HRSD Commission Meeting Agenda 9:00 a.m. – January 28, 2025

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

Reservations are required to receive a link to the virtual meeting, address the Commission, submit written comments to be read into the minutes or to request accommodations to attend the meeting inperson.

Reservations must be submitted by noon one business day prior to the meeting. Instructions to submit your reservation request are available on the website: <u>https://www.hrsd.com/meeting-minutes</u>

<u>No.</u>	Topic	Resource
	Call to Order	Chair
1.	Awards and Recognition	Bernas
2.	Public Comments Not Related to the Agenda	Secretary
3.	Consent Agenda	Bernas
4.	Chesapeake-Elizabeth Conveyance to Atlantic Treatment Plant Project Water Quality Improvement Fund Grant Amendment	de Mik
5.	Army Base 36-inch Force Main (SF-002) Emergency Repair at Railroad Avenue New CIP and Initial Appropriation – Non-Regulatory	Husselbee
6.	<u>George Washington Interceptor Force Main Extension Part 2 (SF-140) Segmental</u> <u>Replacement at St. Julian's Creek</u> <u>Initial Appropriation – Non-Regulatory</u>	Husselbee
7.	Plume Street Pump Station Replacement (SS-PS-121) Initial Appropriation – Non-Regulatory, Task Order (>\$200,000)	Husselbee
8.	West Point Treatment Plant Generator Installation Initial Appropriation – Non-Regulatory	Husselbee
9.	<u>Larchmont Area Sanitary Sewer Improvements</u> <u>Additional Appropriation – Regulatory Required (<\$10,000,000), Approval of</u> <u>Guaranteed Maximum Price (GMP), Task Order (>\$200,000)</u>	Husselbee
10.	Lynnhaven-Great Neck IFM (SF-021) Relocation Additional Appropriation – Non-Regulatory (>\$1,000,000)	Husselbee

<u>No.</u>	Topic	<u>Resource</u>
11.	Doziers Corner Pump Station Replacement Acquisition of Real Property and Easement – Chesapeake, VA	Husselbee
12.	Capital Improvement Program (CIP) Update	Husselbee
13.	New Business	Bernas
14.	Unfinished Business	Bernas
15.	Commissioner Comments	
16.	Informational Items	Bernas
17.	Closed Meeting	Bernas
18.	Reconvened Meeting	

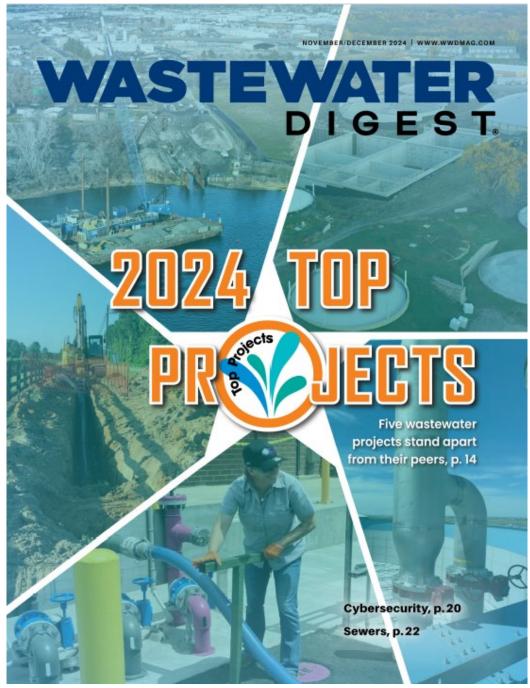
Next Regular Commission Meeting: February 25, 2025 in Virginia Beach

AGENDA ITEM 1. - January 28, 2025

Subject: Awards and Recognition

Recommended Action: No action is required.

Brief: HRSD is pleased to announce receipt of the 2024 Top Projects Award by Wastewater Digest for the Surry Hydraulic Improvements and Interceptor Force Main. Wastewater Digest selected this project as one of five "Top Projects in the United States" for 2024. This project was important to HRSD as it allowed HRSD to meet a Consent Order requirement to decommission both the Town of Surry and the Surry County wastewater treatment plants, and to provide system capacity and reliability improvements in the Surry service area. This Design-Build project was designed and executed by MEB General Contractors, Inc., Rummel Klepper and Kahl LLP (RK&K), and Timmons Group.



AGENDA ITEM 2. – January 28, 2025

<u>Subject</u>: Public Comments Not Related to Agenda

AGENDA ITEM 3. – January 28, 2025

Subject: Consent Agenda

C.

Recommended Action: Approve the Consent Agenda.

Brief: 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.	Atlantic Treatment Plant Secondary Clarifier 2 and 5 Center Drive Replacement	\$443,112
2.	ECOSORB® 806 Odor Neutralizer	\$3,238,800
3.	Enterprise Resource Planning (ERP) System Gap Analysis and Optimization Study	\$235,370
4.	Fleet Management (FY-2025) Biosolids Dump Trailers	\$235,064
5.	Wastewater Pump and Haul Services	\$500,000
Tas	k Orders (>\$200,000)	
1.	Atlantic Treatment Plant Boundary Survey	\$265,354
2.	Interceptor Systems Pump Station Control and SCADA Upgrades and Enhancements	\$422,496
3.	King William Main Pump Station Improvements	\$224,085

CONSENT AGENDA ITEM 3.b.1. - January 28, 2025

<u>Subject</u>: Atlantic Treatment Plant Secondary Clarifier 2 and 5 Center Drive Replacement Contract Award (>\$200,000)

Recommended Actions: Award a contract to Sentry Equipment Corp. in the amount of \$443,112.

Regulatory Requirement: None

Type of Procurement: Competitive Bid

In accordance with HRSD's competitive sealed bidding procedures, the Procurement Division advertised and solicited bids directly from potential bidders. The project was advertised on October 31, 2024, and three bids were received on December 3, 2024 as listed below:

Bidder	Bid Amount
Sentry Equipment Corp.	\$443,112
EWT Holdings III Corp DBA Evoqua Water Technologies	\$2,044,814
Clean Infusion LLVQ	Non-responsive

HRSD Estimate:

\$384,432

Contract Description: This contract is for the replacement of the center drive on Secondary Clarifiers two and five at the Atlantic Treatment Plant. The project includes removal of the Secondary Clarifier center drive, transportation to the designated facility for inspection and repair and replace worn or damaged parts, and re-installation of the center drives in the secondary clarifiers.

<u>Analysis of Cost</u>: The cost is based on competitive pricing received during the solicitation process and similar previously completed projects.

CONSENT AGENDA ITEM 3.b.2. - January 28, 2025

<u>Subject</u>: ECOSORB® 806 Odor Neutralizer Contract Award (>\$200,000)

Recommended Action: Award a contract to OMI Industries, Inc. in the amount of \$647,760 for one year with four renewal options and an estimated cumulative value of \$3,238,800.

Regulatory Requirement: None

Type of Procurement: Sole Source

Contract Description: This contract is an agreement for the purchase of ECOSORB® 806 Odor Neutralizer, a critical component for the OMI 1200 & 2400 CFM PLC Vapor Phase units installed at the Atlantic Treatment Plant (ATP). This odor neutralizer is specifically formulated to ensure optimal performance of the vapor phase units, effectively mitigating odors and maintaining compliance with operational standards.

The ECOSORB® 806 is the only product approved for use with these units, as specified by the manufacturer. Using this product ensures system compatibility and preserves the warranty for the equipment, which remains valid through the designated warranty period. The purchase supports the ATP's ongoing efforts to maintain effective odor control and adhere to environmental compliance standards.

Analysis of Cost: Costs are determined to be fair and reasonable based on previous purchases.

CONSENT AGENDA ITEM 3.b.3. - January 28, 2025

Subject: Enterprise Resource Planning (ERP) System Gap Analysis and Optimization Study Purchase Order (>\$200,000)

Recommended Action: Award a contract to Plante and Moran PLLC in the amount of \$235,370.

Regulatory Requirement: None

Type of Procurement: Competitive Negotiation

A Public Notice was issued on October 28, 2024. Seven firms submitted proposals on November 26, 2024, and six firms were determined to be responsive and deemed fully qualified, responsible, and suitable to the Professional Services Selection Committee (Committee) and to the requirements in the Request for Proposals. Two firms were short-listed, interviewed, and technically ranked as listed below:

Proposers	Technical Points	Recommended Selection Ranking
Plante and Moran PLLC	89	1
Berry, Dunn, McNeil & Parker LLC	87	2

The Committee recommends award to Plante and Moran PLLC, whose professional qualifications and proposed services best serve the interest of HRSD. The firm has a thorough understanding of the project requirements, a unique project management style and wide range of experienced personnel.

Contract Description: This contract is to provide consulting services for a gap analysis and optimization study on the HRSD Enterprise Resource Planning System (ERP). Services include, but not limited to, evaluating current system processes, integrations, reporting tools, security controls and resource support; engaging with essential HRSD personnel on system use to identify key benefits and issues; and recommending potential solutions or future action items. Studies of this nature are typically performed two to four years post implementation of a major system. HRSD implemented its ERP system 10 years ago.

The resulting study will provide important areas for road mapping and decision-making as it relates to the ERP software modules. This will include, but not limited to, process changes, configuration changes, additional training, and/or system enhancements. In addition, the firm will evaluate the feasibility and develop a strategy for potentially migrating ERP software to a cloud platform.

<u>Analysis of Cost</u>: The cost is based on direct negotiations with the final two Proposers. The rates provided by Plante and Moran were found to be fair and reasonable for feasibility consulting services.

CONSENT AGENDA ITEM 3.b.4. - January 28, 2025

<u>Subject</u>: Fleet Management (FY-2025) Biosolids Dump Trailers Contract Award (>\$200,000)

Recommended Action: Award a contract to Virginia Truck Center, Inc. dba Excel Truck Group in the amount of \$235,064

CIP Project: GN020400

Regulatory Requirement: None

Budget	\$4,432,780
Previous Expenditures and Encumbrances	(\$3,561,568)
Available Balance	\$871,212

Type of Procurement: Use of Existing Contract Vehicle

HRSD Estimate:

\$251,542

<u>Project Description</u>: This project will provide for replacement of aging fleet vehicles and purchase of additional vehicles to meet the needs of the organization. An itemized list of vehicles to be replaced or added is maintained by the Support Services Department.

<u>Project Justification</u>: Replacement of aging vehicles will result in lower repair costs and the purchase of additional vehicles will provide for increased staff efficiency.

<u>Contract Description</u>: This contract is for the purchase of two (2) 40-foot dump trailers with liners for biosolids hauling. These trailers include heavy duty top rails and frame, electric controls for the lift axle, and two (2) tow hooks.

Upon evaluation of the Sourcewell Contract 092922-MCT terms and conditions, as a public agency, HRSD is eligible to use the contract awarded to Virginia Truck Center, Inc. dba Excel Truck Group.

<u>Analysis of Cost</u>: By utilizing the Sourcewell Contract 092922-MCT for Transfer Trailers, Dump Trailers, Flatbed Trailers, Drop Deck Trailers, Pneumatic Tank Trailers, and Straight Truck Bodies, HRSD is receiving a seven percent cost savings.

CONSENT AGENDA ITEM 3.b.5. - January 28, 2025

Subject: Wastewater Pump and Haul Services Contract Award (>\$200,000)

Recommended Action: Award a contract to Virginia Pump and Motor in the amount of \$100,000 for one year with four renewal options and an estimated cumulative value of \$500,000.

Regulatory Requirement: None

Type of Procurement: Use of Existing Contract Vehicle

Contract Description: This contract is for an agreement for wastewater pump and haul services on an as-needed basis for HRSD. Services include collection and hauling of liquid waste between HRSD treatment plants to designated wastewater collection systems to assist with system management during normal and emergency conditions. Adding a third vendor for this contract will help with contractor availability and response times.

<u>Analysis of Cost</u>: The cost is based on the City of Portsmouth cooperative agreement with Virginia Pump and Motor. Rates are determined to be fair and reasonable based on current contractors' pricing. Virginia Pump and Motor has a flat rate for standard, priority, and emergency work.

CONSENT AGENDA ITEM 3.c.1. - January 28, 2025

<u>Subject</u>: Atlantic Treatment Plant Boundary Survey Task Order (>\$200,000)

Recommended Action: Approve a task order with HDR Engineering, Inc. in the amount of \$265,354.

Regulatory Requirement: None

Contract Status with Task Orders:	Amount
Original Contract with HDR	\$0
Requested Task Order	\$265,354
Total Value of All Task Orders	\$265,354
Revised Contract Value	\$265,354

Task Order Description: This task order will provide a boundary survey of the Atlantic Treatment Plant (ATP). The overall property has been pieced together over 60 years. This effort will ensure the property lines are known, confirmed and connected, ensuring there are no "gaps/risks" in ownership and will include installation of necessary property monuments, markings and signage installation to clearly identify the property from illegal encroachments and trespassers, further reducing risk to HRSD. The property line and corner marking types will vary in nature due to the differing geology and topography of the property. In addition, a number of efforts at the ATP require the confirmation of the property boundary to complete the associated design work.

<u>Analysis of Cost</u>: A fee of \$265,354 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 cost is deemed fair and reasonable based on the extensive research, physical labor, materials, and extent of work planned to occur.

CONSENT AGENDA ITEM 3.c.2. - January 28, 2025

<u>Subject</u>: Interceptor Systems Pump Station Control and SCADA Upgrades and Enhancements Task Order (>\$200,000)

Recommended Action: Approve a task order with Savant LTD in the amount of \$422,496.

CIP Project: GN012800

Regulatory Requirement: None

Budget	\$28,034,079
Previous Expenditures and Encumbrances	(\$24,211,600)
Available Balance	\$3,822,479

Contract Status with Task Orders:	Amount
Original Contract with Contractor	\$1,840,000
Total Value of Previous Task Orders	\$406,813
Requested Task Order	\$422,496
Total Value of All Task Orders	\$829,309
Revised Contract Value	\$2,669,309

Project Description: The Interceptor System SCADA was implemented in the 1990's and has been maintained by HRSD staff since installation. This project will replace and improve the components of the SCADA system to ensure that compliance with regulatory requirements is maintained and that supervisory control is provided. Components of the system that will be evaluated for replacement and/or improvements include PLC control, differential pressure cells/other wet well level monitoring, CCTV security, panel gauge upgrades (digital display of WW levels), pressure switch abandonment, telemetry equipment, computer software and hardware.

Project Justification: HRSD owns and operates approximately 81 pump stations and pressure-reducing stations. Local control and SCADA equipment needs assessment and replacement for operational improvements and in response to EPA's unilateral Administrative Order. The current system utilizes various control scenarios from advanced VFD with PLC control to maintain wet-well levels and pressures to the reliable but dated technology of pressure switches for on/off stations. These systems need to be assessed and updated to meet future capacity optimization control regimes, including RTC (Real Time Control) and/or predictive measures. The current design and operation of the pump station controls, and SCADA system do not promote proper data acquisition, supervisory control, or emerging control technologies.

Task Order Description: This task order will provide replacement and installation of Cisco network routers and switches in conjunction with our existing agreement to provide all materials, equipment, and labor for the SCADA network performance monitoring services of the Verizon 4G/LTE WAN, utilizing Savant's proprietary software that resides on HRSD's SCADA servers and network equipment.

<u>Analysis of Cost</u>: The cost is based on using negotiated contract rates and the pricing is in alignment with similar type projects for network-related purchases.

<u>Schedule</u> :	PER	01/2009
	Design	11/2009
	Bid	11/2010
	Construction	12/2010
	Project Completion	06/2025

CONSENT AGENDA ITEM 3.c.3. - January 28, 2025

<u>Subject</u>: King William Main Pump Station Improvements Task Order (>\$200,000)

Recommended Action: Approve a task order with Bridgeman Civil Inc. in the amount of \$224,085.

CIP Project: MP015800

Regulatory Requirement: None

Budget	\$1,655,500
Previous Expenditures and Encumbrances	(\$145,976)
Available Balance	\$1,509,524

Contract Status with Task Orders:	Amount
Original Contract with Engineer	\$0
Total Value of Previous Task Orders	\$20,406,903
Requested Task Order	\$224,085
Total Value of All Task Orders	\$20,630,988
Revised Contract Value	\$20,630,988
Engineering Services as % of Construction	N/A

Project Description: This project will provide improvements and/or replacement of the existing King William Main Pump Station (KWMPS) to include hydraulic capacity upgrades, a new metering vault and discharge monitoring, pre-cast power and controls building, replacement of the permanently mounted standby pump or installation of a new generator, new property acquisition and expansion of the existing site and parking area, and possibly a new valve vault.

Project Justification: The KWMPS pumps all flow generated by King William County to the existing treatment plant. With capacity upgrades currently underway at the treatment plant, the pump station will also need to be upgraded to meet these new capacity requirements. The antiquated and outdoor existing timber structure, electrical controls and power rack, and other ancillary equipment will be replaced so that the design life of the pump station matches that of the new treatment plant. Additionally, the existing permanently mounted standby pump does not meet the capacity requirements and will either need to be upgraded or replaced with an emergency power supply in cases of outages for the station. This project will correct these deficiencies and bring this facility to current HRSD standards.

Task Order Description: This task order will include excavating 10-inch high density polyethylene (HDPE) pipe, capping, testing the existing force mains, performing a point repair on the existing force mains, and backfilling and restoring areas in two locations at the KWMPS.

<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.

<u>Schedule</u>:

PER Design Bid Construction Project Completion February 2023 April 2024 January 2025 December 2025 October 2026 AGENDA ITEM 4. – January 28, 2025

<u>Subject</u>: Chesapeake-Elizabeth Conveyance to Atlantic Treatment Plant Project Water Quality Improvement Fund Grant Amendment

Recommended Action: Approve the terms and conditions of the amendment to the Water Quality Improvement Fund (WQIF) Point Source Grant and Operation and Maintenance Agreement with the Virginia Department of Environmental Quality (DEQ) for the Chesapeake-Elizabeth Conveyance to Atlantic Treatment Plant (ATP) Project 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 or desirable.

CIP Projects:

CIP Number	CIP Name	Grant Amount
AT013500	Atlantic Treatment Plant Thermal Hydrolysis Project	\$16,177,242
AT013900	Atlantic Treatment Plant Influent Screen Expansion	\$524,158
AT014500	Atlantic Treatment Plant Influent Screens (1-3) Replacement	\$998,904
	Total	\$17,700,304

Agreement Description: This agreement between DEQ and HRSD covers costs associated with conveying flow from the Chesapeake-Elizabeth Treatment Plant (CETP) to the ATP. This Grant will be the second conveyance-type WQIF grant HRSD has received. The Grant agreement requires HRSD to (1) continue to operate the conveyance infrastructure to the ATP for 20 years, and (2) annually certify that this project continues to result in a net reduction of total phosphorous, total nitrogen, or nitrogen-containing ammonia discharges. If these conditions are not met, HRSD will be responsible for repaying an unamortized portion of the grant. Staff finds these requirements satisfactory and has processes in place to ensure compliance.

The first phase of this agreement was approved by the Commission in September 2024 and will partly reimburse costs associated with the conveyance of flows from the CETP to the ATP in the amount of \$78,276,470. The second phase of this agreement, in the form of the attached amendment, will reimburse costs incurred for improvements made at the ATP to accept the flow from CETP. The total amended grant award is \$95,976,774.

The attached Grant Agreement Amendment was reviewed by staff and HRSD legal counsel.



Commonwealth of Virginia

VIRGINIA DEPARTMENT OF ENVIRONMENTAL QUALITY

www.deq.virginia.gov

Travis A. Voyles Secretary of Natural and Historic Resources Michael S. Rolband, PE, PWD, PWS Emeritus Director

CLEAN WATER FINANCING AND ASSISTANCE PROGRAM VIRGINIA WATER QUALITY IMPROVEMENT FUND

AMENDMENT TO GRANT AGREEMENT

January 10, 2025

Grantee: Hampton Roads Sanitation District Grant Number: #440-S-23-04 Grant Modification Number: 1

The following modifications have been made to the original Water Quality Improvement Fund (WQIF) Grant Agreement based upon:

- 1. Addition of the Atlantic Treatment Plant Thermal Hydrolysis Process (PR_AT013500) as an eligible project,
- 2. Addition of the Atlantic Treatment Plant Influent Screen Expansion (PR_AT013900) as an eligible project,
- 3. Addition of the Atlantic Treatment Plant Influent Screens (1-3) Replacement (PR_AT014500) as an eligible project,
- 4. Budget revision: Increase of \$17,700,304.00 to the overall WQIF grant amount for the additional projects.

Amendments to WQIF Grant Agreement:

The Hampton Roads Sanitation District WQIF Grant Agreement for the Chesapeake Elizabeth Treatment Plant (CETP) Closure and Conveyance to Atlantic Treatment Plant (ATP) Project was initially drafted for thirteen projects for a Grant total of **\$78,276,470.00** and was executed on **October 4, 2024**. The Grant Agreement is now being modified to add funds for three additional, authorized projects. The amended Grant total is now **\$95,976,774.00**.

All amended pages that reflect these changes and a new signature page are enclosed for your use. All other terms and conditions of WQIF Grant Agreement No. 440-S-23-04 remain unchanged and in full effect. This Grant Agreement Amendment revises the Original Grant Agreement and any previous amendments. All must be read together and constitute one agreement. Please review the modification, sign and scan the signature page, and return all pages in electronic format.

A. Delete existing Section 4.0, in Article IV, <u>Compensation</u>, and substitute in its place the following:

ARTICLE IV COMPENSATION

4.0 <u>Grant Amount</u>. The total grant award from the Fund under this Agreement is <u>\$95,976,774.00</u> and represents the Commonwealth's seventy-five percent (75%) share of the Total Eligible Project Budget. Any material changes made to the Eligible Project after execution of this Agreement, which alters the Total Eligible Project Budget, will be submitted to the Department for review of grant eligibility. The amount of the grant award set forth herein may be modified from time to time by agreement of the parties to reflect changes to the Eligible Project or the Total Eligible Project Budget.

B. Delete existing paragraph in Section 8.2 and 8.2(*a*) in Article VIII, <u>Material Breach</u>, and substitute in its place the following:

8.2. <u>Monetary Assessments for Breach</u>. In no event shall total Monetary Assessments pursuant to this Agreement exceed (i) \$7,697,338 annually or (ii) \$153,946,760 during the life of this Agreement. Monetary Assessments will be paid into the State Treasury and credited to the Fund. The Director's right to collect Monetary Assessments does not affect in any way the Director's right to secure specific performance of this Agreement using such other legal remedies as may otherwise be available. Within 90 days of receipt of written demand from the Director, the Grantee shall pay the following Monetary Assessments for the corresponding material breaches of this Agreement unless the Grantee asserts a defense pursuant to the requirements of Section 8.3 herein.

a) For noncompliance with the obligation to ensure that the Project results in a net reduction in total phosphorous, total nitrogen, or nitrogen-containing ammonia discharges, an assessment in the amount of \$7,697,338.00 for each year of noncompliance.

(Sections 8.2(b) and 8.2(c) in the original agreement should remain unchanged)

C. Delete existing Page 9 Exhibit A, <u>Project Description</u>, and substitute in its place the following:

EXHIBIT A PROJECT DESCRIPTION

Grantee: Hampton Roads Sanitation District Grant: <u>#440-S-23-04</u>

This project consists of closure of the Chesapeake-Elizabeth Treatment Plant (CETP) and conveyance of flow to the Atlantic Treatment Plant (ATP) with additional interceptor infrastructure. A total of 16 eligible project components were constructed to achieve the overall project goal. The diversion was implemented, the project was completed, CETP was taken offline December 15, 2021, and DEQ approved the Closure Plan on November 14, 2022. By taking the Chesapeake Elizabeth Treatment Plant offline and diverting flows to the Atlantic Treatment Plant, approximately 1.5 million pounds of Total Nitrogen and 50,000 pounds of Total Phosphorous were removed from the Lower James River Basin.

D. Delete existing Page 10 Exhibit B, <u>Project Budget</u>, and substitute in its place the following:

EXHIBIT B TOTAL PROJECT BUDGET

Grantee: <u>Hampton Roads Sanitation District</u> Grant: <u>#440-S-23-04</u>

The following budget reflects the completed costs associated with eligible project components.

