# HRSD Commission Meeting Agenda 9:00 a.m. – July 23, 2024

# In-person for Commissioners and essential staff at 2389 G. Avenue, Newport News, VA 23602 Training Room – 2<sup>nd</sup> Floor

Reservations are required for in-person and virtual public observation of all HRSD Commission and Committee meetings; to address the Commission; and to submit written comments to be read into the minutes. Reservations are accepted via the following link and must be completed by noon one business day prior to the meeting: <a href="https://www.hrsd.com/contact/commission">https://www.hrsd.com/contact/commission</a> meeting.

No.	<u>Topic</u>	Resource
	Call to Order	Commission Chair
1.	Public Comments Not Related to the Agenda	Commission Secretary
2.	Consent Agenda	Bernas
3.	Army Base Treatment Plant Administration Building Renovation (2021)  Additional Appropriation, Contract Award (>\$200,000) and Task Order (>\$200,000)	Husselbee
4.	Atlantic Treatment Plant Digester Improvements Alternative Project Delivery	Husselbee
5.	Atlantic Treatment Plant Reliability and Odor Control Improvements (ATP ROCI)  ATP Liquid Side Odor Evaluation and Improvements ATP Gravity Belt Thickener and Pre-Dewatering Polymer Improvements ATP Odor and Solids Improvements 2023 ATP Solids Curing Facility and Pad Improvements ATP Digester Improvements Initial Appropriation and Task Order	Husselbee
6.	Biosolids Data Visualization and Management Tool Initial Appropriation – Non-Regulatory and Task Order (>\$200,000)	Bott
7.	Chesapeake Boulevard Pump Station (PS 105) Replacement and Norfolk Pump Station (PS 57) Rehabilitation Initial Appropriation – Regulatory Required and Acquisition of Real Property for a Public Purpose – 5724 Chesapeake Boulevard Norfolk, Virginia	Husselbee
8.	Chincoteague Treatment Plant Improvements  Memorandum of Agreement and Property Acquisition for Public Use	Husselbee

<u>No.</u>	<u>Topic</u>	<u>Resource</u>
9.	High Priority Inflow and Infiltration Reduction Program Initial Appropriation and Interim Agreement	Husselbee
10.	<u>Digital Water</u> <u>Briefing</u>	Bott
11.	Capital Improvement Program (CIP) Update	Husselbee
12.	Commission Governance Guidelines  Meeting Date Change	Bernas
13.	New Business	Bernas
14.	<u>Unfinished Business</u>	Bernas
15.	Commissioner Comments	
16.	<u>Informational Items</u>	Bernas

Next Regular Commission Meeting: August 27, 2024 in Virginia Beach

Resource: Jay Bernas

AGENDA ITEM 1. – July 23, 2024

**Subject:** Public Comments Not Related to Agenda

Resource: Jay Bernas

AGENDA ITEM 2. - July 23, 2024

**Subject**: Consent Agenda

**Recommended Action:** Approve the Consent Agenda.

**<u>Brief</u>**: The items listed below are presented on the following pages for Commission action.

- a. Approval of Minutes The draft minutes of the previous Commission Meeting were distributed electronically prior to the meeting.
- b. Contract Awards (>\$200,000)
  - 1. <u>Birchwood Trunk 24-Inch and 30-Inch Force Main at Independence</u> Boulevard Replacement Phase II

Contract Award	\$3,224,000
Task Order	\$380,013
Additional Appropriation-Regulatory	\$2,529,951

- c. Task Orders (>\$200,000)
  - 1. Coliseum PRS Off-Line Storage Tank Odor Control Upgrades \$316,516
  - 2. Solids System Improvements for Army Base MHI Offline

Task	Order S	\$264,662
Additional Appropriation-Non Regu	ılatory	\$251,439

#### CONSENT AGENDA ITEM 2.b.1. – July 23, 2024

Subject: Birchwood Trunk 24-Inch and 30-Inch Force Main at Independence Boulevard

Replacement Phase II

Contract Award (>\$200,000), Task Order (>\$200,000), Additional Appropriation –

Regulatory Required Capital Improvement Project (<\$10,000,000)

#### **Recommended Actions:**

a. Award a contract to Bridgeman Civil, Inc. in the amount of \$3,224,000.

- b. Approve a task order with Rummel, Klepper & Kahl, LLP (RK&K) in the amount of \$380,013.
- c. Appropriate additional funding in the amount of \$2,529,951.

CIP Project: CE011300

**Regulatory Requirement**: Rehab Plan Phase 2

Budget	\$1,702,700
Previous Expenditures and Encumbrances	(\$306,238)
Available Balance	\$1,396,462
Proposed Construction Contract to Bridgeman Civil, Inc.	(\$3,224,000)
Proposed Task Order to RK&K	(\$380,013)
Proposed Contingency (10% of Construction)	(\$322,400)
Project Shortage/Requested Additional Funding	(\$2,529,951)
Revised Total Project Authorized Funding	\$4,232,651_

Contract Status with Task Orders:	Amount
Original Contract with RK&K	\$85,450
Total Value of Previous Task Orders	\$216,748
Requested Task Order	\$380,013
Total Value of All Task Orders	\$596,761
Revised Contract Value	\$682,211
Engineering Services as % of Construction	21%

# Type of Procurement: Competitive Bid

In accordance with HRSD's competitive sealed bidding procedures, the Engineering Division advertised and solicited bids directly from potential bidders. The project was advertised on June 3, 2024, and two bids were received on July 2, 2024. The bids received are listed below:

Bidder	Bid Amount
Bridgeman Civil, Inc.	\$3,224,000
Tidewater Utility Construction, Inc.	\$5,277,925

## **Engineer Estimate:**

The design engineer, RK&K, evaluated the bids based upon the requirements in the invitation for bid and recommends award to the lowest responsive and responsible bidder, Bridgeman Civil, Inc., in the amount of \$3,224,000.

<u>Project Description</u>: This project will replace approximately 170 linear feet of 24-inch HRSD force main, rehabilitate via Cured-in-place-pipe (CIPP) method approximately 200 linear feet of 24-inch HRSD force main and replace an associated City of Virginia Beach 12-inch force main crossing Independence Boulevard just south of Cleveland Street. The attached <u>map</u> depicts the project location.

<u>Project Justification</u>: In December 2009, a leak was identified on line SF-120 in Independence Boulevard just south of the abandoned railroad tracks south of Cleveland Street. The leak was excavated and repaired under an emergency declaration. Additional repairs on the line have been made since 2009.

<u>Contract Description</u>: This contract is for construction phase services with Bridgeman Civil, Inc. Inc., in the amount of \$3,224,000. The original CIP budget was estimated back in 2022 and costs have escalated considerably since that time. In addition, the project requires working in one of the busiest corridors in the City of Virginia Beach.

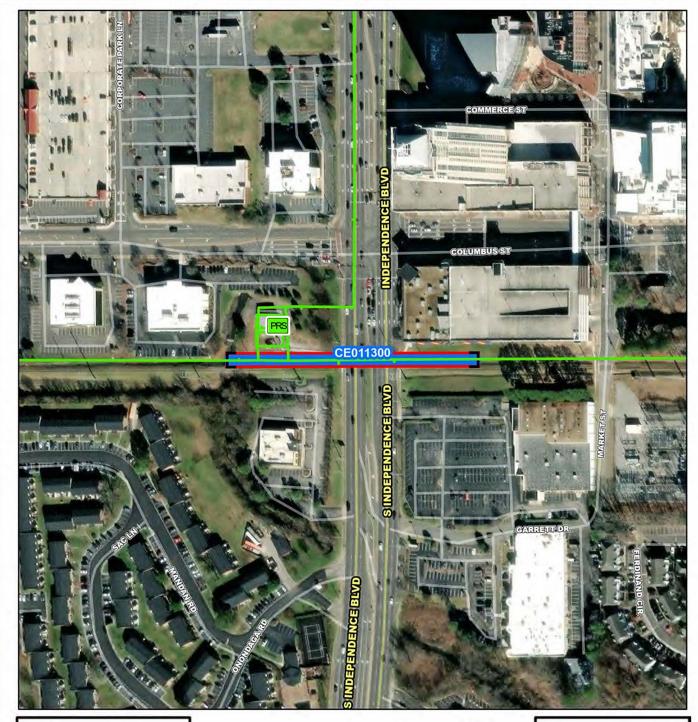
<u>Task Order Description</u>: This task order will provide services during construction including contract administration and field engineering and inspection services. HRSD and the design engineer, RK&K, negotiated a fee in the amount of \$380,013 based on hourly rates in RK&K's annual services contract for Linear Infrastructure Projects and an estimation of hours required for this effort. The fee proposal is comparable to other projects of similar size and complexity.

<u>Funding Description</u>: The original CIP project estimate did not foresee the current market conditions as they relate to inflation, labor shortages and long lead times for materials. The construction bid amount and the fee for construction related engineering services exceed the current balance available for the CIP project. This request also includes a 10% contingency to accommodate any unforeseen conditions.

<u>Analysis of Cost</u>: The cost for the construction contract has been reviewed by RK&K and is 26% over the Engineer's Estimate and 45% over the HRSD FY-2025 CIP estimate and has been found to be reasonable. The task order for RK&K has been reviewed and is reasonable. The fee for the contract administration is 6.9% of the construction cost and the construction inspection is 4.2% of the construction cost which agrees with similar efforts for comparable projects.

**Schedule:** Construction August 2024

Project Completion April 2025

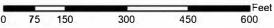




- Project Interceptor Line
- Project Interceptor Point
- Project Pump Station Point
- Project Area

#### Legend

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



# CE011300

Birchwood Trunk 24-Inch and 30-Inch Force Main at Independence Boulevard Replacement Phase II





CIP Location



Resource: Bruce Husselbee

CONSENT AGENDA ITEM 2.c.1. – July 23, 2024

**Subject:** Coliseum PRS Off-Line Storage Tank Odor Control Upgrades

Task Order (>\$200,000)

**Recommended Action:** Approve a task order with Bridgeman Civil, Inc. in the amount of \$316,516.

CIP Project: YR014700

Regulatory Requirement: None

Budget	\$1,000,000
Previous Expenditures and Encumbrances	(\$253,324)
Available Balance	\$746,676

Contract Status with Task Orders:	Amount
Original Contract with Bridgeman Civil	\$0
Total Value of Previous Task Orders	\$ 16,142,767
Requested Task Order	\$316,516
Total Value of All Task Orders	\$16,459,283
Revised Contract Value	\$16,459,283

<u>Project Description</u>: The project will include the design and construction of an access platform and jib crane for the existing carbon scrubber systems. The attached <u>map</u> depicts the project location.

<u>Project Justification</u>: The platform and jib crane will provide a much-needed improvement to safety and access of the existing carbon units, both for carbon change out operations and for maintenance inspections.

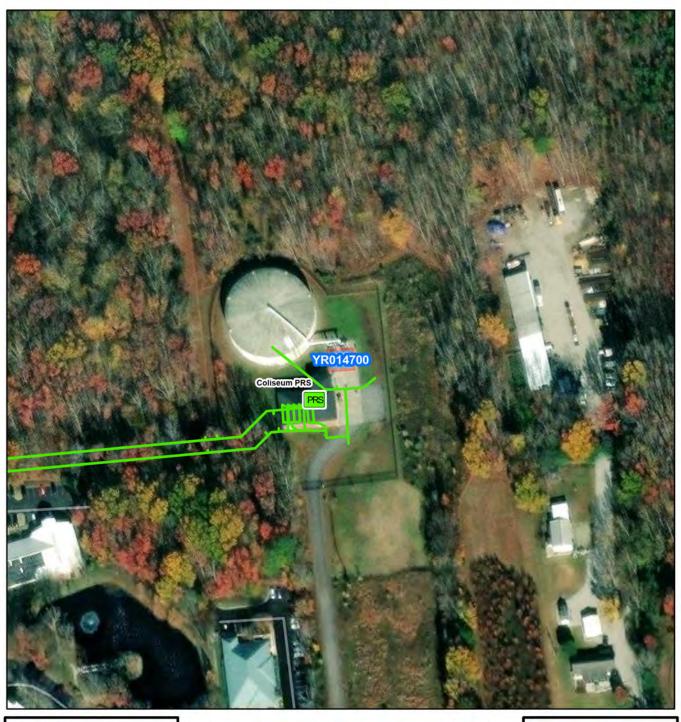
<u>Task Order Description</u>: This task order is for the installation and construction of metal grating and a platform over the existing carbon odor control units for the Coliseum PRS and Off-Line Storage Tank project.

<u>Analysis of Cost</u>: The cost for this task order is based on the pre-negotiated rates under the Annual Sewer Repair and Condition Assessment Services Agreement.

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

**Schedule**: Design March 2022

Bid April 2024
Construction July 2024
Project Completion May 2025





Project Interceptor Line

Project Interceptor Point

Project Pump Station Point

Project Area

#### Legend

★ CIP Interceptor Point

☆ CIP Pump Station Point

CIP Interceptor Line

III CIP Abandonment

CIP Project Area

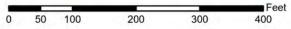
HRSD Interceptor Force Main

HRSD Interceptor Gravity Main

WTP HRSD Treatment Plant

HRSD Pressure Reducing Station

HRSD Pump Station



# YR014700

Coliseum PRS Off-Line Storage Tank Odor Control Upgrades







York

Resource: Bruce Husselbee

#### CONSENT AGENDA ITEM 2.c.2. – July 23, 2024

**Subject:** Solids System Improvements for Army Base MHI Offline

Additional Appropriation – Non Regulatory (<\$1,000,000) and Task Order (>\$200,000)

# **Recommended Actions:**

a. Appropriate additional funding in the amount of \$251,439.

b. Approve a task order with HDR Engineering, Inc. in the amount of \$264,662.

#### CIP Project: GN017900

#### Regulatory Requirement: None

Budget	\$5,812,494
Previous Expenditures and Encumbrances	(\$5,671,081)
Available Balance	\$141,413
Proposed Task Order to HDR	(\$264,662)
Proposed Contingency	(\$128,190)
Project Shortage/Requested Additional Funding	(\$251,439)
Revised Total Project Authorized Funding	\$6,063,933_

Contract Status with Task Orders:	Amount
Original Contract with HDR	\$650,830
Total Value of Previous Task Orders	\$675,013
Requested Task Order	\$264,662
Total Value of All Task Orders	\$939,675
Revised Contract Value	\$1,590,505
Engineering Services as % of Construction	36.6%

<u>Project Description</u>: This project will install thickened liquid solids load out facilities at the Army Base Treatment Plant (ABTP) and thickened liquid solids load in facilities at the Atlantic Treatment Plant (ATP) and the Virginia Initiative Plant (VIP). Completed facilities will leverage existing solids handling capacity at the receiving plants to remove solids handling facilities at the ABTP from operation including dewatering and multiple hearth incinerator (MHI) operations.

<u>Project Justification</u>: The project is projected to reduce net annual operating expenses for ABTP solids management by approximately \$100,000 per year. Removing ABTP solids handling systems from operation will reduce baseline operational staffing requirements at the ABTP by four Plant Operators, one Maintenance Operator, and one Maintenance Operator Assistant; reduce electrical energy requirements at the ABTP by 27% and reduce net carbon emissions associated with ABTP solids management (inclusive of contract hauling of thickened liquid sludge) by 2,880 tons CO2e/year (35% of current ABTP net annual emissions). Removing the ABTP MHI from operation mitigates regulatory risk of CAA129 MACT standards non-compliance.

<u>Task Order Description and Analysis of Cost</u>: This task order will provide additional contract administration and field engineering and inspection services during the remainder of the construction period. Construction has been delayed due to supplier issues and delivery delays for ductile iron pipe that affected the schedule of work on the ABTP Nitrogen Enhancement Facility. A fee of \$264,662

was negotiated based on hourly rates in HDR's annual services contract for General Engineering Services and an estimation of hours required for this effort.

The task order for HDR has been reviewed and is reasonable. The total fee for contract administration is 11% of construction cost. Contract administration is typically 5% to 10% of construction cost; however, this project is funded by the Virginia Clean Water Revolving Loan Fund which requires extra administration to track American Iron and Steel requirements, De Minimis, Davis Bacon rates and MBE/WBE. Construction inspection is 10% of construction cost. The construction inspection is a not to exceed contract, so all of the inspection fee may not be utilized.

**Funding Description:** Due to a significant time extension on the construction contract, the Engineer has expended the budget for contract administration and inspection services. The proposed fee for construction related engineering services exceeds the current balance available for the CIP project. This request also includes a 3% contingency to accommodate any further unforeseen conditions.

**Schedule:** Construction August 2022

Project Completion February 2025

#### AGENDA ITEM 3. - July 23, 2024

**Subject:** Army Base Treatment Plant Administration Building Renovation

Additional Appropriation, Contract Award (>\$200,000), Task Order (>\$200,000)

#### **Recommended Actions:**

a. Appropriate additional funding in the amount of \$8,984,539.

b. Award a contract to Syncon, LLC in the amount of \$8,345,764.

c. Approve a task order with Guernsey Tingle Architects, P.C. (GTA) in the amount of \$438,899.

CIP Project: AB011900

#### Regulatory Requirement: None

Budget	\$1,014,800
Previous Expenditures and Encumbrances	(\$452,388)
Available Balance	\$562,412
Proposed Construction Contract to Syncon, LLC	(\$8,345,764)
Proposed Task Order to GTA	(\$438,899)
Proposed Contingency (5% of Construction)	(\$417,288)
Proposed HRSD Purchase FFE (Furniture, Fixtures, Equipment)	(\$345,000)
Project Shortage/Requested Additional Funding	(\$8,984,539)
Revised Total Project Authorized Funding	\$9,999,339

Contract Status with Task Orders:	Amount
Original Contract with GTA	\$57,020
Total Value of Previous Task Orders	\$391,582
Requested Task Order	\$438,899
Total Value of All Task Orders	\$830,481
Revised Contract Value	\$887,501
Engineering Services as % of Construction	10.6%

# **Type of Procurement**: Competitive Bid

In accordance with HRSD's competitive sealed bidding procedures, the Engineering Division advertised and solicited bids directly from potential bidders. The project was advertised on June 10, 2024, and three bids were received on July 9, 2024. The bids received are listed below:

Bidder	Bid Amount
E.T. Gresham Co., Inc. (bid withdrawn)	\$5,404,360
Syncon, LLC	\$8,345,764
Tazewell Contracting	\$403,739,200

#### **Engineer Estimate:**

\$9,569,360

The low bidder was E.T. Gresham Co., Inc. in the amount of \$5,404,360. HRSD received notification from Gresham on July 9, 2024, indicating that they had made a material and substantial mistake in the preparation of the bid. Gresham requested to withdraw their bid in accordance with Article 16.03 of the Instructions to Bidders. The withdrawal was made in accordance with the requirements of the bid documents.

The bid submitted by Tazewell Contracting had an obvious error as well. Tazewell confirmed that they entered the total extended amount for each of the lines instead of the unit price amount for each line.

The design engineer, GTA, evaluated the bids based upon the requirements in the invitation for bid and recommends that HRSD accept Gresham's request to withdraw their bid due to a math error in accordance with 2.2-4330 of the Code of Virginia. GTA further recommends award to the lowest responsive and responsible bidder, Syncon, LLC, in the amount of \$8,345,764.

<u>Project Description</u>: This project will provide renovation of the existing administration and electrical and instrumentation buildings and construction of additional administrative spaces and new lab area.

<u>Project Justification</u>: Constructed in the 1940s, the Army Base Treatment Plant administration and electrical and instrumentation buildings require extensive renovation. Many of the areas also require electrical and HVAC replacement, with the existing systems having reached the end of their useful service life.

<u>Contract Description</u>: This contract is for construction phase services with Syncon, LLC, in the amount of \$8,345,764. The original CIP budget was estimated back in 2020. Construction costs, labor and materials, have escalated considerably since 2020 along with change in scope of work.

<u>Task Order Description</u>: This task order will provide services during construction including contract administration and field engineering and inspection services. HRSD and the design engineer, GTA, negotiated a fee in the amount of \$438,899 based on hourly rates in GTA's annual services contract for Architectural Mechanical and Electrical Services and an estimation of hours required for this effort. The fee proposal is comparable to other projects of similar size and complexity and includes building commissioning, asbestos removal monitoring and special inspections.

<u>Funding Description</u>: The original CIP project estimate was created in 2020. The construction bid amount and the fee for construction related engineering services exceed the current balance available for the CIP project. This request also includes a 5% contingency to accommodate any unforeseen conditions and a budget for HRSD purchased furniture, fixtures and equipment.

Analysis of Cost: The cost for the construction contract has been reviewed by GTA and is within 13% (under) of the Engineer's Estimate and within 11% (under) the HRSD FY25 CIP estimate and has been found to be reasonable. The task order for GTA has been reviewed and is reasonable. The fee for the contract administration is 3.1% of the construction cost and the construction inspection is 2.1% of the construction cost which is lower than similar efforts for comparable projects.

**Schedule:** Construction August 2024

Project Completion January 2026

Resource: Bruce Husselbee

#### AGENDA ITEM 4. – July 23, 2024

**Subject:** Atlantic Treatment Plant Digester Improvements

Alternative Project Delivery

**Recommended Action**: Approve the Construction Management (CM) project delivery method for the Atlantic Treatment Plant Digester Improvements project.

CIP Project: AT016500

Regulatory Requirement: None

<u>Project Description</u>: This project will provide new fixed covers and new mixing systems for each of the four anaerobic digesters that process biosolids prior to final dewatering and disposal, concrete rehabilitation and associated piping and electrical modifications at the Atlantic Treatment Plant to increase treatment reliability and minimize offsite odors for the surrounding community.

