



HRSD Commission Meeting Agenda  
9:00 a.m. – September 22, 2026

In-person for Commissioners and essential staff at  
1434 Air Rail Avenue, Virginia Beach, VA 23455  
Virginia Initiative Conference Room – 1<sup>st</sup> Floor

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

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

| <u>No.</u> | <u>Topic</u>                                                                                    | <u>Resource</u> |
|------------|-------------------------------------------------------------------------------------------------|-----------------|
|            | Call to Order                                                                                   | Chair           |
| 1.         | <a href="#">Awards and Recognition</a>                                                          | Bernas          |
| 2.         | <a href="#">Public Comments Not Related to the Agenda</a>                                       | Secretary       |
| 3.         | <a href="#">Consent Agenda</a>                                                                  | Bernas          |
| 4.         | <a href="#">Army Base 24-Inch and 20-Inch Transmission Main Replacements</a>                    | de Mik          |
| 5.         | <a href="#">Central Norfolk Area Gravity Sewer Improvements Phase I</a>                         | Scarano         |
| 6.         | <a href="#">High Priority Inflow and Infiltration Reduction Program</a>                         | Scarano         |
| 7.         | <a href="#">York River Treatment Plant Medium Voltage Switch Improvements Feasibility Study</a> | Scarano         |
| 8.         | <a href="#">Martha Hahn Best WEFTEC Program Abstract Award</a>                                  | Bott            |
| 9.         | <a href="#">New Business</a>                                                                    | Bernas          |
| 10.        | <a href="#">Unfinished Business</a>                                                             | Bernas          |
| 11.        | <a href="#">Commissioner Comments</a>                                                           | Chair           |

| <u>No.</u> | <u>Topic</u>                        | <u>Resource</u> |
|------------|-------------------------------------|-----------------|
| 12.        | <a href="#">Informational Items</a> | Bernas          |

**Next Regular Commission Meeting: October 27, 2026 in Virginia Beach**

## AGENDA ITEM 1. – September 22, 2026

**Subject:** Awards and Recognition

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

**Brief:** HRSD is pleased to announce the following:

**a. Promotion Announcement**

Mr. Chris Stephan was recently promoted to Deputy Chief Operating Officer (DCOO), North Shore. Chris was hired in 2005 as an Interceptor Engineer and was then promoted to Chief/Director of North Shore Interceptor Operations. Chris is a licensed Professional Engineer with 29 years of experience in infrastructure planning, wastewater conveyance and treatment operations, regulatory response, and capital project execution. Chris holds a bachelor's degree in civil engineering from Virginia Tech and a master's degree in environmental engineering from the University of Virginia. Chris will be providing leadership and oversight across multiple operational departments, including treatment, interceptors, small communities, asset management, and support services. Chris is an active participant in the Virginia Water Environment Association (VWEA), a member of the Board of Trustees for the Virginia Living Museum, and a long-time blood donation program leader for the American Red Cross.

Mr. Charles Wright, Jr., was recently promoted to Deputy Chief Operating Officer (DCOO), South Shore. Charles was hired in 2014 as an Electrical Manager and was then promoted to Chief/Director of Electrical and Instrumentation - South Shore. Charles has 18 years of wide-ranging experience in engineering support, capital project execution, electrical safety and compliance, and asset maintenance. Charles holds a bachelor's degree in electrical engineering from Louisiana State University. Charles will be providing leadership and oversight across multiple operational departments to include treatment, interceptors, small communities, electrical and instrumentation, and support services. Charles also serves as HRSD's owner representative on the Virginia Energy Purchasing Governmental Association.

**b. Awards**

- (1) **Operations Challenge – Team HRSD** earned first place overall among nine teams at the recent Tri-Con regional competition in Ocean City, Maryland. This outstanding achievement reflects the team's technical expertise, preparation, teamwork, and commitment to excellence. Operations Challenge provides wastewater professionals with an opportunity to demonstrate the skills required to operate and maintain wastewater collection and treatment systems. Teams compete for both precision and speed in five events: Process Control, Laboratory, Collections, Safety, and Maintenance. Our team consists of coach Kolby Guse, team captain Billie Swearingen, AJ Dickens, Aaron Wheeler, Nicholas Lamprecht, and Andre Jones. Preparing for this competition requires extensive training, practice, and coordination in addition to the employees' regular work responsibilities. Finishing first overall demonstrates not only their technical abilities, but also their

ability to communicate, solve problems, work as a team, and perform safely and accurately under pressure. The team will represent HRSD in Division 1 at the national Operations Challenge competition at WEFTEC, where they will compete against top teams from across the country. Please congratulate the entire Operations Challenge Team on this exceptional accomplishment, wish them success as they prepare for the national competition, and thank them for representing HRSD with professionalism, teamwork, and pride.

(2) **National Association of Clean Water Agencies (NACWA) Peak Performance Awards**

NACWA's Peak Performance Awards recognize member facilities for outstanding compliance with their National Pollutant Discharge Elimination System (NPDES) permits. Silver Awards recognize facilities that have received no more than five permit violations per calendar year. Gold Awards honor those who have achieved perfect permit compliance for an entire calendar year, while Platinum Awards recognize 100 percent compliance for at least five consecutive years.

The following treatment plants were recognized for outstanding compliance during calendar year 2025, a remarkable accomplishment:

| <b><u>Plant</u></b>               | <b><u>Award</u></b> |
|-----------------------------------|---------------------|
| Atlantic Treatment Plant          | Platinum            |
| Boat Harbor Treatment Plant       | Platinum            |
| Central Middlesex Treatment Plant | Platinum            |
| James River Treatment Plant       | Platinum            |
| Nansemond Treatment Plant         | Platinum            |
| Williamsburg Treatment Plant      | Platinum            |
| York River Treatment Plant        | Platinum            |
| Army Base Treatment Plant         | Gold                |
| Onancock Treatment Plant          | Gold                |
| Urbanna Treatment Plant           | Gold                |
| West Point Treatment Plant        | Gold                |
| King William Treatment Plant      | Silver              |
| Sunset Bay Utilities South        | Silver              |
| Virginia Initiative Plant         | Silver              |

AGENDA ITEM 2. – September 22, 2026

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

## AGENDA ITEM 3. – September 22, 2026

**Subject:** Consent Agenda**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. [Band Screen Replacement Parts and Field Service](#) \$247,622.97
  2. [Jefferson Avenue Pump Station Electrical Improvements](#) \$346,613
  3. [Triple Quadrupole Gas Chromatograph-Mass Spectrometer \(GC/MS/MS\) Equipment, Installation, and Support](#) \$410,600
- c. Contract Change Orders (>25% of original contract value or \$50,000, or whichever is greater)
  1. [Parker Boiler Burner Head Replacement and Inspection](#) \$60,678
- d. Task Orders (>\$200,000)
  1. [Great Bridge Interceptor Extension 16-inch Replacement](#) \$221,285
  2. [James River Recharge Wells \(On Site\)](#) \$277,400
  3. [King William Treatment Plant Improvements Phase II](#) \$319,785
  4. [Operational Technology Cybersecurity Support Services](#) \$4,767,687
- e. Non-Regulatory Capital Improvement Project – Additional Appropriation <\$1,000,000
  1. [Army Base Treatment Plant Fire Suppression System Upgrades](#)

|                               |           |
|-------------------------------|-----------|
| Additional Funding            | \$341,083 |
| MEB General Contractors, Inc. | \$863,000 |
  2. [York River Treatment Plant Fire Suppression System Upgrades](#)

|                                                         |             |
|---------------------------------------------------------|-------------|
| Additional Funding                                      | \$1,071,114 |
| MEB General Contractors, Inc. – Day Tank Replacement    | \$727,000   |
| MEB General Contractors, Inc. – Fire Suppression System | \$1,815,000 |
| HDR Engineering, Inc.                                   | \$276,687   |
  3. [Nansemond Treatment Plant Motor Control Center Replacement](#)

|                                     |           |
|-------------------------------------|-----------|
| Additional Funding                  | \$218,756 |
| Saunders Contracting Services, Inc. | \$245,800 |
  4. [Nansemond Treatment Plant Struvite Recovery Facility Improvements](#)

|                       |             |
|-----------------------|-------------|
| Additional Funding    | \$131,930   |
| MEB Contractors, Inc. | \$2,896,893 |

- f. Regulatory Capital Improvement Project – Additional Appropriation  
<\$10,000,000
  - 1. [South Norfolk Area Gravity Sewer Improvements, Phase II](#) \$850,000
  
- g. Agreements (<\$200,000 if required by agency)
  - 1. [Sanitary Sewer Replacement 1950 – Part 2](#) \$87,224

CONSENT AGENDA ITEM 3.b.1. – September 22, 2026

**Subject:** Band Screen Replacement Parts and Field Service  
Contract Award (>\$200,000)

**Recommended Action:** Award a contract to Ovivo USA LLC in the amount of \$247,622.97.

**Regulatory Requirement:** None

**Type of Procurement:** Sole Source

**Contract Description:** This contract is for the purchase of band screen parts and field service for the Virginia Initiative Plant (VIP). The band screen system is used in the primary screening process to prevent overflows and surges in the plant flow. The band screen parts will be used to repair the system, with field service consisting of an Ovivo representative traveling onsite to provide installation startup assistance.

**Analysis of Cost:** The cost is found to be fair and reasonable compared to previous purchases from Ovivo and direct negotiation efforts.

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

CONSENT AGENDA ITEM 3.b.2. – September 22, 2026

**Subject:** Jefferson Avenue Pump Station Electrical Improvements  
Contract Award (>\$200,000)

**Recommended Action:** Award a contract to F.C.I. Towers, Inc in the amount of \$346,613.

**CIP Project:** BH016400

**Regulatory Requirement:** None

**Type of Procurement:** Use of an Existing Contract Vehicle

**Project Description:** This project will design and install a new standby generator, Automatic Transfer Switch (ATS), independent utility service, and Motor Control Center (MCC) at the Jefferson Avenue Pump Station (PS). This equipment is required to ensure continuity of service at the pump station due to the planned decommissioning of the Boat Harbor Treatment Plant (JRTP).

**Project Justification:** This project will ensure continuity of service at Jefferson Avenue Pump Station, prior to the decommissioning of BHTP. The PS currently receives utility and emergency back-up power from the 13.8 kV Medium Voltage utility switchgear (i.e. electrical distribution system) at BHTP, which will be disconnected in March 2027 and reconfigured for the full-scale SWIFT facility at Nansemond Treatment Plant (NTP). This project will include the installation of underground cabling, conduit, and a transformer for the new Dominion Energy utility service. In addition, the project will also include installation of a new standby generator, Automatic Transfer Switch (ATS), MCC, and associated electrical equipment.

**Contract Description:** This contract provides conduit installation for the new Dominion Energy service for Jefferson Avenue Pump Station. The location and sizing of the conduit was defined by Dominion Energy. The new conduit will be installed using horizontal directional drilling, from an existing Dominion Energy switch at the intersection of Terminal Avenue and Harbor Road to the Jefferson Avenue Pump Station. The conduit will be installed in the right-of-way along Terminal Avenue and through an existing Dominion Energy easement on BHTP. Separately, Dominion Energy will pull cables through these new conduits to provide the new power service directly to the Jefferson Avenue Pump Station.

The City of Newport News competitively solicited these services through a Request for Proposal (RFP) process and issued a contract with cooperative language. As a public agency in the Commonwealth of Virginia, HRSD is eligible to participate in and utilize this contract.