	Total Project	WQIF Eligible	WQIF Cost	WQIF Grant
Cost Category / Project Name	Cost	Project Cost	Share %	Amount
CETP Conveyance to ATP Project	\$188,521,429.78	\$127,969,032.00	75.00%	\$95,976,774.00
TOTALS	\$188,521,429.78	\$127,969,032.00		\$95,976,774.00

E. Delete existing Page 11 Exhibit C, <u>Project Schedule</u>, and substitute in its place the following:

EXHIBIT C PROJECT SCHEDULE

Grantee: Hampton Roads Sanitation District Grant: <u>#440-S-23-04</u>

The Grantee began diverting flow in December 2021 and completed the overall project in December 2022. Approved CTCs and CTOs were received for the various eligible project components as indicated in the table below:

Project Component	Activity	Date/Duration
Elbow Road Pressure Reducing Station	Certificate to Construct	January 2020
(PRS)	Certificate to Operate	May 2022
Providence Road PRS Upgrades and	Certificate to Construct	December 2018
Interconnect Force Main	Certificate to Operate	July 2021
Virginia Beach Boulevard Force Main	Certificate to Construct	June 2019
Phase VI	Certificate to Operate	January 2022
Providence Road Off-Line Storage	Certificate to Construct	October 2019
Facility	Certificate to Operate	October 2021
Atlantic Treatment Plant Thermal	Certificate to Construct	May 2017
Hydrolysis Process	Certificate to Operate	May 2022
Overall CETP to ATP project	Project Start Date	June 2016
	Closure Plan Approved	November 2022
	Project Completion Date	December 2022

F. Delete existing Schedule 1 in Exhibit D, <u>Requisition for Reimbursement</u>, and substitute in its place the following:

SCHEDULE 1 VIRGINIA WATER QUALITY IMPROVEMENT FUND FORM TO ACCOMPANY REQUEST FOR REIMBURSEMENT

REQUISITION #	
Grantee: Hampton Roads Sanita	ation District
Grant: <u>#440-S-23-04</u>	
CERTIFYING SIGNATURE:	
TITLE:	DATE:

Cost Category	Total Project Cost	WQIF Eligible Project Cost	WQIF Cost Share (75%)	Previous Grant Disbursements	Total Expenditures This Period	Grant Disbursement This Period	Grant Balance
CETP Conveyance to ATP Project	\$188,521,429.78	\$127,969,032.00	\$95,976,774.00	\$0.00	\$0.00	\$0.00	\$95,976,774.00
TOTALS:	\$188,521,429.78	\$127,969,032.00	\$95,976,774.00	\$0.00	\$0.00	\$0.00	\$95,976,774.00

Total Grant Amount:	\$95,976,774.00
Previous Grant Disbursements:	\$0.00
This Grant Request:	\$0.00
Total Grant Requested to Date:	\$0.00
Grant Proceeds Remaining:	\$95,976,774.00

G. Delete existing Exhibit E, <u>Formula for Calculating Monetary Assessment in the Event of Early</u> <u>Termination</u>, and substitute in its place the following:

EXHIBIT E FORMULA FOR CALCULATING MONETARY ASSESSMENT IN THE EVENT OF EARLY TERMINATION

Grantee: Hampton Roads Sanitation District Grant: <u>#440-S-23-04</u>

Early termination in the operation of the conveyance project shall result in a monetary penalty using the formula below.

$$MA = CYR \times AnPay$$

where:

MA	=	Monetary Assessment
CYR	=	Contract Years Remaining
AnPay	=	Annual payment on grant; assumes principal payments
		amortized over 20 years and an interest rate of 5%. Using these
		assumed values leads to a "cost recovery factor" of 0.0802. The
		"cost recovery factor" times the grant amount yields the annual
		payment penalty amount.

Values used for Grant <u>#440-S-23-04:</u>

Total grant for conveyance project	= \$95,976,774
Useful Service Life	= 20 years
Interest Rate	= 5%

Calculated (assumes grant 100% paid):

Expected performance	= 20 years
AnPay	= \$7,697,338

The contracting parties have caused the Agreement to be modified by the following duly authorized signatures:

DIRECTOR OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY

By:

Date:

GRANTEE'S AUTHORIZED REPRESENTATIVE

By:		
Date:		

AGENDA ITEM 5. – January 28, 2025

Subject: Army Base 36-inch Force Main (SF-002) Emergency Repair at Railroad Avenue New CIP and Initial Appropriation – Non-Regulatory

Recommended Actions:

- a. Approve a new CIP project.
- b. Appropriate total project funding in the amount of \$2,000,000.

CIP Project: AB012300

Regulatory Requirement: None

Project Description: This project will repair a 36-inch prestressed concrete cylinder pipe (PCCP) force main that was damaged by a third-party contractor working for Norfolk International Terminals, LLC. The work will consist of line stop and bypass, exploratory construction, force main repair, and restoration. The attached <u>map</u> depicts the project location.

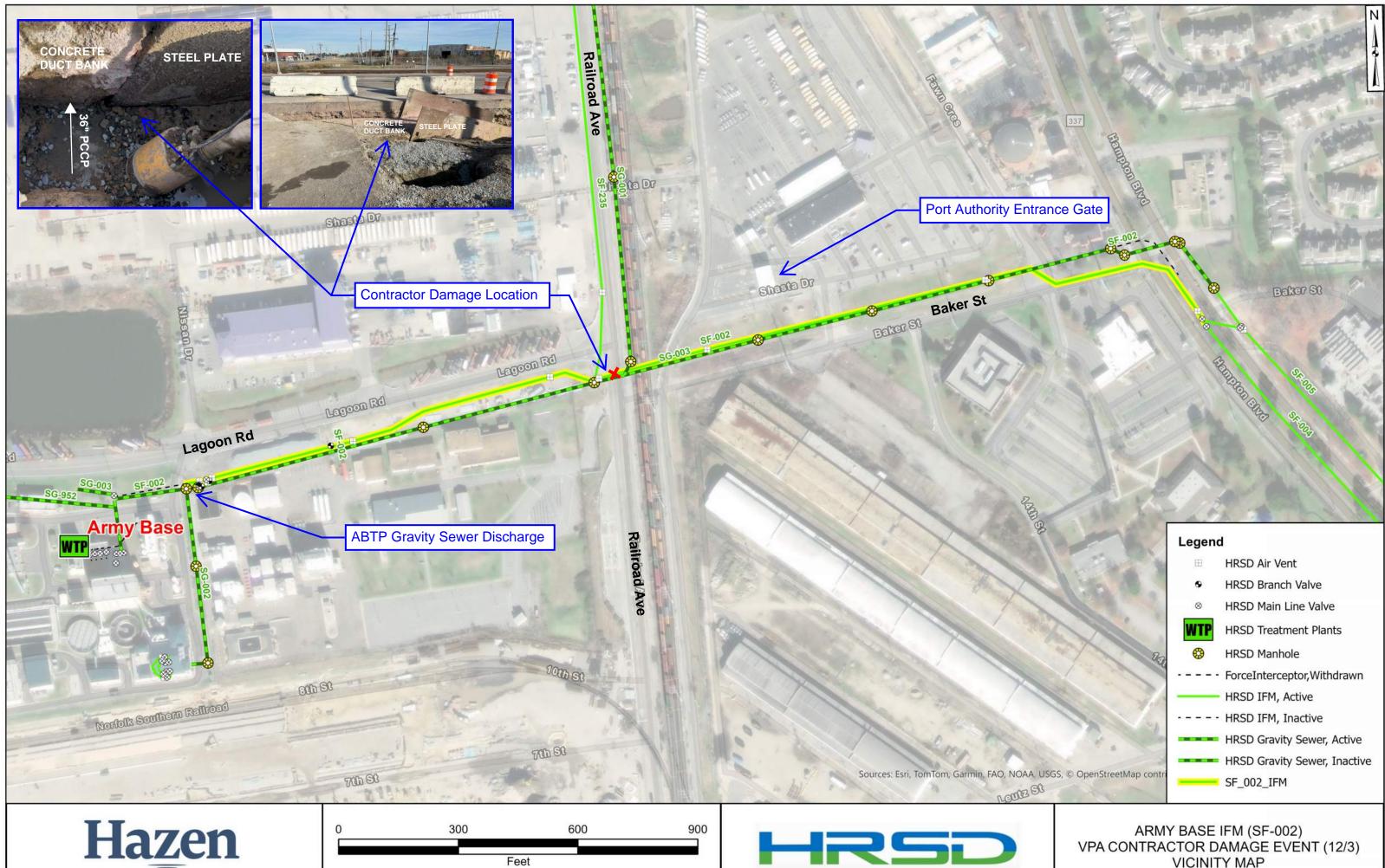
<u>Project Justification</u>: An emergency designation was authorized on December 12, 2024, due to a force main failure in the City of Norfolk that occurred on December 3, 2024. The failure is believed to be caused by a steel plate used as a form for a recently poured concrete duct bank.

On December 3, 2024, HRSD staff was informed that a third-party contractor working for Norfolk International Terminals, LLC had damaged HRSD's 36-inch prestressed concrete cylinder pipe (PCCP) force main (SF-002) while removing a steel plate used as a form for a recently poured concrete duct bank. The damaged force main was leaking a small amount of sewage, and the contractor installed a small pump to pump the sewage into the adjacent manhole on SG-003. The repair of the pipe will be difficult as the concrete duct bank was poured directly onto the force main, and the failure is in a location where the concrete duct bank, steel plate, and force main meet. Due to the pipe material, the nature of the damage, and the proximity of the duct bank the extent of internal damage to the pipe cannot be determined; thus, this section of pipe will need to be isolated by line stop and bypass so a repair effort can be implemented following additional exploratory efforts.

HRSD staff is utilizing Hazen and Sawyer (Hazen) to provide condition assessment, design services, construction administration, and construction inspection. Bridgeman Civil, Inc. (BCI) will provide line stop and bypass, exploratory construction, complete the force main repair, and restore the area.

<u>Analysis of Cost</u>: The estimated cost of this work is \$1,599,804 which includes the force main condition assessment, emergency engineering design and inspection services, full replacement of the damaged pipe, and contingency. The costs have been reviewed by staff and are considered reasonable. The cost estimate differs from the \$2,000,000 indicated in the emergency designation due to new and updated information provided by Hazen and BCI after the emergency designation was executed.

Schedule: Emergency Declaration Design Construction Project Completion December 2024 December 2024 January 2025 March 2025



	Legend	li internet interne
1	Ħ	HRSD Air Vent
	9	HRSD Branch Valve
	\otimes	HRSD Main Line Valve
1	WTP	HRSD Treatment Plants
3	0	HRSD Manhole
4		ForceInterceptor,Withdrawn
-		HRSD IFM, Active
		HRSD IFM, Inactive
P		HRSD Gravity Sewer, Active
1	-	HRSD Gravity Sewer, Inactive
tri	—	SF_002_IFM

ARMY BASE IFM (SF-002) VPA CONTRACTOR DAMAGE EVENT (12/3) VICINITY MAP

AGENDA ITEM 6. – January 28, 2025

<u>Subject</u>: George Washington Interceptor Force Main Extension Part 2 (SF-140) Segmental Replacement at St. Julian's Creek Initial Appropriation – Non-Regulatory

Recommended Action: Appropriate total project funding in the amount of \$2,913,542.

CIP Project: NP015700

Regulatory Requirement: None

<u>Project Description</u>: This project will replace 600 linear feet of 12- and 14-inch diameter ductile iron piping along George Washington Highway in Chesapeake, VA. The attached <u>map</u> depicts the project location.

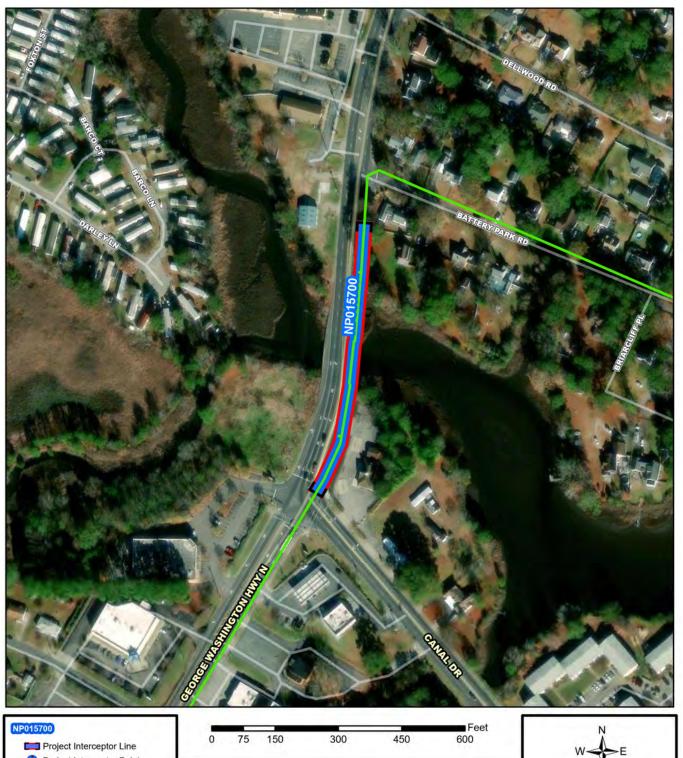
Project Justification: This project will provide for replacement of an aerial interceptor force main crossing St. Julian's Creek (secured to bottom of bridge deck) identified during condition assessment to have excessive pipe wall loss due to interior and exterior corrosion. Due to environmental exposure to brackish water, the replacement considers eliminating the exposed crossing with a trenchless crossing. The trenchless crossing is assumed to be a horizontal directional drill due to the water body crossing.

Task Order Description: This task order will provide necessary preliminary engineering phase services (PER) for the subject project.

<u>Analysis of Cost</u>: The total project cost of \$2,913,542 includes \$352,802 for design and \$2,690,890 for construction. The total project cost is considered a Class 4 estimate, thus actual costs could range from -30% to + 50% of this estimate. Engineering services will be provided by Rummel, Klepper and Kahl, LLP (RK&K) under the Linear Infrastructure Projects Annual Services Contract. The preliminary work and associated task order with RK&K is less than the \$200,000 threshold requiring Commission action.

Schedule:	PER

Design Bid Construction Project Completion February 2025 September 2025 June 2026 September 2026 September 2027



🚼 Project Interceptor Point C Project Pump Station Point S **CIP** Location Project Area NP015700 Legend * CIP Interceptor Point ☆ CIP Pump Station Point George Washington Interceptor Force Main Extension CIP Interceptor Line Part 2 (SF-140) Segmental Replacement at St. Julian's CIP Abandonment Cr CIP Project Area HRSD Interceptor Force Main HRSD Interceptor Gravity Main WTP HRSD Treatment Plant ٦L RSD Pressure Reducing Station HRSD Pump Station

AGENDA ITEM 7. – January 28, 2025

Subject: Plume Street Pump Station Replacement (SS-PS-121) Initial Appropriation – Non-Regulatory, Task Order (>\$200,000)

Recommended Actions:

- a. Appropriate total project funding in the amount of \$7,549,158.
- b. Approve a task order with Hazen and Sawyer, P.C. in the amount of \$417,233.

CIP Project: VP019700

Regulatory Requirement: None

Contract Status with Task Orders:	Amount
Original Contract with Hazen and Sawyer	\$0
Requested Task Order	\$417,233
Total Value of All Task Orders	\$417,233
Revised Contract Value	\$417,233
Engineering Services as % of Construction	8.3%

<u>Project Description</u>: This project will address the replacement of the Plume Street Pump Station on a parcel adjacent to the current location. The attached <u>map</u> depicts the project location.

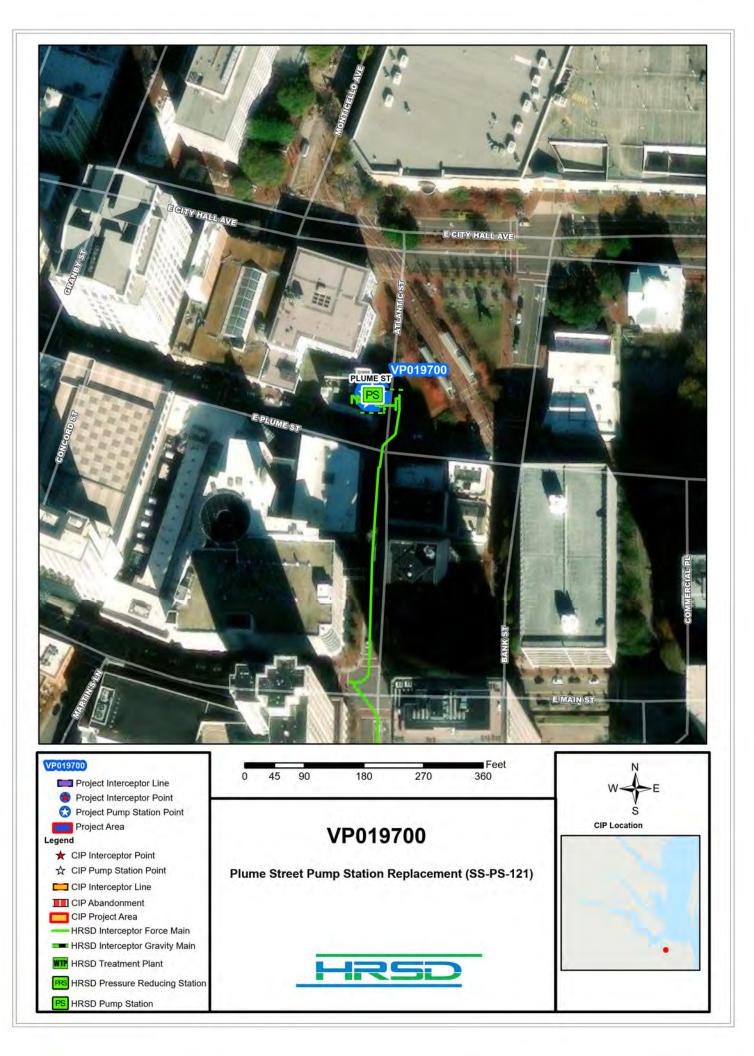
Project Justification: This station is currently located inside the basement of the Virginia Maritime Association (VMA) at 236 E. Plume Street in Norfolk. This site was identified for a potential CIP project due to the joint ownership of the building, site access, maintenance challenges and safety concerns within the existing station from corrosion and inoperable functions.

Funding Description: The total project cost estimate of \$7,549,158 includes \$200,000 in preplanning services, \$417,233 in preliminary engineering phase services, \$600,600 in design phase services, \$75,075 in pre-construction phase services, \$5,005,000 in construction phase costs, and \$1,251,250 of project contingency and is based on a Class 5 CIP-prioritization level cost estimate prepared by Hazen and Sawyer.

<u>Task Order Description and Analysis of Cost</u>: This task order will provide a draft and final Preliminary Engineering Report (PER), geotechnical reports, and drafted plats for property acquisition. The cost is based on the number of hours anticipated to complete this effort and the hourly rates agreed upon in the General Engineering Services annual services contract with Hazen and Sawyer. The task order amount is reasonable when compared to other projects of similar size and complexity.

Schedule:

PER Design Delay Design Bid Delay Preconstruction Construction Closeout February 2025 August 2025 August 2025 August 2027 August 2027 January 2028 July 2029



AGENDA ITEM 8. – January 28, 2025

<u>Subject</u>: West Point Treatment Plant Generator Installation Initial Appropriation – Non-Regulatory

Recommended Actions: Appropriate total project funding in the amount of \$4,668,000.

CIP Project: MP015610

Regulatory Requirement: None

Project Description: This project consists of the installation of a new 250 kilowatts (kW) generator at the West Point Treatment Plant (WPTP) along with the required site work. This project will provide for the construction portion of the project only, as the Preliminary Engineering Report and Design phases were conducted under the WPTP Final Effluent Pump Station Improvements (MP015600) project. The construction effort will be advertised for bids in February and a recommendation for award will be provided to the Commission once the procurement process is complete.

Project Justification: The WPTP currently does not have complete plant backup power. This project will install the equipment necessary to provide backup power, including 480-volt, three-phase service. Previously, this work was included under MP015600, however, due to master planning efforts in the middle peninsula, most of that project has been delayed. Staff expressed urgency in continuing with the generator portion of the project.

<u>Schedule</u> :	Construction	April 2025
	Project Completion	June 2026

AGENDA ITEM 9. – January 28, 2025

<u>Subject</u>: Larchmont Area Sanitary Sewer Improvements Additional Appropriation – Regulatory Required (<\$10,000,000), Approval of Guaranteed Maximum Price (GMP), Task Order (>\$200,000)

Recommended Actions:

- a. Appropriate additional funding in the amount of \$6,991,013.
- b. Approve a Guaranteed Maximum Price (GMP2) of \$15,042,390 to the Comprehensive Agreement with Ulliman Schutte Construction, LLC.
- c. Approve a task order with Gannett Fleming, Inc, in the amount of \$2,632,149.

CIP Project: VP015320

Regulatory Requirement: Rehab Action Plan Phase 2 (2027 Completion)

Budget	\$52,974,267
Previous Expenditures and Encumbrances	(\$40,786,502)
Available Balance	\$12,187,765
Proposed Task Order to Gannett Fleming	(\$2,632,149)
Proposed Guaranteed Maximum Price (GMP2)	(\$15,042,390)
Proposed Construction Contingency (10%)	(\$1,504,239)
Project Shortage/Requested Additional Funding	(\$6,991,013)
Revised Total Project Authorized Funding	\$59,965,280

Contract Status with Change Orders:	Amount	Cumulative % of Contract
Original CMAR Contract with Ulliman Schutte	\$397,500	
Total Value of Previous Change Orders	\$224,977	56.5%
GMP1	\$23,970,423	
Proposed GMP2	\$15,042,390	
Revised Contract Value	\$39,635,290	

Contract Status with Task Orders:	Amount
Original Contract with Gannett Fleming	\$361,938
Total Value of Previous Task Orders	\$13,633,822
Requested Task Order	\$2,632,149
Total Value of All Task Orders	\$16,265,971
Revised Contract Value	\$16,627,909
Engineering Services as % of Construction	41.9%

Project Description: This project involves rehabilitation of three existing pump stations, the design and construction of two new pump stations, and the design and construction of associated force mains, gravity sewer and appurtenances. The three rehabilitated HRSD pump stations include Powhatan Avenue PS #122, Richmond Crescent PS #124, and Jamestown Crescent PS #142. The new infrastructure will replace HRSD Monroe Place PS #114, HRSD Hanover Ave PS #141, and associated gravity and force mains. The attached map and renderings depict the project location.

Project Justification: This project was initially identified by HRSD as part of a condition assessment program to address aging infrastructure concerns related to structural, electrical and pump performance operation. The project was also identified to mitigate the risks from tidal flooding during wet weather conditions and from sea level rise due to climate change.

Guaranteed Maximum Price: The project was procured through the Construction Management (CMAR) delivery process. On May 25, 2021, the Commission approved a Comprehensive Agreement with Ulliman Schutte Construction LLC that included \$397,500 for preconstruction phase services. On April 23, 2024, the Commission approved GMP1 in the amount of \$23,970,423 for work that is currently under construction. The GMP2 approval request in the amount of \$15,042,390 includes the remaining work bid under multiple work packages for the rehabilitation of Jamestown Crescent PS #142, the construction of a new Hanover PS #165, and associated force mains and gravity sewer along with miscellaneous costs including pre-construction, general conditions during construction, bonds, taxes and insurance, CMAR contingency, CMAR fee and an HRSD allowance.

<u>GMP Analysis of Cost</u>: A detailed breakdown of the bid prices was provided and reviewed by the Engineer and Consultant Program Manager. The GMP2 was 8% higher than the Engineer's Estimate prepared Gannett Fleming. The costs were judged to be appropriate for the project. Staff agrees and recommends the Comprehensive Agreement be amended to include the new GMP.

Task Order Description and Analysis of Cost: The task order for Gannett Fleming will provide contract administration, construction inspection and special monitoring services. Discussions occurred between Gannett Fleming and HRSD staff to develop and review the scope of services. A fee of \$2,632,149 was negotiated which will provide the required services.

Funding Description: The negotiated GMP2 and construction phase engineering services exceed the current balance available for this project. A 10% construction contingency is also being requested to accommodate any unforeseen conditions.

<u>Schedule</u> :	Construction	February 2025
	Substantial Completion	May 2027
	Project Completion	April 2028



Larchmont Area Sanitary Sewer Improvements Scope of Work by Phases



New Sewer Pipeline Locations

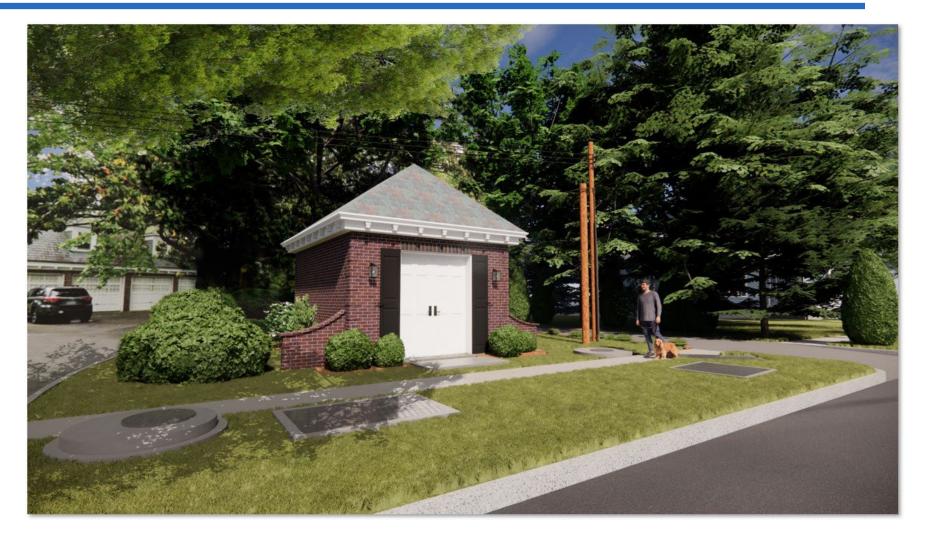


Larchmont Area Sanitary Sewer Improvements Hanover Pump Station





Larchmont Area Sanitary Sewer Improvements Jamestown Crescent Pump Station





AGENDA ITEM 10. - January 28, 2025

<u>Subject</u>: Lynnhaven-Great Neck IFM (SF-021) Relocation Additional Appropriation – Non-Regulatory (≥\$1,000,000)

Recommended Action: Appropriate additional funding in the amount of \$3,422,186.