<u>Project Justification</u>: The existing digesters were constructed 40 years ago and many of the components are at the end of their useful life. The floating covers do not provide a gas-tight seal and contribute to the off-site odor concerns at the plant. The mixing systems are no longer in production so obtaining parts for maintenance is difficult.

This project will be delivered using the Construction Management project delivery method.

Per HRSD's Procurement Policy, the competitive sealed bid process is the preferred method of construction procurement that reflects the Design-Bid-Build project delivery method. However, this project delivery method will not meet all of the critical needs for implementing this project. The competitive best-value Construction Management delivery method provides HRSD with the following benefits by:

- 1. The design, procurement, and installation of the CAMBI system is creating a project with a significant duration. The project includes several early win opportunities that could be done much earlier if we use multiple construction packages, including a bypass conveyor and storage hopper to eliminate that single point of failure, biogas flare, polymer improvements, and odor control improvements. The CM approach facilitates the bidding of multiple construction packages.
- 2. The CM delivery method will allow for contractor input during the design, which will be beneficial for the complex construction and sequencing of the work.
- The CM delivery method will allow for contractor input to consider cost saving alternatives during the design and a lump sum or guaranteed maximum price can be received during the final design stage.
- 4. The CM delivery method will allow for the early procurement of the CAMBI train that can be assigned directly to this Construction Manager instead of HRSD taking temporary ownership then reassigning at a later date. The most recent proposal from CAMBI included a 24-month delivery schedule, making early procurement a critical project need.
- 5. Contractor input will allow for certain aspects of the Program to be expedited limiting odor issues to the surrounding neighbors.

In November 2023, the Commission approved the use of Construction Management project delivery method for the four CIP projects in the Atlantic Treatment Plant Reliability and Odor Control Improvements (ROCI) program. Due to the addition of this project to the ROCI program, it is recommended to add this project to the CM delivery method.

**Schedule:** Design August 2024

Construction January 2026
Project Completion Dec 2031

#### AGENDA ITEM 5. – July 23, 2024

**Subject:** Atlantic Treatment Plant Reliability and Odor Control Improvements (ATP ROCI):

ATP Liquid Side Odor Evaluation and Improvements

ATP Gravity Belt Thickener and Pre-Dewatering Polymer Improvements

ATP Odor and Solids Improvements 2023

ATP Solids Curing Facility and Pad Improvements

ATP Digester Improvements

Initial Appropriation and Task Order

#### **Recommended Actions:**

- a. Appropriate total project funding in the amount of \$24,656,000 for the ATP Digester Improvements (AT016500) project.
- b. Approve a task order with Black and Veatch in the amount of \$18,000,607 for the following individual CIP projects:
  - (1) \$210,012 for ATP Gravity Belt Thickener and Pre-Dewatering Polymer Improvements (AT015900)
  - (2) \$14,660,724 for ATP Odor and Solids Improvements 2023 (AT016000)
  - (3) \$1,542,007 for ATP Solids Curing Facility and Pad Improvements (AT016100), and
  - (4) \$1,587,864 for ATP Digester Improvements (AT016500)

#### Regulatory Requirement: None

**CIP Project: AT015900** (ATP Gravity Belt Thickener and Pre-Dewatering Polymer Improvements)

Budget \$6,395,000
Previous Expenditures and Encumbrances (\$77,593)
Available Balance \$6,317,407

Contract Status with Task Orders:	Amount
Original Contract with Black & Veatch	\$77,593
Total Value of Previous Task Orders	\$0
Requested Task Order	\$210,012
Total Value of All Task Orders	\$210,012
Revised Contract Value	\$287,605
Engineering Services as % of Construction	14.3%

#### **CIP Project:** AT016000 (ATP Odor and Solids Improvements 2023)

Budget	\$55,103,000
Previous Expenditures and Encumbrances	(\$1,391,523)
Available Balance	\$53,711,477

Contract Status with Task Orders:	Amount
Original Contract with Black & Veatch	\$1,049,500
Total Value of Previous Task Orders	\$0
Requested Task Order	\$14,660,724
Total Value of All Task Orders	\$14,660,724
Revised Contract Value	\$15,710,224
Engineering Services as % of Construction	9%

#### **<u>CIP Project</u>**: **AT016100** (ATP Solids Curing Facility and Pad Improvements)

Budget	\$11,730,000
Previous Expenditures and Encumbrances	(\$123,593)
Available Balance	\$11,606,407

Contract Status with Task Orders:	Amount
Original Contract with Black & Veatch	\$123,593
Total Value of Previous Task Orders	\$0
Requested Task Order	\$1,542,007
Total Value of All Task Orders	\$1,542,007
Revised Contract Value	\$1,665,600

# <u>CIP Project</u>: AT016500 (ATP Digester Improvements)

Contract Status with Task Orders:	Amount
Original Contract with Black & Veatch	\$0
Total Value of Previous Task Orders	\$0
Requested Task Order	\$1,587,864
Total Value of All Task Orders	\$1,587,864
Revised Contract Value	\$1,587,864
Engineering Services as % of Construction	7.6%

<u>Project Description</u>: These projects will provide for treatment plant improvements to the Atlantic Treatment Plant to increase treatment reliability and minimize offsite odors for the surrounding community.

<u>Project Justification</u>: There has been an increase in odor complaints around the Atlantic Treatment Plant in calendar year 2022 and 2023 since the implementation of the new solids handling process and the diversion of all Chesapeake-Elizabeth Treatment Plant flow. These projects include design and construction to perform needed solids handling and odor control upgrades at the Atlantic Treatment Plant.

<u>Task Order Description and Analysis of Cost</u>: This task order is an extension of the previous preliminary engineering services and will provide design services. The task order for Black and Veatch will provide design and bid phase services and Construction Manager coordination. Black and Veatch and HRSD staff reviewed the scope of services and determined a fee of \$18,000,607 is reasonable when compared to other projects of similar size and scope.

**Schedule**: PER February 2023

Emergency Declaration
Design
Construction
Project Completion
June 2024
August 2024
January 2026
December 2031

Resource: Charles Bott

AGENDA ITEM 6. – July 23, 2024

**Subject:** Biosolids Data Visualization and Management Tool

Initial Appropriation – Non-Regulatory and Task Order (>\$200,000)

#### **Recommended Actions:**

a. Appropriate total project funding in the amount of \$300,000.

b. Approve a task order with Hazen & Sawyer in the amount of \$295,602.

CIP Project: GN021100

**Regulatory Requirement:** None

<u>Project Description</u>: This project will develop a data-based decision support tool to visualize aspects of HRSD's solids management systems for optimization and decision-making. This tool will include costs, material transfers, capacities, and performance. The envisioned deliverable of this project will be a dashboard built in Microsoft Power BI and an associated user guide that visualizes near real-time data related to solids production and management at HRSD's eight large treatment plants, interplant solids transfers, external solids end-use and disposal, and energy management impacts (where applicable).

**Project Justification:** HRSD operates a complex and networked solids management system that relies on varied processes at each facility, transfer and sharing of resources across facilities, and transfer of solids external to HRSD for further processing, beneficial use, and disposal. Additionally, recent and impending changes in overall biosolids management (i.e. closure of CETP in 2020, decommissioning of the ABTP incinerator in 2024, closure of BHTP in 2026, introduction of SWIFT residuals, etc.) have highlighted opportunities to better utilize HRSD's existing solids management capacities and risks that may be mitigated by proposed future operational enhancements and capital expenditures. The networked and diverse nature of HRSD's solids management system makes it difficult to make fully informed cost and risk-based decisions pertaining to current and future solids management. The dashboard tool delivered under this project will improve such decision making by associating costs of treatment, capacities and operational performance with solids management at HRSD's eight large treatment plants and allow for HRSD staff to guery various scenarios for solids management. Dashboard visualizations will support the development and communication of future operational strategies, support scoping and business case evaluations of future solids management facilities. This project is in alignment with Strategic Plan Principles of Empowered and Data Driven decision-making and supports HRSD's Priorities of Innovation and Financial Stewardship. Additionally, the tool will provide critical data to support NP015400 - Nansemond Treatment Plant Solids Drying Feasibility and Site Study.

<u>Task Order Description</u>: This task order will provide engineering services for the creation of a dashboard to aid in decision-making related to HRSD solids management.

<u>Analysis of Cost</u>: The lump sum cost is based on a negotiated scope and an estimate of labor hours required to complete the work. Engineering services will be provided by Hazen & Sawyer under the General Engineering Annual Services Contract.

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

**Schedule:** Project Completion June 2025

Resource: Bruce Husselbee

#### AGENDA ITEM 7. – July 23, 2024

**Subject:** Chesapeake Boulevard Pump Station (PS 105) Replacement and Norfolk Pump Station

(PS 57) Rehabilitation

Initial Appropriation – Regulatory Required and Acquisition of Real Property for a Public

Purpose – 5724 Chesapeake Boulevard Norfolk, VA

#### **Recommended Actions:**

a. Appropriate total project funding in the amount of \$20,566,000.

b. Approve the purchase of a property located at 5724 Chesapeake Boulevard, further identified as GPIN: 1448293368, and the associated total acquisition costs of \$497,000 and \$15,000 for relocation assistance costs for a total price of \$512,000, in accordance with the terms and conditions of the Purchase Agreement with Tiffany M. Talley, owner of subject property; and authorize the General Manager to execute same and related acquisition documents in accordance with those terms and conditions substantially as presented, together with such changes, modifications and deletions as the General Manager may deem necessary.

CIP Project: VP015430

**Regulatory Requirement**: Rehab Action Plan Phase 2 (May 2025)

<u>Project Description:</u> This project will construct a new Chesapeake Boulevard Pump Station to replace the old existing pump station. This project also includes the replacement of existing equipment at the HRSD acquired Norfolk Pump Station 57, which has been renamed to HRSD Pump Station 167 / Robinhood Road Pump Station. The new equipment will be installed in accordance with HRSD's standards.

This project was originally part of the overall VP015400 CIP effort to replace multiple pump stations within the City of Norfolk. This portion of the original CIP has been separated from the larger project to better align the timing of acquisitions for the various sites and ability to move some projects forward into construction sooner than others.

The acquisition of the new parcel adjacent to the existing Chesapeake Boulevard Pump Station will allow for the new pump station to be constructed nearby, minimizing costs and disruptions to the public. During construction of the new pump station, the existing pump station will go on bypass.

The acquisition of the Norfolk Pump Station (PS 57), now known as HRSD Pump Station 167 has already been secured, and no additional acquisitions or easements are required for this project.

<u>Project Justification</u>: The project will address aging infrastructure pertaining to the condition of the wet wells, pumps, motors, controls, appurtenances and emergency generator/pumps for the facility, all of which are reaching the end of their useful life.

<u>Analysis of Cost</u>: The cost for the acquisition is based on an appraisal by Dove Valuations, as well as negotiated settlement with the property owner for this preferred, adjacent to the existing pump station, parcel that reflects current fair market value acquisition costs in the area, expedited sale and move by the owner, as well as relocation assistance. Acquisition from a willing seller is critical to the overall project success.

<u>Agreement Description:</u> The <u>Purchase and Sale Agreement</u> is attached and was reviewed by HRSD staff and legal counsel. The deed of bargain and sale will also be reviewed by HRSD staff and real estate legal counsel before execution. The attached <u>map</u>, existing pump station site <u>photo</u>, and future pump station site <u>photo</u> depict the project location.

ADDRESS: 5724 CHESAPEAKE BOULEVARD

ACCT NO: 29478607 GPIN: 1448293368

PROJECT: Chesapeake Boulevard Pump Station Replacement

ROUTE/STREET: 5724 Chesapeake Boulevard

CITY/COUNTY: Norfolk, Virginia

#### PURCHASE AND SALE AGREEMENT

THIS PURCHASE AN	<b>D SALE AGREEMENT</b> (this "Agreement") made this
day of	2024, by and between), <u>TIFFANY M. TALLEY</u> , whose
mailing address is 5724 CHE	SAPEAKE BOULEVARD, Norfolk, Virginia,
("Landowner/Seller"), and <u>HA</u>	MPTON ROADS SANITATION DISTRICT ("HRSD"), a
political subdivision of the Co	mmonwealth of Virginia, located at 1434 Air Rail Avenue,
Virginia Beach, Virginia 2345	5, the ("Buyer"). Collectively, Buyer and Seller shall be
referred to as the "Parties."	

#### RECITALS

- A. Seller represents to Buyer that Seller is the owner in fee simple absolute of a certain parcel of property located on Chesapeake Boulevard in the City of Norfolk, Virginia, known and described generally as 5724 CHESAPEAKE BOULEVARD, City of Norfolk GPIN No. 1448293368, containing approximately 0.1353 AC, more or less, land and improvements; such property being more particularly described in **Exhibit A**, said Exhibit being attached hereto and made a part of this Agreement by this reference (such properties being hereinafter collectively referred to as the "Property").
- B. HRSD desires to purchase the Property and all structures and improvements thereon and appurtenances thereto from the Seller for the purpose of the Chesapeake Boulevard Pump Station Replacement project, CIP# VP015430.
- C. Seller is willing to sell the Property to HRSD subject to the terms and conditions set forth in this Agreement.
- D. These recitals are incorporated by this reference into this Agreement.

NOW, THEREFORE, in consideration of the purchase price and the mutual promises contained in this Agreement, the parties agree as follows:

1. <u>SALE</u>. Seller agrees to sell and HRSD agrees to purchase the Property, together with all rights, improvements, and appurtenances thereto,

including all right, title and interest of Seller in and to any land lying in the bed of any highway, street, road, or avenue, open or proposed, in front of or abutting, or adjoining such tract or piece of land and any riparian rights, if any, and any rights, easements, and appurtenances pertaining thereto, and any building and other property situated thereon, including all personal property, attached or appurtenant to, located in or on, or used in connection with the real property, if any. The real property, together with all such rights, improvements, and appurtenances thereto, and any such personal property, are hereinafter collectively referred to as "the Property".

 PURCHASE PRICE. The purchase price (the Purchase Price) for the Property is <u>FOUR HUNDRED AND NINETY-SEVEN THOUSAND AND</u> <u>00/100 DOLLARS (\$497,000)</u> and shall be paid by certified check or wired funds at closing.

#### 3. CONVEYANCE.

- a. At the Closing, Seller shall convey title to the Property in fee simple, by general warranty deed, free and clear of any and all liens, mortgages, deeds of trust, security interests, leases, covenants, conditions, restrictions, easements, rights-of-way, licenses, encroachments, judgments or encumbrances of any kind, except for the following permitted exceptions: (a) the lien of real estate taxes not yet due and payable; (b) zoning and building restrictions and other laws, ordinances, and regulations of governmental bodies having jurisdiction over the Property; and (c) matters of record affecting title to the property, as reviewed and approved (or deemed approved) by HRSD in accordance with this Agreement. Except as expressly stated in this Agreement, the Property shall be conveyed in "AS IS" condition.
- b. Title to the Property shall be good and marketable and, if HRSD chooses to obtain title insurance, insurable by a nationally recognized ALTA title insurance company of HRSD's choice at or below normal rates. In the event that a title examination discloses defects of title or other matters unsatisfactory to HRSD at HRSD's sole determination, HRSD shall notify Seller in writing (an "Objection Notice"), prior to Closing of such title defects or other matters to which HRSD objects. Seller covenants that it shall cure all monetary encumbrances and all title objections which may be cured by execution of a document requiring the signature of no party other than Seller (including any affidavits which may reasonably be required by the title insurer). Seller may notify HRSD in writing (an "Objection Response"), within ten (10) business days after receiving an Objection Notice if it believes that

the Objection Notice makes reference to any title defect or other matter that Seller cannot or elects not to cure. Upon receipt of an Objection Response from Seller, HRSD shall have the option either to (i) terminate this Agreement by notice to Seller given within ten (10) business days of the Objection Response or (ii) accept the defects, exceptions or other matters referenced in such Objection Response and proceed to Closing hereunder with no reduction of the Purchase Price. Seller shall have the period until the Closing date within which to correct all defects, exceptions or other matters that it is required or elects to cure. Seller shall provide such documents (including evidence of authority), affidavits, and other instruments that may be reasonably required for the issuance of a title insurance policy to HRSD.

- c. Seller will deliver possession of the Property to HRSD at Closing, except that HRSD will have access to the Property prior to Closing for the purposes specified herein.
- d. Seller agrees to pay proration of real estate taxes and storm water fees. HRSD will pay all other fees charged in connection with preparation and recordation of the deed, including grantor's tax, and other applicable closing costs, if any.
- e. Seller and HRSD agree that the attorney selected by HRSD shall act as the Settlement Agent at HRSD's expense.
- 4. RIGHT OF ENTRY. HRSD and HRSD's authorized representatives may at any reasonable time and after giving reasonable notice to Seller, enter upon the Property for the purpose of making inspections, appraisals, surveys, including but not limited to the cutting of survey lines and putting up markers and driving stubs and stakes, site analysis, engineering studies, core sampling for engineering reports, and locating existing rights of way, easements, and utilities. HRSD will exercise this right of entry in such a way so as to not cause unreasonable damage to the Property.

#### 5. CONDITIONS AND CONTINGENCIES.

a. HRSD's obligations are expressly conditioned upon the waiver or satisfaction of each of the following conditions in the sole determination of HRSD. If any one of the following conditions are not or cannot be met prior to Closing, HRSD may unilaterally terminate this Agreement or, in HRSD's sole discretion, extend the date of Closing:

- Receipt of a satisfactory title commitment, with all unacceptable title exceptions, encumbrances, and conditions as deemed by HRSD removed or cured at Seller's cost; however, if Seller chooses not to remove or cure any such title exception, HRSD's sole remedy shall be to terminate this Agreement;
- ii. Receipt of a Phase I Environmental Assessment and Report (Phase I Report) conducted and prepared by an environmental engineering and inspection company selected by HRSD at HRSD's expense and such other testing and reports as may be reasonably required by HRSD or recommended in the Phase I Report;
- iii. Seller's compliance with all of Seller's obligations under this Agreement.
- Results of all surveys, testing, and inspections conducted by HRSD of the Property being to HRSD's satisfaction in HRSD's sole discretion.
- b. This Agreement is expressly conditioned upon the completion of all title and environmental "due diligence" by HRSD to the satisfaction of HRSD in HRSD's sole discretion.
- c. Seller agrees that any mortgage, deed of trust, security agreement or monetary lien against the Property shall be removed and released as liens on the Property on or before Closing.
- d. This Agreement is contingent on the review and approval of the purchase by the Hampton Roads Sanitation District Commission and upon such Commission granting authorization to the General Manager to proceed under the terms of this Agreement.

#### 6. ENVIRONMENTAL AND RELATED MATTERS.

a. As a condition precedent to HRSD's obligation to purchase, HRSD, at HRSD's expense, may have a Phase I Environmental Assessment of the Property performed by a qualified environmental consultant (the Consultant) selected by HRSD and reasonably acceptable to Seller, conducted in accordance with standard commercial practice at the time of the assessment. A copy of the Phase I Environmental Assessment will be made available to Seller, together with copies of any supplemental reports or assessments.

- b. If the Consultant recommends soil, water, or structural remediation or further assessment activity after or as a result of performing a Phase I Environmental Assessment or if HRSD otherwise determines, in its reasonable judgment, that further assessment activity (including, but not limited to, a Phase II Environmental Assessment) is desirable, HRSD may at its option:
  - (i) Terminate this Agreement; or
  - (ii) Extend the time for closing for an additional period of sixty (60) days in order to perform any such additional assessment at HRSD's expense; or
  - (iii) Waive the environmental defect and proceed to Closing.

In the event HRSD chooses to perform any additional assessment, such as a Phase II, and determines that the results of such assessment are not satisfactory, HRSD may at its option:

- (i) Terminate this Agreement; or
- (ii) Waive the environmental defect and proceed to Closing.
- 7. REPRESENTATIONS AND WARRANTIES BY SELLER. Seller represents and warrants as of the date of this Agreement and as of the date of Closing that: Seller has the right, title, and authority to enter into this Agreement and to perform its obligations hereunder.

Seller further represents and warrants, and shall deliver to HRSD at or prior to the Settlement, an Owner's Affidavit prepared by HRSD and all other documents required by the title company to issue an owner's policy evidencing, the following facts:

- Other than this Agreement, there are no other contracts for sale or options involving the Property now in effect;
- (ii) To the best of Seller's knowledge, no other party has any right, title, or interest in the Property;
- (iii) There are no unrecorded leases, options, licenses or easements existing in connection with the property of which the Seller has knowledge;
- (iv) There are no adverse government notifications or proceedings and there is no pending or threatened litigation or any other potentially adverse claims affecting the property of which the Seller has knowledge.

- (v) Foreign Status. Seller is not a foreign corporation, person or entity and is a "United States Corporations, Person or Entity" as such terms is defined in Section 1445 and in Section 7701 (a)(30) of the Internal Revenue Code of 1986, as amended (the "Code") and shall deliver to HRSD at or prior to the Settlement an Affidavit prepared by HRSD evidencing such fact and such other documents as may be required under the Code.
- (vi) From and after the date of this Agreement, Seller has not and shall not transfer any portion of the Property, or interest in the Property, or grant any easements or enter into any contractual agreement or understanding, written or oral, with respect to the Property or any portion thereof or make any changes at all that require recordation and therefore modifications to title, without the prior written consent of HRSD.
- The Seller warrants that to the best of her knowledge there (vii) are no wetlands or hazardous wastes, which would prevent HRSD's intended use of the land. To the best of the Seller's knowledge: (i) none of the Property has been excavated (except for standard grading related to site development); (ii) no hazardous materials, toxic chemicals, or similar substances, as defined by 42 U.S.C. §1251, et seq. or 42 U.S.C. §6901, et seq. or 42 U.S.C. §9601, et seq., or 33 U.S.C. §1317(1), or 15 U.S.C. §2606(f), or 49 U.S.C. §1801, et seq., or regulations adopted pursuant thereto, or any similar provision of any applicable state, Federal, or local law (collectively "Hazardous Materials"), are or were stored or used on or under or otherwise were or are in existence or were in any way dealt with on or under the Property; and (iii) no owner or occupant of the Property has received any notice from any governmental agency with regard to such Hazardous Materials.
- (viii) All of Seller's representations and warranties remain true and correct through the actual date of settlement.
- 8. <u>NOTICES</u>. All notices to the parties hereto will be delivered by hand, via certified mail return receipt requested, or via facsimile and all be deemed effective upon delivery if by hand and upon confirmation of receipt if by other means, to the following address until the address is changed by notice in writing to the other party:

HRSD:

Jay Bernas, P.E., M.B.A.