**Analysis of Cost:** By utilizing the cooperative contract 23-1185-00 with The City of Newport News, HRSD is receiving competitive pre-negotiated pricing for the conduit installation services.

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

|                         |                    |              |
|-------------------------|--------------------|--------------|
| <b><u>Schedule:</u></b> | Construction       | October 2026 |
|                         | Project Completion | March 2027   |

CONSENT AGENDA ITEM 3.b.3. – September 22, 2026

**Subject:** Triple Quadrupole Gas Chromatograph-Mass Spectrometer (GC/MS/MS)  
Equipment, Installation, and Support  
Contract Award (>\$200,000)

**Recommended Action:** Award a contract to Agilent Technologies Inc. in the amount of \$290,600 for one year with four renewal options and an estimated cumulative value of \$410,600.

**Regulatory Requirement:** None

**Type of Procurement:** Sole Source

**Contract Description:** This contract is for the purchase of a GC/MS/MS instrument and parts for use at the Central Environmental Lab (CEL). The GC/MS/MS instrument is critical support of SWIFT research, Pretreatment and Pollution Prevention (P3), and MAP testing by analyzing semi-volatile organics and emerging contaminants, including 1,4-Dioxane and nitrosamines, in drinking water, wastewater, and industrial wastes. All analyses are in accordance with Environmental Protection Agency method regulations.

Agilent equipment has been integrated successfully with the Laboratory Information Management System (LIMS), and specific validation requirements and methods have been developed and published by CEL using this brand instrument.

Services include installation and annual maintenance support after the one-year warranty period.

**Analysis of Cost:** The cost is found to be fair and reasonable based on past purchase history for the exact same instrument and support services purchased through Agilent Technologies. HRSD is receiving a preferred customer discount of 60 percent.

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

# CONSENT AGENDA ITEM 3.c.1. – September 22, 2026

**Subject:** Parker Boiler Burner Head Replacement and Inspection  
Contract Change Order (>25% of original contract value or \$50,000, or whichever is greater)

**Recommended Action:** Approve a change order to the contract with Suffolk Mechanical, LLC DBA Shaw Boiler and Mechanical in the amount of \$60,678.

**Regulatory Requirement:** None

| <b>Contract Status with Change Orders:</b>                                    | <b>Amount</b> | <b>Cumulative % of Contract</b> |
|-------------------------------------------------------------------------------|---------------|---------------------------------|
| Original Contract with Suffolk Mechanical, LLC DBA Shaw Boiler and Mechanical | \$13,394      |                                 |
| Total Value of Previous Change Orders                                         | \$25,978      | 194%                            |
| Requested Change Order                                                        | \$60,678      |                                 |
| Total Value of All Change Orders                                              | \$86,656      | 647%                            |
| Revised Contract Value                                                        | \$100,050     |                                 |

|                                 |  |    |
|---------------------------------|--|----|
| Time (Additional Calendar Days) |  | 30 |
|---------------------------------|--|----|

**Change Order Description:** This change order includes additional work identified as necessary during the initial inspection of the boiler at James River Treatment Plant (JRTP). This work includes tube bundle repairs, welding repair, replacement of removed side and floor panels, pressure testing, firebox refractory and brick restoration, rope gasketing, rear sight glass replacement, Kaowool insulation, exterior boiler surface preparation, exterior protective coating, and final inspection. The need for this additional work could not be fully determined until the boiler was opened and inspected, at which time previously concealed conditions requiring repair were identified.

**Analysis of Cost:** The cost is based on previously agreed upon labor and material rates. Staff reviewed the proposed labor hours, material quantities, and associated costs and determined them to be reasonable for the additional work required.

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

# CONSENT AGENDA ITEM 3.d.1. – September 22, 2026

**Subject:** Great Bridge Interceptor Extension 16-inch Replacement  
Task Order (>\$200,000)

**Recommended Action:** Approve a task order with Rummel, Klepper & Kahl LLP (RK&K) in the amount of \$221,285.

**CIP Project:** AT011900

**Regulatory Requirement:** Rehab Action Plan Phase 2 (Two years from substantial completion of Great Bridge Locks Emergency Repair)

| <b>Contract Status with Task Orders:</b> | <b>Amount</b> |
|------------------------------------------|---------------|
| Original Contract with Engineer          | \$0           |
| Total Value of Previous Task Orders      | \$743,281     |
| Requested Task Order                     | \$221,285     |
| Total Value of All Task Orders           | \$964,566     |
| Revised Contract Value                   | \$964,566     |

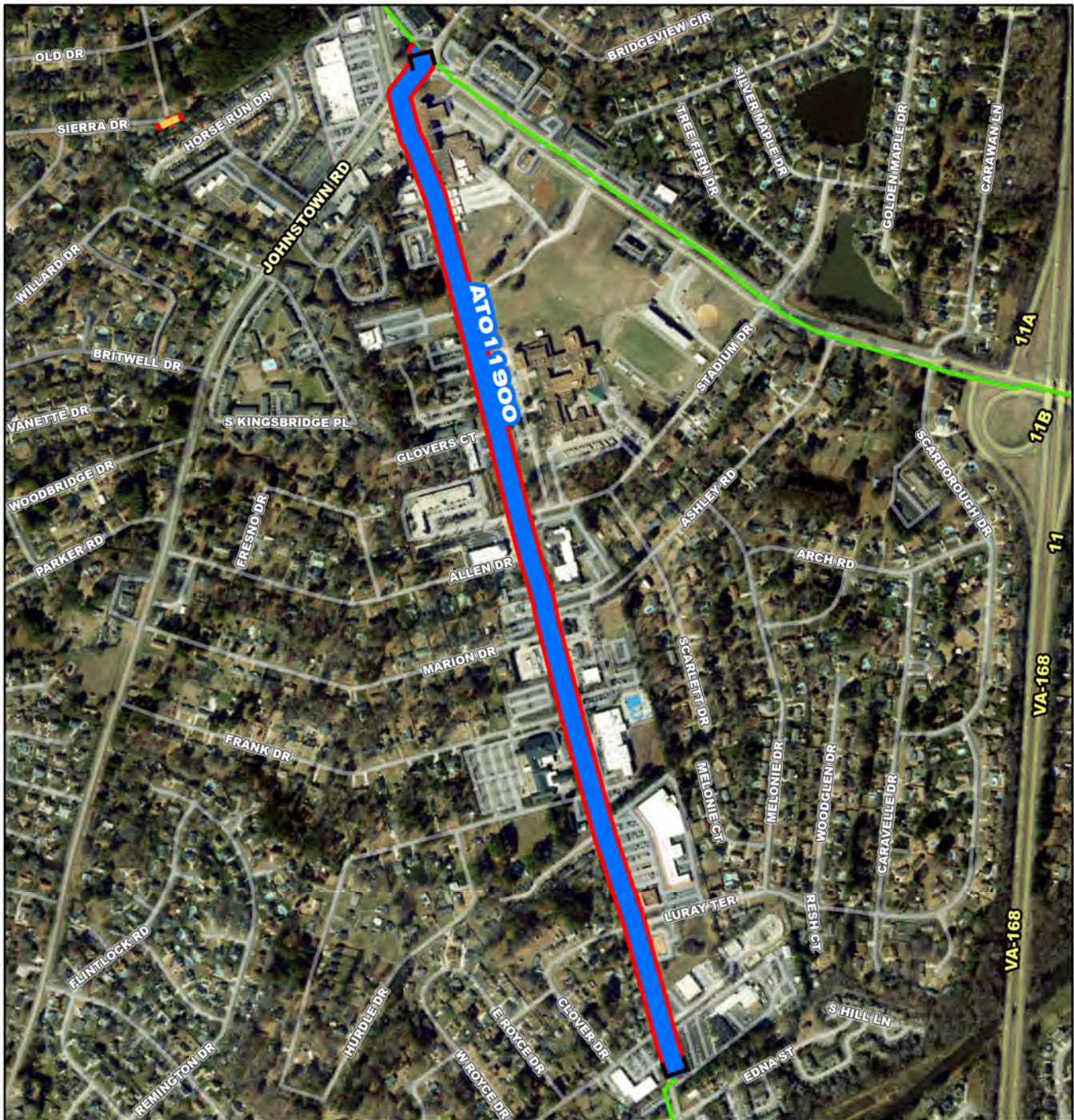
**Project Description:** This project will address eleven (11) full-circle clamps and approximately 5,585 linear feet of pipe on the 16-inch asbestos cement Great Bridge Interceptor Extension Force Main (SF-184) along Battlefield Boulevard in Chesapeake. The 16-inch pipe was proposed to be replaced with a 24-inch pipe. The attached [map](#) depicts the project location.

**Project Justification:** This project will address stress cracks and coupling failures. There are eleven (11) documented full circle clamps used in the initial installation instead of standard adapters and couplings. The clamp hardware poses a material risk of failure. The main line valve, AT-1161-2, needs to be replaced due to the inability to get spare parts. Since 1989, there have been six documented failures along this force main. The most recent was in September of 2016. Condition assessment activities completed in early 2017 indicated that only the full-circle clamps and the southernmost portion of this force main are a material risk of failure. However, the pipe may need to be upsized in the future to accommodate additional flows associated with proposed development in southern Chesapeake.

**Task Order Description:** This task order includes services to finalize a Technical Memorandum evaluating two lower-cost alternatives to full pipeline replacement. As the project reached the 90% design stage, the estimated cost of full replacement increased significantly, prompting the project team to explore other options, such as CIPP lining and targeted point repairs. The task order also provides additional design services, including an assessment of construction feasibility at the proposed tie-in location without a Temporary Construction Easement (TCE) because acquisition of the TCE will be very challenging and pose a significant schedule risk to the project. This task order will also include updated survey data, refreshed topographic mapping, and new quality level A test holes, due to the extended duration of the design period and alignment changes resulting from the City of Chesapeake's design review process.

**Analysis of Cost:** The fee is reasonable and based on previously used billing rates and subcontractor fees, which are similar to those charged by other consultants for similar services.

|                         |                    |                |
|-------------------------|--------------------|----------------|
| <b><u>Schedule:</u></b> | Construction       | September 2027 |
|                         | Project Completion | November 2028  |



# ATO 11900

- Project Interceptor Line
- Project Interceptor Point
- Project Location Point
- Project Area

## Legend

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

0 275 550 1,100 1,650 2,200 Feet

# ATO 11900

## Great Bridge Interceptor Extension 16-Inch Replacement



CIP Location



# CONSENT AGENDA ITEM 3.d.2. – September 22, 2026

**Subject:** James River Recharge Wells (On Site)  
Task Order (>\$200,000)

**Recommended Action:** Approve a task order with Earth Data Incorporated in the amount of \$277,400.

**CIP Project:** GN016361

**Regulatory Requirement:** Integrated Plan – SWIFT

| <b>Contract Status with Task Orders:</b> | <b>Amount</b> |
|------------------------------------------|---------------|
| Original Contract with Engineer          | \$157,418     |
| Total Value of Previous Task Orders      | \$2,798,544   |
| Requested Task Order                     | \$277,400     |
| Total Value of All Task Orders           | \$3,075,944   |
| Revised Contract Value                   | \$3,233,362   |

**Project Description:** The James River Recharge Wells (On Site) project will provide for the construction of three Managed Aquifer Recharge (MAR) wells and one monitoring well cluster, including services for the development, logging, testing, and conditioning of wells associated with SWIFT at the James River Treatment Plant (JRTP).