CIP Project: AT014000

Budget	\$1,000,000
Previous Expenditures and Encumbrances	(\$354,991)
Available Balance	\$645,009
Portion of City of Virginia Beach Contract Award to Kevcor Contracting	(\$3,697,450)
Corporation for the Sanitary Sewer Force Main Construction	
Proposed Contingency	(\$369,745)
Project Shortage/Requested Additional Funding	(\$3,422,186)
Revised Total Project Authorized Funding	\$4,422,186

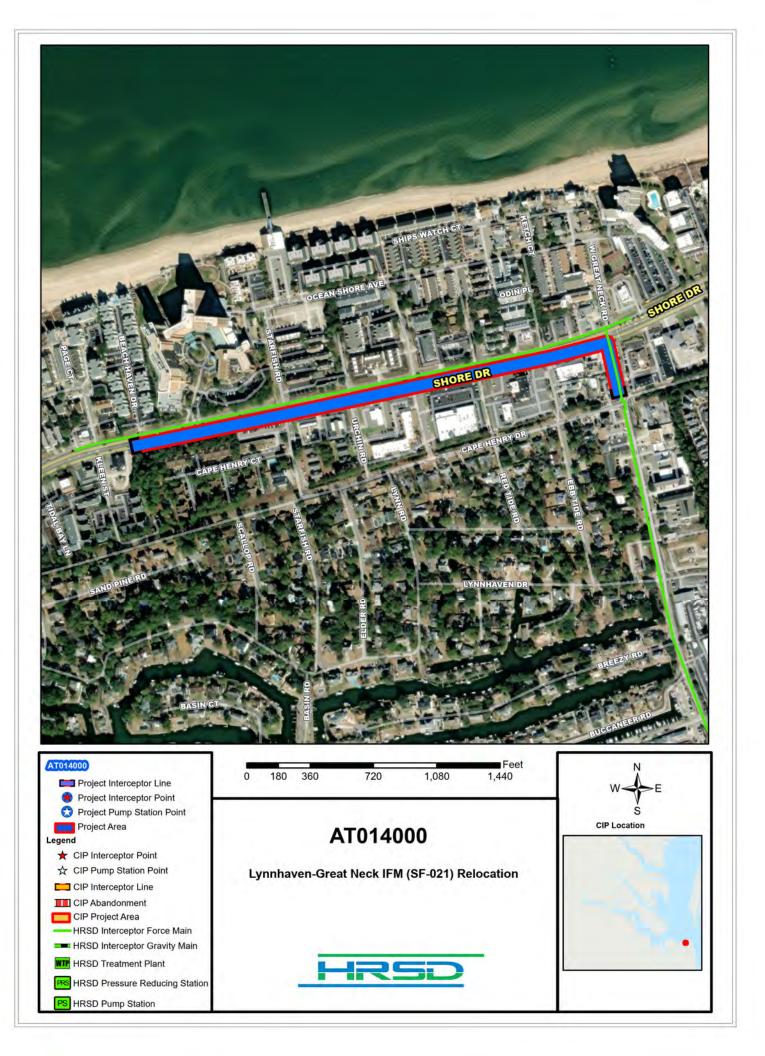
Project Description: This project will abandon the existing HRSD 16-inch diameter asbestos cement (AC) force main east of the Lesner Bridge along Shore Drive in Virginia Beach as part of a larger Shore Drive Corridor Improvements Phase III project, managed by the City of Virginia Beach Public Works. The total length of sewer to be abandoned is approximately 3,600 linear feet (LF). Service to the City of Virginia Beach (City) Pump Station 200 will be provided by a new force main installed in the Shore Drive corridor as part of the project. The City will manage the design and construction of the new force main and will assume ownership of this facility and all associated appurtenances. The attached <u>map</u> depicts the project location.

Project Justification: During the Lesner Bridge replacement, HRSD abandoned the force main to the west of the bridge, leaving only a single City sewer pump station utilizing the remaining force main to the east. Due to multiple proposed conflicts with storm drainage infrastructure on the City project, it is in the best interest of HRSD and the City to replace the existing force main with a new and appropriately sized pipe. HRSD has entered into a cost-sharing agreement to fund the new sewer infrastructure under the condition that it will be dedicated to Virginia Beach Department of Public Utilities (DPU) for ownership, operation, and maintenance. The <u>attached agreement</u> (executed December 2017) between HRSD and the City describes the project drivers and delineates the funding, construction, and ownership of the facilities.

<u>Analysis of Cost</u>: In the 2017 cost-share agreement, HRSD agreed to pay for all design, construction, and construction administration and inspection costs associated with the installation of the new force main. At the time, the City and HRSD estimated this work would cost \$1,000,000 and be completed by August 2020. For unknown reasons, the City delayed this project for several years. In FY-2024, HRSD recognized that due to market increases in the cost of pipeline work, more funding would likely be necessary; thus, staff increased the construction cost to \$2,500,000 in the CIP. The engineer's estimate, as of September 2024, for the force main portion of the project was \$2,062,628, and the lowest bid received in November 2024 was \$3,697,450.

Per the cost-sharing agreement, the construction costs incurred by the City for the force main work will be reimbursed by HRSD upon construction completion. The City has indicated via email that HRSD will not incur any costs for design, construction administration, or construction inspection.

Schedule:ConstructionFebruary 2025Project CompletionFebruary 2026



AGREEMENT FOR THE

HAMPTON ROADS SANITATION DISTRICT LYNNHAVEN-GREAT NECK INTERCEPTOR FORCE MAIN (IFM) (SF-021) ABANDONMENT AND CITY OF VIRGINIA BEACH SHORE DRIVE CORRIDOR IMPROVEMENTS PHASE III

THIS AGREEMENT (the "Agreement") between the CITY OF VIRGINIA BEACH ("CITY") and the HAMPTON ROADS SANITATION DISTRICT ("HRSD") is entered into this <u>21</u> day of <u>Dec</u>, 2017 (the "Effective Date").

RECITALS

R:1. The CITY is constructing its **SHORE DRIVE CORRIDOR IMPROVEMENTS PHASE III** as shown on **Exhibit 1** (the "CITY Facilities") as part of the CITY's Roadways Capital Improvement Program; and

R:2. The design and construction of the CITY Facilities will necessitate the abandonment of the HRSD Interceptor Force Main SF-021 and construction of a new sewer force main serving City PS 200 (collectively referred to as the "Force Main Improvements"); and

R:3. In response, HRSD has developed the **LYNNHAVEN-GREAT NECK IFM** (SF-021) ABANDONMENT as shown on **Exhibit 2** (the "HRSD Facilities"); and

R:4. HRSD and the CITY agree that it is in the best interest of the parties to have the Force Main Improvements and CITY Facilities designed and constructed together; and

R:5. The CITY agrees to include the design and construction of the Force Main Improvements as part of the design and construction of the CITY Facilities, in accordance with the approved plans and specifications; and

R:6. HRSD agrees to reimburse the CITY for that portion of the costs of the design and construction of the Force Main Improvements under the terms and conditions set forth herein; and

R:7. The CITY agrees to assume ownership of the newly constructed, HRSD funded Force Main Improvements.

<u>TERMS</u>

NOW THEREFORE, in consideration of the above provisions and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

I. <u>DESIGN OF IMPROVEMENTS</u>

- A. Plans and Specifications
 - 1. CITY will employ KIMLEY HORN ("ENGINEER") to prepare plans and specifications for the Force Main Improvements and the CITY Facilities. A location map of the City Facilities is shown on Exhibit 1. A location map of the Force Main Improvements is shown on Exhibit 2.
 - 2. ENGINEER, along with HRSD and the CITY, will meet to coordinate, review, and approve a set of final construction documents (the "Final Plans and Specifications") which incorporate the Force Main Improvements into the CITY Facilities.
- B. Payment of the Design Costs

HRSD will compensate the CITY for all engineering design costs and any amendments related to the Force Main Improvements being incorporated into the construction plans for the CITY Facilities.

C. <u>Compliance</u>

All design work for the Force Main Improvements shall comply with CITY Design Standards and Preferences for use in Engineered Construction Projects, and the Hampton Roads Planning District Commission Regional Construction Standards, latest edition. Any changes to the Final Plans and Specifications shall be approved by HRSD and the CITY.

II. CONSTRUCTION OF FORCE MAIN IMPROVEMENTS

- A. <u>Cost of Construction</u>
 - 1. The total cost of the Force Main Improvements, as more particularly defined by the Final Plans and Specifications, prepared by the ENGINEER for HRSD and the CITY (the "Force Main Improvements Cost") shall include:

- a. Cost of construction of the Force Main Improvements;
- b. Cost of approvals and permits required for the construction of the Force Main Improvements;
- c. Costs of services rendered by ENGINEER; and
- d. Any related miscellaneous essential expenses.
- 2. The current estimated cost of the Lynnhaven-Great Neck IFM (SF-021) Abandonment is \$1,000,000.

B. Approval of Final Plans and Specifications; Contractors; Change Orders

- 1. HRSD and the CITY agree that before any construction work is to begin under this Agreement, HRSD and the CITY will jointly review and approve the Final Plans and Specifications. This approval shall be in writing.
- 2. CITY shall acquire all necessary plan approvals and property acquisitions related to the Force Main Improvements and CITY Facilities prior to the award of the construction contract.
- 3. HRSD and the CITY shall review and agree upon the qualifications prior to bidding the project and confirm that the construction contract is awarded to a firm that meets the stated requirements.
- 4. Contractors shall be responsible for all necessary permits and approvals necessary for the Improvements.
- 5. HRSD will review and approve shop drawings related to the Force Main Improvements. CITY will review and approve shop drawings related to the CITY Facilities.
- 6. HRSD will review and approve scope of work and fee for the construction contract administration and inspections related to the Force Main Improvements. HRSD and CITY will jointly review and approve scope of work and fee for the construction contract administration and inspections related to the Force Main Improvements.
- 7. HRSD and CITY will jointly review and approve change orders related to the Force Main Improvements.

C. Payment of Force Main Improvements Costs

- 1. The Force Main Improvements Costs shall be apportioned among the parties as follows:
 - a. HRSD will be responsible for bearing one hundred percent (100%) of the design and construction cost of the Force Main Improvements.
 - b. The CITY will administer and be responsible for bearing one hundred percent (100%) of the cost of CITY requested "betterment" as the CITY Facilities.
 - c. Costs associated with any change to the initial construction cost ("Change Order") shall be as follows:
 - (1) HRSD shall be solely responsible for costs due to a Change Order requested by HRSD; and
 - (2) The CITY shall be responsible for costs due to a Change Order requested by the CITY.
 - (2) The CITY and HRSD shall be responsible for costs due to a Change Order resulting from unforeseen conditions.
- 2. During the course of construction, HRSD shall compensate the CITY for all Force Main Improvements work. HRSD shall pay its share of the Force Main Improvements Costs to CITY in one lump sum payment upon completion of construction (as determined jointly by CITY and HRSD). CITY shall provide HRSD with an invoice detailing HRSD's share of the Force Main Improvements Costs. Within thirty (30) days of its receipt of such invoice, HRSD shall reimburse CITY for HRSD's share of the Force Main Improvements Costs as detailed in the invoice.
- 3. In conjunction with the above, and for additional clarity, it is agreed that HRSD shall pay its share of the construction administration and construction inspection costs (the "CA and CI Costs") for the Force Main Improvements to CITY in one lump sum payment upon completion of construction (as determined jointly by CITY and HRSD). CITY shall provide HRSD with an invoice detailing the HRSD's share of the CA and CI Costs.

Within thirty (30) days of its receipt of such invoice, the HRSD shall reimburse CITY for HRSD's share of the CA and CI Costs as detailed in the invoice.

D. <u>Operation and Maintenance of the Improvements during and after</u> <u>Construction</u>

- 1. HRSD shall be responsible for operation and maintenance of the existing HRSD Facilities during and after construction.
- 2. CITY shall be responsible for operation and maintenance of the CITY sanitary sewer facilities during and after construction.
- 3. CITY shall assume ownership and be responsible for operation and maintenance of the newly constructed, HRSD funded, Force Main Improvements at the Substantial Completion stage of construction.
- 4. HRSD and the CITY agree to cooperate and coordinate for the operations and maintenance of any interconnections between the HRSD Facilities and CITY Sewer Facilities.

III. <u>SCHEDULE</u>

The construction is anticipated to begin by August of 2019 and be complete by August of 2020.

IV. OBLIGATIONS OF HRSD AND THE CITY

A. <u>Public Hearing or Meeting</u>

HRSD and the CITY will be responsible for holding a project public meeting . The CITY will coordinate and reserve the location, and HRSD will assist in such public meeting.

- B. Bidding of the Force Main
 - 1. CITY to issue bidding documents for construction of the Force Main Improvements. HRSD agrees to provide administrative support during the bidding phase. In particular HRSD shall:
 - a. Attend the preconstruction meeting.

- b. Provide timely responses to the CITY for any questions, requests for clarification, or addenda during the biding phase.
- c. Provide miscellaneous support to CITY as required during the bidding phase.
- 2. The CITY will receive bids for construction of the Force Main Improvements as part of the CITY Facilities. All bids received will be reviewed and approved by the CITY and HRSD prior to award of the construction contract. The CITY shall negotiate in good faith to resolve financial matters with regards to bidding the Force Main as part of the City Facilities (Force Main). The bidding procedure shall be conducted in accordance with the Virginia public Procurement Act and the CITY's procurement process.

C. <u>Administration</u>

CITY shall provide contract administration of the Force Main. HRSD shall reimburse the CITY for the contract administration cost of the Force Main construction.

D. Inspection

CITY shall provide in-house inspection for the Force Main. HRSD shall reimburse the CITY for the inspection costs of the Force Main only if non-City personnel are used for overnight inspection. The inspector(s) shall have the authority to assure the Force Main is constructed in accordance with the Final Plans and Specifications.

- E. <u>Deeds and Easements</u>
 - 1. The CITY shall obtain any and all necessary fee simple deeds and/or deeds of easement needed for the Force Main.
 - 2. CITY shall obtain any and all necessary fee simple deeds and/or deeds of easements for the CITY Facilities.
- F. <u>Correction of Construction Defects in the Force Main</u>

The construction contract shall provide for a warranty of the Contractor's work against construction defects in the Force Main and shall require the Contractor to correct such defects that are reported by HRSD or the CITY within one (1) year of the final acceptance of the Force Main.

G. <u>Construction Record Drawings</u>

ENGINEER shall provide HRSD and the CITY approved construction record drawings in accordance with HRSD Standards and Preferences for use in Engineered Construction Projects (for HRSD facilities) and City's Utility Policy and Design and Construction Standards, latest edition (for CITY Facilities).

V. <u>GOVERNING LAW</u>

This Agreement shall be deemed to be a Virginia Contract and shall be governed as to all matters whether of validity, interpretations, obligations, performance or otherwise exclusively by the laws of the Commonwealth of Virginia, and all questions arising with respect thereto shall be determined in accordance with such laws. Regardless of where actually delivered and accepted, this contract shall be deemed to have been delivered and accepted by the parties in the Commonwealth of Virginia.

VI. TERMINATION

Anything herein or elsewhere to the contrary notwithstanding, this Agreement and the obligations of the parties hereunder may be terminated by the CITY or HRSD in the event that the other party breaches or violates any material provision of this Agreement or fails to perform any material covenant or agreement to be performed by either party under the terms of this Agreement and such breach, violation or failure is not cured within sixty (60) days of the defaulting party's receipt of written notice of such breach from the non-defaulting party; or by mutual agreement of the CITY and HRSD.

VII. <u>NOTICE</u>

Any notice, communication or request under this Agreement shall be provided in writing by either (a) certified mail, return receipt requested, postage prepaid, or (b) a nationally recognized overnight delivery service (next business day service), or (c) hand-delivery, if the receipt of the same is evidenced by the signature of the addressee or authorized agent, and addressed to the following:

<u>For: HRSD</u> If by U.S. Postal Service: General Manager P. O. Box 5911 Virginia Beach, VA 23471-0911 Telephone: (757) 460-4242

If by Overnight Mail: General Manager 1434 Air Rail Avenue Virginia Beach, VA 23455 <u>With Copy to:</u> William A. Cox, III Kellam, Pickrell, Cox & Anderson, P.C. 403 Boush Street, Suite 300 Norfolk, VA 23510 Telephone: (757) 627-8365 Facsimile: (757) 625-2189

For: City of Virginia Beach City Manager City of Virginia Beach 2401 Courthouse Drive Virginia Beach, VA 23456 Telephone: (757) 385-4242

<u>With Copy to:</u> City Attorney City of Virginia Beach 2401 Courthouse Drive Virginia Beach, VA 23456 Telephone: (757) 385-4531

VIII. ASSIGNMENT

No party may assign its rights in this Agreement without the prior written consent of the other party.

IX. <u>AMENDMENT</u>

This Agreement may be amended only by a written instrument duly executed by the parties.

X. <u>SEVERABILITY</u>

If any provision of this Agreement or the application thereof to any circumstance shall be determined to be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall continue to be valid, in effect and enforceable to the fullest extent permitted by law.

XI. <u>DAMAGES</u>

If by omission that constitutes negligence or willful misconduct or failure to abide by engineering standards or failure to abide by the Final Plans and Specifications described herein, the negligent party shall be responsible for the payments for damages to any other party to this Agreement.

XII. INSURANCE

The CITY has the right to review and approve insurance coverage in the various insurance categories that the CITY deem necessary to be carried by the Contractor or any other parties to this Agreement. Proof of insurance shall be provided at the request of the CITY and the insurance coverage shall be maintained during the term of this Agreement.

XIII. TERM OF AGREEMENT

The term of the Agreement will commence on the date the Agreement is entered into and be completed when each party has completely performed its obligations hereunder.

XIV. FORCE MAJEURE

In the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond the control of the CITY or HRSD or the Contractor and without their fault or negligence, including, but not restricted to, acts of God or of the public enemy, acts of the government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargos, and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the parties shall be extended for the period of the enforced delay.

XV. INDEPENDENT CONTRACTOR

If the Contractor(s) hire subcontractors or independent contractors, the CITY has the right to approve them by reviewing their requisite experience and knowledge to complete the work assigned.

XVI. SUBCONTRACTOR

If any Contractors or subcontractors are selected by any party to this Agreement for completion of the work contemplated herein, HRSD has the right to approve the same.

XVII. WAIVER

No waiver of breach of any term or provision of this Agreement shall be construed to be, or shall constitute, a waiver of any other breach of this Agreement. No waiver shall be binding unless in writing and signed by the parties waiving the breach.

The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

XVIII. INTEGRATION

This Agreement constitutes the entire understanding among the parties. No provision of this Agreement may be waived, modified or amended except by an instrument signed by the party against whom the enforcement of such waiver, modification or amendment is sought. No waiver by either party of any failure or refusal by the other party to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal to comply.

IN WITNESS WHEREOF, the Hampton Roads Sanitation District (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 September 26, 2017.

HAMPTON ROADS SANITATION DISTRICT

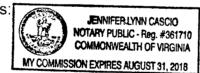
Βv

Edward G. Henifin, P.E., General Manager

COMMONWEALTH OF VIRGINIA, CITY OF VIRGINIA BEACH, to-wit:

The foregoing agreement was acknowledged before me this $\underline{12}^{4n}$ day of $\underline{2017}$, 2017, by Edward G. Henifin, P.E., General Manager, Hampton Roads Sanitation District.

My commission expires: Registration No.:



Agreement for the HRSD LYNNHAVEN-GREAT NECK IFM (SF-021) RELOCATION (AT014000) and SHORE DRIVE CORRIDOR IMPROVEMENTS PHASE III

IN WITNESS WHEREOF, the City of VIRGINIA BEACH (CITY) has caused this Agreement to be signed by the City Manager on its behalf pursuant to Resolution adopted by the City Council on ______, 201___,

(SEAL)

CITY OF VIRGINIA BEACH

City Manager/Authorized Designee /

ATTEST:

er muc

COMMONWEALTH OF VIRGINIA, CITY OF VIRGINIA BEACH, to-wit:

The foregoing instrument was acknowledged before me by <u>Thomas M. Lechy</u>, City Manager/Authorized Designee of the City Manager, of the City of Virginia Beach, Virginia, this <u>21st</u> day <u>December</u>, 201<u>7</u>.

Commonwealth Of Virginia Jennifer Anne Grundler - Notary Public Commission No. 7037167 My Commission Expires 5134 15

nne Sunder

My commission expires: 5/31/ じ Registration No.: 70ろ7107

APPROVED AS TO CONTENT:

Department of Public Utilities Stave Motley

APPROVED AS TO CONTENT:

Department of Public Works Durord Jarmin

CERTIFIED AS TO AVAILABILITY OF FUNDS:

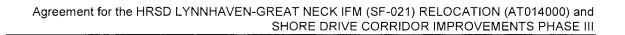
1/1

Department of Finance

APPROVED AS TO RISK MANAGEMENT: Risk Management 7247 Recelent 12/19/2017 #24

APPROVED AS TO LEGAL SUFFICIENCY:

City Attorney's Office



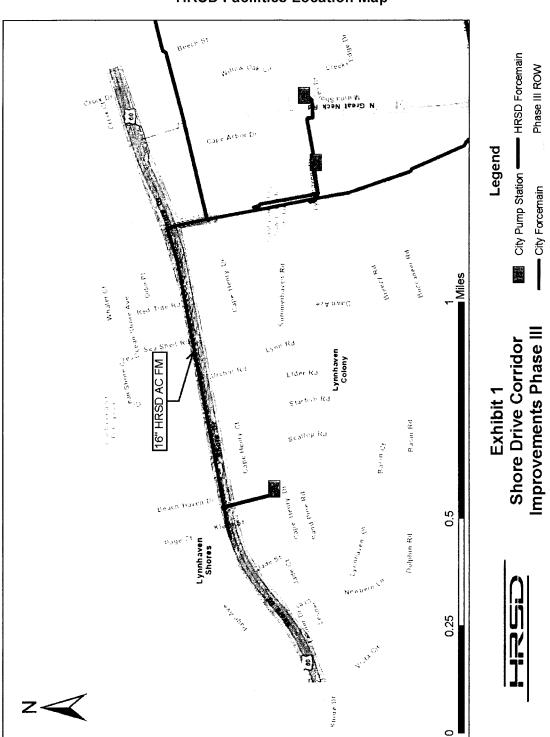
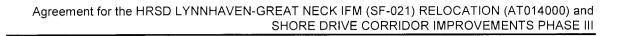


Exhibit 1 HRSD Facilities Location Map



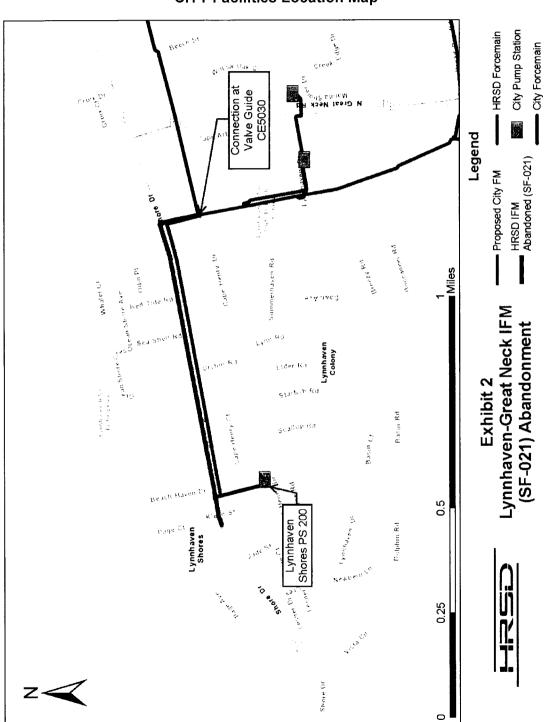


Exhibit 2 CITY Facilities Location Map

AGENDA ITEM 11. – January 28, 2025

Subject: Dozier's Corner Pump Station Replacement Acquisition of Real Property and Easement – Chesapeake, VA

Recommended Action: Approve the purchase of a portion of property (6,678 square feet) located at 1101 Campostella Road from Parcel No: 036000003510 and variable-width temporary ingress/ egress easement (7,205 square feet), and the associated acquisition costs of \$600,000 and additional considerations and relocation efforts in the amount of \$171,000 in accordance with the terms and conditions of the Purchase and Sale Agreement with Cemetery Investments, LLC, owner of subject property, and authorize the General Manager to execute the 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: AT015400

Regulatory Requirement: Rehab Action Plan Phase 2 (5/5/2027 Completion)

Budget	\$17,121,868
Previous Expenditures and Encumbrances	(\$1,297,742)
Available Balance	\$15,824,126

Project Description: This project will replace the existing Dozier's Corner Pump Station, located within a floodplain, to a new and preferred site which will allow the station and equipment to be raised above the 100-year floodplain. The current site is too small to make the required improvements. At the completion of this project, the facilities will be conveyed to the City of Chesapeake. The design and construction of the project has been coordinated with City Staff.