General Manager P.O. Box 5911

Virginia Beach, Virginia 23471-0911

Seller:

Tiffany M. Talley

5724 Chesapeake Boulevard

Norfolk, Virginia

- 9. <u>CLOSING</u>. Unless this Agreement is terminated pursuant to its terms or by mutual agreement of the parties, or unless the Closing date is extended pursuant to the terms of this Agreement or by mutual agreement of the parties, Closing will be made at the offices of the Settlement Agent on or about <u>July 29, 2024</u> but no later than 60 days from the Effective Date of this Agreement (Effective Date being defined as the date on which both the Seller and HRSD have endorsed this Agreement).
- 10. POST-CLOSING POSSESSION. Seller shall comply with all terms and conditions of the Post-Closing Possession Agreement attached hereto as Exhibit B and made part of this Agreement. If post-closing possession is still needed by Seller, Seller shall sign the Post-Closing Possession Agreement at closing. The terms and conditions of this paragraph shall survive closing and not merge with the deed.
- 11. <u>USE OF SALE PROCEEDS:</u> Seller acknowledges, agrees, and directs that proceeds from this sale be paid in certain ways at settlement, Seller's intent being to enable Seller to purchase a home at 5425 Port Royal Drive, Virginia Beach, VA 23462, hereinafter "New Home", which Seller has under contract. Seller agrees and directs that proceeds from the sale of the property which is the subject of this agreement, i.e. 5724 CHESAPEAKE BOULEVARD, be used to pay off the following debts of Seller, which are expected to be as follows, by way of identification:
  - a. TOYOTA
  - b. DISCOVER
  - c. NFCU
  - d. Home Depot
  - e. NFCU
  - f. NFCU
    - g. SYNC / PPC
  - h. CAPITAL ONE
  - CBNA
  - j. CAPITAL ONE
  - k. CHASE
  - CAPITAL ONE
  - m. NR/SMS/CAL

Seller further agrees that Seller will not voluntarily increase the balance on any of the aforesaid debts after execution of this Agreement, and that Seller will not incur any additional debts prior to closing. Furthermore, Seller agrees and directs that the amount of \$187,000.00 is to be paid out of the proceeds as the down payment on her New Home.

- 12. <u>PRORATIONS</u>. All rents, interest, taxes, insurance premiums, utility bills, and fuel oil, if any, will be prorated as of the date of Closing.
- 13. <u>RISK OF LOSS</u>. All risk of loss or damage to the Property by fire, windstorm, casualty, or other cause is assumed by Seller until Closing. In the event of substantial loss or damage to the Property before Closing, HRSD will have the option of either:
  - a. Terminating this Agreement, or
  - b. Affirming this Agreement and proceeding to Closing.

#### 14. RESERVED

- 15. <u>BROKERS</u>. Seller and HRSD both represent and warrant to the other that it has not hired, engaged, or consulted with any broker or agent in regard to this transaction. Seller agrees to indemnify and hold harmless HRSD from any and all costs, expenses, or damages resulting from any claim for brokerage fees or other similar forms of compensation made by any real estate broker or other person or entity with whom Seller has dealt, and who is not expressly named herein.
- 16. CONDEMNATION. Seller covenants and warrants that Seller has not heretofore received any notice of any condemnation proceeding or other proceeding in the nature of eminent domain in connection with the Property. If prior to Settlement any such proceeding is commenced or any change is made, or proposed to be made, to the Property or to the roads or driveways adjoining the Property, or to change such ingress or egress or to change the grade thereof, Seller agrees immediately to notify HRSD thereof. HRSD then shall have the right, at HRSD's option, to terminate this Agreement by giving written notice to Seller within thirty (30) days after receipt of such notice.

#### 17. DEFAULT AND REMEDIES.

a. If the sale and purchase contemplated by this Agreement is not consummated because of Seller's default, HRSD may do the following:

- (i) Terminate this Agreement;
- (ii) Seek and obtain specific performance of this Agreement;
- (iii) Pursue all other rights or remedies available at law or in equity, including an action for damages.
- b. If Seller defaults under this Agreement, Seller will be liable for any fees and expenses incurred by HRSD in connection with the enforcement of its rights under this Agreement, including but not limited to reasonably attorney's fees.
- c. These remedies are cumulative and non-exclusive and may be pursued at the option of HRSD without a requirement of election of remedies.
- d. If the sale and purchase contemplated by this Agreement is not consummated because of HRSD's default, Seller's sole and exclusive remedy shall be termination of this Agreement.
- 18. <u>ENTIRE AGREEMENT</u>. This Agreement contains the entire agreement of the parties and will supersede the terms and conditions of all prior written and oral agreements, if any, concerning the matters it covers. Seller acknowledges that HRSD has, in entering into this Agreement, relied upon Seller's representations, covenants, and warranties, and Seller agrees that Seller's representations, covenants, and warranties will survive settlement and will not merge into any deed or otherwise. The parties acknowledge there are no oral agreements, understandings, representations, or warranties that supplement or explain the terms and conditions contained in this Agreement. This Agreement may not be modified except by an agreement in writing signed by the parties.
- 19. <u>WAIVER</u>. Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof will not be deemed a waiver of the term, covenant, or condition, nor will any waiver or relinquishment of any right or power at any one time or more times be deemed a waiver or relinquishment of the right or power at any other time or times.
- 20. <u>SEVERABILITY</u>. This Agreement will be construed in its entirety and will not be divisible, except that the invalidity or unenforceability of any provision hereof will in no way affect the validity or enforceability of any other provision.
- 21. <u>CAPTIONS</u>. Captions are used in this Agreement for convenience only and will not be used to interpret this Agreement or any part of it.

- 22. <u>GOVERNING LAW</u>. This Agreement is to be construed in accordance with the laws of the Commonwealth of Virginia.
- 23. CHOICE OF FORUM/JURISDICTION. The parties hereby consent to the jurisdiction and venue of the courts of the Commonwealth of Virginia, specifically to the courts of the City of Norfolk, Virginia, and to the jurisdiction and venue of the United States District Court for the Eastern District of Virginia in connection with any action, suit, or proceeding arising out of or relating to this Agreement and further waive and agree not to assert in any action, suit, or proceeding brought in the City of Suffolk, Virginia, or the Eastern District of Virginia that the parties are not personally subject to the jurisdiction of these courts, that the action, suit, or proceeding is brought in an inconvenient forum or that venue is improper.
- 24. WAIVER OF TRIAL BY JURY. THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR ANY RELATED AGREEMENTS OR INSTRUMENTS AND THE ENFORCEMENT THEREOF, INCLUDING ANY CLAIM OF INJURY OR DAMAGE TO ANY PARTY OR THE PROPERTY OF ANY PARTY.
- 25. <u>SUCCESSOR/ASSIGNMENT</u>. This Agreement will be binding upon and the obligations and benefits hereof will accrue to the parties hereto, their heirs, personal representatives, successors, and assigns. This Agreement is assignable by HRSD only upon written consent of the Seller, which consent will not be unreasonably withheld.
- 26. <u>COUNTERPARTS</u>. This Agreement may be executed in any number of counterparts, each will be considered an original, and together they will constitute one Agreement.
- 27. <u>FACSIMILE SIGNATURES</u>. Facsimile signatures will be considered original signatures for the purpose of execution and enforcement of the rights delineated in this Agreement.
- 28. <u>ETHICS IN PUBLIC CONTRACTING</u>. By executing this Agreement, the undersigned Seller or its representative, and the representative of HRSD, certify that the prices agreed to in this Agreement were arrived at without collusion or fraud and that they have not offered or received any payment, kickbacks or other inducement from any other party to this Agreement or its agent or employee in connection with this Agreement, and that they

have not conferred on any public employee having responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services (or anything of more than nominal value, present or promised) unless disclosed in this Agreement.

29. RELOCATION ASSISTANCE. As part of Seller's Relocation Assistance, HRSD agrees to pay Seller \$ 15,000.00 (fifteen thousand dollars and 00/100 cents) to assist with moving and relocation expenses. The parties acknowledge that this is a one-time lump sum payment associated with the purchase of 5724 Chesapeake Boulevard, Norfolk, Virginia but is not part of the purchase price. If closing does not occur due to Seller's fault or breach, Seller hereby agrees to refund and return to HRSD the Relocation Assistance paid by HRSD. Upon closing, in accordance with this Agreement, Buyer shall be entitled to retain all funds received as relocation assistance.

\*Note: Per 49 CFR § 24.209, of the Uniform Relocation and Assistance act, Relocation Assistance payments for displaced persons are not considered as income.

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IN WITNESS WHEREOF, the Hampton Roads Sanitation District Commission has caused this Agreement to be signed on its behalf by its General Manager in accordance with authorization granted at its regular meeting held on July 23, 2024. This Agreement is expressly subject to approval by the HRSD Commission.

WITNESS the following signatures and seals:

Title: General Manager Contact Address: 1434 Air Rail Avenue, Virginia Beach, Virginia 23455  COMMONWEALTH OF VIRGINIA City of Virginia Beach, to-wit:  The foregoing purchase and sale agreement was acknowledged before me this day of July, 2024, by Jay Bernas, P.E., M.B.A., General Manager, Hampton Roads Sanitation District.  Notary Public	BUYER:	
Date:	HAMPTON ROADS SANITATION D	ISTRICT (HRSD)
Name: Jay Bernas, P.E., M.B.A. Title: General Manager Contact Address: 1434 Air Rail Avenue, Virginia Beach, Virginia 23455  COMMONWEALTH OF VIRGINIA City of Virginia Beach, to-wit:  The foregoing purchase and sale agreement was acknowledged before me this day of July, 2024, by Jay Bernas, P.E., M.B.A., General Manager, Hampton Roads Sanitation District.  Notary Public		
COMMONWEALTH OF VIRGINIA City of Virginia Beach, to-wit:  The foregoing purchase and sale agreement was acknowledged before me this day of July, 2024, by Jay Bernas, P.E., M.B.A., General Manager, Hampton Roads Sanitation District.  Notary Public	Date: Name: Jay Bernas, P.E., M.B.A. Title: General Manager	
City of Virginia Beach, to-wit:  The foregoing purchase and sale agreement was acknowledged before me this day of July, 2024, by Jay Bernas, P.E., M.B.A., General Manager, Hampton Roads Sanitation District.  Notary Public	<del>-</del>	ue, Virginia Beach, Virginia 23455
of July, 2024, by Jay Bernas, P.E., M.B.A., General Manager, Hampton Roads Sanitation District.  Notary Public	COMMONWEALTH OF VIRGINIA City of Virginia Beach, to-wit:	
	<del>-</del>	<del>-</del>
Note no District Devictories No	Notar	y Public
•	Notary Public Registration No My commission expires:	

WITNESS the following signatures and seals:

**SELLER:** 

COMMONWEALTH OF VIRGINIA

City County of Nortal

. to-wit:

The foregoing purchase and sale agreement was acknowledged before me this 10 day of July, 2024, by TIFFANY M. TALLEY, who is personally known to me or has provided sufficient identification.

**Notary Public** 

Notary Public Registration No. 1837081

My commission expires: April 30. 2037

KAREN CHRISTINE RUSSO-SCARANO NOTARY PUBLIC REG. #7837081 COMMONWEALTH OF VIRGINIA

MY COMMISSION EXPIRES APRIL 30, 2027

#### **EXHIBIT A**

5724 Chesapeake Boulevard

GPIN: 1448293368

Tax Account No.: 29478607

All that certain lot piece or parcel of land, with the buildings and improvements thereon and the appurtenances thereunto belonging, lying, being and situate in the City of Norfolk, Virginia, and being known, numbered and designated as Lot A, as shown on that

certain plat entitled, "Subdivision of "Estabrook Terrace" formerly known as Site on the East Side of Chesapeake Boulevard, being a portion of property shown in Deed Book 1164, page 666, Norfolk, Virginia", which said plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Norfolk, Virginia in Map Book 46, page 147.

It being the same properly conveyed to Charles Anderson by Deed from The Secretary of Housing and Urban Development dated September 11, 2014, recorded September 11, 2014, in the Clerk's Office of the Circuit Court of Norfolk City, Virginia as Instrument No. 140018497.

# EXHIBIT B POST-CLOSING POSSESSION AGREEMENT

**PURCHASER:** 

**HAMPTON ROADS SANITATION DISTRICT**, a political

subdivision of the Commonwealth of Virginia

SELLER: Tiffany M. Talley

PROPERTY: 5724 Cheaspeake Boulevard, Norfolk, VA 23513-5324

GPIN: 1448293368

**DATES OF** 

POSSESSION:

July 29, 2024 to August31, 2024

WHEREAS, the Seller has entered into a Contract for the purchase of the above captioned property from the Purchaser, which contract is dated <u>July 13</u>, 2024; and

WHEREAS, the Seller wishes to possess and occupy the property after the closing date; July 29, 2024.

NOW, THEREFORE, in consideration of mutual promises, the parties agree as follows:

1. During the Dates of Possession, <u>July 29, 2024</u> to <u>Aug 31</u>, 2024, Seller may occupy the property at the rate of <u>\$ 0.00</u> per day.

2. The Seller agrees to procure and maintain in effect, prior to entering into possession, a policy or policies of insurance adequately covering the subject property satisfactory to Purchaser and insuring against fire and any casualty and/or public liability which may arise out of or by virtue of the use and occupancy of the subject property by the Seller.

3. The Seller hereby agrees to indemnify and hold the Purchaser harmless from any and all claims, demands, action, causes of action, damages, expenses, losses, attorney's fees or liabilities arising in any way from or out of this occupancy, use or enjoyment of the subject property after closing.

4. The Seller accepts the subject property "as is" as of the Date of Possession, and will take no action to damage the property during Seller's tenancy. If damage occurs to the property, or any deterioration which is beyond reasonable wear and tear, the Seller shall remediate the property immediately, at her expense.

5. Should Seller maintain possession, or not turn possession over to Purchaser on or before August 15, 2024, Seller owes Purchaser \$100.00 per day for rent. Further should Seller not vacate the premises by August 15, 2024 Seller agrees to be responsible for the

That

- expenses of Purchaser in any legal proceedings to evict Seller from premises, to include all attorney's fees and costs.
- 6. The Seller agrees to pay all expenses in connection with her occupancy of the subject property, including, but not limited to, utilities and fuel, if applicable, during possession.
- 7. The Seller agrees to maintain the property in good condition keeping it free and clear of any City or State code ordinance violations, which shall include but not limited to yard maintenance and cutting the grass.
- 8. This agreement may be executed in counterparts.

				e parties hav	e caused	their hands	and seals	to be	affixed
this	1.0h	day of _	July	, 2024.					

Purchaser: HAMPTON ROADS

SANITATION DISTRICT

Karen Russo-Scarano, SR/WA
Real Estate Manager, HRSD

Seller:

### **LOCATION MAP**

### 5724 Chesapeake Blvd., Norfolk



# Existing Chesapeake Boulevard Pump Station Site



### **LOCATION MAP**

### 5724 Chesapeake Blvd., Norfolk



Resource: Bruce Husselbee

AGENDA ITEM 8. - July 23, 2024

<u>Subject</u>: Chincoteague Treatment Plant Improvements

Memorandum of Agreement and Property Acquisition for Public Use

**Recommended Action**: Approve the terms of a Memorandum of Agreement (MOA) with the U.S. Coast Guard Cleveland on behalf of U.S. Coast Guard Sector Field Office Eastern Shore (USCG), for the transfer of real property and services; 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.

CIP Project: ES010500

Regulatory Requirement: None

<u>Project Description</u>: This project will include the installation of two new packaged treatment plants, outfall and appurtenances, the demolition of the existing packaged plants (Sunset Bay wastewater treatment plants previously acquired from the Town of Chincoteague and transferred to HRSD) and site work needed to make new connections to the treatment plants.

Agreement Description: As part of continued strategic consolidation efforts on the Eastern Shore, HRSD staff have been working with USCG staff who operate a small, treatment plant onsite serving this facility, and which directly abuts the newly acquired HRSD packaged treatment plant property. Both parties have a desire to consolidate the two individual treatment plants and bring the USCG sewer flows to the HRSD treatment facility, allowing the USCG to decommission their plant.

This MOA summarizes the material terms of the transactions contemplated among the parties. Some key highlights of the agreement describe that:

- The goals of the parties is for HRSD to acquire, by conveyance, a portion of USCG property to build and operate a new wastewater treatment plant and in exchange, HRSD will tie-in and take over the sewer flows from the existing USCG site.
- HRSD will provide the design, materials and construction costs, to tie-in the USCG flows into the HRSD system.
- HRSD will provide pump and haul services, should the connection of USCG flows into the HRSD system not be completed prior to June 30, 2025.
- Once the USCG flows have been connected to the HRSD system, the USCG will pay a one-time facility connection charge and begin monthly billing as per the HRSD Rate Schedule.
- As soon as is practicable, the USCG will subdivide and transfer to HRSD the identified property, at no cost.

The attached MOA was reviewed by HRSD staff and general legal counsel. The deed of transfer will also be reviewed by HRSD staff and general legal counsel before execution. The attached map depicts the project location.

#### MEMORANDUM OF AGREEMENT (MOA) BETWEEN

## U.S. COAST GUARD SECTOR FIELD OFFICE EASTERN SHORE AND HAMPTON ROADS SANITATION DISTRICT

#### REGARDING SEWAGE CONNECTION AND LAND TRANSFER

- 1. PARTIES. The Parties to this MOA are the United States Coast Guard (USCG) CEU Cleveland on behalf of USCG Sector Field Office (SFO) Eastern Shore at Chincoteague, VA and the Hampton Roads Sanitation District (HRSD), a political subdivision of the Commonwealth of Virginia.
- 2. AUTHORITY. The USCG is authorized to enter this Memorandum under the provisions of 14 U.S.C. § 701(a).
- 3. BACKGROUND. The USCG is seeking to terminate its responsibility for the maintenance of its wastewater treatment system while HRSD is looking to expand their wastewater treatment facilities. A license agreement was executed on 22 March 2024 to grant HRSD permission to utilize the SFO's multi-purpose court property for construction purposes related to the conveyance of the wastewater treatment system.
- 4. PURPOSE. The purpose of this MOA is to set forth terms by which:
  - a. HRSD will acquire by conveyance, a portion of SFO Eastern Shore's property to build and operate a new wastewater treatment plant ("WWTP").
  - b. HRSD will tie-in the USCG's sewage to HRSD's new WWTP to eliminate the need for SFO Eastern Shore to own and operate a treatment plant.

#### 5. RESPONSIBILITIES.

The USCG will transfer the parcel of land known as the Multi-purpose Court from USCG to HRSD ownership. This transfer will be accomplished by conducting a public benefit conveyance through the U.S. General Services Administration (GSA) pursuant to 40 U.S.C. § 543. The GSA will survey and subdivide the parcel such that the dividing line continues a straight run from the USCG's property line running along the north-west side of the Multi-purpose Court. Thus, all but a small portion of the land which the existing Multi-purpose Court occupies will be transferred to HRSD for the purpose of a new WWTP being installed. This is further shown on Exhibit A.

HRSD will remove a portion of the USCG's existing fence line, currently surrounding the exterior Multi-purpose Court. HRSD will then re-establish the new fence line along the proposed new boundary line along the south-western length of the court, and as shown on Exhibit A.

HRSD will provide the design and construction work to tie-in the USCG sewage flows, as part of the HRSD system. HRSD will pay for the design, materials, and construction costs associated with this effort. The decommissioning and demolition of the existing USCG sewage facilities are not part of this effort and is the sole responsibility of the USCG.

Upon connection of USCG's sewage system to the HRSD treatment plant, the USCG will pay a one-time HRSD facility connection charge consistent with HRSD policy, then will pay HRSD the rates published in the HRSD Rate Schedule, as amended annually, for wastewater service provided, and which are billed monthly.

Should the connection of USCG's sewage into the HRSD treatment plant not be made prior to June 30, 2025, HRSD will manage and cover costs for temporary pump and haul activities if the USCG system fails after that date.

6. POINTS OF CONTACT. The Parties may change its point of contact upon reasonable notice as detailed below:

USCG: LT Justin Davis, Planning and Real Property Branch Chief

Email: justin.s.davis@uscg.mil

Office: 216-902-6271 Mobile: 216-849-6097

HRSD: Mr. John Dano, Director of Planning and Analysis

Email: jdano@hrsd.com Office: 757-460-7001 Mobile: 757-353-0380

- 7. MODIFICATION. This MOA may be modified upon the written mutual consent of the Parties.
- 8. FUNDS. This MOA does not document the obligation of funds between the Parties with the exception of item 5, the HRSD one-time facility connection charge and monthly billable rate due to HRSD. No provision in this MOA will be interpreted to require obligation or payment of funds in violation of the Anti-deficiency Act, 31 U.S.C. § 1341.
- 9. SEVERABILITY. Nothing in this Memorandum is intended to conflict with current law or regulation or the directives of the United States Coast Guard or the United States Department of Homeland Security (DHS) or the other Party. If a term of the MOA is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of the MOA shall remain in full force and effect.