**Project Justification:** James River Recharge Wells are required for managed aquifer recharge (MAR) using SWIFT Water. The monitoring wells are required by permit.

**Task Order Description and Analysis of Cost:** This task order will provide technical consulting and field services to assist HRSD technical staff during initial testing of the permanent backflush pumps and initial start-up of all ten MAR wells associated with JRTP. This task order will be issued as an Amendment to the existing Professional Services Agreement with Earth Data Incorporated and will provide services for both on site and off-site MAR wells. The cost for this task order is based on an estimate of labor hours and direct costs on a time and materials basis, which has been reviewed and are considered reasonable for the anticipated level of effort.

**Schedule:** Project Completion June 2027

### CONSENT AGENDA ITEM 3.d.3. – September 22, 2026

**Subject:** King William Treatment Plant Improvements Phase II  
Task Order (>\$200,000)

**Recommended Action:** Approve a task order with Saunders Contracting Services, Inc., in the amount of \$319,785.

**CIP Project:** MP013300

**Regulatory Requirement:** None

| <b>Contract Status with Task Orders:</b>                   | <b>Amount</b> |
|------------------------------------------------------------|---------------|
| Original Contract with Saunders Contracting Services, Inc. | \$0           |
| Total Value of Previous Task Orders                        | \$329,677     |
| Requested Task Order                                       | \$319,785     |
| Total Value of All Task Orders                             | \$649,462     |
| Revised Contract Value                                     | \$649,462     |

**Project Description:** This project is intended to increase capacity for King William from 100,000 gallons per day (GPD) Average Daily Flow (ADF) to a firm capacity of 150,000 GPD ADF. Project includes site, civil, demolition, concrete pad, electrical, and instrumentation as needed for installation, testing, and start-up of pre-purchased Membrane System, as well as addressing known plant deficiencies needed to eliminate flow bottlenecks, improve plant reliability, and provide condition-based rehabilitation.

**Project Justification:** King William Treatment Plant (KWTP) can currently treat 100,000 GPD ADF. Development in King William County has been accelerating in recent years. New subdivisions are planned, and construction has ramped up in existing subdivisions with projected flows exceeding 100,000 GPD in addition to current flow. Buildout of approved subdivisions will require an expansion of capacity beyond 100,000 GPD ADF.

**Task Order Description:** This task order will provide funding for a new Membrane Bioreactor process pipe freeze protection. Five runs of new above-grade (aerial) piping will be installed by HRSD's Project Team. All of the new piping requires freeze protection after installation. The scope of work for Saunders, HRSD's ASC Electrical Contractor, includes installing wiring along the pipe for a heat source (heat trace), and metal jacketed insulation around the piping to retain heat. Piping associated with the existing Equalization (EQ) tank on another area of the site has previously undergone freeze-related damage.

Improvements include a new 40-amp electrical service, freeze protection controls, continuous heat trace wiring for each aerial pipe run, as well as jacketed insulation on all new piping to include existing EQ tank piping freeze protection.

**Analysis of Cost:** The cost for this task order is based on the pre-negotiated rates under the annual Electrical Services Agreement.

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

|                         |                    |              |
|-------------------------|--------------------|--------------|
| <b><u>Schedule:</u></b> | Construction       | October 2026 |
|                         | Project Completion | June 2027    |

## CONSENT AGENDA ITEM 3.d.4. – September 22, 2026

**Subject:** Operational Technology Cybersecurity Support Services  
Task Order (>\$200,000)

**Recommended Action:** Approve a task order with Jacobs Engineering Group Inc., in the amount of \$4,767,687.

**Regulatory Requirement:** None

| <b>Contract Status with Task Orders:</b>             | <b>Amount</b> |
|------------------------------------------------------|---------------|
| Original Contract with Jacobs Engineering Group Inc. | \$1,631,088   |
| Total Value of Previous Task Orders                  | \$4,206,706   |
| Requested Task Order                                 | \$4,767,687   |
| Total Value of All Task Orders                       | \$8,974,393   |
| Revised Contract Value                               | \$10,605,481  |

**Contract Description:** This contract is for Operational Technology Cybersecurity Support Services to minimize vulnerability to the Industrial Control Systems (ICS) and Operational Technology (OT) environments that are vital to the wastewater treatment process. These services enhance the cyber-resiliency of HRSD critical infrastructure while ensuring continued operational efficiency. Services include conducting a baseline assessment to evaluate the current cybersecurity investments, solutions, and controls within ICS and OT environments and performing a range of tasks based on those assessments.

**Task Order Description:** This task order will provide two primary actions under the existing contract. These efforts maintain multiyear program momentum, eliminate critical OT vulnerabilities, support compliance with National Institute of Standards and Technology 800-82 and International Electrotechnical Commission 62443, and deliver a resilient, future-ready cybersecurity posture.

First, this task order extends the current agreement period of performance from November 30, 2026, to June 30, 2027. This change aligns the labor and contracting schedule with the HRSD fiscal year (July 1 – June 30) and provides continuity of on-site and program support through the implementation and transition phase.

Second, this task order authorizes expanded scope to address infrastructure gaps, newly identified requirements, and emerging initiatives discovered during implementation. Key workstreams include on-site operational technology cybersecurity support; Phase 3.5 architecture implementation and water treatment plant integration; Pump Station equipment and implementation; Managed File Transfer, historian replication, and Digital Water protocol break, Schweitzer Engineering Laboratories firewall implementation, operational technology monitoring, logging, and detection, administrative access validation and Dragos sensor optimization, continued operational technology, cybersecurity governance, risk, and compliance through June 2027, including tabletop exercise, Center for Credentialing & Education workshop, risk register maturation, Cybersecurity Capability Maturity Model (assessment, roadmap

development, and asset management strategy. Project management required by the expanded scope.

**Analysis of Cost:** The cost is based on the pre-negotiated labor rates under the Jacobs Engineering Group service contract, plus estimated hardware/software and travel costs.

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

CONSENT AGENDA ITEM 3.e.1.– September 22, 2026

**Subject:** Army Base Treatment Plant Fire Suppression System Upgrades  
Additional Appropriation - Non-Regulatory Capital Improvement Project  
(<\$1,000,000), Contract Award (>\$200,000)

**Recommended Actions:**

- a. Appropriate additional funding in the amount of \$341,083
- b. Award a contract to MEB General Contractors, Inc. in the amount of \$863,000.

**CIP Project:** AB012400

**Regulatory Requirement:** None

|                                                        | <b>Project Cost &amp; Appropriation Summary</b> | <b>CIP Project Summary</b> |
|--------------------------------------------------------|-------------------------------------------------|----------------------------|
| Capital Improvement Program Estimate (July 1, 2025)    |                                                 | \$916,633                  |
| Funds Appropriated to Date                             | \$916,633                                       |                            |
| Expenditures and Encumbrances Already Incurred (minus) | (\$15,506)                                      |                            |
| Available Balance                                      | <u>\$901,127</u>                                |                            |
| Proposed Task Order to Contractor                      | \$863,000                                       |                            |
| Proposed Task Order to Engineer                        | \$172,175                                       |                            |
| Proposed Contingency                                   | <u>\$207,035</u>                                |                            |
| Revised Total Remaining Project Costs                  | <u>\$1,242,210</u>                              |                            |
| Expenditures and Encumbrances Already Incurred         | \$15,506                                        |                            |
| New Project Cost Estimate                              | <u>\$1,257,716</u>                              | <u>\$1,257,716</u>         |
| Additional Appropriation Needed                        | <u>\$341,083</u>                                |                            |
| Favorable (Unfavorable) Variance to CIP                |                                                 | <u>(\$341,083)</u>         |

**Type of Procurement:** Competitive Bid

In accordance with HRSD's competitive sealed bidding procedures, the Engineering Division advertised and solicited bids directly from potential bidders. The project was advertised on May 4, 2026, and one bid was received on June 18, 2026, as listed below:

| <b>Bidder</b>                 | <b>Bid Amount</b> |
|-------------------------------|-------------------|
| MEB General Contractors, Inc. | \$863,000         |

**Engineer Estimate:** \$495,000

The design engineer, HDR, evaluated the bid based on the requirements in the invitation for bid and recommends award to the lowest responsive and responsible bidder MEB General Contractors, Inc. in the amount of \$863,000.

**Project Description:** This project involves replacing or upgrading the fire suppression system at the Army Base Treatment Plant's methanol facility. The current system utilizes an Alcohol-Resistant Aqueous Film-Forming Foam (AR-AFFF) that contains Perfluoroalkyl and Polyfluoroalkyl substances (PFAS). Due to environmental and health concerns, refilling existing extinguishers with AR-AFFF is no longer permitted. The upgraded system will utilize a non-PFAS, fluorine-free foam to ensure both safety and regulatory compliance

**Project Justification:** The current methanol fire suppression systems utilize AR-AFFF, which contains PFAS. This foam is being phased out due to federal guidelines specific to firefighting foam, EPA regulation of PFAS releases and contamination, and liability concerns. If a system is discharged, it cannot be recharged with the existing agent. This is particularly concerning because these systems have experienced false alarms and equipment malfunctions in the past that caused the foam to activate.

**Contract Description and Analysis of Cost:** This contract is for construction services to replace and retrofit the fire suppression system at the Army Base Treatment Plant's methanol facility to ensure environmental safety and regulatory compliance. Work includes full containment, handling, and compliant disposal of legacy AR-AFFF containing per- and polyfluoroalkyl substances (PFAS) in accordance with Environmental Protection Agency (EPA) destruction standards. The system will be converted to support fluorine-free foam alternatives, eliminating the long-term liabilities and operational risks associated with Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) hazardous substance designations and strict Clean Water Act discharge regulations. The contract bid was reviewed and recommended for approval by HDR Engineering, Inc. The total bid exceeded initial engineering estimates for two main reasons: 1) market uncertainties surrounding the still relatively new (2024) EPA guidance related to the handling and disposal of AR-AFFF containing PFAS; and 2) the specialty contractor's preference to work under a prime contractor (MEB) and the associated markups. The additional appropriation request also includes a \$207,035 to cover unforeseen conditions resulting from limited industry exposure to new federal regulations and unknowns encountered during construction.

**Task Order Description and Analysis of Cost:** This task order authorizes HDR Engineering, Inc. to provide Construction Administration and Construction Inspection (CA/CI) services for the Army Base Treatment Plant Methanol Facility Fire Suppression System Upgrades project. HDR will provide quality control, regulatory compliance, and safety oversight. This appropriation also includes \$172,175 for the upcoming CA/CI phase services, which is below the \$200,000 threshold required for Commission approval. The cost for construction-phase services is in accordance with negotiated contract rates and is appropriate to provide the technical oversight required for this project and to meet HRSD standards.

|                         |                    |                |
|-------------------------|--------------------|----------------|
| <b><u>Schedule:</u></b> | Construction       | October 2026   |
|                         | Project Completion | September 2027 |

## CONSENT AGENDA ITEM 3.e.2. – September 22, 2026

**Subject:** York River Treatment Plant Fire Suppression System Upgrades  
 Additional Appropriation - Non-Regulatory Capital Improvement Project  
 (<\$1,000,000), Contract Award (>\$200,000) & Task Order (>\$200,000)

**Recommended Actions:**

- a. Appropriate additional funding in the amount of \$1,071,114.
- b. Award a contract to MEB General Contractors, Inc. in the amount of \$727,000 for Day Tank Replacement.
- c. Award a contract to MEB General Contractors, Inc. in the amount of \$1,815,000 for Fire Suppression System Upgrades.
- d. Approve a task order with HDR Engineering, Inc. in the amount of \$276,687.