This is the singular acquisition and easement required for this project.

Environmental Assessment (Phase 1) of the site and adjacent area have been completed, a minor area of concern was noted and can be mitigated with minimal effort as part of the project. Additional testing is underway.

<u>Analysis of Cost</u>: The cost for the acquisitions is based on an appraisal by Dove Valuations that reflects current market value acquisition costs in the area, as well as negotiated settlement with the property owner for loss of plot sales, relocation of business operations and negotiated terms to prepare the site before HRSD takes ownership.

Agreement Key Terms:

1-HRSD will fund the purchase of a new maintenance building to replace the one currently in the acquisition area which would not survive its relocation to the newly defined maintenance area on the property, as well as reestablishing its power source.

2-HRSD will fund the relocation of existing Conex storage containers within the acquisition area to the new maintenance area on the property.

3-HRSD will fund the removal and disposal of fencing around the maintenance and storage area(s). 4-HRSD will fund the removal and relocation of vaults and marker stones from the existing maintenance and storage area(s) to the newly defined areas on the property.

5-HRSD has the right to facilitate any necessary relocations or disposals as may be necessary to ensure that HRSD's project efforts are not hindered.

The <u>draft Purchase and Sale Agreement</u> is attached and was reviewed by HRSD staff and real estate legal counsel, with edits pending. The deed of bargain and sale will also be reviewed by HRSD staff and real estate legal counsel before execution. <u>Location</u> and <u>site</u> maps are provided for clarification purposes.

ACCT NO.:036000003510 (portions of)PROJECT:DOZIERS CORNER PUMP STATION REPLACEMENT; CIP # AT015400ROUTE/STREET:KEATS STREETCITY/COUNTY:CHESAPEAKE

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") made this day of ______ 2025, by and between, <u>CEMETERY INVESTMENTS,</u> <u>LLC</u>, a Virginia limited liability company (formerly known as CEMETERY INVESTMENTS, INC.), whose mailing address is 1101 Campostella Road, Chesapeake, VA, 23320 ("Landowner" or "Seller"), and <u>HAMPTON ROADS SANITATION DISTRICT</u> ("HRSD" or "Buyer"), a political subdivision of the Commonwealth of Virginia, located at 1434 Air Rail Avenue, Virginia Beach, Virginia 23455, the ("Buyer"). Collectively, Buyer and Seller shall be referred to as the "Parties."

RECITALS

- A. WHEREAS, HRSD currently owns a parcel of land located off of Keats Street in the City of Chesapeake, Virginia, having City of Chesapeake Parcel No. 036000002891, and an address of 1109 Keats Street, Chesapeake, Virginia, containing 1,600 square feet of land;
- B. WHEREAS, HRSD wishes to expand said parcel of land for a pump station, known as Dozier's Pump Station, and also acquire a temporary ingress/egress easement;
- C. WHEREAS, Seller is willing to re-subdivide and convey to HRSD the additional land desired by HRSD, and also convey to HRSD the aforesaid temporary ingress/egress easement;
- D. WHEREAS, the land to be conveyed to HRSD in fee simple, containing approximately 5,078 square feet, or 0.116 acres, more or less, land, is shown on the draft re-subdivision plat entitled "RE-SUBDIVISION OF PARCEL NO. 036000002891 & PARCEL NO. 036000003510 WASHINGTON BOROUGH CHESAPEAKE, VIRGINIA", prepared by Precision Measurements, Inc., and dated August 23, 2024, a copy of which is attached hereto as **EXHIBIT A**, and incorporated herein by this reference, as the shaded area labeled "HRSD PARCEL PS-109."
- E. WHEREAS, the Temporary Ingress / Egress Easement to be conveyed to HRSD is shown on that certain plat entitled "PLAT SHOWING VARIABLE WIDTH TEMPORARY HRSD INGRESS/EGRESS EASEMENT TO BE ACQUIRED FROM CEMETERY INVESTMENTS, INC. BY HAMPTON ROADS SANITATION DISTRICTION WASHINGTON BOROUGH -

CHESAPEAKE, VIRGINIA" prepared by Precision Measurements, Inc., and dated August 22, 2024, a copy of which is attached hereto as **EXHIBIT B**, and incorporated herein by this reference;

- F. WHEREAS, HRSD desires to purchase the fee simple property shown on EXHIBIT A and all structures and improvements thereon and appurtenances thereto, along with the Temporary Ingress/Egress Easement, from the Seller for the purpose of the DOZIERS CORNER PUMP STATION REPLACEMENT; CIP # AT015400, the real property, together with all such rights, improvements, and appurtenances thereto, and any such personal property, along with the Temporary Ingress/Egress Easement are hereinafter collectively referred to as the "Property".
- G. WHEREAS, Seller is willing to sell the Property to HRSD subject to the terms and conditions set forth in this Agreement.
- H. WHEREAS, Seller will cooperate with HRSD and use best efforts in all ways necessary to ensure the finalization, signature, approval, and recordation of the re-subdivision plat;
- I. WHEREAS, 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 to HRSD and HRSD agrees to purchase from Seller the Property.
- 2. <u>PURCHASE PRICE AND CONSIDERATION</u>. The purchase price for the Property is <u>SIX HUNDRED THOUSAND AND 00/100 DOLLARS</u> (\$600,000.00) (the "Purchase Price"), and shall be paid to the Seller at settlement, by certified check or wired funds at Closing. Consideration also includes terms in <u>Exhibit D</u> for the Property described in this Agreement and for all damages, if any. Such Exhibit D is attached hereto and incorporated herein by this reference.
- 3. <u>CONVEYANCE</u>.
 - 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. Seller will convey the Property to HRSD via deed in substantially similar form to that which is attached hereto as **EXHIBIT C** and incorporated herein by this reference.

- Title to the Property shall be good and marketable and, if HRSD b. chooses to obtain title insurance, insurable by a nationally recognized ALTA title insurance company of HRSD's choice (the "Title Insurer") at or below normal rates. In the event HRSD chooses to obtain title insurance, HRSD shall cause the Title Insurer to deliver a title commitment to Buyer and Seller within thirty (30) days of the Effective Date (the date upon which the title commitment is delivered to both Buyer and Seller, the "Title Delivery Date"). 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") no later than ten (10) business days following the Title Delivery Date (the "Title Review Period"), of such title defects or other matters to which HRSD obiects. 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 also have unimpeded access to the Property at all times after execution of this Agreement and prior to Closing.

- d. Seller and HRSD agree to pay their respective prorated shares of real estate taxes and storm water fees, if any. 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, including any costs of the Title Insurer, should HRSD choose to obtain title insurance.
- e. Seller and HRSD agree that the attorney selected by HRSD shall act as the "Settlement Agent" at HRSD's expense.
- 4. a. <u>RIGHT OF ENTRY</u>. Immediately upon execution of this Agreement, HRSD and HRSD's authorized representatives will have unimpeded access to the Property at all times after execution of this Agreement and prior to Closing.

b. <u>DUE DILIGENCE.</u> HRSD will, at HRSD's expense and within sixty (60) days from the Effective Date (the "Due Diligence Period"), determine whether the Property is suitable, in HRSD's sole and absolute discretion, for HRSD's intended use of the Property. HRSD will deliver written notice to Seller of HRSD's determination of whether or not the Property is acceptable. HRSD will repair all damages to the Property resulting from its inspections.

5. <u>CONDITIONS AND CONTINGENCIES</u>.

- a. In order to proceed to Closing, all of the following conditions must be satisfied to HRSD's satisfaction, in HRSD's sole discretion. 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:
 - i. 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. All applicable governmental authorities having jurisdiction over the Property, including, without limitation, the City of Chesapeake and the Commonwealth of Virginia (and their respective agencies) (collectively and as applicable, the "Governing Jurisdiction") shall have issued all final, nonappealable site plan approvals, and other Federal, State and municipal approvals and permits that HRSD deems, in its sole and absolute discretion, necessary or desirable for the use of the Property as intended by HRSD (collectively the "Approvals"), including but not limited to the final recorded subdivision plat acceptable to HRSD in HRSD's sole and absolute discretion;
- iv. There shall have occurred no material adverse change in the physical (including environmental), financial or legal conditions of the Property from the conditions existing as of the Effective Date; and
- v. Seller's compliance with all of Seller's obligations under this Agreement.
- vi. 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. 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 but prior to the expiration of the Due Diligence Period:
 - (i) Terminate this Agreement;
 - Extend the Due Diligence Period for a period of seventy-five (75) days in order to perform any necessary remediation or additional assessment; provided, however any further remediation recommended by the Consultant shall only proceed prior to Closing with Seller's written consent, which may be withheld in Seller's sole discretion;
 - (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 HRSD determines that the results of such assessment are not satisfactory, HRSD may at its option but prior to the expiration of the Due Diligence Period as may be extended in accordance with Paragraph 6.b.(ii) above:

- (i) Terminate this Agreement;
- (ii) Extend the Due Diligence Period for a period of seventy-five (75) days in order to perform any necessary remediation or additional assessment; provided, however any further remediation recommended by the Consultant shall only proceed prior to Closing with Seller's written consent, which may be withheld in Seller's sole discretion;
- (iii) Waive the environmental defect and proceed to Closing.
- 7. <u>REPRESENTATIONS AND WARRANTIES BY SELLER</u>. 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 warrants that it is the sole owner in fee simple of the land in interest and further warrants that title to the property is, and at settlement will be, marketable and good of record and in fact, free and clear of all liens, encumbrances, leases, and any of those existing to be removed at or prior to settlement.

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 Insurer to issue an owner's policy evidencing, the following facts:

(i) 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) To the best of Seller's knowledge, there are no unrecorded leases, options, licenses or easements existing in connection with the Property;

(iv) To the best of Seller's knowledge, 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.

(v) <u>Foreign Status.</u> 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.

(vii) 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) Seller has not received any notice from any governmental agency with regard to such Hazardous Materials.

(viii) To the best of Seller's knowledge, there are no underground or aboveground storage tanks on the Property, other than those identified as follows i) two identified aboveground storage tanks.

The consideration hereinabove mentioned represents the value of all estates or interests in such land, and the damages to remaining lands of the Landowner which may result by reason of the use to which HRSD will put the land to be conveyed. The Landowner agrees to accept their legal proportionate share of such total consideration for their interest and right in the said land.

The Landowner hereby covenants and agrees for themself, their heirs and assigns and successors, that the consideration herein mentioned shall be in lieu of any and all claims to compensation and damages by reason of this acquisition or use of the easement or Property by HRSD.

After execution of this Agreement by all parties hereto, in the event the Landowner is unable to convey clear title to the Property to HRSD as herein provided, and HRSD should elect to institute condemnation proceedings for the purpose of acquiring such easements, it is agreed by the Landowner that this instrument may be introduced in such proceedings as conclusive and binding evidence of the total value of the easement and damages, if any, to the remaining property of the Landowner.

The Landowner by execution of this instrument acknowledges that the plans of HRSD as they affect the subject property have been fully explained to the Landowner.

Landowner acknowledges that HRSD has relied upon these covenants, representations and warranties in purchasing the property from Landowner

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 / CEO P.O. Box 5911 Virginia Beach, Virginia 23471-0911

- Copy to: D. Rossen S. Greene, Esq. Pender & Coward, P.C. 117 Market Street Suffolk, VA 23434
- Seller: CEMETERY INVESTMENTS, LLC c/o Everstory Partners Attn: Legal Department 955 Keller Rd.; Ste. 1500 Altamonte Springs, FL 32714
- 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 before fifteen (15) business days following the expiration of the Due Diligence Period of this Agreement ("Effective Date" being defined as the date on which both the Seller and HRSD have endorsed this Agreement) or satisfaction of all contingencies, whichever is later.
- 10. [RESERVED]
- 11. <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.
- 12. <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.
- 13. <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.
- 14. <u>CONDEMNATION</u>. 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.

15. <u>DEFAULT AND REMEDIES</u>.

- 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. The remedies contained in this Section 17 are cumulative and nonexclusive and may be pursued at the option of the non-defaulting party 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 may pursue all rights or remedies available at law or in equity, including an action for damages.
- 16. <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. 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.

- 17. <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.
- 18. <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.
- 19. <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.
- 20. <u>GOVERNING LAW</u>. This Agreement is to be construed in accordance with the laws of the Commonwealth of Virginia.
- 21. <u>CHOICE OF FORUM/JURISDICTION</u>. 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 Suffolk, 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.
- 22. 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.
- 23. <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.
- 24. <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.

- 25. <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.
- 26. <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.

This Agreement is contingent on the review and approval of the purchase by Hampton Roads Sanitation District Commission and upon such Commission granting authorization to the General Manager to proceed under the terms of this Agreement.

[THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Hampton Roads Sanitation District Commission has caused this Agreement to be signed on its behalf by its General Manager / CEO in accordance with authorization granted at its regular meeting held on January 28, 2025. This Agreement is expressly subject to approval by the HRSD Commission

WITNESS the following signatures and seals:

BUYER:

HAMPTON ROADS SANITATION DISTRICT (HRSD)

By: _____(SEAL) Date: _____ Name: Jay Bernas, P.E., M.B.A. Title: General Manager / CEO Contact Address: 1434 Air Rail Avenue, Virginia Beach, Virginia 23455

COMMONWEALTH OF VIRGINIA City of Virginia Beach, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Jay Bernas, P.E., M.B.A., General Manager / CEO, Hampton Roads Sanitation District.

Notary Public

Notary Public Registration No._____ My commission expires:_____ WITNESS the following signatures and seals:

SELLER:

CEMETERY INVESTMENTS, LLC, A Virginia Limited Liability Company

(SEAL) By: Date: 1-14-2025

Name: Scott Stefani Title: Chief Financial Officer

STATE OF FLORIDA City/County of ______. to-wit:

The foregoing instrument was acknowledged before me this <u>// day of Tanuary</u>, 2025 by <u>Scott Steponi</u> (Name), <u>Chief Finners</u> Officer (Title), CEMETERY INVESTMENTS, LLC, a Virginia Limited Liability Company, who has sworn and affirmed that by virtue of their position with CEMETERY INVESTMENTS, LLC, that they have the authority to sign on behalf of and bind CEMETERY INVESTMENTS, LLC.

Notary Public

Notary Public Registration No. <u>H4 6 んろろう U8</u> My commission expires: <u>(2/25/202</u>8

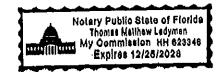


EXHIBIT A

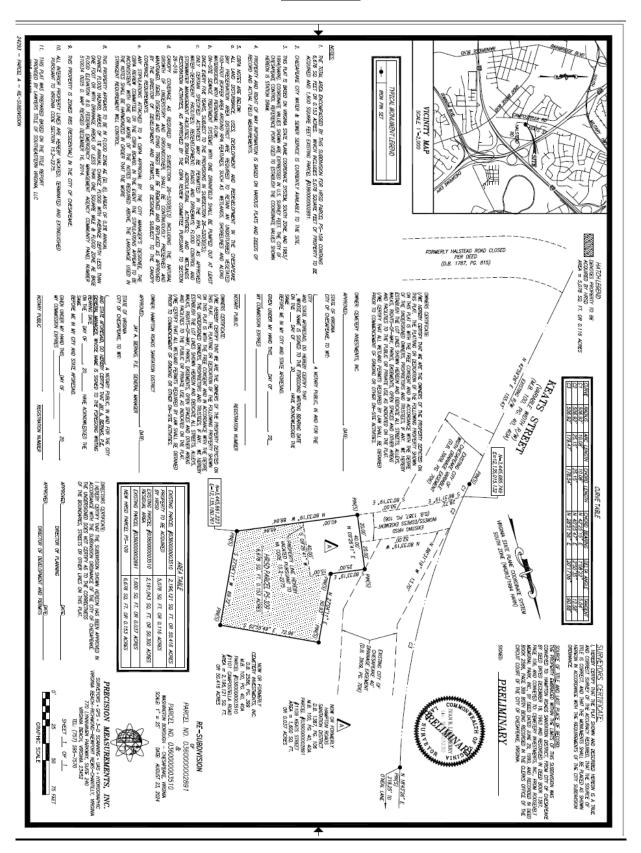


EXHIBIT B

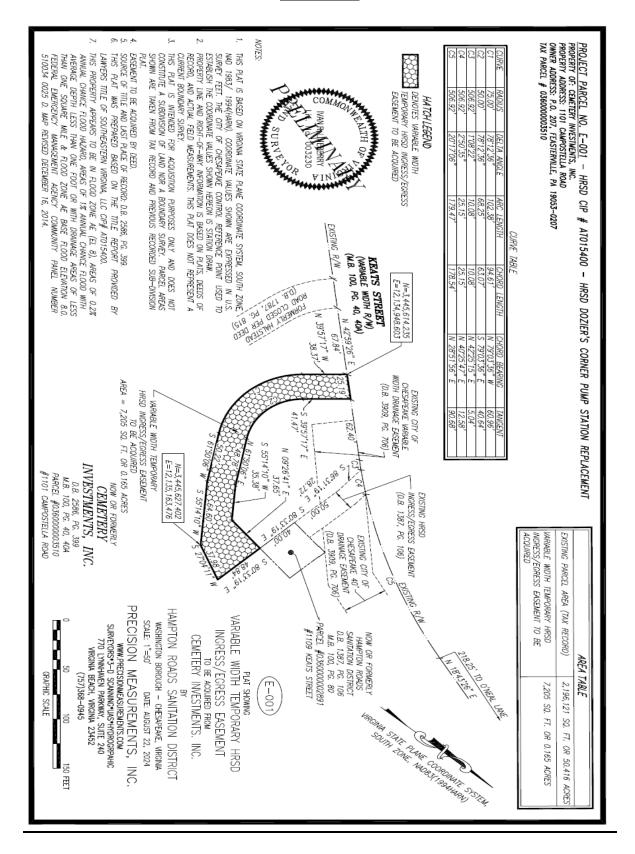


EXHIBIT C – FORM OF DEED

PREPARED BY & RETURN TO: D. Rossen S. Greene, Esq. (VSB #74940) PENDER & COWARD, P.C. 117 Market Street Suffolk, VA 23434

Tax Map Parcel No.: 036000003510 (portion of) Insured by: Unknown Consideration: \$0.00

TAX EXEMPT PURSUANT TO SECTIONS 58.1-811(A)(3), 17.1-266, and 17.1-279(E) OF THE CODE OF VIRGINIA (1950), AS AMENDED.

DEED

This **Deed**, made this ______ day of ______, 202_, by and between <u>CEMETERY INVESTMENTS, LLC</u>, a Virginia limited liability company (formerly known as CEMETERY INVESTMENTS, INC.), their successors and assigns, (hereinafter called **GRANTOR**), and <u>HAMPTON ROADS SANITATION DISTRICT</u>, a political subdivision of the Commonwealth of Virginia, its successors and assigns (hereinafter called HRSD or **GRANTEE**), whose mailing address is Hampton Roads Sanitation District, Post Office Box 5911, Virginia Beach, Virginia 23471-0911.

WITNESSETH:

That for the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, **GRANTOR** does hereby grant and convey unto **GRANTEE**, its successors and assigns, with general warranty, the following described real property in fee simple, to wit:

All that certain piece or portion of land in fee simple, containing approximately 5,078 square feet, or 0.116 acres, more or less, land, is shown on the re-subdivision plat entitled "RE-SUBDIVISION OF PARCEL NO. 036000002891 & PARCEL NO. 036000003510 WASHINGTON BOROUGH – CHESAPEAKE, VIRGINIA", prepared by Precision Measurements, Inc., and dated August 23, 2024, a copy of which is attached hereto as **EXHIBIT A**, and incorporated herein by this reference, and recorded herewith, as the area labeled "HRSD PARCEL PS-109."

Grantee, its employees, contractors, other agents, assigns, and successors have, without notice to Grantor, the absolute right to enter,

unimpeded, upon so much of Grantor's lands as needed for construction of the Project and the operation and maintenance of HRSD's facilities. Grantor will not use his property for any purpose that might, in Grantee's sole judgment, interfere with the use and enjoyment of the Easements.

TOGETHER WITH, a nonexclusive temporary easement of ingress, egress, regress, and right-of-way for the purpose of HRSD's unimpeded access, ingress, egress, and regress, over, across, above, under, and through the lands of the **GRANTOR**, said temporary easement (hereinafter the "Temporary Ingress/Egress Easement" and the portion of the Grantor's property where the Easement is located being referred to as the "Easement Area") being further described as follows:

TEMPORARY INGRESS/EGRESS EASEMENT labeled as "VARIABLE WIDTH TEMPORARY HRSD INGRESS/EGRESS EASEMENT TO BE ACQUIRED AREA = 7,205 SQ. FT. OR 0.165 ACRES" as more particularly shown on plat entitled "PLAT SHOWING VARIABLE WIDTH TEMPORARY HRSD INGRESS/EGRESS EASEMENT TO BE ACQUIRED FROM CEMETERY INVESTMENTS, INC. BY HAMPTON ROADS SANITATION DISTRICTION WASHINGTON BOROUGH – CHESAPEAKE, VIRGINIA" prepared by Precision Measurements, Inc., and dated August 22, 2024, and attached hereto as **EXHIBIT B**, and incorporated herein by this reference, and recorded herewith.

The Temporary Ingress/Egress Easement will terminate when Grantee's DOZIERS CORNER PUMP STATION REPLACEMENT; CIP # AT015400 (the "Project") is complete. GRANTOR may use the Easement Area for any and all purposes of GRANTOR which are not inconsistent with the rights granted to HRSD in this Deed of Easement, provided that GRANTOR shall not construct, install or place, or permit the construction, installation, or placement of buildings, improvements, or structures, including, but not limited to houses, buildings, pools, sheds, signs, gates, fences, or utility or communications facilities or equipment, on, over, above, under, through, across, or in the Easement Area, without HRSD's prior written consent thereto, which consent may be withheld in HRSD's sole and absolute discretion. GRANTOR may install driveways, pavement and landscaping which do not impede access.

HRSD has the right but not the obligation, without any additional payment and without any liability to GRANTOR or any third party, to keep the Easement Area clear of, including but not limited to, all improvements and structures, and all trees, limbs, undergrowth, stumps, shrubs, landscaping, vegetation, and roots. All brush, branches, and other debris resulting from any cutting, trimming, or clearing of said right of way shall be removed from lands of GRANTOR for disposal.

HRSD shall have the right to assign, transfer, apportion or divide, without limitation, all or any parts of the rights, right of way, or easements granted to HRSD in this Deed. HRSD shall have all other rights and privileges as are reasonably necessary or convenient for the full enjoyment and use of the easement granted to HRSD in this Deed. HRSD may exercise all rights granted in this Deed of Easement without further notice to the GRANTOR.

GRANTOR covenants that it has the right to convey the rights, right of way, and easement conveyed in this Deed, that HRSD shall have quiet and peaceable possession, use and enjoyment thereof, free from all encumbrances, and that GRANTOR shall execute such further assurances as may be required by HRSD.

Subject to the terms of this Deed, HRSD, its successors or assigns, will restore the Easement Area if necessary as a result of HRSD's use of the Easement as closely as is reasonably practicable to its pre-use condition (or better) after HRSD's use of the Easement. HRSD agrees that it will use the Easement in a manner causing as little inconvenience and disruption to the GRANTOR, and GRANTOR's invitees, licensees and occupants as is reasonably practicable.

GRANTOR by execution of this instrument acknowledges that the plans of HRSD as they affect the subject property have been fully explained to the GRANTOR.

The GRANTOR hereby covenants and agrees for themself, their heirs and assigns and successors, that the consideration herein mentioned is in lieu of any and all claims to compensation and damages by reason of this acquisition or use of the easement or Property by HRSD.

This Deed is made subject to all easements, reservations, restrictions and conditions, if any, contained in duly recorded deeds, plats and other instruments constituting constructive notice in the chain of title to the above-described property which have not expired by a time limitation contained therein or have not otherwise become ineffective.

