGD	365/5-Year Average Daily Flow		\$2,741	\$2,970	\$3,262	\$3,316	\$3,305	\$3,526	\$3,434	\$3,592	\$3,959	\$3,823	\$4,048	\$4,311	\$4,436	*
M-5.1	Name Recognition	Percentage (Survey Result)	100%	67%	71%	N/A	62%	N/A	60%	N/A	N/A	53%	N/A	N/A	N/A	N/A	
M-5.4	Value of Research	Percentage - Total Value/HRSD Investment			129%	235%	177%	149%	181%	178%	143%	114%	117%	143%	138%	128%	*
M-5.5	Number of Research Partners	Annual Total Number			42	36	31	33	28	35	15	20	26	32	27	39	*
	Rolling 5 Year Average Daily Flow	MGD		157.8	155.3	152	154.36	155.2	151.51	153.09	154.24	152.8	152.23	149.84	149.72	145.75	145.71
	Rainfall	Annual Total Inches		66.9	44.21	56.21	46.65	46.52	51.95	54.14	66.66	49.24	53.1	48.49	54.04	38.18	39.73
	Billed Flow	Annual Percentage of Total Treated		71.9%	82.6%	78%	71%	73%	74%	72%	73%	76%	72%	78%	72%	84%	*
	Senior Debt Coverage	Net Revenue/Senior Annual Debt Service	> 1.5	2.51%	2.30%	2.07%	1.88%	1.72%	1.90%	2.56%	3.10%	3.59%	4.84%	5.80%	6.03%	7.55%	*
	Total Debt Coverage	Net Revenue/Total Annual Debt	>1.4	1.67%	1.67%	1.46%	1.45%	1.32%	1.46%	1.77%	1.93%	2.03%	2.62%	2.81%	2.66%	3.04%	*

*to be reported

Monthly Updated Metrics		Target	FY-10	FY-11	FY-12	FY-13	FY-14	FY-15	FY-16	FY-17	FY-18	FY-19	FY-20	FY-21	FY-22	FY-23	FY-23	FY-23
Item	Strategic Planning Measure	Unit																
	Average Daily Flow	MGD at the Plants	< 249		136	146.5	158.7	156.3	153.5	155.8	153.5	145.8	152.7	141.5	155.3	131.3	135.6	143.7
	Industrial Waste Related System Issues	Number	0	3	6	6	6	2	4	7	4	7	1	2	4	3	0	0
	Wastewater Revenue	Percentage of budgeted	100%		97%	96%	98%	107%	102%	104%	103%	103%	104%	104%	106%	104%	101%	101%
	General Reserves	Percentage of Operating and Improvement Budget	75% - 100%		72%	82%	84%	92%	94%	95%	104%	112%	117%	119%	108%	106%	108%	113%
	Accounts Receivable (HRSD)	Dollars (Monthly Avg)			\$17,013,784	\$17,359,488	\$18,795,475	\$20,524,316	\$20,758,439	\$22,444,273	\$22,572,788	\$22,243,447	\$23,900,803	\$27,335,100	\$34,060,154	\$39,539,639	\$39,845,605	\$36,239,538
	Aging Accounts Receivable	Percentage of receivables greater than 90 days			21%	20%	18%	19%	21%	18%	18%	17%	18%	29%	33%	31%	30%	30%
M-2.5	Capacity Related Overflows	Number within Level of Service	0	25	1	30	5	11	16	6	10	5	2	25	0	3	0	1
M-3.1	Permit Compliance	# of Exceedances to # of Permitted Parameters	0	12,55,045	1,519,955	2,524,911	1,524,911	2,524,911	2,524,911	2,524,911	9,538,236	9,583,938	2,608,799	9,608,799	23,608,799	9,608,799	11,616,889	10,565,449
M-3.2	Odor Complaints	Number	0	6	2	7	11	5	9	7	6	9	15	31	51	106	6	4
M-3.4	Pollutant Removal (total)	Total Pounds Removed		178,163,629	171,247,526	176,102,248	185,677,185	180,168,546	193,247,790	189,765,922	190,536,910	187,612,572	182,759,003	183,123,855	177,322,331	219,856,247	203,810,540	219,856,247
M-3.5	Pollutant Discharge (% of permitted)	Pounds Discharged/Pounds Removed	< 40%		25%	22%	25%	22%	22%	20%	22%	17%	17%	18%	14%	15%	17%	17%
M-5.2	Educational and Outreach Events	Number		302	184	238	322	334	443	502	432	367	256	145	687	748	73	69
M-5.3	Number of Community Partners	Number			280	289	286	297	321	354	345	381	293	230	128	125	271	39