**CIP Project: YR015400**

**Regulatory Requirement:** None

|                                                        | <b>Project Cost &amp; Appropriation Summary</b> | <b>CIP Project Summary</b> |
|--------------------------------------------------------|-------------------------------------------------|----------------------------|
| Capital Improvement Program Estimate (July 1, 2025)    |                                                 | \$2,335,088                |
| Funds Appropriated to Date                             | \$2,335,088                                     |                            |
| Expenditures and Encumbrances Already Incurred (minus) | (\$23,777)                                      |                            |
| Available Balance                                      | <u>\$2,311,311</u>                              |                            |
| Proposed Task Order to Contractor                      | \$2,542,000                                     |                            |
| Proposed Task Order to Engineer                        | \$276,687                                       |                            |
| Proposed Contingency                                   | \$563,738                                       |                            |
| Revised Total Remaining Project Costs                  | <u>\$3,382,425</u>                              |                            |
| Expenditures and Encumbrances Already Incurred         | \$23,777                                        |                            |
| New Project Cost Estimate                              | <u>\$3,406,202</u>                              | <u>\$3,406,202</u>         |
| Additional Appropriation Needed                        | <u>\$1,071,114</u>                              |                            |
| Favorable (Unfavorable) Variance to CIP                |                                                 | <u>(\$1,071,114)</u>       |

| <b>Contract Status with Task Orders:</b> | <b>Amount</b> |
|------------------------------------------|---------------|
| Original Contract with Engineer          | \$0           |
| Total Value of Previous Task Orders      | \$23,777      |
| Requested Task Order                     | \$276,687     |
| Total Value of All Task Orders           | \$300,464     |
| Revised Contract Value                   | \$300,464     |

**Type of Procurement:** Competitive Bid (Day Tank Replacement)

In accordance with HRSD's competitive sealed bidding procedures, the Engineering Division advertised and solicited bids directly from potential bidders. The project was advertised on May 19, 2026, and two bids were received on June 25, 2026, as listed below:

| <b>Bidder</b>                                | <b>Bid Amount</b> |
|----------------------------------------------|-------------------|
| MEB General Contractors, Inc.                | \$727,000         |
| Industrial Turnaround Corporation DBA (ITAC) | \$759,007         |

**Engineer Estimate:** \$297,000

The design engineer, HDR, evaluated the bids based on the requirements in the invitation for bid and recommends award to the lowest responsive and responsible bidder MEB General Contractors, Inc. in the amount of \$727,000.

**Type of Procurement:** Competitive Bid (Fire Suppression Systems)

In accordance with HRSD's competitive sealed bidding procedures, the Engineering Division advertised and solicited bids directly from potential bidders. The project was advertised on May 04, 2026, and one bid was received on June 18, 2026, as listed below:

| <b>Bidder</b>                 | <b>Bid Amount</b> |
|-------------------------------|-------------------|
| MEB General Contractors, Inc. | \$1,815,000       |

**Engineer Estimate:** \$1,436,000

The design engineer, HDR, evaluated the bid based on the requirements in the invitation for bid and recommends award to the lowest responsive and responsible bidder MEB General Contractors, Inc. in the amount of \$1,815,000.

**Project Description:** This project involves replacing two generator day tanks and upgrading the fire suppression systems at the York River Treatment Plant's generator and methanol facilities. The existing systems utilize Alcohol-Resistant Aqueous Film-Forming Foam (AR-AFFF) containing Perfluoroalkyl and Polyfluoroalkyl substances (PFAS). To ensure safety and regulatory compliance, the infrastructure will be upgraded to support fluorine-free or non-PFAS foam alternatives.

**Project Justification:** The current methanol fire suppression systems utilize AR-AFFF, which contains PFAS.

This foam is being phased out due to federal guidelines specific to firefighting foam, EPA regulation of PFAS releases and contamination, and liability concerns. If a system is discharged, it cannot be recharged with the existing agent. This is particularly concerning because these systems have experienced false alarms and equipment malfunctions in the past that caused the foam to activate. Furthermore, replacing the generator day tanks with a smaller unit allows for footprint consolidation, eliminating the requirement for two separate fire suppression systems and reducing long-term maintenance costs.

**Contract Description and Analysis of Cost:** This contract is for:

**Generator Day Tank Replacement:** This contract is for the replacement of two existing generator day tanks with a consolidated, smaller-footprint unit. Footprint consolidation eliminates the requirement for two separate foam fire suppression systems, lowering long-term maintenance costs. The contract bid was reviewed and recommended for approval by HDR. The total bid exceeded initial engineering estimates, driven primarily by markups associated with premiums paid to the prime contractor and reduced economies of scale from the smaller project scope.

**Fire Suppression System Upgrades:**

This contract is for construction services to replace and retrofit the fire suppression systems and generator day tanks at the York River Treatment Plant to ensure environmental safety and regulatory compliance. Work includes full containment, handling, and compliant disposal of legacy AR-AFFF containing per- and polyfluoroalkyl substances (PFAS) in accordance with Environmental Protection Agency (EPA) destruction standards. The fire suppression system will be converted to support fluorine-free foam alternatives, eliminating the long-term liabilities and operational risks associated with Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) hazardous substance designations and strict Clean Water Act discharge regulations.

The contract bid was reviewed and recommended for approval by HDR. The total bid exceeded initial engineering estimates for two main reasons: 1) market uncertainties surrounding the still relatively new (2024) EPA guidance related to the handling and disposal of AR-AFFF containing PFAS; and 2) the specialty contractor's preference to work under a prime contractor (MEB) and the associated markups.

**Task Order Description and Analysis of Cost:** This task order authorizes HDR Engineering, Inc. to provide Construction Administration and Construction Inspection (CA/CI) services for the York River Treatment Plant Fire Suppression System Upgrades and Generator Day Tank Replacement project. Services will provide quality control, , and safety oversight throughout construction, specifically addressing PFAS foam containment, system conversion, and equipment consolidation. The cost for construction-phase services is in accordance with negotiated contract rates and is appropriate to provide the technical oversight required for this project and to meet HRSD standards.

**Analysis of Additional Appropriation Request:** To execute the work, an additional appropriation of \$1,071,114 is requested to fund the total remaining project costs of \$3,382,425. This total encompasses the low construction bid of \$2,542,000 (\$1,815,000 for fire suppression upgrades and \$727,000 for day tank replacement), HDR's CA/CI fee of \$276,687, and a 20%

project contingency of \$563,738 to cover unforeseen conditions resulting from limited industry exposure to the new federal guidelines and unknowns encountered during construction.

|                         |                    |                |
|-------------------------|--------------------|----------------|
| <b><u>Schedule:</u></b> | Construction       | October 2026   |
|                         | Project Completion | September 2027 |

CONSENT AGENDA ITEM 3.e.3. – September 22, 2026

**Subject:** Nansemond Treatment Plant Motor Control Center Replacement  
 Additional Appropriation - Non-Regulatory Capital Improvement Project  
 (<\$1,000,000)  
 Contract Change Order (>25% of original contract value or \$50,000, or whichever is greater)

**Recommended Actions:**

- a. Appropriate additional funding in the amount of \$218,756.
- b. Approve a change order to the contract with Saunders Contracting Services, Inc. in the amount of \$245,800.

**CIP Project: NP013000**

**Regulatory Requirement:** None

|                                                              | <b>Project Cost &amp; Appropriation Summary</b> | <b>CIP Project Summary</b> |
|--------------------------------------------------------------|-------------------------------------------------|----------------------------|
| Capital Improvement Program Estimate (July 1, 2026)          |                                                 | \$3,827,968                |
| Funds Appropriated to Date                                   | \$2,186,000                                     |                            |
| Expenditures and Encumbrances Already Incurred               | (\$2,108,956)                                   |                            |
| Available Balance                                            | <u>\$77,044</u>                                 |                            |
| Proposed Change Order to Saunders Contracting Services, Inc. | \$245,800                                       |                            |
| Proposed Contingency                                         | \$50,000                                        |                            |
| Revised Total Remaining Project Costs                        | <u>\$295,800</u>                                |                            |
| Expenditures and Encumbrances Already Incurred               | \$2,108,956                                     |                            |
| New Project Cost Estimate                                    | <u>\$2,404,756</u>                              | \$2,404,756                |
| Additional Appropriation Needed                              | <u>\$218,756</u>                                |                            |
| Favorable (Unfavorable) Variance to CIP                      |                                                 | <u>\$1,423,212</u>         |

| <b>Contract Status with Change Orders:</b>                 | <b>Amount</b> | <b>Cumulative % of Contract</b> |
|------------------------------------------------------------|---------------|---------------------------------|
| Original Contract with Saunders Contracting Services, Inc. | \$990,326     |                                 |
| Total Value of Previous Change Orders                      | \$324,359     | 32.8%                           |
| Requested Change Order                                     | \$245,800     |                                 |
| Total Value of All Change Orders                           | \$570,159     | 57.6%                           |
| Revised Contract Value                                     | \$1,560,485   |                                 |

|                                 |  |    |
|---------------------------------|--|----|
| Time (Additional Calendar Days) |  | 30 |
|---------------------------------|--|----|

**Project Description:** This project is to replace six Motor Control Centers (MCC). The MCC's were installed in the early 1990's. The MCC's feed the Primary Pump Station #1, Float Thickening Building, Primary Pump Station #2, Clarified Recycle (CRCY) Pump Station, and Nitrified Recycle (NRCY)/CRCY Pump Station.

**Project Justification:** This project will replace 32-year-old MCCs nearing the end of their useful life. The main breakers on the MCC's are no longer available, and replacement parts are not available. The replacement of the MCC's will improve reliability to ensure critical unit processes are not adversely impacted. In addition, this project will reduce hazards to employees associated with arc flash.

**Change Order Description:** This change order includes additional labor, material, and equipment rental to complete the installation of eight 60 HP Variable Frequency Drive (VFD) cabinets, associated conduit and wiring to the DCS as loads are transferred to the NRCY/CRCY MCC. The extended equipment rental is necessary since the NRCY/CRCY pumps are critical to plant operations. The equipment rental is required for additional redundancy in case of a transformer failure to include a \$50,000 contingency amount for potential unforeseen conditions and delays. By utilizing in-house staff to manage the project and assist with the design, along with completing the construction through the annual services contract, HRSD is projected to save approximately \$1.4 million compared with the current CIP estimate.

**Analysis of Cost:** The cost is based on the current market value of needed supplies and labor, and in accordance with the current electrical services contract.

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

**Schedule:**      Project Completion                      April 2027

CONSENT AGENDA ITEM 3.e.4. – September 22, 2026

**Subject:** Nansemond Treatment Plant Struvite Recovery Facility Improvements  
Additional Appropriation - Non-Regulatory Capital Improvement Project  
(<\$1,000,000), Contract Change Order (>25% of original contract value)

**Recommended Actions:**

- a. Appropriate additional funding in the amount of \$131,930.
- b. Approve a change order to the contract with MEB General Contractors, Inc. in the amount of \$2,896,893.