- 10. EFFECTIVE DATE. This MOA will become effective upon the last signature of the Parties.
- 11. TERMINATION. The terms of this MOA, as modified with the consent of both Parties, will remain in effect until HRSD's acceptance and completion of stated construction activities and USCG's recordation of conveyance of real property to HRSD.
- 12. CONTINGENCIES. This MOA is contingent on the review and approval of this acquisition by the HRSD Commission and upon such Commission granting authorization to the General Manager to proceed under the terms of this MOA, if such review, approval, and/or authorization is required by the policies or procedures of HRSD as determined by HRSD.

13. APPROVING OFFICIALS.
For the USCG:
Signature
Printed Name: CDR Colleen Symansky Position: Commanding Officer, CEU Cleveland
Date:10 July 2024
IN WITNESS WHEREOF, the HRSD Commission has caused this Agreement to be signed on its behalf by its General Manager in accordance with authorization granted at its regular meeting held on, 2024. This Agreement is expressly subject to approval by the HRSD Commission.
For HRSD:
Signature
Printed Name: Jay Bernas, P.E.
Position: General Manager
Date:

EXHIBIT A

<u>Future Property Boundary Line and New Fence Location Following Established Property Line</u>



### **LOCATION MAP**

### USCG Chincoteague, Eastern Shore



Resource: Bruce Husselbee

#### AGENDA ITEM 9. - July 23, 2024

**Subject:** High Priority Inflow and Infiltration Reduction Program

Additional Appropriation and Interim Agreement

#### **Recommended Actions:**

a. Appropriate additional funding in the amount of \$9,421,900 for the High Priority Inflow and Infiltration Reduction Program (GN020300)

b. Approve an interim agreement with Burns & McDonnell Engineering Company, Inc. for \$8,900,000.

**CIP Projects**: GN020300

**Regulatory Requirement:** Integrated Plan – HPP1 (2030 Completion)

Budget for Program	\$1,300,000
Previous Expenditures and Encumbrances	<u>(\$41,900)</u>
Available Balance	\$1,258,100
Proposed Contract Award to Private Entity	(\$8,900,000)
Proposed Contingency	(\$1,780,000)
Proposal Compensation Payment	(\$0)
Project Shortage/Requested Additional Funding	<u>(\$9,421,900)</u>
Revised Total Project Authorized Funding	\$10,721,900

#### <u>Type of Procurement</u>: Competitive Negotiation – PPEA

The use of the PPEA project delivery method was approved by the Commission at the October 2023 meeting. A Public Notice and a Request for Qualifications was issued on February 28, 2024. Two Proposers submitted a Statement of Qualifications on April 1, 2024, and both Proposers were considered responsive and deemed fully qualified, responsible, and suitable to the requirements in the Request for Qualifications. Both Proposers were short-listed. A Request for Proposals (RFP) was issued on April 12, 2024, to the short-listed teams. Both short-listed teams submitted Technical Proposals on May 17, 2024, and interviews were held on May 30, 2024. The points received and the final ranking for each of the short-listed teams are listed below. The selection was based on a maximum of 125 points.

Proposers	Technical Proposal	Recommended Selection Ranking
Burns & McDonnell Engineering Company, Inc.	106.13	1
Arcadis U.S., Inc.	100.29	2

The Selection Committee recommends the top-ranked team of Burns & McDonnell Engineering Company, Inc. with Brown and Caldwell, Hazen and Sawyer, P.C., RJN Group, and Whitman Requardt & Associates, LLP. The team not selected was Arcadis U.S., Inc. They completed the selection process and were fully responsive to the procurement process. No proposal compensation was offered for the unsuccessful team.

<u>Project Description</u>: The Program consists of a planning project (GN020300) and five locality-specific projects that each contain multiple locality catchments where inflow and infiltration (I/I)

reduction activities will be performed. GN020300 was previously appropriated at the November 2023 Commission meeting. The locality-specific projects (AT014301, JR013700, NP013901, VP019300, and WB013200) will be appropriated when the Comprehensive Agreement is awarded. The work will generally consist of the rehabilitation and replacement of locality and private gravity sewers. Substantial completion of all projects must be obtained by December 31, 2030. The attached <a href="mailto:map">map</a> depicts the project locations.

<u>Project Justification</u>: As part of HRSD's Integrated Plan, High Priority (Regional Wet Weather Management Plant (RWWMP) Projects (HPP) will be constructed through 2030. These projects were selected based on their ability to provide the greatest environmental and human health benefits and are anticipated to reduce modeled sanitary sewer overflow (SSO) volume at the 5-year level of service by 47 percent.

Inflow and infiltration projects require extensive field investigation due to the unknown location and severity of defects that allow the extraneous stormwater and groundwater into the sanitary sewer system. They also tend to be long-duration and iterative, as predicting the success of any rehabilitation activities is not possible due to the rather "fluid" nature of surface and groundwater in that they can migrate within a basin to find unfixed defects. Thus, these projects typically involve multiple rounds of investigation, rehabilitation, and verification.

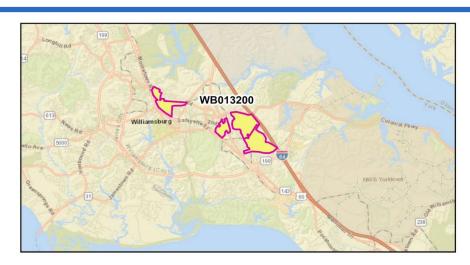
Contract Description and Analysis of Cost: The Interim Agreement is for design-build services for initial data collection, analysis, and planning of the larger Inflow and Infiltration (I&I) Program described above and is a Guaranteed Maximum Price. A Comprehensive Agreement will be executed at the completion of the Interim Agreement for the construction of the planned I&I projects. The total cost for the initial task order is \$8,400,000 including programmatic activities, existing data review and field investigations, data analysis and modeling, conceptual I&I reduction program plan, private inflow reduction program, preliminary I&I reduction plans, preconstruction support activities and development of the comprehensive agreement based on an estimate of labor hours and other direct costs. A total maximum allowance amount of \$500,000 has been included for additional services including various tasks as authorized for a total amount of \$8,900,000.

<u>Funding Description</u>: Total Program funding is based on estimates developed in the RWWMP and will be funded with cash.

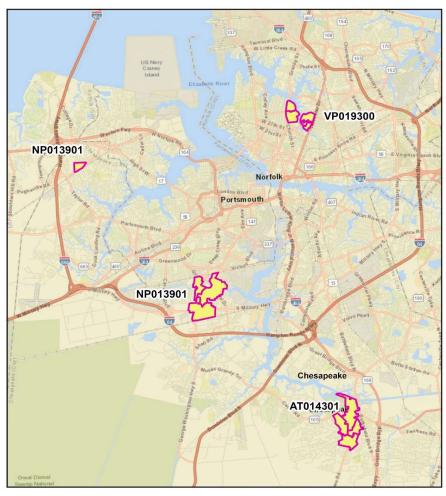
Schedule: Design-Build August 2024

Project Completion December 2030

### Proposed Location of High Priority I&I Program Work







Resource: Charles Bott

AGENDA ITEM 10. - July 23, 2024

**Subject:** Digital Water

Briefing

**Recommended Action:** No action is required.

<u>Brief</u>: Jeff Sparks, Director of Digital Water, will provide a briefing of current and future projects and initiatives in this emerging division organized within Water Technology and Research.

Resource: Bruce Husselbee

AGENDA ITEM 11. - July 23, 2024

**Subject**: Capital Improvement Program (CIP)

Update

**Recommended Action:** No action is 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 will provide a briefing describing the status of the CIP, financial projections, projects of significance and other issues affecting the program.

Resource: Jay Bernas

#### AGENDA ITEM 12. – July 23, 2024

**Subject**: Commission Governance Guidelines

Meeting Date Change

**Recommended Action:** Modify the Commission Governance Guidelines to permanently change the date for the November Commission from the fourth Tuesday in November to the third Tuesday in November.

**Brief**: The Enabling Act requires the Commission to meet at least once every month "at such time and place as the Commission shall from time to time prescribe." The Commission Governance Guidelines establish the regular meeting date as the fourth Tuesday of each month except for the December meeting which is held on the third Tuesday.

A change in the regular date of the November meeting will help with scheduling conflicts due to the holidays that usually falls during the same week.

Staff recommends the following change to the attached **Commission Governance Guidelines**:

In Section 1, Role and Function of the Commission, revise paragraph D.2. as follows:

Unless otherwise announced, the Commission meets on the fourth Tuesday of each month January through November October and on the third Tuesday of November and December. Special meetings are held when necessary. The General Manager/CEO sets the meeting agendas with advice from the Division Chiefs 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.

In addition, Section 3.B. *Commission Meeting Format* has been updated for Commission recognition of employee promotions or new hires in the following Careers Streams: Executive 1 (E1), Leadership >= 3 (L3 & L4), and Professional >= 4 (P4 & P5).

#### **Career Stream Definitions**

Executive 1 level	Executive roles focused on overall functional and business strategies and goals. The majority of time is spent strategizing and setting the vision of the organization, department, or job family. Sets broad goals and ensures business results are met through delegation to top-level management.	Primary responsibilities include setting the strategic direction of the area of responsibility with direct impact on business results     Establishes operational, functional and/or business plans that have short- to long-term impact on business results     Communicates and may negotiate with parties within and outside of own organization or job family, which may include external clients or partners
Leadership 4 levels	People leadership or supervisory roles focused on operationalizing strategy and activities within a specified area of responsibility. The majority of time is spent planning, prioritizing, and / or directing the work/responsibilities of teams/employees. Goal achievement is typically accomplished through strong management of others to ensure operational, functional, and / or business results.	<ul> <li>Primary responsibilities include managing teams/employees; typically has three or more direct reports</li> <li>Contributes to and/or establishes operational, functional and/or business plans that have short- to long-term impact on organization and/or departmental results</li> <li>Communicates with parties within and outside of own organization or department, which may include external clients or partners</li> <li>Responsible for coaching, leading and mentoring emerging talent and developing the talent pipeline</li> </ul>
Professional 5 levels	Individual contributors focused on executing operational, functional and/or business strategy, with a range of responsibilities in a professional or technical discipline or specialty. The majority of time is spent on the delivery, implementation or design of processes, programs and policies using knowledge and skills normally acquired through advanced education and/or experience. May lead and/or organize the work of other employees or manage processes and programs.	Contributes to the design and execution of operational, functional and/or business plans and processes that impact the overall achievement of results for the area of responsibility Responsible for improving upon existing systems and processes to solve problems Requires theoretical knowledge, often gained through a combination of experience and/or advanced education
Specialist 4 levels	Individual contributors who support operational, functional or business strategy through tactical support of daily activities (clerical, administrative, and operational). The majority of time is spent in the delivery of services or activities, typically under direct supervision.	Works to deliver day-to-day objectives with impact typically limited to particular subject matter area Makes minor adjustments to work methods to solve problems that are often routine and typically exist in current work processes and systems. Changes often require higher-level approval Requires knowledge of operational, functional, and/or business systems and practices using data and coordination skills No advanced education is typically required

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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/CEO.

These 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.

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#### B. Commissioner 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.

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#### 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 both internal and external auditors
- Review the work plan and receive reports from the internal auditor
- 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 and
- 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 October and on the third Tuesday of November and December. Special meetings are held when necessary. The General Manager/CEO sets the meeting agendas with advice from the Division Chiefs 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.

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- 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:

- 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.

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- 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/CEO and Division Chiefs 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 <a href="Freedom of Information Act">Freedom of Information Act</a> and Commission membership. In addition, new Commissioners 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/CEO and the Deputy General Manager, who each may refer them to Division Chiefs 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/CEO, who serves at the pleasure of the Commission. As the chief executive officer, the Commission delegates day-to-day operations to the General Manager/CEO within the broad framework of Commission established policies, budget and strategies. The Commission shall review the General Manager/CEO's performance and set compensation at least annually.

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- 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/CEO 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 CIP 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/CEO and the Deputy General Manager/CFO 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/CEO 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.

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#### **SECTION 3. COMMISSION MEETINGS**

#### A. Commission Meeting Agenda

- The Commission shall approve policies that govern HRSD business processes, significant financial practices, or service to localities except for those policies specifically delegated to the General Manager/CEO.
- 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/CEO 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/CEO shall review the agenda with the Commission Chair prior to the meeting.
- 4. The Commission Meeting agenda is comprised of Regular Agenda, 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 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. Any item may be moved from the Consent Agenda to the Full Agenda when determined by the General Manager/CEO or any Commission member to be significant or warrant a discussion.
  - Informational Items are for information purposes and do not require an action by the Commission.

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#### B. Commission Meeting Format

ltem	Regular Agenda	Consent Agenda	No Action Required/ Informational/ Recognition
Agreements*	<ul> <li>Design or Construction &gt;\$50,000</li> <li>Real property - Permanent use of</li> <li>Real property - Temporary use of &gt;1 year</li> <li>HRSD Assets use of &gt;\$200,000</li> <li>Multiple years and &gt;\$200,000</li> <li>Obligates financial or personnel resources &gt;\$200,000</li> <li>Cost Sharing or Reimbursement Agreements &gt; \$200,000</li> <li>Intellectual Property Rights, Royalties and Licenses</li> <li>Service Area Expansion</li> <li>Sewer Service Agreements</li> <li>Transfer of Assets to other entity</li> </ul>		
	• Transfer of Assets to HRSD		
Agreements – Grants or contributions of value (Receipt and Award)*	>\$200,000	<\$200,000 if required by granting agency	
Agreements – Nutrient Trading Agreements*	>\$200,000 per year	0 0 0 7	
Agreements – Purchasing*  • Contract Awards  • Purchase Orders  • Task Orders		>\$200,000 or initial award when future awards are expected to exceed \$200,000	
Change Orders		>25% of original contract value or \$50,000	
Alternative Project Delivery Methods	<ul> <li>Use of Delivery Method</li> <li>Comprehensive Agreement</li> <li>Guaranteed Maximum Price</li> <li>Stipulated Price</li> <li>Vendor Proposal Compensation</li> <li>\$200,000 (Approval and Payment)</li> </ul>		
Audit Reports and Updates			✓
Awards and Recognition Earned or Granted			✓

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ltem	Regular Agenda	Consent Agenda	No Action Required/ Informational/ Recognition
Budget	<ul> <li>Operating Budget</li> <li>Capital Budget</li> <li>Capital Improvement Program –         10-year program without         authorization of specific projects</li> <li>Financial Forecast</li> <li>Rate Schedule</li> </ul>		
Capital Improvement Project – Non-Regulatory	<ul> <li>New CIP</li> <li>Initial Appropriation</li> <li>Additional Appropriation         ≥\$1,000,000</li> <li>Reduction in Scope and/or         Appropriation &gt;25%</li> </ul>	Additional Appropriation <\$1,000,000	
Capital Improvement Project – Regulatory	<ul> <li>New CIP</li> <li>Initial Appropriation ≥\$10,000,000</li> <li>Additional Appropriation ≥\$10,000,000</li> <li>Reduction in Scope and/or Appropriation &gt;25%</li> </ul>	Initial or Additional Appropriation <\$10,000,000	
Debarment of a Vendor	✓		
Emergency Declaration			✓
Monthly Reports			✓
Personnel	Selection of General     Manager/CEO, Secretary,     Treasurer		<ul> <li>Employee length of service ≥20 years</li> <li>Employee promotion (E1, L3, L4, P4, P5)</li> <li>New employee (E1, L3, L4, P4, P5)</li> </ul>
Policies – New, Modified,	<b>√</b>		
Amended or Reissued Real Property	<ul> <li>Public Hearing for Acquisition by Condemnation or other means</li> <li>Easement Acquisition, Dedication or Disposition &gt;\$50,000</li> </ul>	Vacation of Easement	
Real Property – Sale, Lease or	<b>√</b>		
Conveyance of HRSD property	·		
Regulations	<ul><li>HRSD Enforcement Response Plan</li><li>HRSD Industrial Wastewater</li><li>Discharge Regulations</li></ul>		
Rejection of Bids	>\$200,000		
Selection of Commission Consultants	Auditors     Legal Counsel		

Revised June 25, 2024 July 23, 2024

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

#### **SECTION 4. ANNUAL CALENDAR OF COMMISSION TOPICS**

Topic	Schedule	Frequency
EPA Consent Decree Update and Public Meeting	January	Annually
Capital Improvement Program Update	January	Quarterly
Evaluate General Manager/CEO'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	May	Annually
Program, Financial Forecast and Rate Schedules		
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	August	Annually
Training		
Water Technology and Research Update	August	Annually
Finance Committee Meeting to Review Annual Comprehensive	October	Annually
Financial Report (ACFR)		
Capital Improvement Program Update	October	Quarterly
Diversity Procurement Report	October	Annually
Accept Finance Committee's Report on ACFR	October	Annually

Revised June 25, 2024 July 23, 2024

#### **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/CEO and Commission officers may be provided to those serving in an advisory role.

Approved:		
	Stephen C. Rodriquez	Date
	Commission Chair	
Attact		
Attest:	In a 'fact Coas'	
	Jennifer L. Cascio	Date
	Commission Secretary	

**Commission Seal** 

Resource: Jay Bernas

AGENDA ITEM 13. – July 23, 2024

**Subject**: New Business

Resource: Jay Bernas

AGENDA ITEM 14. – July 23, 2024

**Subject:** Unfinished Business

Resource: Commission Chair

AGENDA ITEM 15. – July 23, 2024

**Subject**: Commissioner Comments

Resource: Jay Bernas

#### AGENDA ITEM 16. - July 23, 2024

**Subject**: Informational Items

**Recommended Action:** No action is required.

**<u>Brief</u>**: The following items listed below are presented for information.

- a. Management Reports
  - (1) General Manager
  - (2) <u>Communications</u>
  - (3) Engineering
  - (4) Finance
  - (5) <u>Information Technology</u>
  - (6) Operations
  - (7) <u>Talent Management</u>
  - (8) Water Quality
  - (9) Report of Internal Audit Activities
- b. Strategic Measures Summary



July 11, 2024

Re: General Manager/Chief Executive Officer's Report



#### **Environmental Responsibility**

Staff has been assisting Neuse River Plant in North Carolina by providing them with digestate to see their digesters, which should enhance our curing process at the Atlantic Treatment Plant and reduce plant odor.

Construction is going well at the ANRI/SWIFT plants. At the James River Treatment Plant, the new secondary clarifier #1 was brought online. At the Nansemond Treatment Plant, concrete is flowing as slabs and walls continue to be poured. The casing pipe from the directional drill is being removed and work will begin on the underwater pipe trenching for the James River Crossing.

There were multiple events reported this month, including a fiber optic contractor hitting our 30-inch force main, but staff was able to repair it quickly. Additional details are available in the Air and Effluent Summary in the Water Quality (WQ) monthly report.

#### **Treatment Compliance and System Operations:**

- From Fiscal Year (FY) 2024 to date, there have been eight Permit Exceedances out of 56,527 Total Possible Exceedances.
- Pounds of Pollutants Removed in FY 2024 to date: 189.7 million pounds.

**Water Quality:** One civil penalty for \$3,000 was issued to U.S. Amines – Portsmouth and paid on June 17, 2024. This was for a Cyanide exceedance due to inadequate equalization tank mixing.



#### Financial Stewardship

Interim year-end results show revenues exceeded expenses on a cash basis primarily due to higher-than-expected water consumption and efficient operations. In addition, Interest Income far exceeded budget as inflation remains stubborn and the Federal Reserve has yet to lower short term interest rates.

In July 2022, the Atlantic Treatment Plant's Odor Control Scrubber "D" (OCSD) suffered a fire due a motor bearing failure. Our insurance company recently sent us a check for almost \$1.7 million for this claim which represents the cost of repair/replacement less our \$50,000 deductible.

At VIP, Mr. Jacob Holgard, Lead Operator, ran several field trials in an effort to save money on polymer. As a result of his optimization work, we are estimating that we will save approximately \$136,000 per year.



#### **Talent**

Staffing continues to remain strong as we are at 98% staffing level with our fiscal year to date turnover at 6.9% with retirements and 4.4% without. With the new fiscal year, these metrics will be reset as new positions were approved on July 1<sup>st</sup>.

There has a been a significant amount of work heading into Fiscal Year End (FYE). With implementation of the compensation study, including 34 work center trainings and change of health care insurance to Sentara/Metlife, our Talent Management team and other key staff have been working overtime to get everything done. Kudos to their hard work!

In 2016, the General Assembly declared June 30<sup>th</sup> Water and Wastewater Professionals Appreciation Day. Each year, every work center takes time to recognize and show appreciation to our amazing staff that works hard every day to protect public health and the environment.

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

- 1. Worked with staff on potential exhibit ideas.
- 2. Saw a presentation on a consulting firm's Community Commitment Plan.
- 3. Attended our Wastewater Professional's Day celebration.



#### **Community Engagement**

I provided the opening welcome and keynote speech at NACWA's Strategic Communications conference that was held in Virginia Beach from June 4-6. My keynote described why Community Engagement was a key strategic priority for HRSD.

Staff held a Community Day in partnership with Lynnhaven River NOW at the Atlantic Treatment Plant where 22 residents attended including the Vice-Mayor of Virginia Beach. The event included tours and water quality learning activities. In addition, staff created a Community Task Force and provided them a tour focused on potential odor sources.

Staff spent some time with Accomack, Mathews, Middlesex and King William on serving their wastewater needs to support future growth.