WITNESS the following signatures and seals:

	CEMETERY INVESTMENTS, LLC, a Virginia limited liability company f/k/a CEMETERY INVESTMENTS, INC.
	Ву:
	Name:
	Title:
STATE OF FLORIDA CITY/COUNTY OF <u>SEMIN</u>	<u>IOLE</u> , to-wit:
of, 2025	d of Easement was acknowledged before me this day 5, by in his capacity
as	, of , a Virginia limited liability company, who has sworn of their position with CEMETERY INVESTMENTS. U.C. they
and annihod that by virtue	on behalf of and bind CEMETERY INVESTMENTS, LLC they
	Notary Public
My commission expires: _	ID#:

ACCEPTED:

HAMPTON ROADS SANITATION DISTRICT (HRSD)

By: _____

(SEAL)

Date: _____ Name: Jay Bernas, P.E., M.B.A.

Title: General Manager/CEO

Contact Address: 1434 Air Rail Avenue, Virginia Beach, Virginia 23455

COMMONWEALTH OF VIRGINIA City of Virginia Beach, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Jay Bernas, P.E., M.B.A., General Manager/CEO, Hampton Roads Sanitation District, and accepted by Hampton Roads Sanitation District.

Notary Public

Notary Public Registration No._____ My commission expires:_____

EXHIBIT D

The Parties agree that the total consideration paid or contracted to be paid pursuant to this Agreement shall include:

- 1. <u>Maintenance Building(s).</u> HRSD will fund the demolition, removal, and cleanup of the existing maintenance building ("Existing Maintenance Building") situated in "Entrance Area A" as shown on Schedule D-1, attached hereto and incorporated herein by this reference. HRSD will fund the purchase and installation of a new 40x60 fabricated metal maintenance building ("New Maintenance Building") on "Area B" as shown on Schedule D-1 to replace the Existing Maintenance Building that would not survive a move and is at the end of its useful life. HRSD will coordinate and pay for the relocation and hookup of the existing electrical supply to the New Maintenance Building. HRSD is not responsible for any other utilities for the New Maintenance Building. HRSD will fund the removal of all equipment and materials within the Existing Maintenance Building on Parcel No. 036000003510 as of the date of this Agreement, to the New Maintenance Building to be located on Parcel No. 027000000300 also owned by Cemetery Investments, Inc. and to be situated in "Area B", as shown on Schedule D-1.
- <u>Conex Storage Units</u>. HRSD will fund the removal of two (2) Conex storage containers from their existing location on Parcel No. 0360000003510 to a new location on Parcel No. 027000000300 also owned by Cemetery Investments, Inc. to be designated by Seller but generally depicted on Schedule D-1 and identified as "Area B".
- <u>Fencing</u>. HRSD will fund the removal and disposal of deteriorated fencing on Parcel No. 0360000003510, said deteriorated fencing being shown on Schedule D-1.
- 4. <u>Vaults</u>. HRSD will fund the movement and disposal of vaults from Parcel No. 0360000003510 to an area on Parcel No. 0270000000300 also owned by Cemetery Investments, Inc., said area being identified on Schedule D-1.

All cost estimates associated with the efforts identified in this Exhibit D must include photos and detailed lists for clarity and must have been submitted by Seller to HRSD for review and acceptance. For clarification purposes only, this Exhibit D and Schedule D-1, taken together, shall evidence HRSD's funding obligations related to the work hereunder. To the extent any description of work listed in Exhibit D is found to be lacking sufficient details, the Parties agree to look to Schedule D-1 for any further

clarification needed. To that end, estimates, pictures, and further details related to the work described in this Exhibit D are provided in Schedule D-1. All items which are to be disposed of, relocated, or moved funded by HRSD must be included in the written estimates submitted by Seller to HRSD prior to execution of this Agreement. Items and amounts not included in the aforesaid written estimates are the responsibility of the property owner and will not be included in HRSD's funding. Additional items cannot be added to this effort without specific written consent of HRSD and a new estimate.

If the work, as detailed above, is not completed prior to commencement of HRSD's Project or in any way delays or hinders HRSD, HRSD at its discretion has the right to dispose of, relocate, or move any items that inhibit or impair HRSD's work or efforts, with no further liability to HRSD. Seller shall reimburse HRSD for the costs of such disposal, relocation, or moving caused by Seller's failure to complete Seller's work prior to commencement of HRSD's Project or in a way that does not delay or hinder HRSD.

All work will be procured and managed by the property owner and shall be completed prior to commencement of HRSD's Project. The Seller is responsible for paying the vendors directly for the work.

The work will be funded (paid directly to Seller) by HRSD after (i) completion of the work and (ii) submission to HRSD of invoices for the work and any other supporting documentation required by HRSD; provided, however, HRSD shall submit payment for all work arising from this Exhibit D no later than thirty (30) days following satisfaction of (i) and (ii) above.

SCHEDULE D-1



Scope of Work:

-Install New 40x40 Pole Barn (stab floor, I: gurage doors with man door, I: windows) -Remove 470 Lf of Fencing -Remove concrete walks -Remove concrete walks -Remove concrete walks -All land clear and uzabe. -Instaldes all ecoloment and operators. -Job Site clean us and debits removal from site.

Roosevelt Memorial Park Location 591 (Land Clearing) everstory 1101 Carportella Road Charportella Road Job: 2024-265: Roccevelt Memorial Park Location 591 (Land Clearing)

\$34,191.00

Park

Roosevelt Memorial

G 149 974-1070
Entrance Area A - Shop Demolition, Removal of Conex Trailers & Area Clean Up
This section includes lator and material.
-Flaintannos Sico Demolition
-Cones trailer removal
-Cones trailer removal
-Cones trailer removal
-Removal of Accrossimative 230 LF of fending
-Removal all ecoloment and coversions
-Includes gradues to make usable



Area B - Fence and Vault Removal

-This section includes 200 LF of fence removal. -Removal of concrete vaults. -Damo fees includes. -Includes all esubment and operators. -Includes grading to level grade to make usable. Fence Removal and Demolition Debris Removal and Demolition \$31,962.00



Area B - New Maintenance Shop (40x60 Fabricated Metal Building)

This section includes labor and material; and permits -Pole Sam Material Kit -Greeton of Building -Slab -Slab -Bectric Pole Barn

Total

\$170,153.00

\$104,000.00



Roosevelt Memorial

Entrance Area A - Shop Demolition, Removal of Conex Trailers & Area Clean Up

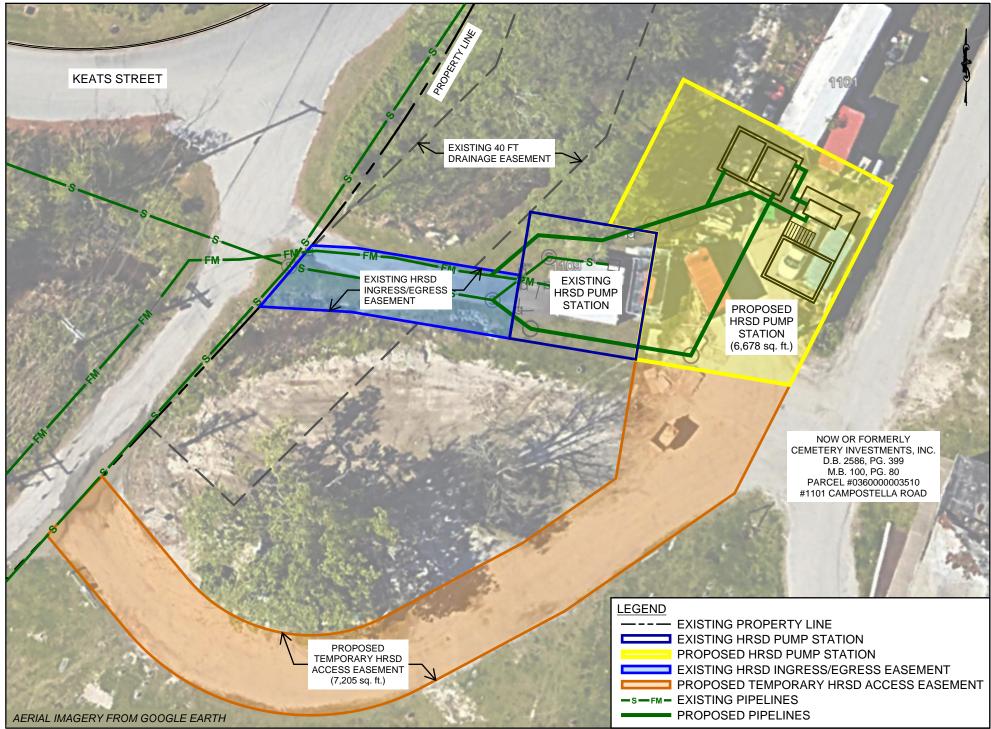


Area B - Fence and Vault Removal + New Maintenance Shop (Pole Barn)



LOCATION MAP

1109 KEATS STREET & 1101 CAMPOSTELLA ROAD, CHESAPEAKE, VA



LOCATION MAP – Roosevelt Memorial Park Cemetery



- Cemetery (green) is surrounded on three sides by interstates (I-64 & 464)
- Current property's maintenance area (rectangle red) to be relocated
- Relocation to new maintenance area (top right red)
- HRSD proposed acquisition area (purple) abuts the existing pump station



AGENDA ITEM 12. – January 28, 2025

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.

AGENDA ITEM 13. - January 28, 2025

Subject: New Business

AGENDA ITEM 14. – January 28, 2025

Subject: Unfinished Business

AGENDA ITEM 15. - January 28, 2025

Subject: Commissioner Comments

AGENDA ITEM 16. – January 28, 2025

Subject: Informational Items

Recommended Action: No action is required.

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

- a. Management Reports
 - (1) <u>General Manager</u>
 - (2) <u>Communications</u>
 - (3) <u>Engineering</u>
 - (4) <u>Finance</u>
 - (5) Information Technology
 - (6) <u>Operations</u>
 - (7) <u>Talent Management</u>
 - (8) <u>Water Quality</u>
 - (9) <u>Report of Internal Audit Activities</u>
- b. <u>Strategic Measures Summary</u>
- c. <u>Emergency Declaration Army Base 36-inch Force Main (SF-002) Emergency</u> <u>Repair at Railroad Avenue</u>



January 15, 2025

Re: General Manager's Report



Nansemond Treatment Plant successfully opened their FOG (Fats, Oils and Grease) Facility with the new Greasezilla system now in operation.

A Port of Virginia contractor installing an electric duct bank drove a steel sheet pile on top of our force main causing a hole. The contractor contained the sewage and discharged the flow into a nearby manhole. An emergency was declared, and a new CIP project was established to repair the force main.

Treatment Compliance and System Operations: Multiple events were reported this month. Additional details are available in the Air and Effluent Summary in the Water Quality monthly report.

- From Fiscal Year (FY) 2025 to date, there have been three Permit Exceedances out of 28,264 Total Possible Exceedances.
- Pounds of Pollutants Removed in FY 2025 to date: 104.7 million pounds.

Water Quality: No civil penalties were issued in December.



Financial Stewardship

Budget season is under way and staff were provided instructions for our FY 2026 budget. There is a series of meetings scheduled with the Commission as we work towards a Commission budget recommendation for approval in May.

In the Engineering monthly report, the 2024 Engineering News Record (ENR) **national** Construction Cost Index (CCI) is +0.9%, but it varies by region and is not reflective of the significant work going on in Hampton Roads driving up prices. For example, Atlanta's CCI is much higher than the national average at +5.9%. Unfortunately, ENR only provides "Local Indexes" for a handful of regions and does not track Hampton Roads.

Finances halfway through FY 2025 are looking great. Revenues continue to exceed budget as water consumption remains higher than expected and interest income continues to be strong. Expenses remain under control and below budget.

PO Box 5911, Virginia Beach, VA 23471-0911 • 757.460.7003



Each Division Chief presented their five-year roadmaps at the quarterly Leadership retreat. This was important for our organizational leaders to see each other's initiatives and learn more about their strategic directions.



I provided a SWIFT update to the Rappahannock River Commission, which includes two State Senators and a few Delegates. Senator Stuart enjoyed the presentation and would like me to present at one of the General Assembly committees in the next session.

Staff provided a SWIFT tour to the Director of Water Security and Resilience (Assistant Secretary of the Navy) and other Navy staff.

I met with the City of Norfolk Deputy City Manager to discuss Lambert's Point and coordinate various issues.

Our Chief of Water Quality is a member of the Virginia Department of Environmental Quality (DEQ) and the Virginia Department of Health (VDH) PFAS Expert Advisory Panel, which was established by legislation in 2024. This is an important group as they will provide input on future policy in Virginia.

Staff attended the Chesapeake Bay Foundation's legislative reception which included the Speaker of the House, State Senators and Delegates.



HRSD's Chief Information Security Officer (CISO) participated in a rollout of new water/wastewater security solutions with WaterISAC, the international security network created by and for the water & wastewater sector.

Staff provided a SWIFT Research Center tour to the Norfolk Innovation Corridor group, which included a presentation on the Water Technology Innovation Ecosystem concept. In addition, Senator Danny Diggs, District 24 (Peninsula), attended and was impressed.

I met with Radhika Fox, former EPA Assistant Administrator for Water, to discuss the upcoming "Water Disruption Innovation" meetings in 2025 and presented HRSD's Water Technology Innovation Ecosystem concept.

I participated in judging Imagine H2O's Coastal Innovation Challenge. The winners will receive \$275,000 in pilot funding. It was a great experience to hear perspectives from the other judges that are from private equity/investors in the water technology space. I was the only utility on the 17-person judging panel.

Staff met with Waste Management and Jefferson Labs to coordinate the PFAS destruction pilot. We are currently looking into funding options and schedules.

Staff met with Dominion Energy to learn how they provide power to potential economic development sites. They have a separate group that is focused on data centers. This will be important as staff evaluates the potential for industrial co-location at one of our treatment plants.

I met with the Water Research Foundation to walk them through our Water Technology Innovation Ecosystem concept. They immediately put me in contact with Dr. Peter S. Fiske, Executive Director - NAWI - National Alliance for Water Innovation - Lawrence Berkeley National Lab. Dr. Fiske would like to feature our idea in one of their monthly webinar series invites go out to more than 4,000 individuals across 600+ organizations in water and water/energy research.

I look forward to seeing you in Newport News at 9:00 a.m. on Tuesday, January 28, 2025.

Respectfully submitted,

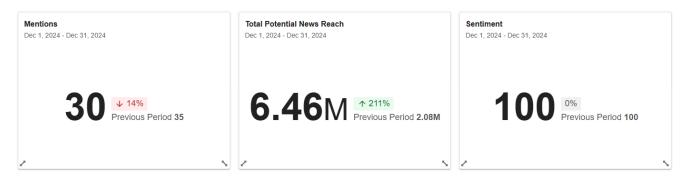
Jay Bernas, P.E. General Manager TO: General Manager

FROM: Chief Communications Officer

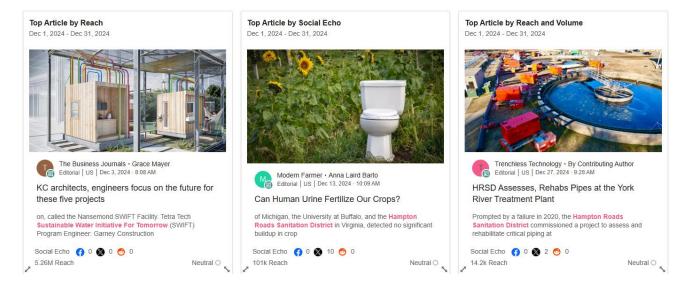
SUBJECT: Monthly Report for December 2024

DATE: January 11, 2025

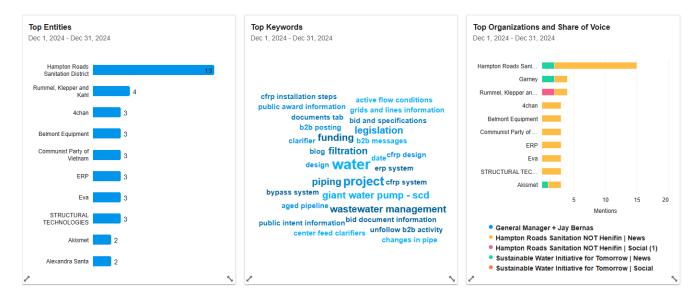
- A. Publicity and Promotion
 - 1. HRSD and Sustainable Water Initiative For Tomorrow (SWIFT) were mentioned or featured in seven stories this month. Topics included:
 - a. Surry's complex interceptor force main beats tight deadline
 - b. HRSD Assesses, Rehabs Pipes at the York River Treatment Plant
 - c. Can Human Urine Fertilize our Crops?
 - d. James River Crossing Sewage Force Main HDD Planning and Design
 - 2. Analysis of Media Coverage
 - a. Key results for December



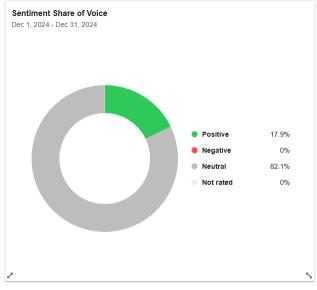
b. Top performing news content

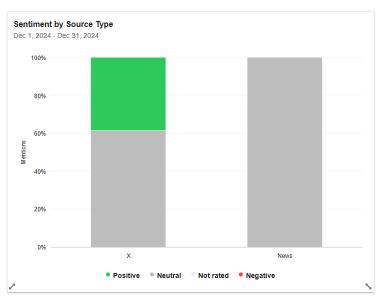


c. Top entities and keywords

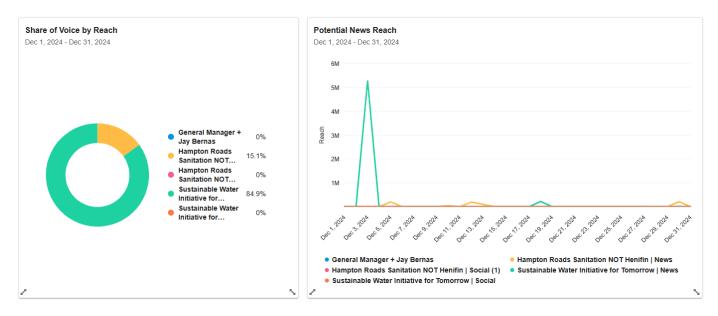


d. How favorable is the content?

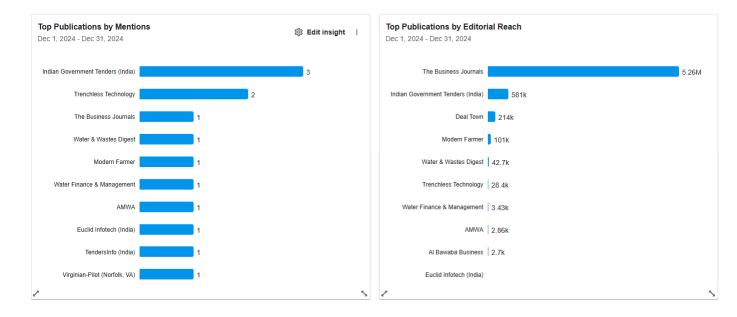




e. What is the potential reach?



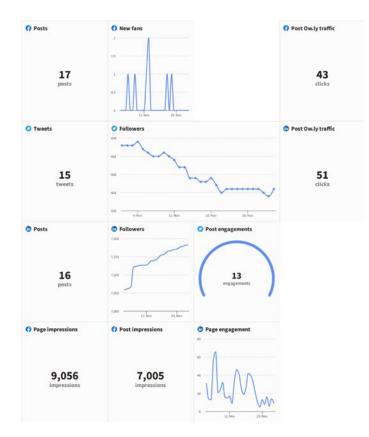
f. Top publishers





B. Social Media and Online Engagement

1. Metrics – Facebook, X and LinkedIn



2. YouTube

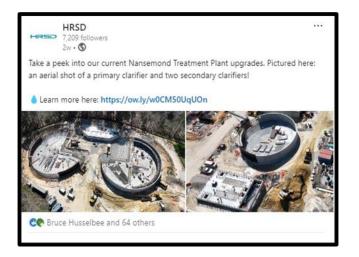


3. Top posts on Facebook, Twitter, and YouTube

a. Top Facebook post



b. Top LinkedIn Post



c. Top X Post



- d. Top YouTube Videos (based on views in the month)
 - (1) <u>SWIFT Research Center: What Is the Potomac Aquifer</u>
 - (2) <u>The Wastewater Treatment Process</u>
 - (3) HRSD Atlantic Treatment Plant Cambi THP Tour
 - (4) Why SWIFT Matters
 - (5) <u>What is Asset Management?</u>
- 4. Website and Social Media Impressions and Visits
 - a. Facebook:
 - (1) 9,468 page impressions
 - (2) 6,319 post impressions reaching 6,032 users.
 - (3) Facebook Engagement of 219 (192 reactions, 17shares, and 10 comments)
 - b. X: 2.45% engagement rate
 - c. HRSD.com/SWIFTVA.com: 768 page visits
 - d. LinkedIn Impressions:
 - (1) 17,791 page impressions

- (2) 12,028 post impressions
- e. YouTube: 403 views
- f. Next Door unique impressions: 56,654 post impressions from 12 targeted neighborhood postings and two regionwide posting shared with 1,351,676 neighbors
- g. Blog Posts (0):
- h. Construction Project Page Visits 1207 total visits (not including direct visits from home page, broken down as follows:
 - (1) 990 visits to individual pages
 - (2) 217 to the status page

C. Education and Outreach Activity Highlights

Chief Communications Officer (CCO) participated in the SWIFT Research Center tour given to the Director, Water Security and Resilience and associated group representing the Assistant Secretary of the Navy. Community Outreach and Education Specialists coordinated and participated in six different outreach events this month. Community partners included Chesapeake Public Schools, Joint Base Langley Eustis, Portsmouth Health District, Virginia Beach City Public Schools and Portsmouth Public Schools.

Project notices were distributed to 677 customers for 11 different projects across the service area this month. The department distributed and posted 12 construction notices/notices to neighbors to the HRSD.com Newsroom.

D. Internal Communications

CCO participated in the following internal meetings and events:

- 1. SWIFT Community Commitment Plan Steering Committee meeting
- 2. Customer Onboarding planning meeting with CFO and Director of Customer Care
- 3. Leadership Forum for presentation of Division Roadmaps
- 4. Atlantic Treatment Plant monthly communications check-in meeting
- 5. SWIFT Industry Day 2025 planning meetings
- 6. Atlantic Treatment Plant (ATP) 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. CCO conducted biweekly Communications department status meetings and weekly one-on-one check-in meetings.
- 11. Staff participated in 17 project progress and/or construction meetings along with additional communication planning meetings with various project managers, plant staff and external stakeholders.



Professional development activities and pursuits for December included the following:

- Staff participated in the NACWA Lunch and Learn titled, "Addressing PFAS and Protecting Affordability"
- Public Information Specialist completed IS-251.b: Integrated Public Alert and Warning System (IPAWS) for Alerting Administrators training course
- CCO attended virtual training, "Advanced AI Strategies and Use Cases for Communications Pros"

Respectfully,

Leila Rice, APR

Chief Communications Officer

TO: General Manager

FROM: Chief Engineer

SUBJECT: Monthly Engineering Report for December 2024

DATE: January 13, 2025



Environmental Responsibility

HRSD staff and our consultant, VHB, have been working to address an invasive weed issue as part of the James River Treatment Plant Phase I Trails project. Shortly after the completion of the asphalt trail, grass started appearing within the trail surface. It was determined that an invasive grass (Johnson grass) had negatively impacted the trail. Johnson grass (*Sorghumhalepense*) is considered an invasive weed, can grow tall, and can crowd out native plants and harm the environment. The Project Team has proposed a Control Plan to the City of Newport News to address this issue before the trail is turned over to the City.

Closure efforts continue at the Chesapeake-Elizabeth Treatment Plant site. Two issues of environmental concern include the removal of buried underground storage tanks and modifications to the existing stormwater management systems. A contractor has been hired to remove the buried tanks, and this work should begin in January. The consultant, Tetra Tech, is designing a stormwater plan to address existing drainage issues at the site. These drainage improvements are needed until the facilities are ultimately demolished and the decommissioning and/or repurposing of the site is complete



Financial Stewardship

Capital Improvement Program (CIP) spending for the fifth month of FY2025 was below the planned spending target. This reduction in monthly invoices can be attributed to end of the year delays and holiday schedules.

2	Current Period	FYTD
Actual	43.71	275.33
Plan	70.50	312.10

CIP Spending (\$M):

Construction costs in 2024 rose by 0.9 percent as documented by the Engineering News Record (ENR) Construction Cost Index (CCI). The wider economy is generally in a strong position with low unemployment and moderate inflation. Growth in the construction sector was slow in 2024, with most of the gains in the industrial and non-building sectors. Labor shortages are predicted to be a continued challenge in 2025, particularly skilled labor. The Water Sector continues to show strong growth. The consultant community has been able to manage the challenges of the current economic situation, but staffing shortages are driving up salaries in the professional ranks. HRSD has seen both increased pricing for construction and fewer bidders competing for work. As the local contracting community increases their backlog of work and as labor pressures from the limited availability of

skilled trades and material prices increase, we expect to see continued increases in costs. These issues should result in an increase in costs for many of HRSD's CIP projects to be bid and constructed in the coming year.