**CIP Project: NP013700**

**Regulatory Requirement:** None

|                                                     | <b>Project Cost &amp; Appropriation Summary</b> | <b>CIP Project Summary</b> |
|-----------------------------------------------------|-------------------------------------------------|----------------------------|
| Capital Improvement Program Estimate (July 1, 2026) |                                                 | \$53,028,513               |
| Funds Appropriated to Date                          | \$53,062,569                                    |                            |
| Expenditures and Encumbrances Already Incurred      | (\$50,197,606)                                  |                            |
| Available Balance                                   | <u>\$2,864,963</u>                              |                            |
| Proposed Change Order to Contractor                 | \$2,896,893                                     |                            |
| Proposed Contingency                                | \$100,000                                       |                            |
| Revised Total Remaining Project Costs               | <u>\$2,996,893</u>                              |                            |
| Expenditures and Encumbrances Already Incurred      | \$50,197,606                                    |                            |
| New Project Cost Estimate                           | <u>\$53,194,499</u>                             | <u>\$53,194,499</u>        |
| Additional Appropriation Needed                     | <u>\$131,930</u>                                |                            |
| Favorable (Unfavorable) Variance to CIP             |                                                 | <u>(\$165,986)</u>         |

| <b>Contract Status with Change Orders:</b> | <b>Amount</b> | <b>Cumulative % of Contract</b> |
|--------------------------------------------|---------------|---------------------------------|
| Original Contract with Contractor          | \$29,043,990  |                                 |
| Total Value of Previous Change Orders      | \$8,180,289   | 28.2%                           |
| Requested Change Order                     | \$2,896,893   |                                 |
| Total Value of All Change Orders           | \$11,077,182  | 38.1%                           |
| Revised Contract Value                     | \$40,121,172  |                                 |

|                                 |  |     |
|---------------------------------|--|-----|
| Time (Additional Calendar Days) |  | 133 |
|---------------------------------|--|-----|

**Project Description:** This project involves the implementation of the WASSTRIP (Waste Activated Sludge Stripping to Remove Internal Phosphorus) process and improvements to the Struvite Recovery Facility (SRF). The WASSTRIP process consists of the storage of thickened WAS in a tank for a period sufficient to allow phosphorus and magnesium release, followed by post-thickening and transfer of thickened solids to digestion. The thickening filtrate (WASSATE) will be transferred to the SRF separate from the centrate stream. This project includes the addition of a solids removal step for centrate and WASSATE and a small equalization tank for the WASSATE. The SRF upgrade includes the transition from magnesium chloride and sodium hydroxide to a magnesium oxide slaker and feed system, overall control system upgrades, additional reactor capacity, and replacement of the struvite product drying equipment. This project will be completed as one construction project in unison with Nansemond Treatment Plant Digester Capacity Upgrades (NP014700).

**Project Justification:** This project will achieve the following improvements for the Nansemond Treatment Plant: improve biological phosphorus removal reliability and decrease effluent phosphorus concentrations, which is important for the decrease in the James River waste load allocation; allow for treatment of all centrate flow through the SRF and overcome capacity limitations that currently require bypassing of some centrate; provide SRF reactor redundancy to allow for maintenance activities; improve solids dewatering performance and decrease polymer demand; nearly quadruple facility production of Crystal Green (when considering Boat Harbor flow); decrease the frequency of digester cleaning due to less struvite accumulation; and decrease operational costs associated with nuisance accumulation of struvite in piping and equipment upstream of the SRF.

**Change Order Description:** This Change Order (CO) includes multiple contract modifications issued to the contractor by the engineer and HRSD, to include Struvite Recovery Facility (SRF) and Paving Credits, HVAC and Fire Alarms to the Distributed Control System, and SRF Influent Pump Replacement. Within these contract modifications, electrical revisions and programming in the SRF contain the majority of the costs incurred.

**Funding Description and Analysis of Cost:** The cost is based on prices that were presented by the contractor. Our engineer, HDR, completed separate Opinion of Probable Cost Comparisons to evaluate the costs proposed, and these were within 4% of the costs proposed by the contractor.

The bulk of this contract modification with MEB can be covered with existing project appropriation. The additional appropriation request also includes \$100,000 in contingency for additional equipment that may be required from Ostara or HRSD in the SRF.

**Schedule:**      Project Completion                      July 2027

CONSENT AGENDA ITEM 3.f.1. – September 22, 2026

**Subject:** South Norfolk Area Gravity Sewer Improvements, Phase II  
Additional Appropriation - Regulatory Required Capital Improvement Project  
(<\$10,000,000)

**Recommended Action:** Appropriate additional funding in the amount of \$850,000.

**CIP Project:** AT013110

**Regulatory Requirement:** Rehab Action Plan Phase 2 (7/1/2027 Completion)

|                                                        | <b>Project Cost &amp; Appropriation Summary</b> | <b>CIP Project Summary</b> |
|--------------------------------------------------------|-------------------------------------------------|----------------------------|
| Capital Improvement Program Estimate<br>(July 1, 2026) |                                                 | \$18,237,440               |
| Funds Appropriated to Date                             | \$17,405,652                                    |                            |
| Expenditures and Encumbrances Already Incurred         | (\$17,268,452)                                  |                            |
| Available Balance                                      | <u>\$137,200</u>                                |                            |
| Proposed Change Orders to Contractor                   | \$901,666                                       |                            |
| Proposed Contingency                                   | \$85,534                                        |                            |
| Revised Total Remaining Project Costs                  | <u>\$987,200</u>                                |                            |
| Expenditures and Encumbrances Already Incurred         | \$17,268,452                                    |                            |
| New Project Cost Estimate                              | <u>\$18,255,652</u>                             | \$18,255,652               |
| Additional Appropriation Needed                        | <u>\$850,000</u>                                |                            |
| Favorable (Unfavorable) Variance to CIP                |                                                 | <u>(\$18,212)</u>          |

| <b>Contract Status with Change Orders:</b> | <b>Amount</b> | <b>Cumulative % of Contract</b> |
|--------------------------------------------|---------------|---------------------------------|
| Original Contract with Contractor          | \$14,397,200  |                                 |
| Total Value of Previous Change Orders      | \$1,302,521   | 9%                              |
| Requested Change Orders                    | \$901,666     |                                 |
| Total Value of All Change Orders           | \$2,204,187   | 15.3%                           |
| Revised Contract Value                     | \$16,601,387  |                                 |

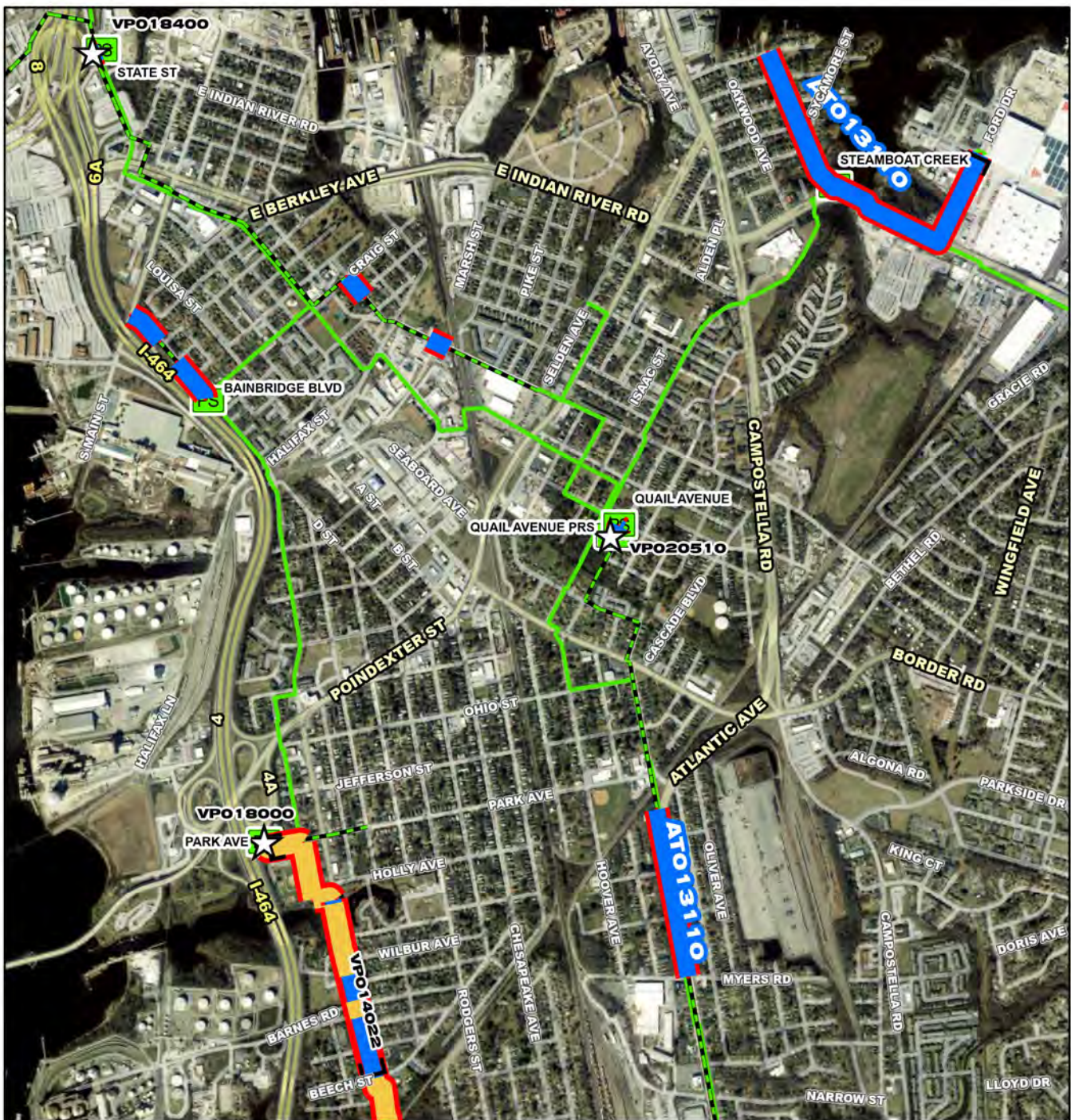
|                                 |  |     |
|---------------------------------|--|-----|
| Time (Additional Calendar Days) |  | 392 |
|---------------------------------|--|-----|

**Project Description:** This project will rehabilitate and/or replace gravity sewer segments and manholes in the South Norfolk area of Chesapeake. The attached [map](#) depicts the project location.

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

**Funding Description and Analysis of Cost:** This additional appropriation will fund two construction change orders encompassing additional manhole rehabilitation, bypass pumping, CCTV inspections, heavy cleaning, and other various line item overruns, and is based on unit prices in the original schedule of values. This request also includes an \$85,534 contingency to accommodate any unforeseen conditions.

**Schedule:**      Project Completion              February 2027

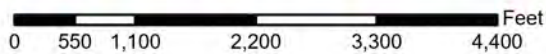


# **ATO13110**

- Project Interceptor Line
- Project Interceptor Point
- Project Location Point
- Project Area

## **Legend**

- ★ CIP Interceptor Point
- ☆ CIP Pump Station Point
- Orange line CIP Interceptor Line
- Red line CIP Abandonment
- Red area CIP Project Area
- Green line HRSD Interceptor Force Main
- Black line HRSD Interceptor Gravity Main
- WTP HRSD Treatment Plant
- PRS HRSD Pressure Reducing Station
- PS HRSD Pump Station



# **ATO13110**

## **South Norfolk Area Gravity Sewer Improvements, Phase II**



**CIP Location**



CONSENT AGENDA ITEM 3.g.1. – September 22, 2026

**Subject:** Sanitary Sewer Replacement 1950 – Part 2 Agreement

**Recommended Action:** Approve the terms and conditions of the agreement with Virginia Natural Gas and authorize the General Manager to execute the same, substantially as presented, together with such changes, modifications and deletions as the General Manager may deem necessary.