I was one of six General Managers/CEOs from the United States selected by the National Association of Clean Water Agencies (NACWA), the Water Environment Federation (WEF), and the Water Research Foundation (WRF) for the Singapore International Water Week (SIWW) scholarship. The purpose for the scholarship is to interface with global innovation and learn from peers across the globe. The SIWW scholars provided a panel session on the circular water economy where I discussed SWIFT. In addition to the technical sessions and NEWater plant tour I attended, I was invited to attend two roundtables: Resiliency and Utility CEOs. The resiliency roundtable focused on climate change mitigation and adaptation. The Utility CEO roundtable was attended by 98 CEOs from the largest utilities from around the world (Saudi Arabia, Manila, Sydney, Tokyo, etc) and I had the opportunity to talk about SWIFT. Based on their reactions, I don't think any of them had heard of our project. It was a great experience, and I took advantage of making global networking connections.





I participated in the following external meetings/activities:

- 1. Attended the monthly Director of Utilities meeting and had staff present a summary of our Granular Activated Carbon (GAC) regeneration study.
- 2. Attended the monthly VAMWA meeting in Richmond.



The Asset Management Department is evaluating new technology for buried pipeline condition assessment called Impact Echo Assessment (IEA). This technology uses sounds waves to identify pipeline issues. This technology has been tested on two buried pipe segments and we will know its effectiveness in the coming months.

Staff had a journal article published: Samantha Hogard, Robert Pearce, Kathleen Yetka, Raul Gonzalez, and Charles Bott. 2024. *Virus inactivation in low ozone exposure water reuse applications*, Water Research, <a href="https://doi.org/10.1016/j.watres.2024.121536">https://doi.org/10.1016/j.watres.2024.121536</a>

I look forward to seeing you in person in Newport News at 9:00 a.m. on Tuesday, July 23, 2024.

Respectfully submitted,

Jay Bernas, P.E. General Manager/Chief Executive Officer TO: General Manager

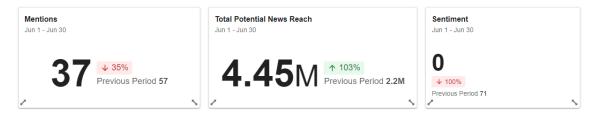
FROM: Chief Communications Officer

SUBJECT: Monthly Report for June 2024

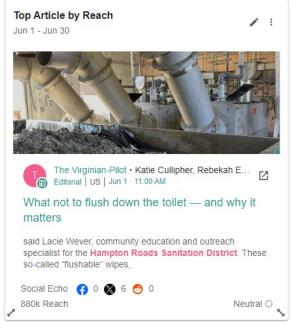
DATE: July 10, 2024

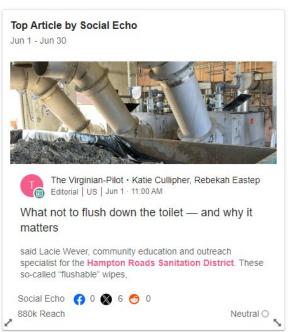
#### A. Publicity and Promotion

- 1. HRSD and Sustainable Water Initiative For Tomorrow (SWIFT) were mentioned or featured in two stories this month. Topics included:
  - a. What not to flush and why it matters
  - b. Employee Input Improves Utilities (Jay Bernas featured in TPO Magazine)
- 2. Analysis of Media Coverage
  - a. Key results for June

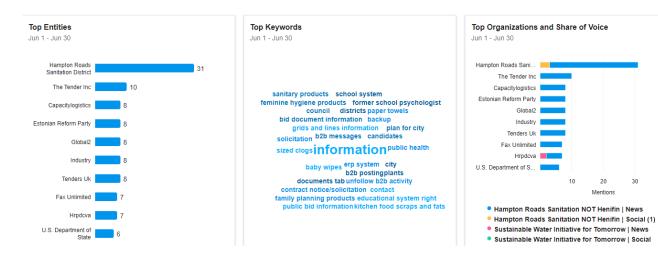


b. Top performing news content

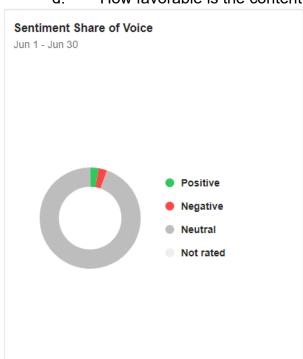


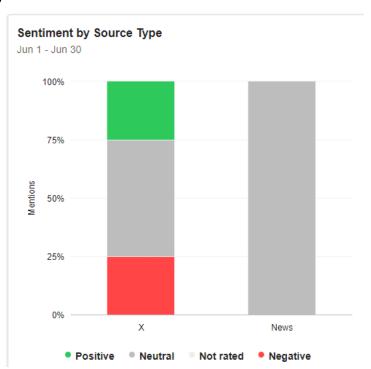


## c. Top entities and keywords



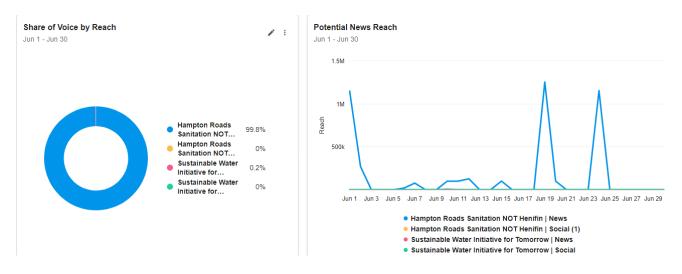
#### d. How favorable is the content?



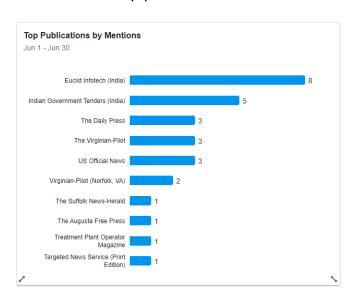


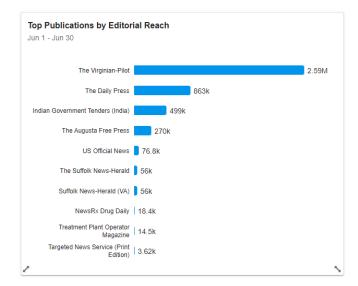
(Negative sentiment attributed to an X post related to JCSA billing split from HRSD)

## e. What is the potential reach?



## f. Top publishers







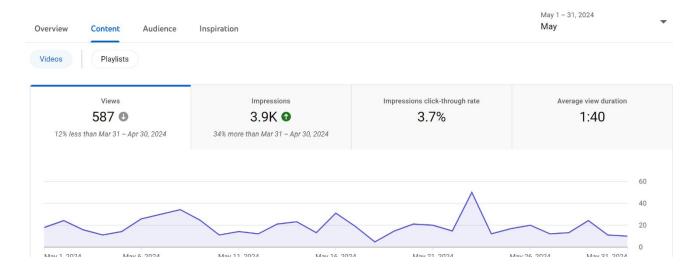
# **Community Engagement**

## B. <u>Social Media and Online Engagement</u>

1. Metrics – Facebook, X and LinkedIn



## 2. YouTube

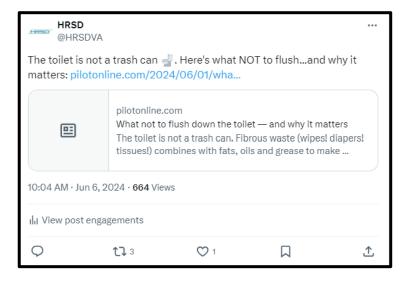


## 3. Top posts on Facebook, Twitter, and YouTube

## a. Top Facebook post



b. Top Tweet



- c. Top YouTube Videos (based on views in the month)
  - (1) <u>The Wastewater Treatment Process</u>

- (2) SWIFT Research Center: What Is the Potomac Aquifer
- (3) HRSD Atlantic Treatment Plant Cambi THP Tour
- (4) HRSD Employee Testimonials Robert
- (5) Why SWIFT Matters
- 4. Website and Social Media Impressions and Visits
  - a. Facebook:
    - (1) 12,786 page impressions
    - (2) 8,747 post impressions reaching 8,165 users.
    - (3) Facebook Engagement of 334 (296 reactions, 22 shares, and 16 comments)
  - b. X: 4.9% engagement rate
  - c. HRSD.com/SWIFTVA.com: 920 page visits
  - d. LinkedIn Impressions:
    - (1) 21,341 page impressions
    - (2) 17,839 post impressions
  - e. YouTube: 430 views
  - f. Next Door unique impressions: 37,300 post impressions from 28 targeted neighborhood postings and one region-wide posting sent to 689,155 total residents across the service region.
  - g. Blog Posts (1): Showing Appreciation To Our Water Heroes On Wastewater Professionals Day
  - h. Construction Project Page Visits 2,128 total visits (not including direct visits from home page, broken down as follows:
    - (1) 1,880 visits to individual pages
    - (2) 248 to the status page
- C. <u>Education and Outreach Activity Highlights</u>

Community Outreach and Education Specialists and HRSD Ambassadors provided and participated in eight different outreach events this month. Community partners included Christopher Newport University, the Elizabeth River Project, the Hampton Roads Planning

District Committee (HRPDC) Community Advisory Committee, the League of Women Voters of Williamsburg Area, Lynnhaven River NOW, Newport News Public Schools and the Virginia Peninsula Rotary.

Project notices were distributed to 278 customers for 10 different projects across the service area this month. The department distributed and posted 13 construction or work notices, two news releases and one traffic advisory to the HRSD.com Newsroom.

Director and staff participated in the Atlantic Treatment Plant open house event held in partnership with Lynnhaven River NOW. The event featured plant tours, water quality learning activities, children's crafts and the AskHRGreen learning trailer.

#### D. <u>Internal Communications</u>

Director participated in the following internal meetings and events:

- 1. Atlantic Treatment Plant monthly communications check-in meeting
- 2. Virginia aquarium exhibit concepting meeting
- 3. SWIFT Strategic Communications monthly meeting
- 4. Rebranding meetings
- 5. SWIFT Community Commitment Plan steering committee meeting
- 6. Atlantic Treatment Plant Odor taskforce check-in meeting
- 7. Bi-weekly General Manager (GM) briefings
- 8. Discharge Monitoring Report (DMR), SWIFT Quality Steering Team (QST), and HRSD QST meetings
- 9. Check-in meetings with Deputy General Manager (DGM)
- 10. Monthly collaboration meeting with Director of Talent Management
- 11. Director also conducted biweekly Communications department status meetings and weekly one-on-one check-in meetings.
- 12. Staff participated in 17 project progress and/or construction meetings and communication planning meetings with various project managers, plant staff and external stakeholders.



The Communications department is currently fully staffed. Professional development activities and pursuits for June included the following:

• Communications staff attended the National Association of Clean Water Agencies (NACWA) Strategic Communications Conference held in Virginia Beach this year. Staff also participated in panel discussions and provided a SWIFT Research Center tour to conference attendees.

Respectfully,

Leila Rice, APR

**Chief Communications Officer** 

TO: General Manager

FROM: Chief Engineer

SUBJECT: Engineering Monthly Report for June 2024

DATE: July 11, 2024



#### **Environmental Responsibility**

The City of Norfolk is working closely with the U.S. Army Corps of Engineers to study and make improvements to address climate change through coastal resiliency known as "Resilient Norfolk". This is a huge effort (\$2.6B) impacting large parts of Norfolk. The project includes storm-surge barriers, nearly 9 miles of floodwalls and levees, 11 tide gates, and ten pump stations, along with hundreds of non-structural projects that include home elevations, basement fills, and commercial floodproofing. HRSD has numerous assets in Norfolk impacted by this potential work. This project could impact buried pipes, pump stations and two treatment plants (Army Base and VIP). We have created an internal task force to coordinate with Norfolk and their various consultants. An initial task has been to conduct assessments of HRSD buried infrastructure near the proposed Norfolk improvements. It will be important to know the condition of these assets and determine if conflicts exist with the proposed work.

Hurricane season officially started on June 1<sup>st</sup>. NOAA predicts an above-average year for storm events with an anticipated 13 storms that will reach hurricane strength. There has already been one named storm so far this year. To be prepared for possible severe storms in our region, staff have been busy updating the HRSD Hurricane and Recovery Plan. Updates have also been made to the Damage Assessment software tool for both office and field use. This program is available for use by staff to quickly and efficiently assess and document damage to HRSD infrastructure after a severe storm event.



#### **Financial Stewardship**

Capital Improvement Program (CIP) spending for the eleventh month of FY 2024 was below the planned spending target.

## CIP Spending (\$M):

	Current Period	FYTD
Actual	44.03	516.53
Plan	49.60	531.50

Final CIP invoices for FY 2024 are still being received but estimates indicate that total CIP spending will be approximately \$562M. The CIP spending target for FY 2024 was \$580M. This plan-to-actual-spend ratio is 97%, which is above recent years and is a strong indicator that HRSD is implementing the CIP in accordance with planning projections. This is by far HRSD's largest CIP spend in one fiscal year. 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 Division were below planned levels in FY 2024. We ended the FY at 96% of the planned Operating Budget spending. This spending limitation was primarily due to unfilled positions over the FY.



Recruitment will continue to be an important effort in the coming months. The Engineering Division has three vacancies and three new positions to fill in July. We are excited to add Ms. Kathy Robinson as a SWIFT Design & Construction Department Contract Specialist. Kathy brings a wealth of experience and will add value to the SWIFT Program Team.

Training and continuous learning are critical to the success of the Engineering Division. Each year our target is to provide each staff member with 40 hours of training. We have ended FY 2024 with a combined average of 40 hours of training/employee. This metric has extra importance since we have added many new staff members in the past year.



## **Community Engagement**

HRSD's Capital Improvement Program and our various facilities in the region play an important role in addressing water quality and improving the quality of life for our citizens. Our presence in certain areas can also create certain nuisances to the public. One issue that can be a concern is the traffic we generate at each treatment plant. The Atlantic Treatment Plant Road access is provided using public roads through the Ocean Lakes neighborhood. As our use of the Atlantic Treatment Plant has grown over the years, so has the volume of staff and contractor traffic to and from the plant. To address this issue, HRSD has been working with the U.S. Navy at Dam Neck to provide a new vehicle access route. The needed property has been acquired and HRSD is working with the Navy to address environmental and other permitting issues. We hope to begin the final design later this year with construction of a new roadway to begin when the design is completed.

The James River Treatment Plant SWIFT project includes several amenities that will benefit the public. A new road was completed earlier this year to provide access to the adjacent City Gymnastic Center and Dog Park. This new access road will provide improved access to these facilities and limit impacts caused by the construction efforts. In addition, a new trail is under construction to provide public access around the plant site and to connect two adjoining parts of the City's Park property. This initial phase of the trail project will be completed later this year after a overlook requested by the City of Newport News is finished.



#### Innovation

One way to innovate is to learn new ideas from others. An in-house team has been formed to study the option of creating a Project Management Office (PMO) here at HRSD. This "office" would not be a physical space but a concept to better align Engineering, Finance and Operations to deliver Capital Improvement Program (CIP) projects. The PMO study will include a benchmarking effort with other large utilities. We recently had a valuable discussion with King County, Washington. Their CIP is larger than HRSD's, so we are trying to learn best practices as we manage our ever-growing efforts.

The study will also recommend ways to improve the CIP and assure compliance as we continue to grow the size of the projects and complexity of the program.

Condition assessment of buried pipelines continues to be a focus here at HRSD. Since many of our existing gravity sewer pipelines and sewer force mains cannot be taken out of service for inspection, new technologies continue to be explored. One technology that is promising is known as Impact Echo Assessment (IEA). Impact-echo is a method for nondestructive testing of concrete and masonry structures that is based on the use of impact-generated stress (sound) waves that propagate through concrete and masonry and are reflected by internal flaws and external surfaces. Impact-echo can be used to determine the location and extent of flaws such as cracks, delaminations, voids, honeycombing, and debonding in concrete pipes and tanks. The IEA method has been recently tried on two buried pipe segments. We should learn more about the effectiveness of this non-destructive test method in the coming months.

Bruce W. Husselbee

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

TO: General Manager

FROM: Chief Financial Officer

SUBJECT: Monthly Report for June 2024

DATE: July 10, 2024



## **Financial Stewardship**

Interim year-end financial results for the year are favorable with estimated revenues exceeding budgetary projections by four percent and expense below budget by five percent. Billed consumption, which is the driver for the vast majority of HRSD's revenues, exceeded budgetary projections by a marginal 1.3 percent. Debt service payments exceeded budgetary estimates because HRSD received \$4.9 million in grant revenues that was specifically earmarked for debt service related to an Eastern Shore capital project. Cash payments for capital projects totaled a record \$555.9M for the year.

HRSD received nearly \$1.7M in property insurance reimbursements for fire damage that occurred in July 2022 at the Atlantic Treatment Plant (ATP). The reimbursement represents the cost of repair/replacement of the facilities less HRSD's \$50,000 deductible.

Field staff delivered 3,566 warning door tags and disconnected water service to 1,115 accounts during June 2024. Staff will be temporarily reassigned to other work centers during July and August to comply with a new legislative requirement effective July 1, of suspending disconnection activities when the forecasted temperature is 92 degrees or higher within 24 hours of scheduled disconnection. Strategies to deal with the new legislative requirement include temporary work assignments for field staff, increasing outbound collections calls, arranging pay plans, leaving additional financial assistance information without a warning tag, and third-party collections for closed accounts.

# A. <u>Interim Financial Report</u>

1. Operating Budget for the Period Ended June 30, 2024.

					Current YTD as	
					% of Budget	Prior YTD as
		Amended			(100% Budget	% of Prior
		Budget		<b>Current YTD</b>	to Date)	Year Budget
Operating Revenues						
Wastewater	\$	405,832,000	\$	409,618,278	101%	101%
Surcharge		1,600,000		1,545,818	97%	89%
Indirect Discharge		4,400,000		4,635,486	105%	139%
Fees		2,894,000		3,713,870	128%	117%
Municipal Assistance		800,000		1,098,116	137%	98%
Miscellaneous		1,295,000	_	1,925,477	149%	128%
Total Operating Revenue		416,821,000		422,537,045	101%	102%
Non Operating Revenues						
Facility Charge		6,095,000		7,154,145	117%	100%
Interest Income		3,000,000		13,609,286	454%	381%
Build America Bond Subsidy		1,954,000		1,953,615	100%	100%
Other _	_	620,000	_	535,303	86%	565%
Total Non Operating Revenue		11,669,000	_	23,252,349	199%	153%
_	_					
Total Revenues		428,490,000		445,789,394	104%	103%
Transfers from Reserves		17,120,789		17,120,789	100%	100%
Total Revenues and Transfers	\$	445,610,789	\$	462,910,183	104%	103%
Operating Expenses						
Personal Services	\$	70,450,193	\$	70,758,493	100%	104%
Fringe Benefits		28,487,963		28,037,183	98%	99%
Materials & Supplies		16,073,465		13,574,509	84%	97%
Transportation		2,003,573		1,718,633	86%	86%
Utilities		16,843,498		17,593,441	104%	103%
Chemical Purchases		17,688,997		15,374,935	87%	104%
Contractual Services		53,541,285		39,772,963	74%	70%
Major Repairs		13,696,912		7,270,628	53%	60%
Capital Assets		1,258,970		511,685	41%	38%
Miscellaneous Expense		3,938,563		3,609,023	92%	79%
Total Operating Expenses		223,983,419		198,221,493	88%	90%
Debt Service and Transfers						
Debt Service		76,150,000		81,555,085	107%	98%
Transfer to CIP		145,217,370		145,217,370	100%	100%
Transfer to Risk management		260,000		260,004	100%	100%
Total Debt Service and Transfers		221,627,370	_	227,032,459	102%	99%
Total Expenses and Transfers	\$	445,610,789	\$	425,253,952	95%	94%

#### 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 Capital Improvement Project (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, 2024.