Talent

The Engineering Division has worked diligently over the last six months to fill open positions. Most of these positions are now filled and the current challenge is to onboard new staff and to assist them as they become productive members of the organization. Numerous training opportunities are being provided including site tours, formal/informal training and exposure to groups outside of the Engineering Division.

Future staffing at the proposed Boat Harbor Pump Station is under review by the Asset Management Department. Using the Asset Management Program and knowing the proposed facilities and equipment to be constructed allows us to estimate the operating and maintenance needs for this very large pump station. Since this new pump station will have screening, grit removal and odor control, in addition to some of the largest pumps in the entire interceptor system, proper staffing at this critical location will be important. Based on the analysis conducted by the Asset Management Department, an estimate of hours needed to run this pump station and other maintenance needs will be provided and used for future Operating Budget estimates.



Community Engagement

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 the impacts caused by the construction efforts. In addition, a new trail is nearly complete 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 early in 2025 with the second phase of the trail project to be completed in 2026.

HRSD continues to participate with the Former Naval Ordinance Depot (FNOD) Restoration Advisory Board (RAB). This group includes individuals who reflect the diverse interests of groups located in the North Suffolk Area (including the Nansemond Treatment Plant). The RAB reviews the progress and participates in dialogue with government decision makers, including the U.S. Army Corps of Engineers (USACE), the Department of the Army, the United States Environmental Protection Agency (USEPA), and the Virginia Department of Environmental Quality (VDEQ) about the environmental restoration activities at FNOD. RAB solicits input on the restoration process from community members and provides feedback to the USACE on the best ways to disseminate information to the public. RAB members continue to be very interested in the construction efforts underway by HRSD in and around the Nansemond Treatment Plant. Force main construction on the TCC site is particularly of interest, due to the contaminated soil and groundwater at this location. HRSD's contractor will be working closely with the USACE as this work progresses in 2025.



A recent effort to automate the process of Development Services is underway. Using the software platform, APEX, customers and end-users will be able to enter data directly into a database for better management by HRSD staff. This will limit the manual efforts by HRSD staff and provide customers with a better experience and reduce times for reviews. Training materials are being prepared to share with the public and should be available in the next few months.

The Engineering Division has purchased an aerial drone. Technology related to drones has been advancing quickly and the improved features and reduced costs have made this equipment more attractive. The prime purpose for the drone will be to assist with infrastructure assessment in hard to access areas. New features with drone technology include artificial intelligence (AI) and built-in obstacle avoidance. HRSD staff have acquired the certifications and licenses needed, and additional insurance has also been acquired for the safe use of this equipment. We expect to begin testing this new device in the coming month.

Bruce W. Husselbee

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

TO:	General Manager
FROM:	Deputy General Manager and Chief Financial Officer
SUBJECT:	Monthly Report for December 2024
DATE:	January 13, 2025



Financial Stewardship

Staff met with Standard and Poor's to conduct the annual liquidity review associated with its \$50 million variable rate demand bonds outstanding. As in the past, the rating agency did not express any concerns with HRSD's liquidity position or management control procedures.

With half the fiscal year now complete, operating revenues appear to be slightly ahead of budgetary expectations. Similarly, billed consumption, the basis for HRSD's largest revenue source, is also ahead of budgetary expectations. Interest income significantly exceeds budgetary expectations mainly due to earnings on construction related bond proceeds from the 2024B Wastewater Revenue Bonds issued earlier this fiscal year. It should be noted, however, that earnings for the first half of the fiscal year, exclusive of the earnings on bond proceeds, still significantly exceeds (120%) annual budgetary expectations despite interest rate cuts by Federal Reserve and despite staff significantly increasing the earnings expectations in fiscal year 2025.

Operating expenses and debt service costs are generally in line with budget estimates for this time of the year as well.

So far this year, HRSD spent (cash disbursements) \$284.2 million in capital improvements averaging approximately \$47 million per month.

Overall past due accounts remained static for the month of December 2024, with a slight increase in 61-90 and 90+ days, and a decrease in 31-60 days.

Field staff delivered 4,078 warning door tags and disconnected water service to 818 accounts during

Staff has recently been collaborating with two partner localities to determine the most effective collection efforts for our mutual customers. A significant effort has included outbound collections calls, arranging pay plans, leaving additional financial assistance information in addition to a preemptive warning tag, and third-party collections for closed accounts.

A. Interim Financial Report

1. Operating Budget for the Period Ended December 31, 2024.

		Amended Budget		Current YTD	Current YTD as % of Budget (50% Budget to Date)	as % of
Operating Revenues						
Wastewater	\$	442,031,000	\$	230,542,378	52%	51%
Surcharge		1,400,000		859,465	61%	44%
Indirect Discharge		3,970,000		2,169,328	55%	51%
Fees		3,172,000		1,984,701	63%	63%
Municipal Assistance		837,000		326,157	39%	78%
Miscellaneous		1,982,000		714,379	36%	100%
Total Operating Revenue		453,392,000		236,596,408	52%	51%
Non Operating Revenues					_	
Facility Charge		6,170,000		3,461,915	56%	54%
Interest Income		7,300,000		12,964,366	178%	239%
Build America Bond Subsidy		-		-	0%	51%
Other		330,000		435,165	132%	22%
Total Non Operating Revenue		13,800,000		16,861,446	122%	100%
Total Revenues		467,192,000		253,457,854	54%	53%
Transfers from Reserves		19,475,990		9,737,995	50%	50%
Total Revenues and Transfers	\$	486,667,990	\$	263,195,849	54%	53%
Operating Expenses						
Personal Services	\$	80,140,274	\$	38,539,216	48%	50%
Fringe Benefits	Ψ	30,767,169	Ψ	13,470,151	44%	48%
Materials & Supplies		15,245,514		7,117,974	47%	35%
Transportation		2,382,779		869,981	37%	42%
Utilities		16,643,039		7,632,538	46%	46%
Chemical Purchases		16,974,110		6,627,480	39%	41%
Contractual Services		57,868,703		19,086,395	33%	34%
Major Repairs		16,778,801		3,283,597	20%	22%
Capital Assets		2,361,019		189,657	8%	15%
Miscellaneous Expense		4,171,177		2,615,884	63%	38%
Total Operating Expenses		243,332,585		99,432,873	41%	42%
		· · ·		· · ·	-	
Debt Service and Transfers						
Debt Service		87,700,000		50,173,738	57%	61%
Transfer to CIP		155,635,405		77,817,703	50%	50%
Transfer to Risk management		-		-	0%	50%
Total Debt Service and Transfers		243,335,405		127,991,441	53%	54%
Total Expenses and Transfers	\$	486,667,990	\$	227,424,314	47%	48%

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 the 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 December 31, 2024.

HRSD - RESERVE AND CAP	ITAL ACTIVITY											December 3
								_				
		Gen	eral Reserve							Capital		
			General	D	ebt Service	Risl	k Mgmt Reserve	•	Paygo	SNAP	CIP Proceeds	
			Unrestricted		Restricted		Unrestricted		Unrestricted	Restricted	Restricted	
Beginning - July 1, 2024		\$	240,258,497	\$	22,307,000	\$	4,799,555	\$	37,468,922 \$	-	\$ -	-
Current Year Sources of Funds												
Current Receipts			251,382,738									
Line of Credit											-	
VRA Draws											20,512,264	
WIFIA Draws											151,508,664	
Grants											23,059,169	
Series 2024B										268,087,870		
Series 2024B Interest Transfers In									77 047 702	5,147,513		
Sources of Funds			251,382,738				-		77,817,703 77,817,703	273,235,383	195,080,097	-
Sources of Fullus			231,362,736		-		-		11,011,103	213,233,303	195,060,097	-
Total Funds Available		\$	491,641,235	\$	22,307,000	\$	4,799,555	\$	5 115,286,625 \$	273,235,383	\$ 195,080,097	
Current Year Uses of Funds												
Cash Disbursements			154,026,517						44,840,323	44,297,603	195,080,097	
Transfers Out			77,817,703									_
Uses of Funds			231,844,220		-		-		44,840,323	44,297,603	195,080,097	_
End of Period - December 31, 2024		\$	259,797,015	\$	22,307,000	\$	4,799,555	\$	5 70,446,302 \$	228,937,780	\$ -	-
	Unrestricted Funds	\$	335,042,872									

4. Capital Improvements Budget and Activity Summary for Active Projects for the Period Ended December 31, 2024.

HRSD - PROJECT	ANALYSIS			December 31, 2024						
Classification/ Treatment Service Area	Appropriated Funds	Expenditures prior to 7/1/2024	Expenditures Year to Date FY2025	Total Project Expenditures	Encumbrances	Available				
Administration	126,148,101	32,741,525	4,626,470	37,367,995	7,322,190	81,457,916				
Army Base	178,442,597	126,238,488	159,568	126,398,056	9,777,049	42,267,492				
Atlantic	201,702,972	17,798,654	9,572,347	27,371,001	28,828,354	145,503,617				
Boat Harbor	512,142,360	183,558,580	46,288,709	229,847,289	225,718,143	56,576,928				
Ches-Eliz	29,678,787	5,844,306	121,919	5,966,225	9,641,304	14,071,258				
Eastern Shore	63,812,749	41,487,070	2,631,633	44,118,703	2,185,533	17,508,513				
James River	365,141,716	185,970,412	33,881,427	219,851,839	104,260,840	41,029,037				
Middle Peninsula	84,372,822	21,437,085	1,456,528	22,893,613	5,011,096	56,468,113				
Nansemond	521,501,024	210,086,668	49,065,560	259,152,228	160,919,008	101,429,788				
Surry	57,978,543	45,155,705	714,288	45,869,993	6,572,038	5,536,512				
VIP	275,758,804	66,659,267	24,051,874	90,711,141	92,298,368	92,749,295				
Williamsburg	87,334,019	22,399,476	546,071	22,945,547	6,218,435	58,170,037				
York River	99,995,557	40,083,206	9,254,959	49,338,165	32,633,282	18,024,110				
General	1,506,568,277	336,602,844	65,898,306	402,501,150	813,725,458	290,341,669				
	\$ 4,110,578,328	\$ 1,336,063,286	\$ 248,269,659	\$ 1,584,332,945	\$ 1,505,111,098	\$ 1,021,134,285				

5. Active Capital Grants

Grant Name	Funder	Project 🗸	CIP#	Application Submitted ▼	Amount Requested <mark>.</mark> ⊽	HRSD Award Amount		
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	NP013820	10/7/2022	\$ 50,000,000	\$	31,693,207	
American Rescue Plan Act	VDEQ	Eastern Shore Infrastructure Improvements - TFM Phase I (Accomac)	ES010100	11/28/2022	\$ 8,367,000	\$	4,183,500	
Community Flood Preparedness Fund	VDCR	Onancock Treatment Plant Administrative Building Design	ES010300	10/30/2024	\$ 374,400	\$	-	
FHWA Recreational Trails Program	VDCR	Flax Mill Creek Trail at James River Treatment Plant (FCT 42230)	GN016344	6/1/2021	\$ 300,000	\$	300,000	
FY2024 Congressionally Directed Funding / EPA Community Grants Program	CDF	Eastern Shore Wastewater Improvements, Chincoteague	ES010500	3/7/2023	\$ 9,677,112	\$	1,250,000	
FY2024 Congressionally Directed Funding, Warner/Kaine, Kiggans	CDF FY24	Onancock Treatment Plant Solids Handling Improvements	ES010800	3/21/2024	\$ 6,624,248	\$	-	
Water Quality Improvement Fund, Conveyance	VDEQ	Eastern Shore TFM Phase 1 and Nassawadox Treatment Plant Conveyance	ES010100 ES010900	5/2/2022	\$ 4,900,000	\$	4,936,538	
Water Quality Improvement Fund, Conveyance	VDEQ	Chesapeake-Elizabeth Treatment Plant Conveyance	Multiple	2/7/2023	\$ 100,647,746	\$	78,276,470	
Water Quality Improvement Fund, Nutrient Reduction	VDEQ	James River SWIFT - Advanced Nutrient Reduction 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	NP013820 GN016380	3/4/2024	\$ 127,657,505	\$	-	
					\$ 1.014.575.950	\$	156,764,574	

6. Debt Management Overview

HRSD - Debt Outsta	nding (\$00)'s)	December 31, 2024									
		Nov 2024				[Dec 2024					
		Principal		Principal								
		Balance		ayments	Draws	Capital	ized Interest		Balance	Payments		
Fixed Rate	\$	1,611,497	\$	(3,809) \$	17,055	\$	491	\$	1,625,234	\$	(881)	
Variable Rate		50,000		-	-		-		50,000		(129)	
Line of Credit		100,000		-	-		-		100,000		(356)	
Total	\$	1,761,497	\$	(3,809) \$	17,055	\$	491	\$	1,775,234	\$	(1,366)	

HRSD- Series 2016V	R Bond Analysis		
	SIFMA Index	HRSD Series 2016VR	Deviation to SIFMA
Maximum	4.71%	4.95%	0.24%
Average	1.42%	0.96%	-0.46%
Minimum	0.01%	0.01%	0.00%
As of 01/03/25	3.62%	2.40%	-1.22%

Since October 20, 2011 HRSD has averaged 96 basis points on Variable Rate Debt

Subsidised Debt Activity

Source	Funder	Loan Amount		Current awn Total	% Remain	Initial Draw Date - Projected
WIFIA Tranche 1	EPA	\$ 225,865,648	\$	225,865,648	0%	Closed Out
WIFIA Tranche 2	EPA	\$ 476,581,587	\$	324,413,576	32%	Ongoing
WIFIA Tranche 3	EPA	\$ 346,069,223	\$	-	100%	July 2025
Clean Water Program 2024	DEQ	\$ 80,000,000	\$	20,354,871	75%	March 2024

7. Financial Performance Metrics for the Period Ended December 31, 2024.

Can be used for any purpose since it is not a	earmark ed for a s	pecific use and i	s extremely liquid	
			Days Cash on	Adjusted Days
			Hand	Cash on Hand
Total Unrestricted Cash	\$	335,042,872		503
Risk Management Reserve		(4,799,555)	(8)	495
Capital (PAYGO only)		(70,446,302)	(105)	390
Adjusted Days Cash on Hand	\$	259,797,015		390

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.

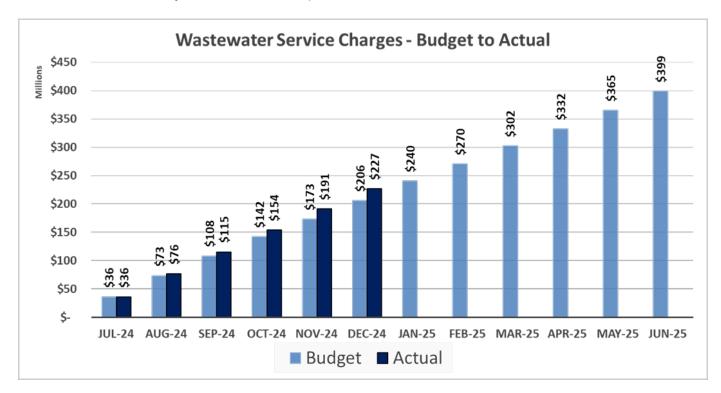
HRSD - SOURCES OF FUNDS Dece										
Primary Source	Beginning Market Value	YTD	YTD	YTD	Ending Market Value	Allocation of		Current Mo Avg		
	July 1, 2024	Contributions	Withdrawals	Income Earned	December 31, 2024	Funds	Credit Quality	Yield		
BOA Corp Disbursement Account VIP Stable NAV Liquidity Pool	31,786,393 178,789,050	565,986,216 100,000,000	551,397,865 65,000,000	579,437 5,314,029	46,954,181 219,103,079	17.6% 82.4%	N/A AAAm	0.55% 4.67%		
Total Primary Source	\$ 210,575,443	\$ 665,986,216	\$ 616,397,865	\$ 5,893,466	\$ 266,057,260	100.0%				

VIP Stable NAV Liquidity Pool performed 0.05% above to the Va Local Government Investment Pool's (the market benchmark) in the month of December 2024.

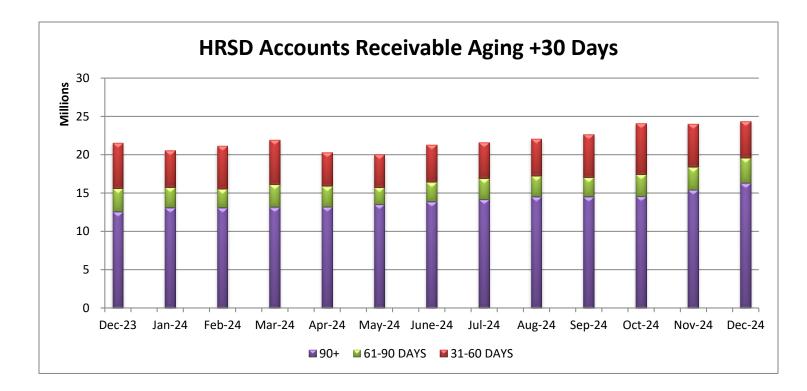
Secondary Source	Beginning			YTD	Ending			Yield to
	Market Value	YTD	YTD	Income Earned	Market Value		LTD	Maturity
	July 1, 2024	Contributions	Withdrawals	& Realized G/L	December 31, 2024	Ending Cost	Mkt Adj	at Market
VIP 1-3 Year High Quality Bond Fund	65,915,924	-	6,691	1,433,984	67,710,123	68,733,420	(1,023,297)	4.26%
Total Secondary Source	\$ 65,915,924	\$-	\$ 6,691	\$ 1,433,984	\$ 67,710,123 \$	68,733,420	6 (1,023,297)	

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 December 2024.

	Total Fund Alloc			
Total Primary Source	\$	266,057,260	79.7%	
Total Secondary Source		67,710,123	20.3%	
TOTAL SOURCES	\$	333,767,383	100.0%	

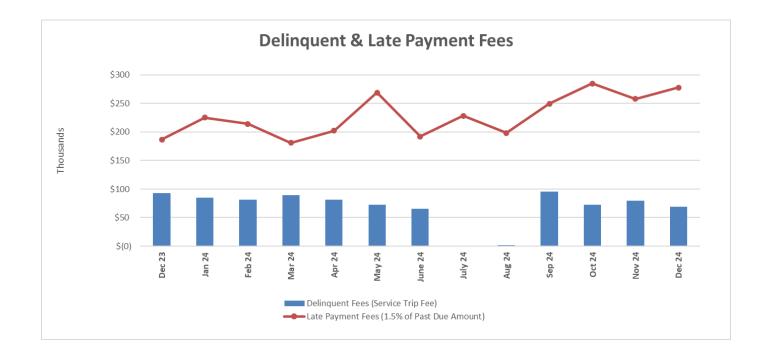


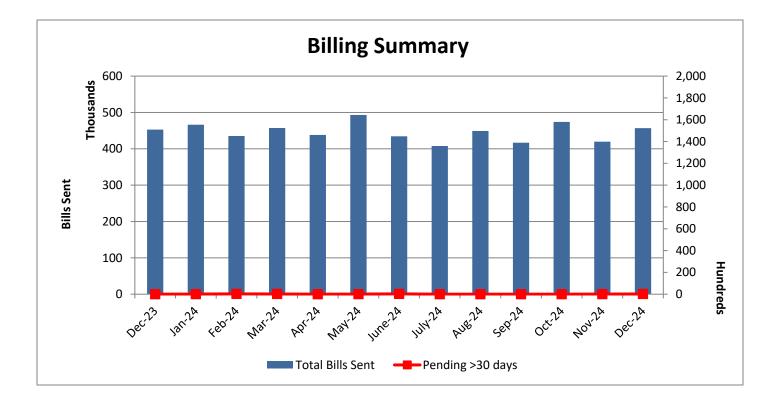
Summary of Billed Consumption (,000s ccf)									
			% Difference	2	% Difference	% Difference			
Month	FY2025 Cumulative Budget Estimate	FY2025 Cumulative Actual	From Budget	Cumulative FY2024 Actual	From FY2024	Cumulative 3 Year Average	From 3 Year Average		
July	4,678	4,630	-1.0%	4,504	2.8%	4,721	-1.9%		
Aug	9,644	9,518	-1.3%	9,432	0.9%	9,534	-0.2%		
Sept	14,196	14,223	0.2%	13,965	1.9%	14,173	0.4%		
Oct	18,663	18,870	1.1%	18,854	0.1%	18,861	0.0%		
Nov	22,756	23,421	2.9%	23,004	1.8%	22,911	2.2%		
Dec	27,109	27,666	2.1%	27,127	2.0%	27,267	1.5%		
Jan	31,641	-	N/A	31,819	N/A	31,784	N/A		
Feb	35,568	-	N/A	36,182	N/A	35,990	N/A		
March	39,770	-	N/A	39,826	N/A	39,954	N/A		
Apr	43,694	-	N/A	44,054	N/A	44,119	N/A		
May	48,027	-	N/A	48,760	N/A	48,383	N/A		
June	52,500	-	N/A	53,206	N/A	52,999	N/A		

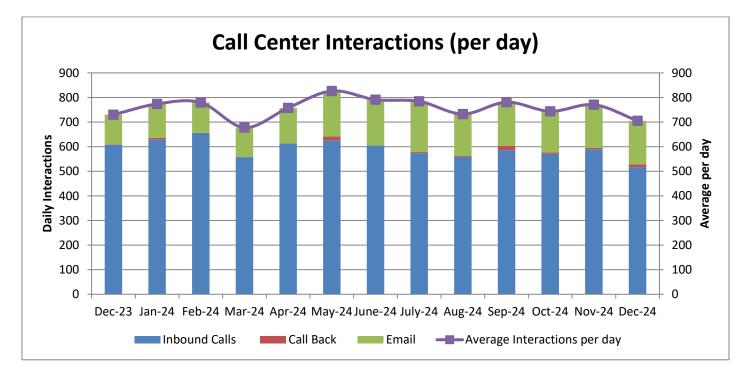


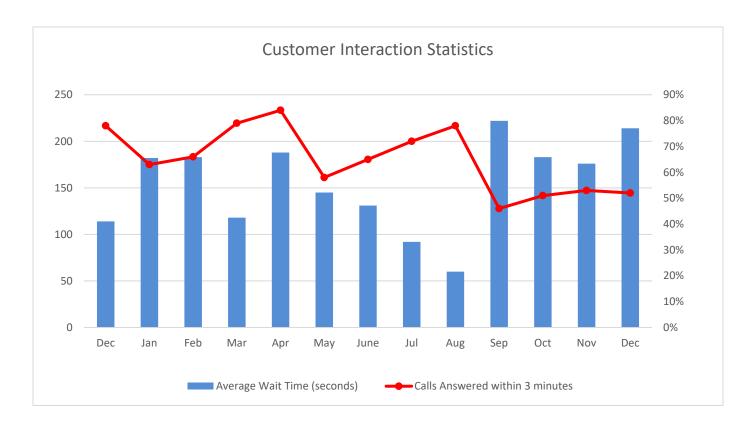
B. <u>Customer Care Center</u>





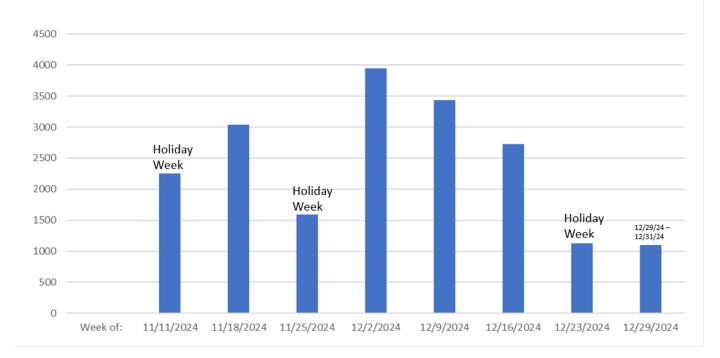






Customer Interaction Statistics	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec
Calls Answered within 3 minutes	78%	63%	66%	79%	84%	58%	65%	72%	78%	46%	51%	53%	52%
Average Wait Time (seconds)	114	182	183	118	188	145	131	92	60	222	183	176	214
Calls Abandoned	9%	13%	12%	10%	8%	15%	11%	9%	6%	18%	16%	16%	19%



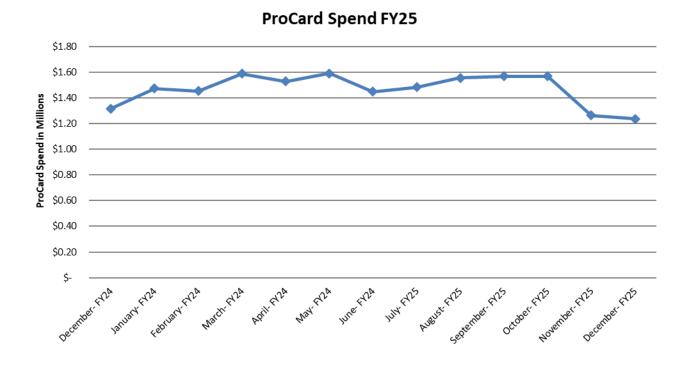


C. <u>Procurement Statistics</u>

Savings	Current Period	FYTD
Competitive Savings ¹	\$60,617	\$976,015
*Negotiated Savings ²	\$2,527	\$10,338
Salvage Revenues	\$20,841	\$210,153
Corporate VISA Card - Estimated Rebate	\$18,423	\$129,253

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

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



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 December 2024
DATE:	January 14, 2025



Desktop support staff began deploying minicomputers in early December.