**CIP Project:** VP014022

**Regulatory Requirement:** Rehab Action Plan Phase 2 (07/01/2027 Completion)

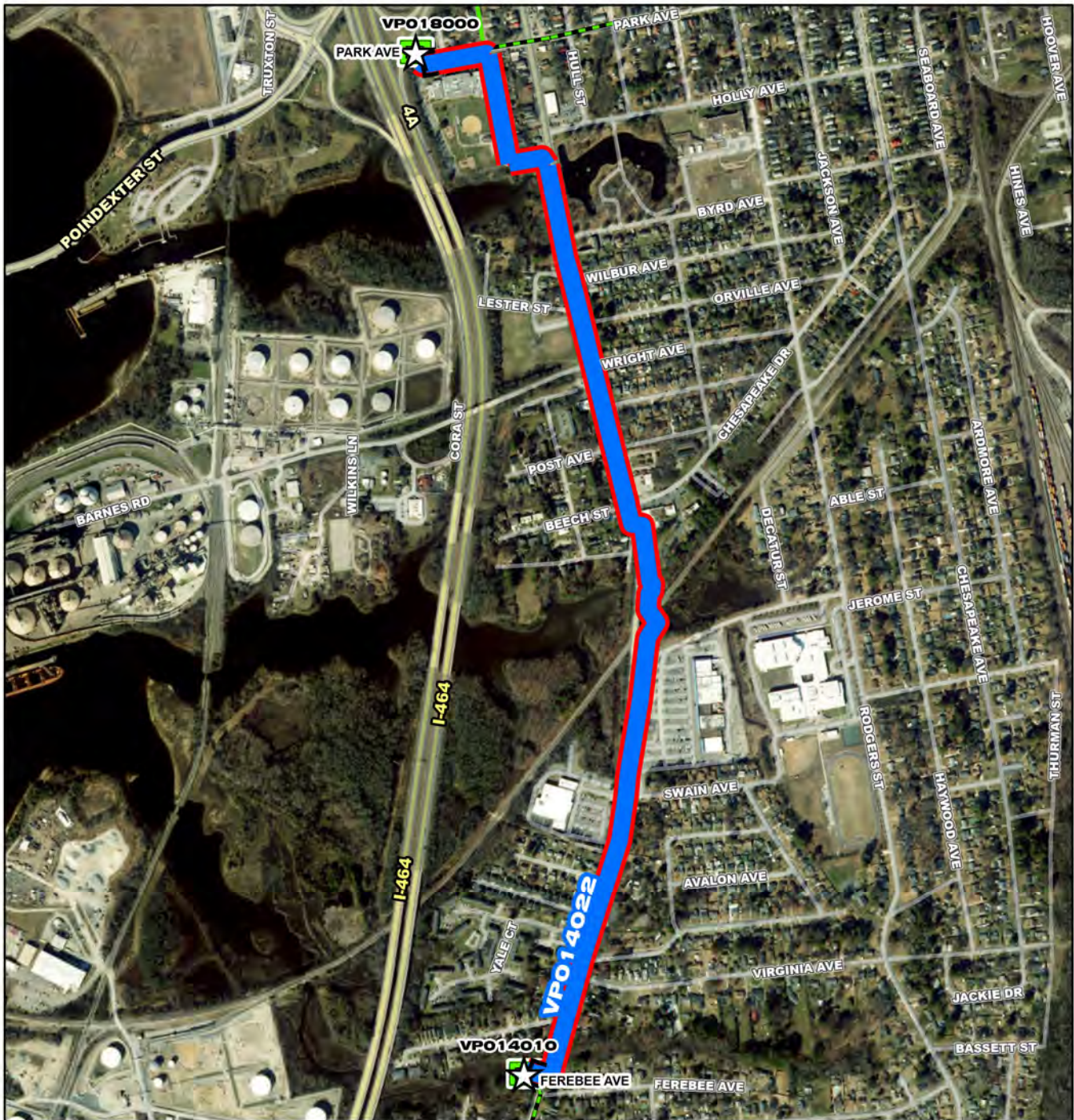
**Project Description:** This project will design and construct a force main to replace 850 feet of 12-inch force main SF-155 Sanitary Sewer Project 1950, 2,900 feet of 18-inch gravity line 1960 SG-153, and 2,700 feet of 24-inch 1960 SG-149. The attached [map](#) depicts the project location.

**Project Justification:** This project will evaluate and implement the replacement of HRSD force main and gravity sewer between Ferebee Avenue Pump Station and Park Avenue Pump Station.

**Agreement Description:** This agreement between Virginia Natural Gas (VNG) and HRSD is for HRSD to reimburse VNG for the relocation of their 8-inch steel gas main, which currently conflicts with HRSD's proposed 30-inch gravity line in the vicinity of 2120 Bainbridge Blvd, Chesapeake, VA. HRSD's legal counsel, Sands Anderson, PC, has reviewed the attached [Agreement](#).

**Analysis of Cost:** The estimated cost to relocate approximately 90 feet of VNG's 8-inch steel gas main is \$87,224. HRSD will pay the estimated cost in advance in accordance with the Agreement. If actual relocation costs exceed the estimate, HRSD will reimburse VNG for the additional costs; if actual costs are less than the estimate, VNG will refund the difference to HRSD.

**Schedule:** Project Completion July 2027



#### VPO14022

- Project Interceptor Line
- Project Interceptor Point
- Project Location Point
- Project Area

#### Legend

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

0 305 610 1,220 1,830 2,440 Feet

## VPO14022

### Sanitary Sewer Replacement 1950 - Part 2



CIP Location



## GAS FACILITY RELOCATION AND REIMBURSEMENT AGREEMENT

THIS GAS FACILITY RELOCATION AND REIMBURSEMENT AGREEMENT (“Agreement”), entered into this \_\_\_\_ day of \_\_\_\_, 2026, by and between Hampton Roads Sanitation District, a political subdivision of the Commonwealth of Virginia (“HRSD”), and Virginia Natural Gas, Inc., a Virginia Stock Corporation (“VNG”), hereinafter individually a “Party”, collectively the “Parties”.

### WITNESSETH:

WHEREAS, HRSD is currently in the process of installing a thirty (30) inch gravity line sewer in the City of Chesapeake Virginia (the “City”) pursuant to that certain project entitled Sanitary Sewer Replacement 1950 – Part 2 (the “Project”); and

WHEREAS, HRSD is installing this gravity line sewer in the City Right of Way; and

WHEREAS, VNG owns natural gas facilities located within the City Right of Way, in front of 2120 Bainbridge Blvd, Chesapeake, Virginia consisting of approximately 90’ feet of its 8 inch, high-pressure natural gas pipeline and;

WHEREAS, these VNG natural gas facilities are interfering with HRSD’s ability to install gravity line sewer as required by the Project; and

WHEREAS, HRSD has requested that VNG relocate these natural gas facilities and offered to reimburse VNG for the cost and expense of this relocation; and

WHEREAS, VNG is willing to relocate these natural gas facilities on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the recitals, the mutual benefits to be derived from this Agreement, it is mutually covenanted and agreed that VNG will relocate its natural gas facilities in accordance with the terms and conditions of this Agreement.

1. VNG agrees to relocate, at HRSD’s sole cost and expense, approximately 90’ feet of its 8-inch, high-pressure natural gas pipeline located in the City Right of Way in front of 2120 Bainbridge Blvd, Chesapeake, VA (the “Existing Gas Facilities”).

2. After the completion of the relocation of the Existing Gas Facilities (the “Relocated Gas Facilities”), VNG will abandon the Existing Gas Facilities in place. HRSD understands and agrees that VNG will not remove the Existing Gas Facilities. The Relocated Gas Facilities shall be the exclusive property of VNG.

3. HRSD agrees to pay to VNG the total estimated cost of the relocation of the Existing Gas Facilities in order to allow HRSD to install the gravity sewer line as required by the Project (the

“Work”) in full and in advance of VNG ordering materials or commencing the Work. The total cost of the Work is estimated to be Eighty-Seven Thousand Two Hundred Twenty-Four and 00/100 Dollars (**\$87,224.00**) (“Estimated Cost”).

4. In the event that the actual total cost of the Work exceeds the Estimated Cost, HRSD agrees to pay VNG all such additional cost within 10 days of receipt of VNG’s itemized invoice. Should the actual total cost amount to relocate be less than the Estimated Cost, VNG shall refund the difference between the actual and Estimated Cost to HRSD within Forty-Five (45) days of the completion of the Work.

5. VNG will order materials and commence the Work upon (1) receipt of HRSD’s payment of the Estimated Cost, and (2) receipt of this executed Agreement. VNG will proceed with the Work on a schedule determined by VNG, in its sole discretion. The Parties, however, understand and agree that time is of the essence in order for HRSD to timely complete its Project.

6. To the extent permitted by applicable law, HRSD will defend, indemnify and hold harmless VNG and any officer, director, partner, or employee (together “VNG Parties”) from and against any and all claims (“Third-Party Claim”) made by any person who is not a party to this Agreement against VNG that arise in connection with the Work, subject to and conditioned upon and to the extent of HRSD’s insurance coverage. However, specifically excluded from this agreement to defend, indemnify and hold harmless are any actions by the VNG Parties that are willful, intentional, grossly negligent or negligent. Moreover, nothing herein is intended to waive any rights of HRSD including its right to assert the doctrine of sovereign immunity. If VNG receives notice of the commencement or assertion of any Third-Party Claim, VNG shall give HRSD reasonably prompt written notice thereof, but in any event, no later than 15 days after receipt of such notice.

7. It is understood and agreed by the Parties hereto that if any part, term or provision of this Agreement is by the courts held to be illegal, unenforceable, or in conflict with any law of the Commonwealth of Virginia, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

8. This Agreement shall be interpreted, construed and governed by and in accordance with the laws of the Commonwealth of Virginia.

9. This Agreement shall not be assigned, in whole or in part, by either Party without the prior written consent of the other Party. The duties, obligations, rights and remedies under this Agreement are in addition to and not in limitation of those otherwise imposed or available by law.

10. This Agreement constitutes the entire understanding and agreement between the Parties, and no variations or substitutions shall be made except in writing by the Parties or their duly authorized representatives.

11. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument. A signature affixed or delivered electronically will be considered an original.

12. This Agreement shall inure to the benefit of the Parties and shall, to the maximum extent permitted by law, be binding on the Parties and their successors and assigns.

13. The Recitals above are incorporated into this Agreement as if fully set forth herein.

*Signature page follows*

IN WITNESS WHEREOF, the Parties have hereunto executed this Agreement, by having the same signed by their duly authorized representatives, the day and year first above written.

Virginia Natural Gas, Inc.

\_\_\_\_\_  
BY: Robert S. Haylett, Jr.  
Vice President-Operations

WITNESS

\_\_\_\_\_

Hampton Roads Sanitation District

BY: \_\_\_\_\_

NAME: Jay Bernas, P.E. \_\_\_\_\_

TITLE: General Manager/CEO \_\_\_\_\_

WITNESS

\_\_\_\_\_

AGENDA ITEM 4. – September 22, 2026

**Subject:** Army Base 24-Inch and 20-Inch Transmission Main Replacements  
Grant Agreement

**Recommended Action:** Authorize the General Manager to enter into a Grant Agreement with the Department of War Office of Local Defense Community Cooperation (OLDCC) for the Army Base Transmission Main Replacements project.