#### HRSD - RESERVE AND CAPITAL ACTIVITY

June 30, 2024

General	Reserve							Cap	ital	
General	CARES - A	ARPA	Debt	Service	Risl	Mgmt Reserve		Paygo	D	ebt Proceeds
Unrestricted	Restricte	ed	Re	stricted		Unrestricted		Unrestricted		Restricted
\$ 203,718,301	\$	4,406	\$	33,830,226	\$	4,539,551	\$	3,115,384	\$	-
456,164,297										
										31,420,145 65,950,133
										318,590,153
										29,084,935
						260,004		145,217,370		
456,164,297		-		-		260,004		145,217,370		445,045,366
\$ 659,882,598	\$	4,406	\$	33,830,226	\$	4,799,555	\$	148,332,754	\$	445,045,366
286,192,454								110,863,831		445,045,366
		4,406								
 145,477,374										
 431,669,828		4,406		-		-		110,863,831		445,045,366
\$ 228,212,770	\$	-	\$	33,830,226	\$	4,799,555	\$	37,468,923	\$	
\$	General Unrestricted \$ 203,718,301  456,164,297  456,164,297  \$ 659,882,598  286,192,454  145,477,374  431,669,828	Unrestricted Restrict \$ 203,718,301 \$ 456,164,297  456,164,297  \$ 659,882,598 \$ 286,192,454 145,477,374	General         CARES - ARPA           Unrestricted         Restricted           \$ 203,718,301         \$ 4,406           456,164,297         -           \$ 659,882,598         \$ 4,406           286,192,454         4,406           145,477,374         4,406           431,669,828         4,406	General Unrestricted         CARES - ARPA Restricted         Debt Restricted           \$ 203,718,301         \$ 4,406         \$           456,164,297         -           \$ 659,882,598         \$ 4,406         \$           286,192,454         4,406         145,477,374           431,669,828         4,406         4,406	General         CARES - ARPA         Debt Service           Unrestricted         Restricted         Restricted           \$ 203,718,301         \$ 4,406         \$ 33,830,226           456,164,297         -         -           \$ 659,882,598         \$ 4,406         \$ 33,830,226           286,192,454         4,406         -           145,477,374         4,406         -           431,669,828         4,406         -	General         CARES - ARPA         Debt Service         Rist           Unrestricted         Restricted         Restricted           \$ 203,718,301         \$ 4,406         \$ 33,830,226         \$           456,164,297         -         -         -           \$ 659,882,598         \$ 4,406         \$ 33,830,226         \$           286,192,454         4,406         \$ 4,406         -           145,477,374         431,669,828         4,406         -	General         CARES - ARPA         Debt Service         Risk Mgmt Reserve           Unrestricted         Restricted         Restricted         Unrestricted           \$ 203,718,301         \$ 4,406         \$ 33,830,226         \$ 4,539,551           456,164,297         -         260,004           \$ 659,882,598         \$ 4,406         \$ 33,830,226         \$ 4,799,555           286,192,454         4,406         4,406         -         -           145,477,374         431,669,828         4,406         -         -         -	General         CARES - ARPA         Debt Service         Risk Mgmt Reserve           Unrestricted         Restricted         Unrestricted           \$ 203,718,301         \$ 4,406         \$ 33,830,226         \$ 4,539,551         \$           456,164,297         -         260,004           \$ 659,882,598         \$ 4,406         \$ 33,830,226         \$ 4,799,555         \$           286,192,454         4,406         4,406         145,477,374         431,669,828         4,406         -         -         -	General         CARES - ARPA         Debt Service         Risk Mgmt Reserve         Paygo           Unrestricted         Restricted         Unrestricted         Unrestricted           \$ 203,718,301         \$ 4,406         \$ 33,830,226         \$ 4,539,551         \$ 3,115,384           456,164,297         -         260,004         145,217,370           456,164,297         -         260,004         145,217,370           \$ 659,882,598         \$ 4,406         \$ 33,830,226         \$ 4,799,555         \$ 148,332,754           286,192,454         110,863,831           4,406         4,406         -         -         110,863,831	General         CARES - ARPA         Debt Service         Risk Mgmt Reserve         Paygo         Detector           \$ 203,718,301         \$ 4,406         \$ 33,830,226         \$ 4,539,551         \$ 3,115,384         \$           456,164,297         \$ 260,004         \$ 145,217,370         \$ 145,217,370         \$ 145,217,370         \$ 148,332,754         \$ 148,332,754         \$ 148,332,754         \$ 10,863,831           286,192,454         \$ 4,406         \$ 4,406         \$ 145,477,374         \$ 110,863,831         \$ 140,863,831

Unrestricted Funds \$ 270,481,248

4. Capital Improvements Budget and Activity Summary for Active Projects for the Period Ended June 30, 2024.

# HRSD - PROJECT ANALYSIS

June 30, 2024

Classification/ Treatment Service Area	Aį	opropriated Funds	Expenditures prior to 7/1/2023		Expenditures Year to Date FY2024		Total Project Expenditures		cumbrances	Α	vailable Funds
Administration	\$	76,193,950	\$	25,407,455	\$ 7,394,024	\$	32,801,479	\$	3,008,844	\$	40,383,627
Army Base		167,458,058		125,866,880	371,608		126,238,488		551,876		40,667,694
Atlantic		238,176,729		81,665,064	11,458,224		93,123,288		12,779,793		132,273,648
Boat Harbor		539,481,266		75,596,057	132,883,102		208,479,159		220,846,382		110,155,725
Ches-Eliz		87,859,516		34,995,850	626,915		35,622,765		1,254,789		50,981,962
Eastern Shore		65,012,749		26,927,768	14,745,853		41,673,621		4,352,507		18,986,621
James River		377,728,708		104,382,910	94,939,939		199,322,849		136,560,100		41,845,759
Middle Peninsula		98,206,116		23,493,172	6,867,425		30,360,597		3,799,238		64,046,281
Nansemond		488,559,100		83,702,138	128,425,870		212,128,008		208,301,008		68,130,084
Surry		60,391,465		41,079,533	4,448,680		45,528,213		7,182,644		7,680,608
VIP		250,660,629		34,150,127	33,951,409		68,101,536		80,584,463		101,974,630
Williamsburg		83,022,019		21,441,839	957,637		22,399,476		6,179,150		54,443,393
York River		117,618,863		21,027,494	26,991,476		48,018,970		40,464,268		29,135,625
General		1,558,759,659		201,364,418	146,544,413		347,908,831		851,440,323		359,410,505
	\$	4,209,128,827	\$	901,100,705	\$ 610,606,575	\$	1,511,707,280	\$	1,577,305,385	\$	1,120,116,162

## 5. Active Capital Grants

Active Capital Grants A	ctivities					
Grant Name	Funder	Project	CIP#	Application Submitted	Amount Requested	IRSD Award Amount ☑
American Rescue Plan Act	VDEQ	E astern Shore In frastructure Improvements - Transmission Force Main Phase II (Accomac Sewer Collection	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	\$ 36,124,859
American Rescue Plan Act	VDEQ	Nansemond Treatment Plant Advanced Nutrient Reduction Improvements Phase II	NP 013820	10/7/2022	\$ 50,000,000	\$ 31,693,207
FY2024 Congressionally Directed Funding Warner-Kaine	CDF FY24	E astern Shore W astewater Improvements	ES010100	3/9/2023	\$ 9,677,112	\$ 1,250,000
W ater Q uality Improvement Fund, C onveyance	VDEQ	C hesapeake-Elizabeth Treatment Plant Conveyance	Multiple	2/7/2023	\$ 100,647,746	\$ -
W ater Q uality Improvement Fund, C onveyance	VDEQ	E astern Shore TFM Phase 1	ES010100	5/2/2022	\$ 4,900,000	\$ 4,936,538
W ater Q uality Improvement Fund, Nutrient Reduction	VDEQ	James R iver SWIFT - Advanced Nutrient R eduction Improvements	JR013400	3/23/2023	\$ 344,741,547	
Water Quality Improvement Fund, Nutrient Reduction	VDEQ	Boat Harbor Pump Station and Conveyance	BH015700, BH015710, BH015720 BH015730	3/4/2024	\$ 311,286,392	
Water Quality Improvement Fund, Nutrient Reduction	VDEQ	Nansemond Treatment Plant Advanced Nutrient Reduction Improvements Phase II	NP 013820	3/4/2024	\$ 127,657,505	
FY2025 Congressionally Directed Funding, Warner/Kaine, Kiggans	CDS	O nancock Treatment Plant Solids Handling Improvements	ES010800	3/21/2024	\$ 6,624,248	\$ 1,000,000
C limate Pollution Reduction Grant - Implementation	EPA	P dNA Implementation to R educe GHG	AB011800	4/1/2024	\$ 59,540,142	
FY23 Building Resilient Infrastructure and Communities (BRIC), under Hazard Mitigation Grant Program	VD EM-FE MA	Dozier's Corner Pump Station and Washington District Pump Station Resiliency Improvements	AT013000, AT015400	2/6/2024	\$ 18,988,629	
FHWA Recreational Trails Program	VDCR	Flax Mill Creek Trail at James River Treatment Plant	GN 016344	6/1/2021	\$ 300,000	\$ 300,000
					\$ 1,092,730,321	\$ 79,188,104

# 6. Debt Management Overview

<b>HRSD - Debt Outsta</b>	nding (\$000's)								Jur	ne 30, 2024		
	May 2024		June 2024									
	Principal				Principa	al A	ctivity			Principal	ı	nterest
	Balance	Bono	d Series	Payments		Draws		Capitalized Interest		Balance	Payments	
Fixed Rate												
Senior	\$ -	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-
Subordinate	1,234,065		-		(6,474)		16,432		301	1,244,324		(1,223)
Variable Rate												
Subordinate	50,000		-		-		-			50,000		(157)
Line of Credit	100,000		-		-		-			100,000		(362)
Total	\$ 1,384,065	\$	-	\$	(6,474)	\$	16,432	\$	301	\$1,394,324	\$	(1,742)

HRSD- Series 2016V	R Bond Analysis		
	SIFMA Index	HRSD Series 2016VR	Spread to SIFMA
Maximum	4.71%	4.95%	0.24%
Average	1.26%	0.87%	-0.39%
Minimum	0.01%	0.01%	0.00%
As of 6/28/24	3.88%	3.78%	-0.10%

Since October 20, 2011 HRSD has averaged 87 basis points on Variable Rate Debt

<b>Subsidised Debt Activity</b>						
Source	Funder	Loan Amount	D	Current rawn Total	% Remain	Initial Draw Date - Projected
WIFIA Tranche 1	EPA	\$ 225,865,648	\$	187,976,770	17%	Ongoing
WIFIA Tranche 2	EPA	\$ 476,581,587	\$	167,060,472	65%	Ongoing
WIFIA Tranche 3	EPA	\$ 346,069,223	\$	-	100%	July 2025
Clean Water Program 2022	DEQ	\$ 100,000,000	\$	88,296,641	12%	Ongoing
Clean Water Program 2024	DEQ	\$ 80,000,000	\$	-	100%	March 2024

7. Financial Performance Metrics for the Period Ended June 30, 2024.

## **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	Adjusted Days
	_	Hand	Cash on Hand
Total Unrestricted Cash	\$ 270,481,248		441
Risk Management Reserve	\$ (4,799,555)	(8)	433
Capital (PAYGO only)	\$ (37,468,923)	(61)	372
Adjusted Days Cash on Hand	\$ 228,212,770		372

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

HRSD - SOURCES OF FL	INDS						Jur	ne 30, 2024	
Duimanu Carres						- "			_
Primary Source		Beginning				Ending			Current
		Market Value	YTD	YTD	YTD	Market Value	Allocation of		Mo Avg
		July 1, 2023	Contributions	Withdrawals	Income Earned	June 30, 2024	Funds	<b>Credit Quality</b>	Yield
BOA Corp Disbursement Account	t	30,761,730	890,218,266	890,423,997	1,230,394	31,786,393	15.1%	N/A	0.55%
VIP Stable NAV Liquidity Pool	_	129,511,237	60,000,000	20,000,000	9,277,813	178,789,050	84.9%	AAAm	5.42%
	Total Primary Source	\$ 160.272.967	\$ 950.218.266	\$ 910,423,997	\$ 10.508.207	\$ 210.575.443	100.0%	=	

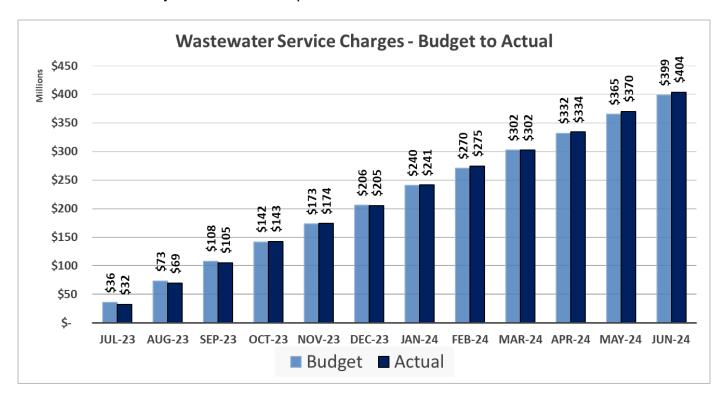
VIP Stable NAV Liquidity Pool performed 0.01% above Va Local Government Investment Pool's (the market benchmark) in the month of June 2024.

Secondary Source	Beginning			YTD	Ending			Yield to
	Market Value	YTD	YTD	Income Earned	Market Value		LTD	Maturity
	July 1, 2023	Contributions	Withdrawals	& Realized G/L	June 30, 2024	<b>Ending Cost</b>	Mkt Adj	at Market
VIP 1-3 Year High Quality Bond Fund	63,074,075	-	12,880	2,430,166	65,915,924	67,306,126	(1,390,201)	4.81%
Total Secondary Source	\$ 63,074,075	Ś -	\$ 12.880	\$ 2,430,166	\$ 65,915,924	\$ 67,306,126	\$ (1,390,201)	-

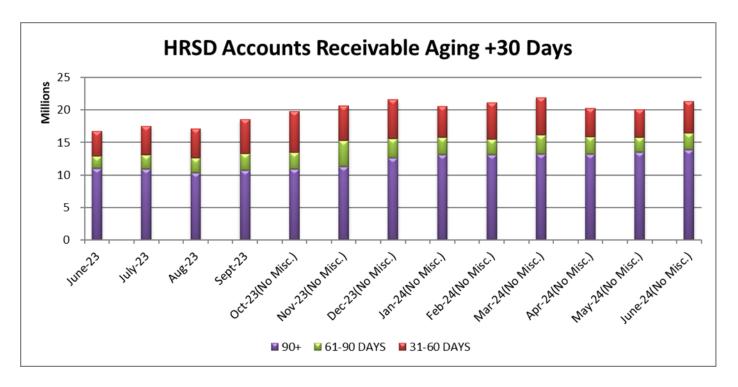
VIP 1-3 Year High Quality Bond Fund performed 0.02% below ICE BofA ML 1-3 yr AAA-AA Corp/Gov Index (the market benchmark) in June 2024.

	Total	Fund Alloc
Total Primary Source	\$ 219,327,496	77.0%
Total Secondary Source	\$ 65,518,470	23.0%
TOTAL SOURCES	\$ 284,845,966	100.0%

## 8. Summary of Billed Consumption

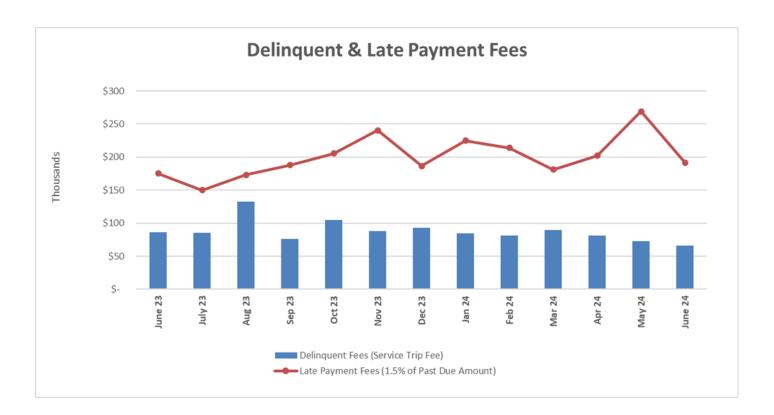


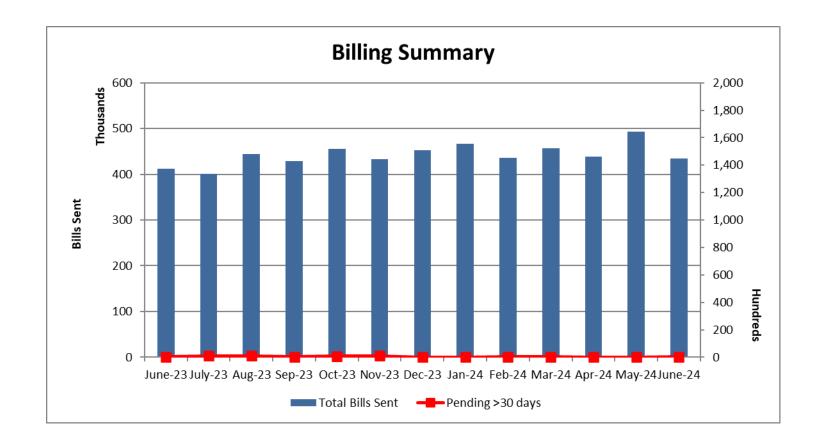
Summary of Billed Consumption (,000s ccf)												
			% Difference	e	% Differe	% Difference						
	FY2024 Cumulative Budget	FY2024 Cumulative	From	Cumulative FY2023	From	Cumulative 3	From 3 Year					
Month	Estimate	Actual	Budget	Actual	FY2023	Year Average	Average					
July	4,678	4,504	-3.7%	4,682	-3.8%	4,803	-6.2%					
Aug	9,644	9,432	-2.2%	9,652	-2.3%	9,543	-1.2%					
Sept	14,196	13,965	-1.6%	14,208	-1.7%	14,297	-2.3%					
Oct	18,663	18,854	1.0%	18,680	0.9%	18,863	0.0%					
Nov	22,756	23,004	1.1%	22,777	1.0%	22,307	3.1%					
Dec	27,109	27,127	0.1%	27,133	0.0%	27,430	-1.1%					
Jan	31,641	31,819	0.6%	31,669	0.5%	32,004	-0.6%					
Feb	35,568	36,182	1.7%	35,601	1.6%	35,952	0.6%					
March	39,770	39,826	0.1%	39,807	0.0%	40,351	-1.3%					
Apr	43,694	44,054	0.8%	43,735	0.7%	44,473	-0.9%					
May	48,027	48,760	1.5%	48,072	1.4%	48,548	0.4%					
June	52,500	53,206	1.3%	52,549	1.2%	53,329	-0.2%					

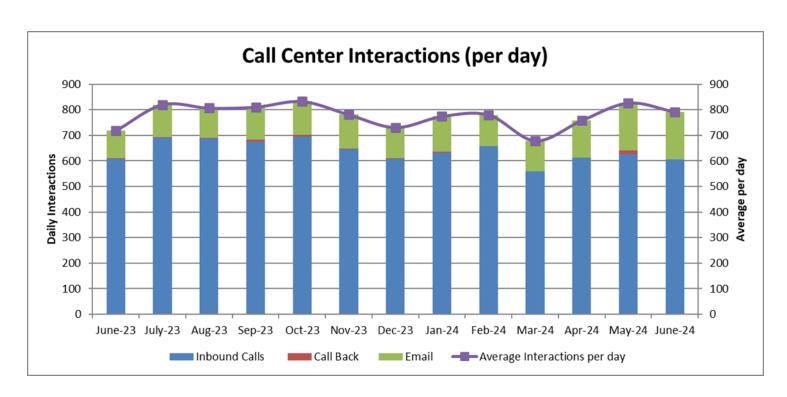


## B. <u>Customer Care Center</u>

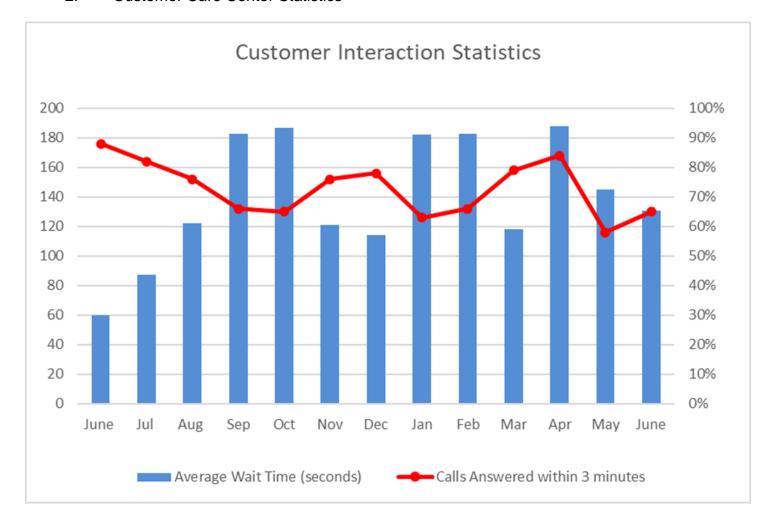
1. Accounts Receivable Overview



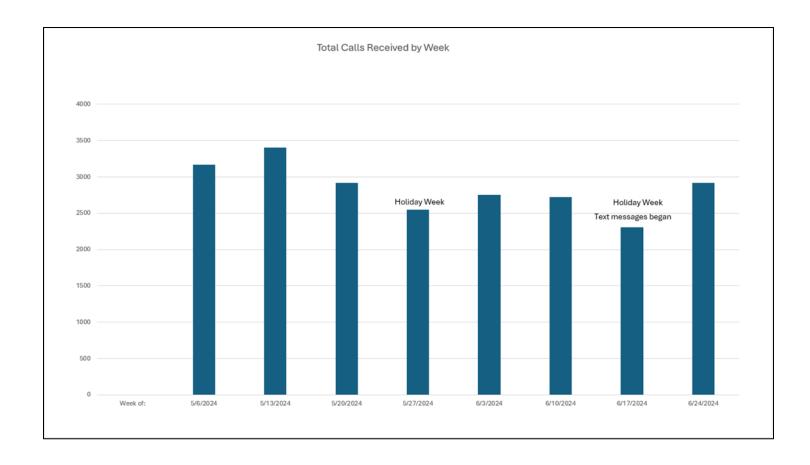




## 2. Customer Care Center Statistics



<b>Customer Interaction Statistics</b>	June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Calls Answered within 3 minutes				_							_		
Average Wait Time (seconds)	60	87	122	183	187	121	114	182	183	118	188	145	131
Calls Abandoned	5%	7%	8%	11%	12%	10%	9%	13%	12%	10%	8%	15%	11%



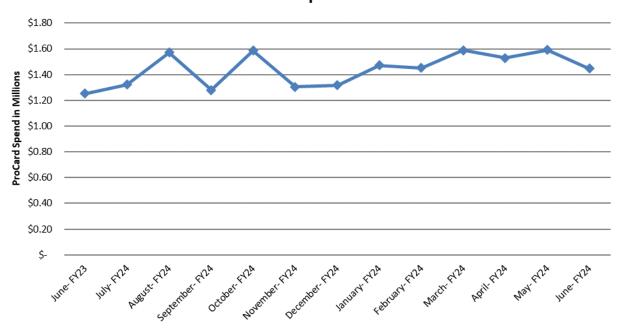
#### C. <u>Procurement Statistics</u>

Savings	Current Period	FYTD
Competitive Savings <sup>1</sup>	\$361,813	\$2,381,346
Negotiated Savings <sup>2</sup>	\$12,354	\$112,684
Salvage Revenues	\$575	\$153,219
Corporate VISA Card - Estimated Rebate	\$21,570	\$260,193

<sup>&</sup>lt;sup>1</sup> 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.

<sup>&</sup>lt;sup>2</sup> 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.