The IT Help Desk processed 313 work orders and requests for assistance in December, ensuring the availability of computing resources to those working locally and remotely.

Senior Systems Engineers completed the upgrade of network devices and applications monitoring tools. This will provide enhanced monitoring for all connected devices and applications.

Senior Systems Engineers continue working on network switch replacements at HRSD pump stations.

Senior Systems Engineers and Desktop Support staff worked with ViCom to complete the South Shore Interceptors conference room upgrades.

Upgrading operating systems for mid-tier computing platforms within the data center are at 80% completion. Instances of incompatibility or anomalous performance associated with the upgrade continue to be addressed as part of the process to ensure data and systems integrity.

Programming staff and Finance staff completed requisite changes within eBusiness Suite to implement end-of-year and new year data processing and reporting requirements.

Programming staff completed work with Customer Care and jurisdiction business partners on endof-year and new year data processing and reporting changes for the Customer Care and Billing system (CC&B).

Upgrade work on the Pre-treatment Information Management System (PIMS) and Biosolids Management System continue. The upgrade is scheduled to go live in 2025.

Web portal programming staff continues collaboration with the Communications division staff and Tyler Tech on redesign of the HRSD.com website. The Chief Information Security Officer (CISO) attended the WaterISAC Board of Managers meeting in Washington, DC. Participated in the rollout of new and enhanced water/wastewater security solutions and contributed to cybersecurity tabletop exercises, addressing current threats. The exercise focused on critical issues such as terrorism, cyberattacks, and activities by nation-state actors. As a pilot initiative, it achieved high in-person attendance and generated substantive outputs, including actionable lessons learned, particularly for stakeholders in the DC, Maryland, and Virginia region. HRSD benefited significantly from this engagement by enhancing its visibility within the industry and influencing discussions to prioritize real-world, practical cybersecurity challenges with regulatory implications.



Information Technology and Customer Care Center staff continue to work on the final testing phase of the new Customer Engagement Portal. Go-live is still on target for end of January 2025.

The Chief Information Security Officer (CISO) participated in meetings and a two-day tabletop exercise in Washington DC. The meeting and exercises focused on cybersecurity, physical security, and emergency management. As the sole representative from the water and wastewater sector, he represented HRSD in discussions centered on critical infrastructure protection across four major metropolitan areas, including the Hampton Roads region. This exercise provided HRSD with invaluable access to information from DHS CISA, enhancing our ability to plan effectively for defense and response to potential incidents.

The Chief Information Security Officer (CISO) met with the Norfolk FBI Field Office to discuss GryphonCitadel Program participation. The meeting focused on process support and active participation in the FBI's GryphonCitadel program. This program is designed to enhance the security of HRSD networks by providing early warnings of sector-specific threats through an advanced capability known as TalonEye. TalonEye offers an innovative, passive observation of an organization's attack surface, enabling the FBI to identify and highlight potential adversarial targeting of critical infrastructure. This capability integrates multiple commercial and government tools and datasets to detect malicious activity effectively, providing HRSD with a proactive defense mechanism and strategic insights into potential threats. Participation in this program represents a significant step toward fortifying HRSD's cybersecurity posture and fostering collaboration with federal resources.

Information Technology Cybersecurity staff, HRSD Operations staff and Jacobs Engineering held the initial kickoff meeting for implementation of enhanced Operational Technology Cybersecurity work.



Interviews were conducted for the vacant Programming Development Manager position. An internal Candidate, Mr. Siva Velappan was selected and accepted the position. His scheduled start date is early January.

Respectfully,

Mary Corby

Chief Information Officer

TO: General Manager/Chief Executive Officer

FROM: Chief Operating Officer

SUBJECT: Operations Monthly Report for December 2024

DATE: January 10, 2025



Staff participated in several community events as follows:

- 1. The opening of the Riverview Farm Park trail along Flax Mill Creek to the Marina, Phase One, is delayed due to several trail-related items needing completion. Review of Trail Phase Two design was completed. This trail generally follows the access way from Riverview Farm Parkway to one of the recharge wells and connects with the Phase One Trail near Deep Creek. James River Treatment Plant (JRTP) staff worked with our consultants and the City of Newport News staff on the layout and design of the Phase Two Trail. In addition, the group completed plans for trail landscaping improvements around recharge wells and along views of the treatment plant.
- 2. South Shore (SS) Interceptor Operations staff held a locality collaboration meeting in December with City of Portsmouth Public Utilities staff to discuss operational issues, initiatives, and projects.
- 3. North Shore (NS) Interceptor Operations staff continued to work on the logistics and implementation of strategies discussed by and between leadership and operations staff of the James City Service Authority (JCSA) in October. Potential operational improvements include coordinated Supervisory Control and Data Acquisition (SCADA) control and system alarms. Monthly meetings will be held with JCSA to discuss progress and discuss details of all efforts going forward.



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.

Internal Air and Odor Compliance:

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

1. Williamsburg Treatment Plant (WBTP) had two odor scrubber exhaust exceptions of over five parts per million. One was due to issues with an odor scrubber recirculation pump. A backup odor scrubber train was placed in service while issues with the pump were resolved. The

second required adjustment of control setpoints to meet the level of influent hydrogen sulfide at the odor scrubber influent. The incinerator total hydrocarbon (THC) analyzer had a low total data capture percentage below 50 percent due to calibration issues.

- 2. Boat Harbor Treatment Plant (BHTP) seven THC reportable event occurred in the month of December. The continuous emissions monitoring system (CEMS) unit failed during the autocalibration in each event. Outside contractors found a centrifugal pump that needs replacement and have ordered a new one. The weather changes this month may be causing instability on all HRSD CEMS units according to the contractor. The pump will be replaced upon arrival.
- 3. There were four reportable events at the Virginia Initiative Plant (VIP) on December 5, 6, 7 and 27 for invalid THC readings due to analyzer sample pump, sample line and critical orifice blockage. Staff replaced the THC analyzer on December 27.
- 4. There were two reportable events at Army Base Treatment Plant (ABTP) for shut down of odor control scrubbers for more than one hour. The event on December 6 was caused by a failed motor temperature sensor. The December 22 event was caused by instrumentation failure. The failure was reset and the system returned to service.

Additional Topics of Interest:

- 1. On the Advanced Nutrient Removal Improvement (ANRI)/SWIFT Project at the JRTP, the contractor started installing screw piles for secondary clarifier #2 and formed and poured concrete walls for the Integrated Fixed Film Activated Solids (IFAS) effluent channel at IFAS tanks #7 through #9 and the junction-splitter box that will send flow to SWIFT or the contact tanks. The contractor worked inside the south electrical building installing equipment, conduit, and wire. For the new administration building, the contractor installed roof panels and mechanical and electrical work continued inside. Extensive work was also performed on interior mechanical and electrical systems, and room finishing. On the SWIFT side, concrete work was completed on building #2 and installation of equipment continued on all SWIFT related process buildings. Drilling of six recharge wells is complete.
- 2. Boat Harbor Treatment Plant (BHTP) and Technical Services Department staff successfully completed the MACT 129 testing on Incinerator #2. Results of the MACT 129 test are still pending, but preliminary results indicate a successful test. Testing results may indicate a potential reduction in required testing if levels remain 75% below the permit limits.
- 3. Atlantic Treatment Plant (ATP) staff successfully completed the annual Thermal Hydrolysis Process (THP) full preventive maintenance effort, also known as the THP turnaround. The team continues to find new optimization strategies, which proved beneficial this year when they encountered several unexpected issues but resolved them without having to pivot and haul undigested solids off-site. Avoiding this contingency likely prevented significant off-site odors due to transporting the solids through the neighborhood. The annual turnaround will no longer be a rushed process for staff once the new THP train is installed in the coming years via the ROCI CIP Project.
- 4. As expected, the ANRI construction process created a few challenges for the Nansemond Treatment Plant (NTP) staff. To convert the aeration tanks to the Partial Denitrification-Anammox (PdNA) process, staff must take an aeration tank out of service completely, which decreases aeration capacity for process needs. With the colder temperatures, more aeration capacity is needed, and only the three small aeration tanks, which are not fully outfitted for the

conventional Barden Pho process, are available for use. These tanks do not have the proper return capabilities, so while staff placed aeration tanks #2 and #3, as well as secondary clarifiers #1, #2, and #3 into service, it was found that additional rental pumps are required to successfully process the flow through these tanks. Project staff is working closely with the construction team to resolve this issue, which should hopefully be in place by the end of January. As a result, the Total Nitrogen for the month of December is higher than normal.

- 5. On December 16 NTP staff and Contractors successfully opened the FOG (Fats, Oils, and Grease) Facility to all outside Grease Trap waste haulers. The facility closed again around the holidays, with intentions to reopen after the first of the year. There are difficulties in keeping the grease-fed facility boilers that are used for heating process water to aid in separation, online. HRSD Engineering staff are pursuing alternative options with the vendor in hopes of resolving this time-consuming issue.
- 6. The total volume of SWIFT Research Center recharge into the Potomac aquifer for the month of October was 3.05 million gallons (MG) (9.26% Recharge Time based on 660 gallons per minute). Several factors interfered with recharge operations this month to include process configuration and maintenance related efforts.
- 7. On December 2, the City of Norfolk reported a gravity pipeline blockage on Hancock Avenue. SS Interceptor Operations staff responded and found a blockage in the HRSD gravity main. Staff jetted the line and removed the blockage.
- 8. On December 3, ABTP staff reported a force main failure on the 30-inch prestressed concrete cylinder pipe that flows to the headworks of the treatment plant. SS Interceptor Operations staff investigated and noticed a contractor working for the Port of Virginia installing an electric duct bank adjacent to the failure location. Staff found the contractor had installed steel sheeting directly on top of the force main which punched a hole in the pipeline. The contractor contained the sewage and discharged it to a nearby HRSD manhole. An Emergency Declaration and Capital Improvement Program (CIP) project were established to repair the force main.
- 9. E&I staff completed in-house Odor Control System upgrades, (Odor D) at ATP. The final train, Train #4, was upgraded, commissioned, and placed in service.
- 10. E&I staff installed one new Motor Control Center (MCC) at each Seay and Norview Avenue Pump Stations (PS's). Interceptors worked with staff to bypass the station during the power outage. Both stations are back online and functioning properly.
- 11. The Industrial Automation Programmers (IAP's) participated in the successful completion of cutover testing for the new Ovation SCADA System at Chesapeake and Clyde Master Metering Program, Thompson Avenue #4, Accomack, Cooks Corner, and City Park PS's. The final site testing was completed by CEC Staff, Emerson staff, IAP's, E&I, Interceptor Operations, and SCD staff. These sites are now active on the new Ovation SCADA systems.



Financial Stewardship

- 1. The Carpenter Shop staff is nearing the end of working on upgrading the old NS Carpenter Shop for the Project Team while continuing to work on adding two offices in the Human Resources workspace.
- 2. The Machine Shop (MS) had 19 projects this month, including four total pump rebuilds from the NS maintenance center. One of the pumps, came in with a broken pump shaft which required fabrication of a new stainless steel pump shaft, followed by a total rebuild. Another notable project involved manufacturing virgin Teflon strainers for TSD, which will sold to the town of Hopewell to facilitate proper sampling.
- 3. The Material Transportation & Logistics Staff has hauled 37 loads of Ash for a total of 302.77 dry tons. Staff also hauled 126 loads of Primary Clarifier Sludge, in addition to 65 loads of Thickened Waste Activated Biosolids for a total of 4,424.38 wet tons. In addition, staff hauled 44 loads from ATP to McGill for a total weight of 972.33 wet tons. Hauling operations provide for significant cost savings for HRSD.



- 1. The Project Team, SCD staff, and Mr. Michael Johnson (NS Interceptor Engineer) designed and installed a surface aerator and mounting foundations for the West Point Treatment Plant (WPTP) equalization pond. Staff also erected a 17 ft tall tower in the pond, that will be utilized to mount a level transducer for pond equalization.
- 2. On behalf of HRSD, Dr. Charles Bott, Chief Technology Officer, has been participating on a committee formed by the Virginia Department of Environmental Quality (DEQ) to conduct a significant update of the Sewage Collection and Treatment Regulations (SCAT) 9VAC25-790. The current regulations are very dated, the regulations are blended with design guidance that is no longer accurate or current, they don't contemplate many of the treatment technologies in use at HRSD, and many of the required procedures are no longer relevant with DEQ having eliminated the Office of Wastewater Engineering more than 10 years ago. It is very important that HRSD is closely involved in this process, because continued innovation in the treatment technology space is dependent on the outcome of these regulations. This committee assignment is expected to last for several years given the workload. The Director of Process Engineering is serving as an alternate for this committee assignment.
- 3. VIP and Water Technology and Research (WT&R) staff continued to operate and monitor a ballasted sedimentation and a cloth media filtration pilot for tertiary phosphorus removal. During the month of December, staff began data experimentation and data collection with the pilot in series operation and discovered that cationic polymer C-6620 performed significantly better than the anionic polymer being used for ballasted sedimentation at low alum doses. Additional jar testing and experimentation will occur in January.
- 4. ABTP started Dynamic Online Rate Measurement (DORM) full scale testing. DORM is a test developed by an HRSD WT&R intern to characterize nitrification kinetics in-situ by measuring how changes in dissolved oxygen concentrations affects the nitrification rate. In-situ kinetic

parameterization has significant benefits for modeling and operation of treatment plants and is less labor intensive and more accurate than current approaches for characterization.

- 5. The Digital Solutions Review Team responsible for evaluating solutions to leverage Artificial Intelligence and/or Digital Twins technologies met with TeamSolve to discuss the feasibility of a pilot project implementing their tool, Knowledge Twin (KT) in addressing challenges in asset management and operational intelligence.
- 6. The SCADA program continues to make significant progress.



- Mr. Chris Tormos, Heavy Equipment Operator; Mr. Skylar Stineman, Interceptor Assistant; and Mr. Billy Simmons, Interceptor Assistant joined SS Interceptor Operations on December 9. After a few short weeks, Mr. Skylar Stineman was promoted to Interceptor Technician on December 21. Mr. Erik Hamilton was also promoted from Interceptor Assistant to Interceptor Technician on December 21.
- 2. Mr. Marlon Lewis has been hired as a Transportation Driver on December 28.

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	Мау	June
2.7	# of PS Annual PMs Performed (NS)	37	3	2	5	3	3	3						
2.7	# of PS Annual PMs Performed (SS)	53	2	3	5	3	1	1						
2.7	# of Backup Generator PMs Performed	4.6	6	10	5	8	3	3						
2.8	# of FM Air Release Valve PMs Performed (NS)	234	397	483	515	539	273	343						
2.8	# of FM Air Release Valve PMs Performed (SS)	1,550	208	164	64	83	99	92						
2.9	# of Linear Feet of Gravity Clean (NS)	2,417	1,614	2,402	3,996	5,300	2,197	3,729						
2.9	# of Linear Feet of Gravity Clean (SS)	2,417	730	810	2,370	3,087	1,350	1,222						

TO: General Manager

FROM: Chief People Officer

SUBJECT: Talent Management Monthly Report for December 2024

DATE: January 14, 2025



Staff retention and recruitment continue to be key priorities for the Talent Management (TM) Division. To support these efforts, the division has initiated targeted strategies to enhance workforce engagement, reinforce safe work practices, and attract high-quality candidates across the HR, Safety, and Learning and Development departments.

Human Resources (HR): The team is actively working to fill critical vacancies, including positions such as HR Generalist, Benefits Specialist, and Talent Acquisition Specialist, while ensuring a streamlined and efficient hiring process.

Four question-and-answer sessions were conducted to address updates to the leave policies. A total of 43 employees were given the option to transition from the Paid Time Off (PTO) plan to the Annual Leave and Sick Leave plan. These changes are scheduled to take effect on January 1, 2025.

Participation in HRSD's Wellness Program continues to grow. Plan education, wellnessrelated presentations, individual and group coaching, and virtual guided meditation sessions continue.

Learning and Development (L&D): L&D celebrated the successful completed of participants in the Leadership and Management Academy (LAMA). This yearlong program culminated in the presentation of solutions to this year's wicked problem, which focused on knowledge retention and employee development.

L&D convened a Leadership Forum that brought together directors and chiefs to review and highlight areas of overlap in the divisional roadmaps. This collaborative event facilitated cross-divisional alignment on initiatives over the next five years. L&D also hosted a series of Q&A sessions for employees to address questions and provide clarity regarding recent changes to the leave policy.

L&D remains committed to supporting employees by hosting meaningful forums and classes to empower employee engagement, knowledge, and professional development.

Safety and Security: Staff conducted required safety training and medical monitoring. Weekly, monthly, and quarterly safety inspections, testing and monitoring were performed at various work centers and construction sites.

Safety is finalizing annual audiometric testing for employees that are part of HRSD's Hearing Conservation Program.

There were four reported auto accidents/property damage incidents and three workrelated injuries requiring medical attention, all of which are under review to identify root causes and implement preventative measures.

Respectfully submitted,

Dorissa Pitts-Paige

Chief People Officer

TO: General Manager/ Chief Executive Officer

FROM: Chief of Water Quality (CWQ)

SUBJECT: Monthly Report for December 2024

DATE: January 14, 2024



Environmental Responsibility

- 1. HRSD's Regulatory Activities:
 - a. Monthly Discharge Monitoring Report (DMR) Summary and Items of Interest: <u>Effluent and Air Emissions Summary</u>.
 - b. From Fiscal Year (FY) 2025 to date, there have been three Permit Exceedance out of 28,264 Total Possible Exceedances.
 - c. Pounds of Pollutants Removed in FY 2025 to date: 104.7 million pounds.
 - d. HRSD received draft permits for Owner Review for Williamsburg on December 16 and Mount Olive on December 23. Both were reviewed, with comments submitted in early January.

2. <u>Pretreatment and Pollution Prevention (P3) Program Highlights:</u>

No civil penalties were issued in December.

3. Environmental and Regulatory Advocacy

Chief participated in the following advocacy and external activities:

- a. Assisted with a tour of the SWIFT Research Center for the Assistant Secretary of the Navy's Director of Water Security and Resilience. Attendees included Naval staff responsible for developing direct potable reuse policy and those representing environmental health.
- Assisted with a SWIFT Research Center tour for board members of the Norfolk Innovation Corridor (NIC) and Old Dominion University's Dragas Center for Economic Analysis and Policy.
- c. Provided a tour of the SWIFT Research Center to Portsmouth Local Health Department Director and staff.
- d. Attended the National Association of Clean Water Agencies (NACWA) virtual Pretreatment Conference.
- e. Attended the annual business meeting of the Virginia Biosolids Council.
- f. Participated in the One Water Council's One Water Resources Advisory Group meeting. Advisory group members are tasked with supporting the development of a Guide for Effective One Water Messaging.

- g. Attended the Eastern Virginia Groundwater Management Advisory Committee meeting. AquaVeo staff provided an update on annual withdrawals and aquifer response and DEQ staff provided an update on their monitoring well network within the Eastern Virginia Groundwater Management Area.
- h. Attended the Chesapeake Bay Program's Water Quality Goal Implementation Plan meeting.
- i. Participated in the second meeting of the Virginia Department of Environmental Quality (DEQ) and the Virginia Department of Health (VDH) PFAS Expert Advisory Panel. This panel is a required element of legislation passed in 2024. This expert advisory panel is established to assist DEQ and VDH in identifying sources of PFAS that are contributing to exceedances of the National Primary Drinking Water Standards for PFAS. This work is largely focused on industrial source control though wastewater utilities within the water supply watersheds where PFAS is elevated are also required to conduct sampling. In this second meeting, DEQ provided its prioritization process for assisting drinking water utilities with source identification.
- j. Participated in the Virginia Association of Municipal Wastewater Agencies (VAMWA) Board meeting and the quarterly member meeting. Provided a presentation at the member meeting on Virginia's upcoming Water Quality Standards Triennial Review, in which state water quality standards are typically updated and/or new standards are added based on criteria recommendations from EPA.
- k. Attended the annual Virginia Nutrient Credit Exchange Association (the "Exchange") meeting where we were updated on Exchange 2.0, a revision to current practices and policies governing the Exchange that will allow greater flexibility in meeting credit needs from stormwater permittees and new dischargers within the Chesapeake Bay Watershed. Exchange 2.0 will also require a longer planning horizon, projecting trade needs for ten years with each annual submission in contrast with the current five years.
- I. Attended the Virginia Forever Executive Board meeting and the Governor's annual budget briefing. With a two-year budget already approved, the focus of the budget briefing was on the Governor's priorities for managing the budget surplus.
- m. Participated as a member of DEQ's Technical Advisory Committee for the general permit governing nutrient discharges and credit trading within the Chesapeake Bay Watershed.
- n. Attended the Chesapeake Bay Foundations "Hampton Roads to Richmond Legislative Reception", which was attended by the Speaker of the House, Don Scott, additional elected officials representing Hampton Roads, and leadership from local government, non-profit organizations and businesses working on environmental resilience and sustainability initiatives.



 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. The Town of Hopewell
- c. Westmoreland County
- 2. MAP Billed Reimbursements for service provided from October 1 to December 31, 2024.
- 3. MAP Invoice Summary for the fourth Quarter 2024 calendar year.
- 4. HRSD is processing MST repair reimbursement requests for two localities. As part of HRSD's Integrated Plan, HRSD committed to a spend of \$10M before 2030 for both MST investigations and for funding repairs that were identified as a result of an investigation.



Two new employees started in the P3 Department. Ms. Elise Gilmore started as a P3 Technician in the North Shore Field Office and Mr. Richard Olaes as the PIMS Analyst. Also within P3, Ms. Angela Kilgore was promoted to P3 Manager. She will work alongside Kevin Heitzhaus until his retirement at the end of February.



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 Newport News (Southeast Newport News)
- 3. City of Norfolk (Pretty Lake)
- 4. City of Suffolk (downtown)
- 5. City of Virginia Beach (Thalia Creek)
- 6. James City County

Respectfully submitted,

Jamie Heisig-Mitchell Chief of Water Quality

EFFLUENT SUMMARY FOR DECEMBER 2024

	FLOW	% of	BOD	TSS	FC I	ENTERO	TP	TP	ΤN	ΤN	CONTACT
PLANT	mgd	Design	mg/l	mg/l	#/UBI	#/UBI	mg/l	CY Avg	mg/l	CY Avg	TANK EX
ARMY BASE	7.82	43%	4	3.6	1	1	0.30	0.56	4.3	4.5	8
ATLANTIC	39.59	73%	8	14	8	1	NA	NA	NA	NA	10
BOAT HARBOR	8.96	36%	13	11	3	2	1.3	0.95	32	26	15
CENT. MIDDLESEX	0.018	74%	<2	1.0	<1	<1	NA	NA	NA	NA	NA
JAMES RIVER	10.24	51%	9	8.4	1	2	0.68	0.56	13	11	10
KING WILLIAM	0.087	87%	0	1.2	NA	<1	1.2	0.23	3.7	2.3	NA
NANSEMOND	15.39	51%	5	5.9	2	1	1.2	1.3	7.6	5.0	1
ONANCOCK	0.198	26%	<2	0.22	<1	1	0.05	0.21	2.0	3.1	NA
SUNSET BAY	0.009	23%	2	4.0	21	5	NA	NA	NA	NA	5
URBANNA	0.040	40%	7	16	3	9	3.4	3.8	17	16	NA
VIP	23.33	58%	4	2.6	1	1	0.64	0.68	5.4	4.1	3
WEST POINT	0.289	48%	29	13	2	2	5.3	3.3	27	17	0
WILLIAMSBURG	7.51	33%	4	3.1	2	6	0.89	0.97	5.3	3.3	18
YORK RIVER	10.07	67%	2	0.85	<1	<1	0.18	0.29	6.2	5.2	7
_	123.56										

	% of
	Capacity
North Shore	45%
South Shore	61%
Small Communities	36%

AIR EMISSIONS SUMMARY FOR DECEMBER 2024

	No. of Permit Deviations below 129 SSI Rule Minimum Operating Parameters								Part 503e Limits		
	Temp	Venturi(s) PD	Precooler 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	рН	Bypass	Mo. Ave	DC	Daily Ave	
MHI PLANT	(F)	(in. WC)	(GPM)	(GPM)	(GPM)	3 hr ave	Stack Use	(PPM)	(%)	Days >Max	
ARMY BASE	*	*	*	*	*	*	*	*	*	*	
BOAT HARBOR	0	0	0	0	0	0	0	45	74	0	
VIP	0	0	0	0	0	0	0	34	97	0	
WILLIAMSBURG	0	0	0	0	0	0	0	4	46	0	

* ABTP MHIs shuttered 9/27/24

Items of Interest –December 2024

MULTIPLE HEARTH INCINERATION (MHI)

Total Hydrocarbon (THC) monthly averages (not to exceed 100 ppm) were met by all three MHI plants (Boat Harbor, Virginia Initiative, and Williamsburg). The THC continuous emissions monitoring (CEM) valid data capture was 46% or greater.