**CIP Project:** AB010000

**Agreement Description:** The grant agreement will be between the OLDCC and HRSD for the transmission force main replacement project located near Naval Station Norfolk and Navy Support Activity Hampton Roads. Staff recently received notice of a \$13,170,030 grant award funded through the OLDCC Federal Fiscal Year 2026 Defense Community Infrastructure Program.

This grant project will finalize the abandonment of two existing transmission force mains and replace them with a new 36-inch transmission force main.

The total project budget is \$20,792,338, with the grant providing \$13,170,030 in funding.

HRSD's legal counsel, Sands Anderson PC, will review the proposed grant agreement.

AGENDA ITEM 5. – September 22, 2026

**Subject:** Central Norfolk Area Gravity Sewer Improvements Phase I  
Transfer Agreement for McNeal Avenue Gravity Sewers

**Recommended Action:** Approve the terms and conditions of a Transfer Agreement with the City of Norfolk (City) for the McNeal Avenue gravity sewers and authorize the General Manager to execute the same, substantially as presented, together with such changes, modifications, and deletions as the General Manager may deem necessary.

**CIP Project:** VP017110

**Regulatory Requirement:** Rehab Action Plan Phase 2 (05/05/2025 Completion)

**Project Description:** This project rehabilitated 314 linear feet (LF) of 8-inch vitrified clay pipe (VCP) with cure-in-place (CIPP) liner and replaced 74 LF of 6-inch VCP with an 8-inch PVC gravity sewer. The attached [map](#) depicts the project location.

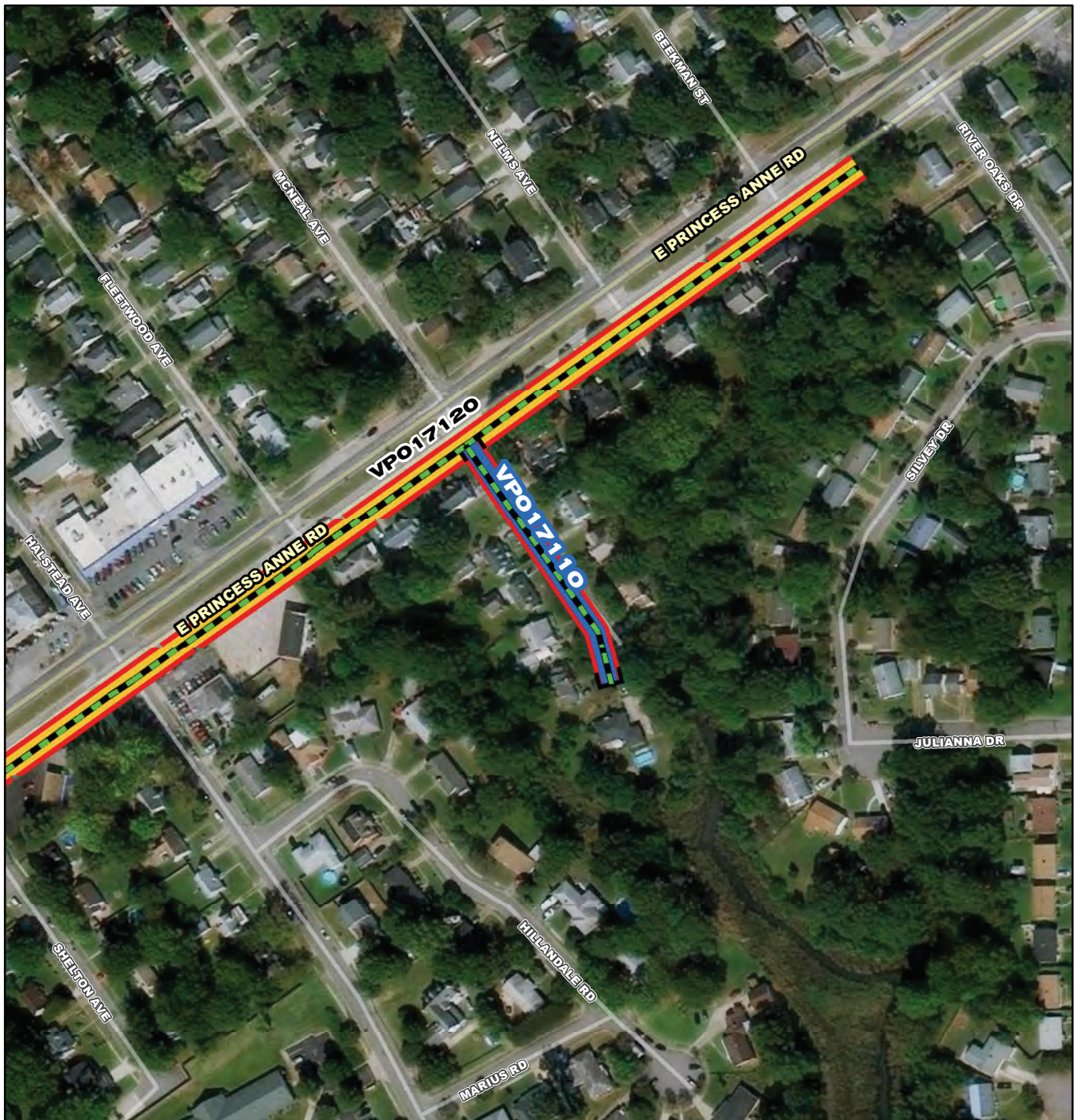
**Project Justification:** Condition assessment activities indicated that these assets presented a material risk of failure due to I/I and physical condition defects.

**Agreement Description:** The attached [Transfer Agreement](#) between the City of Norfolk and HRSD is for HRSD to transfer ownership of the rehabilitated and replaced McNeal Avenue gravity sewers to the City, as designed and constructed in accordance with the City's Design and Construction Standards, and in adherence to the terms and conditions described in the attached Agreement.

HRSD's legal counsel, Sands Anderson PC, has reviewed and coordinated with the City to finalize the Agreement. The City Attorney's office drafted an ordinance that was approved by the City Council on August 25, 2026.

This transfer is in accordance with the Commission Adopted Facility Transfer Policy.

**Schedule:** Project Completion July 2022

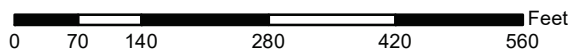


**VPO17110**

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

**Legend**

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



**VPO17110**

**Central Norfolk Area Gravity Sewer  
Improvements Phase I**



**CIP Location**



Norfolk

**HAMPTON ROADS SANITATION DISTRICT AND CITY OF NORFOLK  
TRANSFER AGREEMENT FOR  
MCNEAL AVENUE GRAVITY SEWERS**

THIS AGREEMENT ("the AGREEMENT"), between the CITY OF NORFOLK ("CITY") and the HAMPTON ROADS SANITATION DISTRICT ("HRSD") (each individually a "Party" and collectively, the "Parties"), is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

WHEREAS, it is the desire for the CITY and HRSD to regionalize certain wastewater conveyance systems to create savings for the mutual ratepayers of the CITY and HRSD, and to create additional benefits for both the CITY and HRSD by the division of certain roles and responsibilities with regard to operation of systems and the transfer of ownership of certain assets; and

WHEREAS, HRSD owns, operates, and maintains gravity sanitary sewers and manholes along McNeal Avenue in the City of Norfolk, as shown on Exhibit A (hereafter referred to as "SEWERS");

WHEREAS, CITY and HRSD have determined that a transfer of ownership of the SEWERS from HRSD to CITY will serve the needs of the service area most efficiently and is in the best interests of the Parties;

WHEREAS, the CITY requested and HRSD agreed to make certain gravity sewer system improvements to the SEWERS as detailed in Section II.A of this Agreement (the "IMPROVEMENTS") prior to transferring them to the CITY;

WHEREAS upon satisfactory completion of the IMPROVEMENTS in accordance with the terms and conditions of this AGREEMENT including, but not limited to conformance with the BID DOCUMENTS, HRSD agrees to convey, and CITY agrees to acquire, the IMPROVEMENTS.

NOW, THEREFORE, it is mutually agreed between the Parties as follows:

**I. OWNERSHIP TRANSFER DESCRIPTION**

- A. HRSD agrees to transfer, and the City agrees to accept ownership of the SEWERS upon the SUBSTANTIAL COMPLETION of the IMPROVEMENTS by HRSD. "SUBSTANTIAL COMPLETION" shall be achieved when HRSD has substantially completed the work outlined in Section II of this AGREEMENT, has determined that the IMPROVEMENTS are ready for their intended use, and the City has provided HRSD with a written notification that it has completed its inspection and approved the IMPROVEMENTS.

- B. The CITY shall be entitled to conduct a final inspection walk-through to confirm that the IMPROVEMENTS have been installed in substantial conformance with the terms of this AGREEMENT, which inspection and confirmation shall not be unreasonably delayed or withheld. Following inspection and confirmation of conformity by the CITY, HRSD shall release the contractor(s) engaged in construction of the IMPROVEMENTS and the warranty period for the IMPROVEMENTS provided herein shall commence.
- C. Upon CITY'S written notification to HRSD that it has satisfactorily inspected and approved of the IMPROVEMENTS, HRSD will issue a notice of SUBSTANTIAL COMPLETION, at which time ownership of the SEWERS shall automatically transfer and vest with the CITY. The Parties shall provide written acknowledgment of the transfer of ownership of the SEWERS from HRSD to CITY promptly following SUBSTANTIAL COMPLETION by executing a completed Certificate of City's Acceptance of Improvements (the "CERTIFICATE") in the form attached hereto as Exhibit B. The CERTIFICATE shall serve to establish a date certain of the transfer of ownership and confirm both Parties' compliance with the terms of this AGREEMENT. The Parties agree to execute such further documentation or instruments as are necessary to confirm, effect, and memorialize the transfer of the SEWERS from HRSD to the CITY.
- D. Upon the transfer of ownership of the SEWERS to the CITY, the CITY will thereafter operate and maintain the SEWERS.

## **II. ROLES AND RESPONSIBILITIES**

- A. The IMPROVEMENTS shall consist of the following work, which the Parties agree represent the mutually agreed upon necessary gravity sewer system improvements based on industry standard practices and products acceptable to the CITY:
  - 1. In performing its work on the IMPROVEMENTS, HRSD will adhere to CITY's Design & Construction Standards for all gravity sewer system improvements and to ensure all IMPROVEMENTS and appurtenances are acceptable and in good operational condition prior to transfer to CITY.
  - 2. HRSD will replace approximately 74 LF of 6-inch vitrified clay pipe (VCP) with an 8-inch polyvinyl chloride (PVC) gravity sewer from SMH # MH-SG-107-315 to SMH # MH-SG-107-390 as shown in Exhibit A.