## **ProCard Spend FY24**



Respectfully,

# Steven G. de Mik

Steven G. de Mik Deputy General Manager/Chief Financial Officer TO: General Manager

FROM: Chief Information Officer

SUBJECT: Information Technology Department (ITD) Report for June 2024

DATE: July 10, 2024



## Innovation

The Cybersecurity staff continues enhancing incident response procedures covering both the business and operational technology networks. Through standardization of practices and procedures, response to cybersecurity incidents occurs in a methodical, structured, and effective manner.

HRSD's primary backup platform was successfully upgraded, enhancing secure data management capabilities, both on-premises and in the cloud.

Hat's off to the IT Help Desk and all those who contributed to making the Surface Pro rollout a success. The project is near complete and loose ends should be tied-up by the end of July.

The IT Help Desk processed 345 work orders and requests for assistance in June, ensuring availability of computing resources to those working locally and remotely.



The billing model conversion for the Town of Smithfield is underway and progressing smoothly. While playing a critical role in the conversion process, Smithfield staff is also learning how to use CC&B as its utility billing platform.

Respectfully,

Don Corrado

TO: General Manager/Chief Executive Officer

FROM: Chief Operating Officer

SUBJECT: Operations Monthly Report for June 2024

DATE: July 10, 2024



## **Community Engagement**

Staff participated in several community events as follows:

- On June 17, North Shore (NS) Interceptor Operations conducted an in-person meeting with the City of Williamsburg Public Works and Engineering Departments' staff. The purpose of the meeting was to review existing planning and development projects and to address ongoing operational and organizational matters.
- 2. Atlantic Treatment Plant (ATP) staff, along with a host of other HRSD employees and volunteers participated in the June 8, Atlantic Treatment Plant Community Outreach Day. Staff provided tours and information to attendees. 25 people visited and attended this event.
- 3. On June 19, Ms. Holly Anne Matel, ATP Treatment Process Engineer assisted in the Odor Control Task Force plant tour. The tour assisted in identifying odor sources by committee members.
- 4. Mr. Sam McAdoo, Director of Small Communities met with Accomack County staff to discuss expanding service for several projects and options for the National Aeronautics and Space Agency's need for wastewater service in the northern part of the county.
- 5. On June 10, Small Communities Division (SCD) staff met with Mathews County administrator Ms. Romana Wilson, and new board supervisor Ms. Janice Phillips, to discuss service area expansions and wastewater needs in Mathews County.
- 6. Mr. Sam McAdoo attended the Surry County Planning Commission Meeting on June 24 and presented the Surry Force Main and Pump Station Dominion Power Extension project (SU010400) for Substantial Accord Determination under the county's Comprehensive Plan. The Planning Commissioners unanimously approved the project.
- 7. SCD staff met with King William County staff to discuss upcoming developments and updates related to the King William Treatment Plant (KWTP).
- 8. SCD staff met with Middlesex County staff to discuss pausing the Middlesex Transmission Force main project (MP013730) until the bidding environment improves.



## **Environmental Responsibility**

#### **Treatment and Interceptor System Reportable Items:**

There were multiple events reported this month. Additional details are available in the Air and Effluent Summary in the Water Quality monthly report.

1. There was one Sanitary Sewer Overflow (SSO) on NS caused by a contractor damaging HRSD's 30-inch force main while installing a fiber optic line at Doolittle Rd. and Salem St. in Hampton, VA.

Approximately 2,360 gallons of sewage leaked from the pipe. Staff responded promptly, containing the leak within two hours and fully diverting the system until a tapping saddle was installed by the following morning. Staff were recognized for their swift and effective response to the incident.

- 2. Army Base Treatment Plant (ABTP) had two uses of the emergency bypass stack on June 6 and June 13. Both were caused by power outages.
- 3. BHTP had two reportable events for the Odor control system that occurred in the month of June. The odor control stations were swapped due to fouling of the online train. The deviations occurred during startup of the other system and managing the caustic addition.
- 4. The Williamsburg Treatment Plant (WBTP) had ten incinerator deviations. Nine deviations were failures of the Total Hydrocarbon Analyzer to record two valid readings in an hour due to calibration issues. One was a use of the incinerator emergency bypass stack after a power blip during a thunderstorm tripped out the induced draft fan.

#### **Internal Air and Odor Compliance:**

- 1. There were multiple events reported this month. Additional details are available in the Air and Effluent Summary in the Water Quality monthly report.
- 2. ATP continues to put a large focus on reducing off site odors.
  - a. Staff raised the Ferric Feed rate to 4.0 mg/l to try to help reduce odors around plant sites to include the final dewatered biosolids at the storage pads.
  - b. Staff also repurposed the spray header used to spray the trucks down and started to use it on the digester roof to help mask digester odors. This does seem to aid in reducing the offsite odors and replacing the odor with the eucalyptus scent.
  - c. Work continues by plant staff in upgrading equipment and replacing media on Odor D. This work should be completed by late July.
  - d. The HRSD Project Team continues to make excellent progress in installing the misting system on the digesters. This work should be completed by July 12 and is expected to aid in reducing odors associated with the digester annular space.
  - e. HRSD received a total of 21 odor complaints related to the ATP odors.

#### Additional Topics of Interest:

- 1. Thermal Hydrolysis Process digestate from ATP is provided to assist with the startup of the Neuse River Plant in North Carolina. The seeding will take three to four weeks to complete, with ATP providing the plant with over 500,000 gallons of digestate to seed their digesters. This effort will enhance the curing process at ATP and may allow for a reprieve in odor complaints associated with pad operations.
- 2. Construction continues on the Advanced Nutrient Removal Improvement (ANRI)/Sustainable Water Initiative for Tomorrow (SWIFT) Project at the James River Treatment Plant (JRTP). The new #1 Secondary Clarifier is online. The existing #3 and #4 secondary clarifiers were taken out of service, cleaned, and preparations were made by the contractor to start demolishing #3 secondary clarifier. Concrete walls and structures continue to be formed and poured on SWIFT building #2, the moving bed biofilm reactor, and the SWIFT equalization tank.

- 3. Repair of the #3 primary effluent pipe at WBTP from the break that occurred in May is scheduled for the second week of July. The plan is to replace corroded sections of pipe and apply coatings where needed.
- 4. Renovation of the administration building at the York River Treatment Plant (YRTP) is complete. Featured in the renovation is a new control room and laboratory designed so plant operators can more effectively monitor and control treatment plant processes while performing laboratory analysis and preserving samples.
- 5. SCD continues working on transitioning plant data entry from Enterprise Data Solutions to Hach Water Information Management Solution. The dual entry period for the West Point Treatment Plant (WPTP) and KWTP will occur in July. Urbanna Treatment Plant (URTP) and Central Middlesex Treatment Plant (CMTP) Hach WIMS are currently in development and, once completed, will undergo a dual entry period as well.
- 6. The Industrial Automation Programmers (IAP's) participated in the successful completion of cutover testing for the new Ovation Supervisory Control and Data Acquisition (SCADA) System at Coliseum PRS and Offline Storage Tank, Morrison PS, and Surry #6 PS. The final site testing was completed, and these sites are now active on the new Ovation SCADA systems.
- 7. Electrical and Instrumentation (E&I) staff worked with Electric Power Systems (EPS), the contractor, to perform preventative maintenance testing for the Medium Voltage Switchgear, circuit breakers and transformers at Nansemond Treatment Plant (NTP).
- 8. Staff managed the conveyance and treatment of over 131 million gallons (MG) of wastewater this month.



## **Financial Stewardship**

- 1. The Operations Project Team completed several projects around the service area and continue to provide substantial cost savings to HRSD.
  - a. Staff completed Nitrate Pump replacements at ONTP and troubleshooting of the dewatering trailer.
  - b. Staff continues to work on the ATP Vaporization project, which involves installing mister and piping around digesters 1-4 and is scheduled to be complete by July 12.
- 2. The Transportation Team is currently supporting SCD with transferring digester solids from the WPTP to WBTP. This effort ensures all SCD treatment plant operations are not affected by not having adequate digester capacity to waste Mixed Liquor Suspended Solids and other settleable solids from treatment processes and saves HRSD money by not having to contract pump and hauler efforts.
- 3. The Machine Shop had 19 projects during the month of June. Some of the more notable projects included three pump rebuilds, fenders on all pumps and haul trucks, and the fabrication of coolant flanges that are leaking at the Atlantic PRS.
- 4. Mr. Jacob Holgard, Lead Operator at VIP, led efforts to decrease polymer usage at the plant. With support from staff, he ran several field trials by adjusting polymer flow rates to the units and using the readings from the distributed control system to anticipate how the solids/centrate will be impacted. He continued to manipulate the polymer dosage over several days until the centrate worsened. This resulted in bringing down the annual polymer dosage average to the centrifuges from 315 pounds /ton prior to testing to 250 pounds/ton. Based on the cost of polymer, this will result in annual savings of roughly \$136,000.



- 1. The SCADA program continues to make progress as Surry PS #6, Surry PS #7, Coliseum PRS and Morrison Ave PS were cut over and brought on-line this month. This nearly completes the Surry and NS Systems with just a few sites remaining. Emerson, the contractor, struggled at the Coliseum PRS site to get their controller to fully communicate and operate with their own provided panel and top-end systems. This resulted in a large amount of HRSD staff time to assist working through the technical issues. The new Advance Prime Guard control changes were implemented and tested at Artic Ave PS.
- 2. Virginia Initiative Plant (VIP) staff assisted WesTech with the startup of a ballasted filtration pilot process for phosphorus and suspended solids removal from plant effluent, to evaluate different processes needed to meet lower phosphorus permit levels.
- 3. ABTP continues to work to implement the CL-17 disinfection meters. Regular training for plant operators is scheduled.
- 4. The total volume of SWIFT recharge into the Potomac aquifer for the month of May was 3.43 MG (12.3% Recharge Time based on 650gpm).
  - a. On June 7, contractors finalized the coating work on the ozone contactor. This work lasted about five weeks.
  - b. On June 1, SWIFT staff assisted with the replacement of new Granular Activated Carbon (GAC) media. After delivery, SWIFT staff performed several backwashes to remove fine particles that might cause issues with turbidity in the future.
  - c. On June 18, a new Jarbalyzer was installed at the SWIFT influent to be able to keep monitoring Total Inorganic Nitrogen. Previous analyzer from Trescon (Germany company) will not support troubleshooting or parts in the future.
- 5. The electrical Motor Control Center for the raw influent pumps at BHTP was found in poor shape during an inspection last year. The corrosion on the ground bus needed to be addressed for the plant to successfully make it to closure at the end of 2026. Plant and E&I staff determined it was best to bring in temporary equipment to allow for the installation of new panels. A Godwin pump is now installed onsite to pump around the raw influent to the grit tanks, and staff successfully tested the equipment, with everything expected to be ready for use in July. The plant will be going through three shutdowns with a potential for a fourth shutdown while tying in new electrical panels for the Raw Influent Pumps, which are critical to the operation of the BHTP.
- 6. Testing began for the startup of the new Greasezilla process at NTP, where the plant will receive fats, oils, and grease (FOG) waste, and convert it to a bunker fuel to be hauled by a third party offsite as a renewable fuel source. This system should be fully functional by the end of August, which will aid in the amount of FOG impacting the main process at the plant.
- 7. SCD and E&I staff have been working on a system that will allow remote monitoring of the Mathews County Vacuum System. Remote monitoring will aid operations staff in troubleshooting the vacuum system and help minimize after-hours alarm calls.
- 8. SCD and E&I staff have been working on a project to set up a radar level measurement device for the storage pond at the WPTP. This device will allow us to use the pond for influent flow equalization.

- 9. Staff recently had the following journal article published:
  - a. Samantha Hogard, Robert Pearce, Kathleen Yetka, Raul Gonzalez, and Charles Bott. 2024. Virus inactivation in low ozone exposure water reuse applications, *Water Research*, <a href="https://doi.org/10.1016/j.watres.2024.121536">https://doi.org/10.1016/j.watres.2024.121536</a>



- NS Interceptor Operations has two open Interceptor Technician positions. Candidates for the Interceptor Technician positions, and the Interceptor Assistant position have been received and interviews are scheduled in mid-July.
- 2. Mr. Tyree Casteel joined NS Interceptor Operations on June 10 as an interceptor assistant.
- 3. Mr. Po Young, who served HRSD for 31 years, retired, and NS Interceptor Operations extends congratulations on his retirement.
- 4. On June 4, Mr. Shawn Heselton, Director of SS Interceptor Operations –, hosted and moderated a Water Environment Federation (WEF) Water Leadership Institute (WLI) webinar on Diversity, Equity, and Inclusion.
- 5. One June 5, Mr. Shawn Heselton and Mrs. Leila Rice, Chief Communications Officer, presented at the National Association of Clean Water Agencies (NACWA) Strategic Communications Conference in Virginia Beach. They presented on the HRSD Learning, Innovating, and Fostering Excellence (LIFE) Conference and how it bolsters internal communication, collaboration, and connectedness.
- 6. Ms. Megan Ludy filled the vacant Maintenance Operator Assistant position at ABTP.
- 7. Mr. Tyler Burch has started as a Systems Operator at SCD.
- 8. There are two System Operator vacancies currently open in SCD. Interviews are scheduled for the Middle of July 2025.

Respectfully submitted,

Eddie M. Abisaab, PE, PMP, ENV SP Chief Operating Officer

Attachment: MOM Reporting

# **MOM Reporting Numbers**

MOM #	Measure Name	Measure Target	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
2.7	# of PS Annual PMs Performed (NS)	37	3	3	3	4	3	3	4	4	3	4	0	3
2.7	# of PS Annual PMs Performed (SS)	53	4	0	7	5	7	3	5	5	2	7	3	3
2.7	# of Backup Generator PMs Performed	4.6	12	7	14	14	10	4	26	10	15	14	7	4
2.8	# of FM Air Release Valve PMs Performed (NS)	234	234	199	296	241	109	116	210	207	246	274	117	111
2.8	# of FM Air Release Valve PMs Performed (SS)	1,550	154	174	59	569	71	148	141	141	233	255	76	0
2.9	# of Linear Feet of Gravity Clean (NS)	2,417	2,808	2,762	3,791	4,969	5,741	4,074	3,429	2,088	300	2,027	1,531	0
2.9	# of Linear Feet of Gravity Clean (SS)	2,417	5,994	5,637	7,169	1,610	0	0	1,693	1,693	1,437	825	845	4,790
2.9	# of Linear Feet of Gravity CCTV Inspection	3,300	0	0	0	0	0	0	0	0	0	0	0	0

TO: General Manager

FROM: Chief People Officer

SUBJECT: Talent Management Monthly Report for June 2024

DATE: July 10, 2024



## **Talent**

Staff retention and recruitment remain significant priorities for the Talent Management (TM) Department. Human Resources filled the Talent Acquisition Specialist position, and the new hire will start on July 22<sup>nd</sup>.

**Human Resources (HR):** After a successful open enrollment process, HR staff continued to meet weekly with the new benefit carriers to complete the transition and implementation of our benefits starting July 1, 2024.

HR staff attended their first annual HR retreat hosted Hicks-Carter-Hicks. The goal for this retreat was to create a space where staff could reflect on achievements, address challenges, and strategize for the future.

Compensation study salary statements were distributed in June. HR answered numerous questions regarding the salary information employees received.

HR staff coordinated and participated in two Open House/Career Events at HRSD. Each department was represented along with the UNIFIED council to provide information to external candidates on the variety of careers fields and opportunities at HRSD. 30 job seekers attended the North Shore event, and 53 job seekers attended the South Shore event.

Participation in HRSD's Wellness Program continues to grow. Plan education, wellness related presentations, individual and group coaching, and virtual guided meditation sessions continue. Wellness also started a weekly boot camp session at Air Rail.

**Learning and Development (L&D):** In June, L&D hosted several impactful training sessions, continued to support work center training initiatives, and delivered our scheduled programs, including leadership training for the Leadership and Management Academy (LAMA).

Compensation Study Training Sessions: L&D conducted 34 work center training sessions related to the HRSD comprehensive compensation study. The goal of this effort was to provide information related to changes resulting from the compensation study and to provide employees with an opportunity to ask clarifying questions.

Civility & Respect in the Workplace: L&D successfully hosted Hicks-Carter-Hicks for an in-person pilot program with the ABN work group focused on promoting a culture of

civility and respect within our work groups. Participants gained valuable insights and were introduced to several available resources to foster positive workplace interactions.

Isolation Training for Shift Workers: Partnering with Hicks-Carter-Hicks for another pilot program, L&D completed training aimed at shift workers who routinely experience isolation. This initiative aimed to enhance readiness and skills for handling feelings of isolation because of alternate work schedules.

Regularly scheduled programs: L&D hosted the 2024 LAMA cohort for Emotional Intelligence (EQi) training, conducted Your Role in Quality half-day training for project presentations, and held our Quarter Facilitator Meeting to discuss upcoming SPARC Sessions.

These monthly highlights reflect L&D's commitment to continuous learning and to providing work center support. We look forward to continuing our efforts to assist with work center SPARC Sessions, employee development, and continuous innovation.

**Safety:** Staff conducted required safety trainings and medical monitoring. Weekly, monthly, and quarterly safety inspections, and testing and monitoring were performed at various work centers and construction sites. There were two reported work-related injuries requiring medical attention and one auto/property damage accident.

The Safety Division celebrated National Safety Month, organized by the National Safety Council, with various engaging activities each week. Safety staff encouraged all HRSD work centers to participate in the weekly safety-themed events.

- Week 1: Safety Engagement Work centers created videos demonstrating their commitment to safety.
- Week 2: Roadway Safety A Safety Jeopardy game was distributed for completion.
- Week 3: Risk Reduction A Safety Scavenger Hunt was conducted.
- **Week 4: Slips, Trips, and Falls** Work centers designed posters addressing slip, trip, and fall prevention.

The Safety Division was thrilled with the enthusiastic participation from work centers during this inaugural National Safety Month.



Staff provided outreach at career events. This outreach was focused on the variety of career fields represented at HRSD. Information was shared about our open positions, the Apprenticeship Program, how we positively impact the local waterways and our generous benefits. Staff also explained how to apply for a position at HRSD and answered questions about what it's like to work at HRSD.

Respectfully submitted,

Dorissa Pitts-Paige

TO: General Manager

FROM: Chief of Water Quality (CWQ)

SUBJECT: Monthly Report for June 2024

DATE: July 10, 2024



## **Environmental Responsibility**

#### 1. HRSD's Regulatory Activities:

- a. Monthly Discharge Monitoring Report (DMR) Summary and Items of Interest: Effluent and Air Emissions Summary.
- b. From Fiscal Year (FY) 2024 to date, there have been eight Permit Exceedances out of 56.527 Total Possible Exceedances.
- c. Pounds of Pollutants Removed in FY 2024 to date: 189.7 million pounds.
- d. The draft Boat Harbor VPDES permit was finalized and submitted for a 30-day public notice beginning on June 24, 2024.
- 2. <u>Pretreatment and Pollution Prevention (P3) Program Highlights:</u>
  - a. One civil penalty was paid in June by U.S. Amines Portsmouth.

#### **U.S. Amines - Portsmouth**

After the first enforcement order issued in May was paid, a second Enforcement Order was issued to U.S. Amines for a technical violation for a Cyanide exceedance in April 2024 associated with the facility's PRET sample point. This Order contained an invoice for a \$3,000 Civil Penalty. The permittee attributed the limit exceedance to inadequate equalization tank mixing and they temporarily ceased discharges from the tank to prevent further limit exceedances.

The Enforcement Order was accepted, and the Civil Penalty was paid in full on June 17, 2024.

b. P3 staff met with Town of Exmore staff to walk through the New Ravenna Tile manufacturing facility. Several recommendations will be provided to Town staff for implementation at the facility. A discussion regarding Fats, Oils and Grease (FOG) and the implementation of a FOG program also took place during this meeting. c. P3 staff worked with the City of Chesapeake on collection system issues associated with wastewater discharges from Total Fiber Recovery at Chesapeake LLC. P3 required the wastewater discharge to be ceased due to excessive solids material being discharged from the process. The facility developed a plan for a partial discharge and the request was approved. The facility was shut down completely for two days.

## 3. <u>Environmental and Regulatory Advocacy</u>

- a. The Sustainability Environment Advocacy (SEA) Group reported the following activities for the month of June:
  - 1) The SEA Team hosted four clean up events on Saturday, June 1st to coincide with the Chesapeake Bay Foundation's Clean the Bay Day. Events were held at the Boat Harbor, VIP, and Nansemond treatment plants as well as an event at the former Lambert's Point Golf Course. Over two hours at these four locations, 33 volunteers collected 39 bags of trash and other large items that collectively weighed nearly 585 lbs.
  - The SEA Team organized a plant swap that was held during Water and Wastewater Professional's Day on June 27<sup>th</sup>. Dozens of employees donated numerous plants that found new homes. Participants also donated planters, jars, and other containers to be reused for propagation of the plants. The Sea Team would like to expand this initiative as an annual event.
  - The Sea Team continues to collect gently used uniforms for employees to take and use under the "HRSD Closet" initiative. Since it's inception in 2022, 2,662 items of clothing have been collected and there continues to be an interest from employees in taking donated items.
- b. Chief participated in the following advocacy and external activities:
  - 1) Provided a briefing on HRSD's SWIFT program to the board of Virginia Forever and attended a meeting of the board as a member. Virginia Forever is a coalition of businesses, environmental organizations and outdoor enthusiasts that advocates for increased government funding for water quality improvements and land conservation across the Commonwealth. It is the only statewide organization that has a primary focus on increasing funding for natural resources protection.
  - Attended the Executive Board meeting for the Virginia Association of Municipal Wastewater Agencies (VAMWA) as well as the quarterly membership meeting.