The unreliable existing THC CEMS at Williamsburg receives frequent recalibration, repair, and service from Operations, E&I and HRSD's CEMS contractor to keep it running albeit with a continued low percent data capture until the entire CEMS system can be replaced. The current schedule for delivery and installation of the new CEMS by the contractor is June 2025.

The four MHI plants had no deviations or uses of the emergency bypass stack.

On December 5, DEQ conducted a compliance inspection of and observed the MHI stack test being conducted at Boat Harbor. The inspection identified a compliance issue related to notification requirements for the October 2024 emissions testing of the nonemergency generator units. The non-emergency engines are regulated under the federal Stationary Reciprocating Internal Combustible Engines (RICE) rule. As a rule requirement, HRSD and our energy share program contractors (NRG/E2C) provided advance notification to EPA of the upcoming emissions test. E2C and HRSD did not provide DEQ with similar notification believing that this was not a requirement since DEQ is not the regulatory authority for the RICE rule. However, as part of this inspection, DEQ clarified that since Boat Harbor is a Title V DEQ-permitted source. DEQ has enforcement authority over the RICE rule for this facility and, therefore, the notification requirement also applied to DEQ. DEQ issued a warning letter for the lack of notification on December 11 and HRSD responded on December 26 to confirm that HRSD will provide the required notification for any future testing of the engines at Boat Harbor. A final response from DEQ to the warning letter and a resolution of this matter is pending.

The engine emissions testing conducted at both Boat Harbor and Nansemond in October demonstrated compliance with the required RICE rule carbon monoxide emission limits. Test reports were submitted to EPA. DEQ was also provided with a copy of the test report for Boat Harbor. Preliminary Boat Harbor MHI stack test results also demonstrate compliance with the emissions standards and are pending a final test report to submit to DEQ and EPA by February 3.

AIR PERMITS and ODOR CONTROL

HRSD submitted the notice of commencement of construction to DEQ on December 10 for the recently issued air permit to James River for the new diesel engine emergency generators. The current anticipated start-up of the engines is this May with the engines expected to be placed into full service in June.

There was a total of nine (9) odor control complaints this month.

Atlantic Plant received four (4) complaints from Ocean Lakes and Lago Mar neighbors. Plant Staff responded to all complaints. Sources of odors were digesters (1), THP (1), the solids pad (1), and general plant odors (1). Communications continues to provide responses to the neighbors as needed. TSD recorded all complaints in the air permit required complaint log.

South Shore Operations and TSD received three (3) complaints of odors from Chesapeake Public Schools regarding odors at Rena B. Wright primary school. The school is located across the street from HRSD's Park Avenue pump station. The source of odors that are being reported inside the school have been investigated. A smoke test of the school was conducted by HRSD along with the City of Chesapeake Public Works and Chesapeake Public Schools on December 20. The testing revealed the building's plumbing and HVAC system have issues which are likely sources of the odors. Any potential contribution to odors at the school from HRSD will be mitigated with the completion of the new Park Avenue pump station that is scheduled to come online this Spring. The new station includes odor control that will address any station odors and provide some limited relief of associated gas pressure that could occur within the local sewer network that the school is connected to.

York River received two (2) odor complaints from a neighbor on Back Creek Road across from the plant. Plant Staff responded to both complaints. The source of the odors and complaints was undetermined post investigation. The complainant was apprised of the complaint investigation and results. No further complaints have been received.

TREATMENT

DEQ was notified of the following reportable events:

Nansemond

On December 3, during a planned shutdown of the plants 54" nitrified recycle line, contractors used plastic sheeting and sump pumps under the area being drained to contain flow. Some flow escaped the plastic sheeting resulting in approximately 300 gallons of aeration effluent being absorbed into the ground.

On December 9, operators found non-potable water (NPW) pouring into the pump room of the return building through a wall penetration. Staff isolated two NPW lines and found flow continuing to enter the building on the following morning. Through troubleshooting a third NPW line was isolated and determined to be the source of the flow. This line is in a place inaccessible with equipment to find the exact break and will be abandoned in place and a new line will be run to the building. Due to the unknown location of the break in the pipe or the amount of time broken prior to water entering the building, the release of NPW to the ground was estimated at 3,000 gallons.

On December 12, during construction contractors hit a sodium hydroxide line in a double wall containment. While repairing the line approximately 100 gallons of sodium hydroxide leaked onto the ground. Contractors removed all contaminated soil, which will be disposed of at a chemical receiving facility.

On December 14, after using NPW hoses for cleaning activities, staff found an underground NPW line broken at the bottom of a stairway. The isolation valve was secured and approximately 350 gallons of NPW were released to the ground.

On December 20, a break occurred in a buried ferric chloride line due to a large excavation supporting construction efforts which caused an increased strain on the pipe. Plant staff excavated and recovered as much as possible resulting in 10 gallons of ferric chloride being unrecoverable from the ground.

Virginia Initiative

On December 6, a PVC pipe broke for the raw wastewater supply to the pilot plant due to a potential water hammer. One section of the heat trace was not turned on and the weather made the PVC brittle. Staff immediately turned off the pumps and the release was limited to approximately 190 gallons of raw wastewater to the ground.

Williamsburg

On December 30, a 6-inch underground scrubber blow down line from odor control station B was broken and leaked into a nearby open top storm drain. The water was getting in through a 2-inch ground water weep hole on the inside of the chamber. Sandbags were placed on the inside of the storm drain to stop water from reaching the stormwater outfall and a sump pump with a float switch is maintained the leak until the line break was located and repaired. Approximately 150 gallons of chlorinated spent scrubbant water were released to the ground.

SYSTEM

On December 18, HRSD staff were notified of sewage coming out of the pavement at the intersection of Monroe Place and Magnolia Run in Norfolk. The force main causing the problem was serving only Richmond Crescent PS and discharged to a manhole approximately 10 feet away from the apparent point of failure. When the spill stopped, Interceptors mobilized and exposed the force main and found it to be in poor condition and showed significant wall loss. A repair was completed to replace a section of pipe. Approximately 750 gallons of wastewater were unrecoverable from the gutter pan to storm inlet to Lafayette River.

On December 31, a spill occurred near the intersection of Cedar Road and Country Club Boulevard in Chesapeake due to a line fracture. Approximately 138 gallons of raw wastewater were released to the ground and into an adjacent gutter pan to Bells Mill Creek.

SYSTEM/TREATMENT, SMALL COMMUNITIES, AND EASTERN SHORE

King William Collection System

On December 7, staff responded to a high wet well at Kennington Pump Station due to the bypass pumps being in a fault status. While testing the pumps, a large amount of flow from Kennington Pump Station was sent to King William Main, which caused the station to go into an overflow condition. Staff verified that the station was running properly and removed solids and spread lime on the affected area. Approximately 700 gallons of raw wastewater were released to the ground and Moncuin Creek.

Nassawadox Collection System

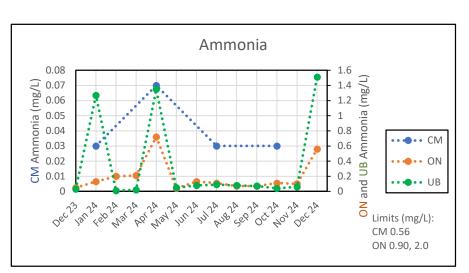
On December 12, staff responded to a report of an unusual discharge from a manhole located close to the nursing home in Nassawadox due to a blockage in the line. The team recovered 70 gallons and applied lime to the affected areas. Approximately 1,580 gallons of raw wastewater were released to the storm drain.

<u>Sunset Bay</u>

HRSD contractor, E.S.S. reported the following non-compliance:

- 5 instances of contact tank chlorine residuals less than 1.5mg/L with a limit of 3
- A weekly average TKN of 8.9 mg/L, with a limit of 4.5 mg/L

		Ammonia	
	CM	ON	UB
Dec 23		0.05	0.03
Jan 24	0.03	0.13	1.27
Feb 24		0.2	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
Jul 24	0.03	0.11	0.09
Aug 24		0.07	0.08
Sep 24		0.07	0.07
Oct 24	0.03	0.11	0.04
Nov 24		0.10	0.06
Dec 24		0.56	1.51



		TKN	
	CM	KW	SB
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
Jul 24	0.88	0.94	2.2
Aug 24		0.94	1.0
Sep 24		0.91	1.3
Oct 24	0.75	0.95	0.70
Nov 24		1.1	1.2
Dec 24		1.1	4.8

Dec 23

Jan 24

Feb 24

Mar 24 Apr 24

May 24

Jun 24

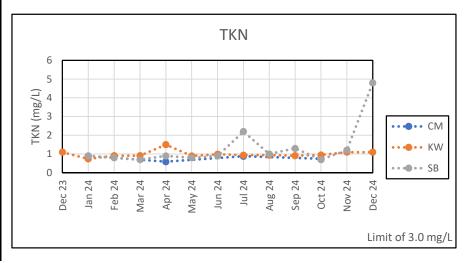
Jul 24

Aug 24

Sep 24 Oct 24

Nov 24

Dec 24



4.5

4 3.5 2.5 2 1.5

1 Z 0.5 O

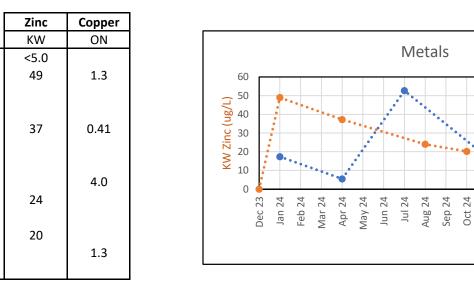
0

Nov 24 Dec 24 Copper (ug/L)

••••• KW

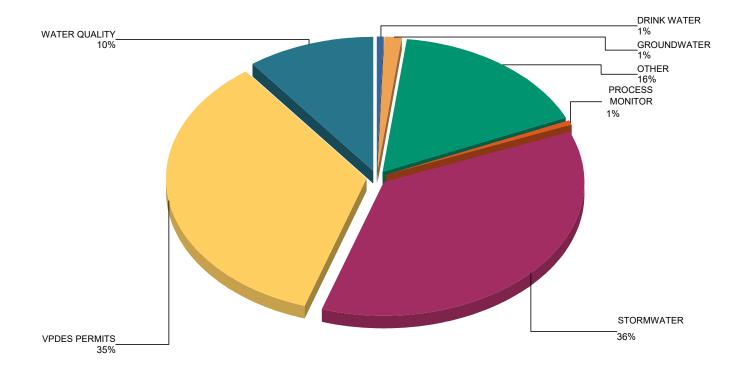
• • • • ON

ON limit 12 ug/L



Municipal Assistance Billed Reimbursements per Service From 10/01/2024 to 12/31/2024

Attachment 1



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

Municipal Assistance Invoice From 10/01/2024 - 12/31/2024

Municipality

Reimbursements

	Totals:	<u>\$181,803.31</u>
Westmoreland County		\$1,228.78
Virginia Department of Health-Shellfish		\$150.00
Virginia Department of Health		\$15,645.68
Virginia Aquarium & Marine Science Ctr		\$914.76
Upper Occoquan Service Authority		\$5,138.97
Town of Drakes Branch		\$1,949.77
Town of Cape Charles-VAW		\$6,687.84
St Brides Corr Ctr WWTP		\$2,225.70
Spotsylvania County FMC		\$1,282.10
ST BRIDES CORRECTIONAL CENTER		\$406.56
Northumberland Co Callao WWTP		\$1,684.38
Northampton County WWTP		\$3,007.53
New Kent County		\$18,499.16
Lynnhaven River NOW		\$381.09
James City County Service Authority		\$604.35
Henrico County		\$2,861.64
Hanover County		\$7,931.41
HRPDC		\$65,250.00
City of Virginia Beach		\$8,869.90
City of Suffolk		\$2,916.78
City of Roanoke		\$1,275.00
City of Portsmouth		\$5,541.30
City of Norfolk-Dept of Utilities		\$1,383.02
City of Norfolk		\$3,701.94
City of Hampton		\$9,324.43
City of Fredericksburg		\$6,243.72
City of Franklin		\$1,992.93
City of Emporia		\$291.90
City of Chesapeake		\$1,652.84
Buckingham County		\$260.92
Accomack County		\$2,498.91





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 (December 2024)
 - o Finalized report.
 - Upcoming Tasks (January 2025)
 - Issue final report.

Design and Construction Estimating

- Completed Tasks (December 2024)
 - \circ $\;$ Issued final report.
 - Presented results to the Commission.

IT Governance

•

- Completed Tasks (December 2024)
 - o Completed initial documentation.
 - Conducted initial manager review of the audit program.
 - Scheduled additional meetings.
- Upcoming Tasks (January 2025)
 - Conduct audit meetings.
 - Update documentation
 - Identify and document gaps.

Talent Management Investigations (planning only)

- Completed Task (December 2024)
 - Conducted process understanding meetings.
 - Conducted external research.
 - Draft process flowcharts, risks, controls, challenges, etc.

• Upcoming Tasks (January 2025)

- Present process flowcharts to POC for validation.
- o Draft reports and improvement opportunities.

Model 3

- Completed Task (December 2024)
 - Conducted the walkthrough meeting to discuss the testing request list.
 - Provided the testing request list.
 - Continued following up on the request list.
 - Updated audit program.
- Upcoming Tasks (January 2025)
 - Continue following up on the request list.
 - o Review and validate documentation once received.
 - Document testing.





Risk Assessment Refresh

- Completed Tasks (December 2024)
 - Drafted initial notification and risk assessment survey.
 - Updated Risk Assessment Matrix
- Upcoming Tasks (January 2025)
 - Commence risk assessment refresh.
 - Provide communication and survey material.

II. Management Action Plan Status

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

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

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

		Recommendations		
Audit / Project	Next Follow-up	Closed	Open	Total
Safety Division	January 2025	2	1	3
Freedom of Information Act (FOIA)	January 2025	0	1	1
Personally Identifiable Information (PII)	January 2025	0	3	3
AP, ProCard	July 2025	1	2	3
Closed Audit/Projects (x21)	Closed	135	0	135
	Totals	138	7	145

Strategic Measures December 2024

Strategic Planning Measure	Nov-24	Dec-24	FY-25
Educational and Outreach Events	22	12	77
Number of Community Partners	2	4	35
Number of Technical Presentations	5	1	38
Revenue vs. Budget	46%	54%	32%
Wastewater Expenses vs. Budget	34%	41%	23%
Accounts Receivable (HRSD)	\$52,626,009	\$47,266,066	\$48,295,860
Aging Accounts Receivable	30.50%	35.90%	31.60%
Turnover Rate wo Retirements	0.34%	0.11%	2.63%
Turnover Rate w Retirements	0.56%	0.79%	3.64%
Avg Time to Hire	2 months 28 days	3 months 1 days	2 months 29 days
Number of Vacancies	64	62	58
Average number of applicants per position	16.1	5.9	11.6
Percentage of positions filled with internal applicants	19.1%	16.0%	25.4%
Recruitment source Return on Investment	*	*	*
Average time required (days) to onboard new employees, including from initial posting of position to candidates' first day	*	*	*
Customer Call Wait Time (mins)	2.56	3.34	2.45
Capacity Related Overflows with Stipulated Penalties (Reported Quarterly)	**	**	*
Non-Capacity Related Overflows with Stipulated Penalties (Reported Quarterly)	**	**	*
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.	*	*	*
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.	*	*	*
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.	*	*	*
Cumulative CIP Spend	***	***	\$217,930,000

*Not currently tracking due to constraints collecting the data.

** Updated after EPA Quarterly Report submittal.

***Billing is one month behind

Strategic Measures December 2024

Technical Presentations						
Date	Presentation	Presenter				
12/04/2024	The Swim Annual Conference & Workshop Smart One Water Identifying Practical Solutions: Intensifying, Optimizing, and Innovating: Wastewater Design and Operation	Charles Bott				

	Education Outreach	and Community Partners	
Date	Event	Community Partner	Departments
12/01/2024		Jefferson Lab	Operations
12/01/2024		NIC Environmental Subcommittee	Operations
12/01/2024	CEL collaborating to allow students to shadow Water Quality activities and complete their school project focused on science and sustainability	Virginia Beach Public Schools Advanced Environmental Studies Program	Water Quality
12/02/2024	SWIFT Tour for the Assistant Secretary of the Navy's Office and local Naval staff.	U. S. Navy	Water Quality
12/10/2024	SWIFT RC Tour - Grassfield HS STEM	Chesapeake Public Schools	Communications
12/10/2024	Tour of South Shore Pump Stations	HRSD Engineering Division	Operations
12/10/2024	CEL Staff held a Lunch in Learn with Old Dominion University discussing Master and Ph.D. Chemistry and Biochemistry opportunities	Old Dominion University	Water Quality
12/11/2024	SWIFT RC Tour - Ocean Lakes HS	Virginia Beach City Public Schools	Communications
12/12/2024	SWIFT RC Tour - Portsmouth Health District	Portsmouth Health District	Water Quality
12/12/2024	SWIFT RC Tour - 773 Civil Engineering Squadron/Environmental Element	Joint Base Langley Eustis	Engineering, Water Quality
12/13/2024	SWIFT RC Tour - Portsmouth Public Schools	Portsmouth Public Schools	Communications
12/16/2024	ATP Tour to Engineer Employees	HRSD Engineering Division	Operations
12/17/2024	SWIFT RC Tour Portsmouth Public Schools	Portsmouth Public Schools	Communications
12/18/2024	SWIFT RC Tour - NIC Environmental Subcommittee	NIC Environmental	Operations, Water Quality
12/31/2024	SCD Tour to Engineer Employees	HRSD Engineering Division	Operations

AGENDA ITEM 16c. – January 28, 2025

Subject: Army Base 36-inch Force Main (SF-002) Emergency Repair at Railroad Avenue Emergency Declaration

Recommended Action: No action is required.

CIP Project: AB012300

Regulatory Requirement: None

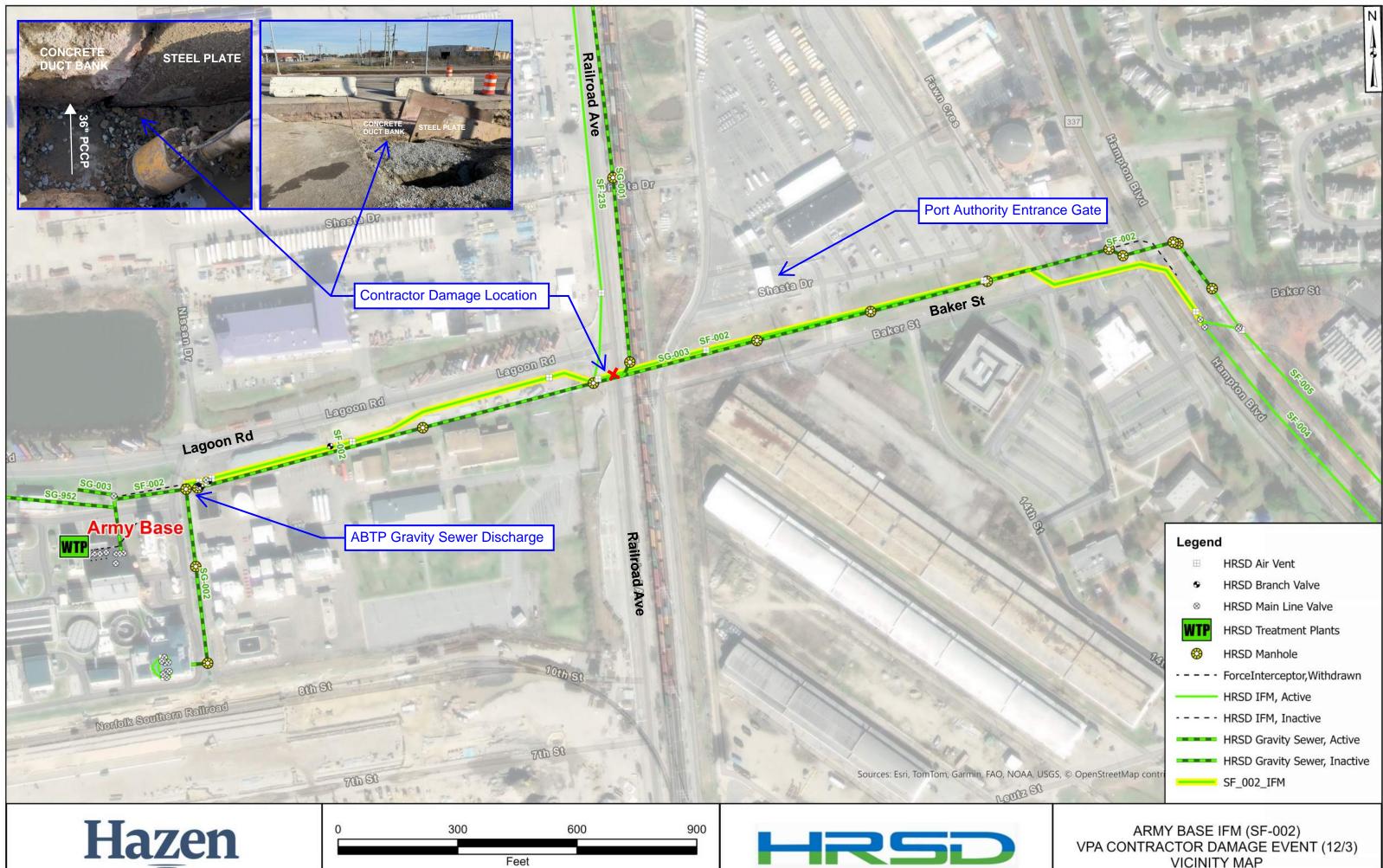
Brief: An emergency designation was authorized on December 12, 2024, due to a force main failure in the City of Norfolk that occurred on December 3, 2024. The failure is believed to have been caused by a steel plate used as a form for a recently poured concrete duct bank.

On December 3, 2024, HRSD staff was informed that a third-party contractor working for Norfolk International Terminals, LLC had damaged HRSD's 36-inch prestressed concrete cylinder pipe (PCCP) force main (SF-002) while removing a steel plate used as a form for a recently poured concrete duct bank. The damaged force main was leaking a small amount of sewage, and the contractor installed a small pump to pump the sewage into the adjacent manhole on SG-003. The repair of the pipe will be difficult as the concrete duct bank was poured directly onto the force main, and the failure is in a location where the concrete duct bank, steel plate, and force main meet. Due to the pipe material, the nature of the damage, and the proximity of the duct bank the extent of internal damage to the pipe cannot be determined; thus, this section of pipe will need to be isolated by line stop and bypass so a repair effort can be implemented following additional exploratory efforts.

HRSD staff is utilizing Hazen and Sawyer (Hazen) to provide condition assessment, design services, construction administration, and construction inspection. Bridgeman Civil, Inc. (BCI) will provide line stop and bypass, exploratory construction, complete the force main repair, and restore the area. The attached <u>map</u> depicts the break location.

<u>Analysis of Cost</u>: The estimated cost of this work is \$1,599,804 and will be funded by a new CIP project. The cost estimate includes force main condition assessment, emergency engineering design and inspection services, full replacement of the damaged pipe section, and contingency. The cost estimate differs from the \$2,000,000 indicated in the emergency designation due to new and updated information provided by Hazen and BCI after the emergency designation was executed.

Schedule: Emergency Declaratio		December 2024
	Construction	January 2025
	Project Completion	March 2025



	Legend	
1	E	HRSD Air Vent
	9	HRSD Branch Valve
	\otimes	HRSD Main Line Valve
1	WTP	HRSD Treatment Plants
3	•	HRSD Manhole
4		ForceInterceptor,Withdrawn
-		HRSD IFM, Active
		HRSD IFM, Inactive
P	-	HRSD Gravity Sewer, Active
1	-	HRSD Gravity Sewer, Inactive
tri	-	SF_002_IFM

ARMY BASE IFM (SF-002) VPA CONTRACTOR DAMAGE EVENT (12/3) VICINITY MAP

AGENDA ITEM 17. - January 28, 2025

Subject: Closed Meeting

Recommended Action: Approve a motion to go into closed meeting to consider the General Manager Annual Performance Review as provided for in Code of Virginia §2.2-3711A1.

Exemption Description: Discussion of performance of specific public officers, appointees or employees of any public body; and evaluation of performance where such evaluation will necessarily involve discussion of the performance of specific individuals.

AGENDA ITEM 18. - January 28, 2025

Subject: Reconvened Meeting

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