- Participated in a planning for an upcoming meeting of the National Association of Clean Water Agencies (NACWA) Water Quality Committee. The Chief has been nominated as co-chair of this committee and will be transitioning off as co-chair of the NACWA Biosolids Committee at NACWA's July Utility Leadership Meeting.
- 4) Attended a meeting of the Eastern Virginia Groundwater Management Advisory Committee. HRSD's Hydrogeologist is a member of this committee, representing HRSD's interests in management of the aquifer.



## Financial Stewardship

Staff 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.

- HRSD provided sampling and analytical services to the following to support monitoring required for their respective Virginia Permit Discharge Elimination System (VPDES) permits:
  - a. Northumberland County
  - b. Westmoreland County
- 2. MAP Billed Reimbursements for service provided from April 1 to June 30, 2024.
- 3. MAP Invoice Summary for the second Quarter 2024 calendar year.



#### **Talent**

Kevin Parker graduated from the Virginia Natural Resources Leadership Institute, a 10-month program that engages natural resource leaders across the Commonwealth, fostering collaborative problem solving within this field across agencies, utilities and environmental advocacy organizations.



## **Community Engagement**

Staff 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:

- 1. City of Chesapeake (Southern Branch)
- 2. City of Hampton (New Market Creek)
- 3. City of Newport News (Southeast Newport News)
- 4. City of Norfolk (Mason Creek)
- 5. City of Suffolk (downtown)
- 6. City of Virginia Beach (Thalia Creek)
- 7. James City County



## **Innovation**

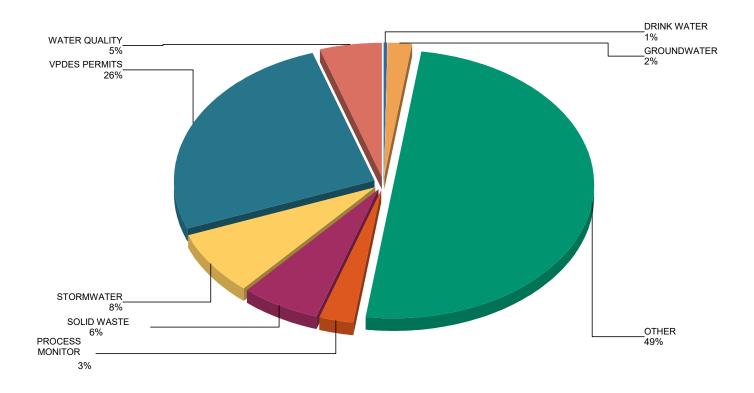
- 1. Chief participated in an Environmental Subcommittee meeting of the Norfolk Innovation Corridor (NIC). The NIC is a designated technology zone within Norfolk, providing business and tax incentives to attract and retain technology companies focused on resilience products, services, and technologies. The Environmental Subcommittee is focused on attracting and recognizing efforts in environmental resiliency. The Chief is a member of the subcommittee and HRSD SWIFT is recognized in the NIC Environmental Innovations and Assets StoryMap, NIC: Environmental Innovations & Assets (arcgis.com).
- 2. Chief attended a webinar hosted by the Virginia Biosolids Council in which Dr. Linda Lee of Purdue provided a research update on the fate and transport of per- and polyfluoroalkyl substances (PFAS) in the land application of biosolids. HRSD is a participant in this research effort.

Respectfully submitted,

Jamie Heisig-Mitchell
Chief of Water Quality

## Municipal Assistance Billed Reimbursements per Service From 04/01/2024 to 06/30/2024

### **Attachment 1**



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

# Municipal Assistance Invoice Summary From 04/01/2024 - 06/30/2024

Municipality	Reimbursements	Reimbursements Fiscal Year 2024
Accomack County	\$4,480.72	\$13,520.52
Buckingham County	\$249.90	\$992.09
Chesterfield County	\$0.00	\$9,660.81
City of Chesapeake	\$7,830.62	\$20,302.46
City of Emporia	\$271.83	\$1,058.10
City of Franklin	\$1,914.45	\$9,218.41
City of Fredericksburg	\$18,538.81	\$19,449.72
City of Hampton	\$3,439.44	\$21,317.14
City of Norfolk	\$2,855.86	\$36,877.11
City of Norfolk-Dept of Utilities	\$993.05	\$2,958.90
City of Portsmouth	\$2,896.61	\$14,311.82
City of Roanoke	\$1,125.00	\$9,600.00
City of Suffolk	\$142.05	\$12,076.10
City of Virginia Beach	\$6,070.73	\$26,496.90
DCLS Wastewater Surveillance	\$103,917.76	\$240,225.76
Exmore WWTP	\$0.00	\$2,149.08
HRPDC	\$16,819.42	\$181,352.45
Hanover County	\$0.00	\$22,881.95
Henrico County	\$1,981.68	\$7,919.97
Hopewell RWTF	\$6,335.12	\$17,074.02
James City County Service Authority	\$0.00	\$1,289.70
Lynnhaven River NOW	\$443.08	\$1,446.48
New Kent County	\$9,268.72	\$41,339.94
Northampton County WWTP	\$1,684.54	\$6,230.10
Northumberland Co Callao WWTP	\$2,280.84	\$8,574.58
Portsmouth Stormwater	\$0.00	\$94.05
Prince William County	\$4,450.76	\$4,450.76
Rivanna Water and Sewer Authority	\$0.00	\$1,995.02
ST BRIDES CORRECTIONAL CENTER	\$482.86	\$4,041.07
Spotsylvania County	\$0.00	\$3,727.12
Spotsylvania County FMC	\$1,217.78	\$1,217.78
St Brides Corr Ctr WWTP	\$2,487.82	\$34,041.09
Stafford County	\$106.64	\$7,033.61
Town of Cape Charles-VAW	\$9,448.66	\$36,578.62
Town of Grottoes WWTP	\$0.00	\$5,937.98

Upper Occoquan Service Authority	\$10,545.60	\$16,282.12
Virginia Aquarium & Marine Science Ctr	\$3,134.58	\$44,472.54
Virginia Department of Health	\$4,023.18	\$202,275.98
Virginia Department of Health-Shellfish	\$1,125.00	\$1,125.00
Western VA Water Authority	\$0.00	\$174.86
Westmoreland County	\$1,982.60	\$6,504.91
Totals:	\$232,545.71	\$1,098,276.62

#### **EFFLUENT SUMMARY FOR JUNE 2024**

	FLOW	% of	BOD	TSS	FC	ENTERO	TP	TP	TN	TN	CONTACT
PLANT	mgd	Design	mg/l	mg/l	#/UBI	#/UBI	mg/l	CY Avg	mg/l	CY Avg	TANK EX
ARMY BASE	8.20	46%	2	2.4	2	<1	0.58	0.79	4.9	4.0	11
ATLANTIC	43.72	81%	13	6.3	5	1	NA	NA	NA	NA	13
<b>BOAT HARBOR</b>	8.96	36%	14	5.1	13	3	1.3	0.63	34	22	6
CENT. MIDDLESEX	0.014	56%	<2	2.4	<1	<1	NA	NA	NA	NA	NA
JAMES RIVER	10.39	52%	8	6.7	1	<1	0.36	0.62	9.4	9.6	12
KING WILLIAM	0.091	91%	<2	0.65	NA	<1	0.15	0.18	1.9	2.3	NA
NANSEMOND	15.85	53%	4	4.2	1	<1	2.1	1.4	4.3	4.0	4
ONANCOCK	0.222	30%	<2	1.5	1	1	0.51	0.18	2.5	2.6	NA
SUNSET BAY	0.021	52%	4	<1.0	1	2	NA	NA	NA	NA	0
URBANNA	0.059	59%	8	18	3	4	6.4	2.3	27	14	NA
VIP	25.17	63%	3	2.0	2	1	0.38	0.32	3.6	3.7	3
WEST POINT	0.326	54%	19	15	1	2	3.8	2.5	17	14	0
WILLIAMSBURG	7.80	35%	8	2.6	4	2	1.3	0.93	2.1	2.9	16
YORK RIVER	10.14	68%	3	1.1	<1	1	0.14	0.24	5.2	5.2	5
	130.98										

% of Capacity
North Shore 45%
South Shore 65%
Small Communities 41%

#### **AIR EMISSIONS SUMMARY FOR JUNE 2024**

	No	of Permit Dev	viations below 1	29 SSI Rule N	Minimum Ope	erating Paramet	ters		Part 5	03e Lii	mits
	Temp	Venturi(s) PD	Precooler Flow	Spray Flow	Venturi Flow	Tray/PBs Flow	Scrubber	Any	THC	THC	BZ Temp
	12 hr ave	12 hr ave	12 hr ave	12 hr ave	12 hr ave	12 hr ave	рН	Bypass	Mo. Ave	DC	Daily Ave
MHI PLANT	(F)	(in. WC)	(GPM)	(GPM)	(GPM)	(GPM)	3 hr ave	Stack Use	(PPM)	(%)	Days >Max
ARMY BASE	1	0	0	0	0	0	0	2	45	88	0
BOAT HARBOR	0	0	0	n/a	0	0	0	0	11	36	0
VIP	0	0	0	n/a	0	0	0	0	22	100	0
WILLIAMSBURG	0	0	0	n/a	0	0	0	1	24	63	0

#### Items of Interest - June 2024

#### 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 36%.

The MHIs had one (1) deviation from the required 129 SSI rule minimum operating parameters and three (3) minor bypass events (< 60 minutes).

Army Base's MHI # 1 final stack test report was submitted to DEQ on June 28, 2024, that demonstrated compliance with all required 129 emission limits including HCI.

#### AIR PERMITS and ODOR CONTROL

There were a total of twenty-nine (29) odor control complaints during the month of June of which 24 complaints were HRSD related, 3 non-HRSD related, and 2 undetermined.

Atlantic Plant received twenty-one (21) odor complaints from Ocean Lakes and Lago Mar neighbors. Plant Staff responded to all complaints. Odors from land app solids, THP system leaks, digesters, and general plant odors occurred. Plant staff took corrective action where possible. Communications followed up and responded to each neighbor's complaint.

The three (3) other HRSD complaints received included one at Powhatan Avenue pump station, one from force main air venting on Elbow Road, and one from the Onancock plant. All complaints were investigated, and responses provided to our neighbors. No further complaints have been received.

#### **TREATMENT**

DEQ was notified of the following reportable events:

#### Atlantic

On June 1, a chlorine residual sample collected at 10:00 was recorded outside the calibrated range of the instrument. The operator forgot to retest with a diluted sample so no valid data was available for the 2-hour period. The oversight was discovered during a data review on June 12 and the sample was deemed invalid at that time.

On June 7, two digester mixers failed causing a rapid rise event which overflowed onto the ground. The digester level was brought down and a defoaming agent was added to reduce the foam level. An estimated 100 gallons of foam were unrecoverable from the ground.

On June 13, Digester 2 overflowed when a hose spraying non-potable water (NPW) used to knock down foam was left running. Approximately 300 gallons of digested solids were unrecoverable from the ground and storm water ditch.

#### **Boat Harbor**

On June 17, four (4) consecutive TRC sample collection and analyses were missed during an evening shift due to the lack of performance of the operator. The midnight

shift operator collected and analyzed the next sample at 00:45 on June 18 and measured 1.32 mg/L. The plant was operating normally, and chlorine dosing was consistent. The evening shift operator was disciplined as outlined in the HRSD Human Resources Manual.

#### James River

On June 24, a chlorine residual of 0.06 mg/l was recorded at 00:02 and a loss of chlorination was reported due to a broken barb fitting on the sodium hypochlorite feed line. While retrieving the 30-minute sample, the Operator discovered sodium hypochlorite pumping from the broken line directly onto the floor within the building containment sump. Sodium hypochlorite feed was restored when an alternative line was placed in service at 00:15.

#### **SYSTEM**

On June 4 a contractor performing a conduit install via boring struck the HRSD force main and reamed a hole in the side of the pipe. The contractor did not take the necessary excavation precautions as required by VA-811 resulting in 2,360 gallons of raw wastewater to be released to the ground.

#### SYSTEM/TREATMENT, SMALL COMMUNITIES, AND EASTERN SHORE

#### **Onancock**

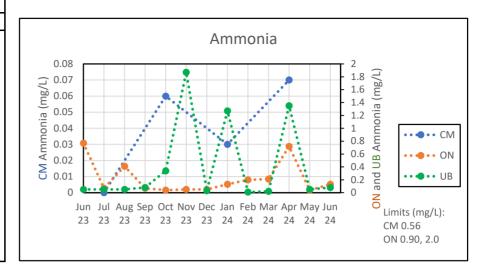
During the week of June 2, the Total Phosphorus (TP) monitoring frequency of 2 days/week was not met. Two samples were collected for the week on June 4 and 5 and analyzed, but one sample did not meet the Quality Control requirements of the method, resulting in an invalid analysis. The samples were inadvertently discarded and there was not sufficient time to collect another TP composite sample during the week. All other subsequent weekly TP monitoring requirements were met and in permit compliance for the month.

#### West Point

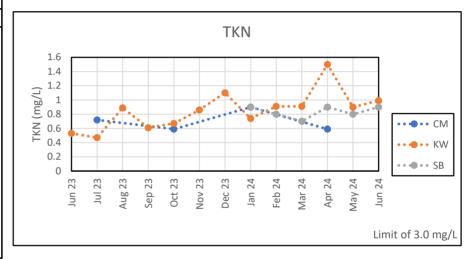
During the reporting period of January – June 2024, West Point did not meet the permit requirement of 85% removal of TSS nor the 73% removal of BOD. Reliably meeting these percent removal limits is challenging with trickling filters, and was not possible with atypically high influent flows and low TSS and BOD influent concentrations occurring during the month of March.

Flow summaries, nutrient data, and rainfall information is located here: DMR - Power BI (powerbigov.us)

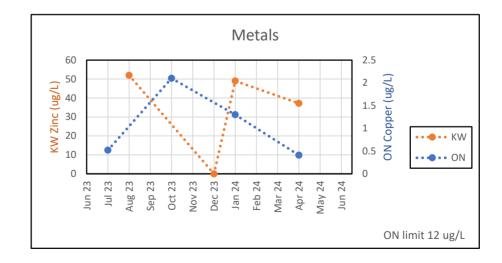
	Ammonia				
	CM	ON	UB		
Jun 23		0.77	0.05		
Jul 23	<0.02	0.07	0.05		
Aug 23		0.41	0.05		
Sep 23		0.07	0.08		
Oct 23	0.06	0.04	0.34		
Nov 23		0.05	1.87		
Dec 23		0.05	0.03		
Jan 24	0.03	0.13	1.27		
Feb 24		0.20	0.01		
Mar 24		0.21	0.02		
Apr 24	0.07	0.72	1.35		
May 24		0.04	0.05		
Jun 24		0.13	0.08		



		TKN	
	CM	KW	SB
Jun 23		0.53	
Jul 23	0.72	0.47	
Aug 23		0.89	
Sep 23		0.61	
Oct 23	0.59	0.67	
Nov 23		0.86	
Dec 23		1.1	
Jan 24	0.90	0.74	0.90
Feb 24		0.91	0.80
Mar 24		0.91	0.70
Apr 24	0.59	1.5	0.90
May 24		0.90	0.80
Jun 24		0.99	0.90



	Zinc	Copper
	KW	ON
Jun 23		
Jul 23		0.52
Aug 23	52	
Sep 23		
Oct 23		2.1
Nov 23		
Dec 23	<5.0	
Jan 24	49	1.3
Feb 24		
Mar 24		
Apr 24	37	0.41
May 24		
Jun 24		





#### Hampton Roads Sanitation District Internal Audit Status June 30, 2024



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

#### **Operational Technology Security and Resilience**

- Completed Tasks (June 2024)
  - Completed onsite observations.
  - Continued to communicate fieldwork document request list/follow-ups and reviewed documentation as obtained.
  - Initiated Manager review on testing/documentation performed.
- Upcoming Tasks (July 2024)
  - Continue to request/obtain documentation and perform testing.
  - o Finalize Manager Review on testing.
  - o Initiate Director Review on testing.
  - Communicate exceptions/issues identified as part of testing.

#### **Design and Construction Estimating**

- Completed Tasks (June 2024)
  - Provided sample selection for project comparison.
  - Researched organizations for benchmarking exercise.
- Upcoming Tasks (July 2024)
  - o Review sample selection for project comparison.
  - Continue data analytics on prior year bids received.
  - Meet with external engineering firms and organizations for benchmarking.

#### **Accounts Payable and ProCards**

- Completed Tasks (June 2024)
  - Submitted final report.

#### Billing, Accounts Receivable, and Aging

Audit placed on hold until CY2025

#### II. Upcoming Projects

• IT governance: ~Fall CY2024

Model 3: ~Fall/winter CY2024

Talent management investigations: ~Fall/winter CY2024

#### 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.



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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.

			Recommendations			
Audit / Project	Next Follow-up	Closed	Open	Total		
Personally Identifiable Information	July 2024	0	3	3		
Safety Division	July 2024	2	1	3		
Freedom of Information Act	August 2024	0	1	1		
Family Medical Leave Act (FMLA)	July 2024	0	4	4		
Succession Planning	July 2024	2	2	4		
Closed Audit/Projects (x16)	Closed	127	0	127		
	Totals	131	11	142		

## Strategic Measures June 2024

Strategic Planning Measure	Department	May-24	Jun-24	FY-24
Educational and Outreach Events	Communications	13	12	224
Number of Community Partners	Communications	9	10	158
Number of Technical Presentations	All	11	1	87
Revenue vs. Budget	Finance	95%	104%	57%
Wastewater Expenses vs. Budget	Finance	81%	88%	46%
Accounts Receivable (HRSD)	Finance	\$41,694,350	\$47,302,526	\$44,431,665
Aging Accounts Receivable	Finance	32.00%	29.00%	29.30%
Turnover Rate wo Retirements	Talent Management	0.12%	0.35%	4.36%
Turnover Rate w Retirements	Talent Management	0.58%	0.35%	6.94%
Avg Time to Hire	Talent Management	3 months	2 months	3 months
Number of Vacancies	Talent Management	2 days 42	11 days 43	9 days 53
	_		_	
Average number of applicants per position	Talent Management	7.4	11.3	9.0
Percentage of positions filled with internal applicants	Talent Management	30.8%	13.3%	28.2%
Recruitment source Return on Investment	Talent Management	*	*	*
Average time required (days) to onboard new employees, including from initial posting of position to candidates' first day	Talent Management	*	*	*
Customer Call Wait Time (mins)	Finance	2.42	2.18	2.51
Capacity Related Overflows with Stipulated Penalties (Reported Quarterly)	Water Quality / ENG	0	**	1
Non-Capacity Related Overflows with Stipulated Penalties (Reported Quarterly)	Water Quality / ENG	0		1
TONS OF CARBON: Tons of carbon produced per million gallons of wastewater treated Energy consumed (gas (scfm) and electricity (kWh)) per million gallons of wastewater treated.	Operations	*	6 months 19 days	*
GAS CONSUMPTION: Tons of carbon produced per million gallons of wastewater treated Energy consumed (gas (scfm) and electricity (kWh)) per million gallons of wastewater treated.	Operations	*	*	*
ELECTRICITY CONSUMPTION: Tons of carbon produced per million gallons of wastewater treated Energy consumed (gas (scfm) and electricity (kWh)) per million gallons of wastewater treated.	Operations	*	4392	*
Monthly CIP Spending	Engineering	\$87,001,598		\$50,890,401

<sup>\*</sup>Not currently tracking due to constraints collecting the data.

<sup>\*\*</sup> Updated after EPA Quarterly Report submittal.

<sup>\*\*\*</sup>Billing is one month behind

## Strategic Measures June 2024

Technical Presentations					
Date	Department	Presenter	Presentation		
06/18/2024	Operations	Klaus, Stephanie	Full-Scale Implementation of Mainstream Partial Denitrification/Anammox (PdNA) at HRSD at Singapore International Water Week		

	Education Outreach and Community Partners						
Date	Event	Community Partner	Department(s)				
06/01/2024	Newport News Public Schools & CNU STEM Community Day	Newport News Public Schools, CNU	Communications				
06/03/2024	SWIFT Research Center tour for NACWA StratComm Conference attendees	NACWA	Communications				
06/08/2024	Atlantic Treatment Plant Open House event with Lynnhaven RiverNOW	Lynnhaven River NOW	Communications, Operations, Water Quality				
06/12/2024	SWIFT presentation to Virginia Peninsula Rotary	Virginia Peninsula Rotary	Communications				
06/13/2024	Guest Panel Participation - Annual Meeting 2024 League of Women Voters of Williamsburg Area	League of Women Voters of Williamsburg area	Engineering				
06/13/2024	SWIFT Research Center tour for HRPDC Community Advisory Committee	HRPDC Community Advisory Committee	Communications				
06/18/2024	VDC Webinar and Panel Discussion	DBIA	Engineering				
06/19/2024	Atlantic Treatment Plant Task Force Tour	AECOM	Operations				
06/21/2024	Reducing Claims Against Engineers on Alternative Delivery Projects Panel	ASCE	Engineering				
06/26/2024	Presentation on HRSD's CIP	HRUHCA	Engineering				
06/27/2024	SWIFT Research Center tour for Elizabeth River Project staff and interns	Elizabeth River Project	Communications				
06/27/2024	SWIFT Research Center tour for Shutte Construction	Shutte Construction	Communications				

Community Partners					
Date	Community Partner	Department			
06/01/2024	Ocean Lakes High School	Operations			
06/01/2024	Ocean Lakes Neighborhood	Operations			
06/01/2024	ODU	Operations			
06/01/2024	Waste Management	Operations			
06/05/2024	HRPDC Directors of Utilities Committee	Engineering			
06/18/2024	HRPDC FOG Subcommittee	Water Quality			