3. HRSD will rehabilitate 314 LF of 8-inch VCP with cured-in-place pipe (CIPP) liner and ultra-violet (UV) curing technology from SMH # MH-SG-107-748 to SMH # MH-SG-107-315 as shown in Exhibit A.
  4. HRSD will continue to own, operate, and maintain SMH # MH-SG-107-748 upon completion of the Improvements.
  5. HRSD will re-establish service laterals with mechanical cutting methods inside the pipe after CIPP work is completed.
  6. HRSD will perform condition assessment of SEWERS after CIPP work is complete and laterals have been re-established to evaluate condition of the service laterals and/or connections to SEWERS.
  7. HRSD will rehabilitate or replace service laterals within the CITY right of way for all service laterals the CITY deems not acceptable/serviceable.
  8. HRSD will install insertable service connections for all service lateral connections the CITY deems not acceptable/serviceable.
- B. The Parties agree to the following ancillary provisions relating to the IMPROVEMENTS:

1. Correction of Construction Defects in the Improvements

HRSD shall require the contractor(s) engaged for the IMPROVEMENTS to provide a performance and payment bond, issued to and for the benefit of HRSD and the CITY, for the full amount of the construction of the IMPROVEMENTS. The construction contract shall also provide for a warranty of the contractor's work against construction defects in the IMPROVEMENTS and shall require the contractor to correct such defects that are reported by HRSD or the CITY within one (1) year of the SUBSTANTIAL COMPLETION of the IMPROVEMENTS. In reviewing and approving the award of the construction contract, the Parties shall ensure that any such warranty is assignable to the CITY upon transfer of ownership of the SEWERS following completion of the IMPROVEMENTS.

2. Construction Record Drawings

Upon completion of the IMPROVEMENTS, HRSD shall provide the CITY construction record drawings approved by both Parties in accordance with HRSD's Design and Construction Standards, latest edition, Hampton Roads Planning District Commission Regional Construction Standards, latest edition, and City's Design and Construction Standards, latest edition. HRSD further agrees to provide the CITY all other records produced during the IMPROVEMENTS work pertaining to the SEWERS,

i.e., condition assessment closed-circuit television (CCTV) videos, record drawings, etc.

### III. GENERAL PROVISIONS

- A. Right of Entry: HRSD shall have the right to access the CITY's sewer infrastructure surrounding the IMPROVEMENTS, including, but not limited to, all sewer service laterals and sewer clean-outs, for the purpose of making and completing the IMPROVEMENTS and satisfying its obligations under this AGREEMENT, provided such work does not materially interfere with CITY's ability to perform routine system maintenance or while responding to service calls. In connection with this right to enter upon CITY facilities and property, HRSD agrees to restore the facilities and property to their prior condition after the performance of any such condition assessment and IMPROVEMENT work. CITY has the right to be present during any entry or work upon CITY facilities and HRSD shall notify CITY staff a minimum of 48 hours prior to commencing any such entry or work. For the purposes of this Section III(A), formal notice pursuant to Section III(B) is not required and actual notice through regular means of business communication including electronic mail is sufficient.
- B. Notices: All notices required pursuant to the terms of this Agreement shall be deemed effective when delivered by hand-delivery, electronic mail with confirmation of receipt, or certified mail, return receipt requested, postage prepaid, to CITY and to HRSD at the respective addresses herein shown, unless this Agreement is modified in writing to reflect other addresses:

|                                       |                                                                                             |
|---------------------------------------|---------------------------------------------------------------------------------------------|
| CITY of Norfolk                       | HRSD                                                                                        |
| c/o Director, Department of Utilities | c/o General Manager                                                                         |
| 500 E. Main Street, Suite 700         | PO Box 5911                                                                                 |
| Norfolk, VA 23510                     | Virginia Beach, VA 23471                                                                    |
| Email: robert.carteris@norfolk.gov    | Email:<br><a href="mailto:Generalmanager@hrsd.com">Generalmanager@hrsd.com</a><br>@hrsd.com |

With Copies to:

HRSD Counsel:  
Robyn H. Hansen, Esq.  
Sands Anderson PC  
4801 Courthouse Street, Suite 203  
Williamsburg, VA 23188  
Email: Rhansen@sandsanderson.com

And

City of Norfolk - Department of Utilities  
Robert A. Carteris, Director  
500 E. Main Street, Suite 700  
Norfolk, VA 23510

And

Office of the Norfolk City Attorney  
810 Union Street, Suite 900  
Norfolk, VA 23510  
Email adam.mellita@norfolk.gov

- C. Entire Agreement: This AGREEMENT, and any exhibits or attachments made hereto, represent the full agreement and understanding of the Parties hereto, there being no additional agreements written, oral or otherwise. This AGREEMENT may be amended only by a writing signed by both Parties.
- D. Authority: CITY and HRSD both warrant that they have permission and authority derived under their respective corporate Charters and Enabling Acts to execute and undertake this Agreement and that all necessary actions of the Norfolk City Council to allow execution of this Agreement have been completed, and that all necessary Resolutions and actions of the Commission of HRSD to allow execution of this Agreement have been completed. This Agreement shall apply to, and be binding upon both Parties, their elected officials, officers, agents, employees, successors, and assigns.
- E. Compliance with Law: Each Party warrants that it has complied with all aspects of applicable federal, state, and local law in entering this AGREEMENT and further warrants that it shall comply with all applicable federal, state, and local laws in the performance of this AGREEMENT.
- F. No Violation: The execution of this AGREEMENT by the Parties will not violate any covenant, condition, or contract to which the Parties hereto are subject at the time of execution.
- G. Governing Law; Venue: This AGREEMENT 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 it was actually delivered and accepted, this contract shall be deemed to have been delivered and accepted by the Parties in the Commonwealth of Virginia. Venue shall be in the courts of the City of Norfolk.

- H. Enforcement: The failure of either Party to enforce the terms of this AGREEMENT shall not be considered a waiver as to the enforceability of such terms. If any provision of this AGREEMENT is found to be unenforceable, the remainder of this AGREEMENT shall remain in full force and effect.
- I. Survival: This AGREEMENT shall survive settlement and conveyance of title and shall terminate only upon the written agreement of both Parties.
- J. Force Majeure: No Party shall be responsible for its failure to fulfill an obligation pursuant to this AGREEMENT to the extent that such failure is due to acts of God; labor strikes; war or terrorism; epidemics/pandemics; fires; floods; the actions of a third party; lockouts; strikes, freight embargos, and unusually severe weather or delays of subcontractors due to such causes. A Party experiencing a force majeure event that prevents fulfillment of a material obligation hereunder shall (a) give the other Party prompt written notice describing the particulars of the event; (b) suspend performance only to the extent and for the duration that is reasonably required by the force majeure event; (c) use reasonable efforts to overcome or mitigate the effects of such occurrence; and (d) promptly resume performance of the affected obligation if and when such Party is able to do so.
- K. Counterparts: This AGREEMENT may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument.
- L. Binding Effect: This AGREEMENT shall inure to the benefit of the Parties and shall, to the maximum extent permitted by law, be binding on the Parties and their successors and assigns.
- M. Reservation: Except as expressly provided herein, nothing in this AGREEMENT shall be construed to limit or otherwise affect the authority, rights, or responsibilities of the Parties.
- N. Recitals. The Recitals above are incorporated into this AGREEMENT as if fully set forth therein.

(SIGNATURE PAGES TO FOLLOW)

IN WITNESS WHEREOF, the CITY of Norfolk has caused this AGREEMENT to be signed by the CITY Manager pursuant to the Ordinance adopted by the CITY Council on \_\_\_\_\_, 2026.

CITY OF NORFOLK

By: \_\_\_\_\_  
Patrick G. Roberts, City Manager

Attest: \_\_\_\_\_  
Richard Allan Bull, MMC

COMMONWEALTH OF VIRGINIA  
CITY OF NORFOLK, to-wit:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2026, by Patrick G. Roberts, City Manager of the City of Norfolk and Richard Allan Bull, MMC, who is City Clerk of the City of Norfolk.

\_\_\_\_\_  
Notary Public

Notary#: \_\_\_\_\_

My Commission expires: \_\_\_\_\_

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Director, Department of Utilities

APPROVED AS TO FORM AND  
CORRECTNESS:

\_\_\_\_\_  
City Attorney's Office

IN WITNESS WHEREOF, the Hampton Roads Sanitation District Commission has caused this AGREEMENT to be signed on its behalf by its General Manager and CEO in accordance with authorization granted at its regular meeting held on \_\_\_\_\_, 2026.

HAMPTON ROADS SANITATION DISTRICT

By: \_\_\_\_\_  
Jay Bernas, P.E., General Manager

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

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2026 by Jay Bernas, P.E., General Manager and CEO of Hampton Roads Sanitation District. He is personally known to me or provided \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public

Notary#: \_\_\_\_\_

My Commission expires: \_\_\_\_\_

Exhibit A: McNeal Avenue SEWERS



**EXHIBIT B**

**CERTIFICATE OF CITY'S ACCEPTANCE OF IMPROVEMENTS**

This Certificate of City's Acceptance of Improvements (the "Certificate") is made as of \_\_\_\_\_, 2026, (the "Certificate Date") between CITY OF NORFOLK ("CITY") and the HAMPTON ROADS SANITATION DISTRICT ("HRSD")

WHEREAS, CITY and HRSD entered into that certain Transfer Agreement for the McNeal Avenue Gravity Sewers dated \_\_\_\_\_, 2026 (the "AGREEMENT"), pursuant to which HRSD agreed to construct and transfer to the CITY, and the CITY agreed to accept and thereafter maintain, the IMPROVEMENTS to the EXISTING SEWERS.

WHEREAS, CITY and HRSD agreed to execute this Certificate to confirm ownership of the IMPROVEMENTS vesting in the CITY following their SUBSTANTIAL COMPLETION by HRSD.

NOW, THEREFORE, CITY and HRSD mutually agree and certify as follows:

1. CITY is in possession of, and has accepted, the IMPROVEMENTS as of the Certificate Date, transferred by HRSD in accordance with the AGREEMENT. CITY has inspected the IMPROVEMENTS and acknowledges SUBSTANTIAL COMPLETION of all the work to be performed by HRSD under the terms of the AGREEMENT. CITY further certifies that all conditions of the AGREEMENT required of HRSD have been met as of the date of this Certificate.

2. Accordingly, CITY and HRSD hereby certify and agree that ownership of the IMPROVEMENTS is vested with the CITY as of the Certificate Date.

3. Capitalized terms used but not otherwise defined herein shall have the meanings assigned thereto in the Agreement.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have duly executed and sealed this Certificate as of the date and year first above stated.

CITY OF NORFOLK

By: \_\_\_\_\_  
Name: Patrick G. Roberts  
Title: Norfolk City Manager

Attest: \_\_\_\_\_  
Name: Richard Allan Bull, MMC  
Title: Norfolk City Clerk

COMMONWEALTH OF VIRGINIA  
CITY OF NORFOLK, to-wit:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2026, by Patrick G. Roberts, City Manager of the City of Norfolk and Richard Allan Bull, MMC, who is City Clerk of the City of Norfolk.

Notary#: \_\_\_\_\_  
My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

APPROVED AS TO CONTENT:

APPROVED AS TO FORM AND  
CORRECTNESS:

\_\_\_\_\_  
Director, Department of Utilities

\_\_\_\_\_  
City Attorney's Office

HAMPTON ROADS SANITATION DISTRICT

By: \_\_\_\_\_  
Jay Bernas, P.E., General Manager and CEO

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

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_,  
2026 by Jay Bernas, P.E., General Manager and CEO of Hampton Roads Sanitation  
District.

\_\_\_\_\_  
Notary Public

Notary#: \_\_\_\_\_

My Commission expires: \_\_\_\_\_

AGENDA ITEM 6. – September 22, 2026

**Subject:** High Priority Inflow and Infiltration Reduction Program  
Locality Agreement with Portsmouth

**Recommended Action:** Approve the terms and conditions of the locality agreement with Portsmouth for the High Priority Inflow and Infiltration Reduction Program and authorize the General Manager to execute the same, substantially as presented, together with such changes, modifications, and deletions as the General Manager may deem necessary.

**CIP Project:** GN020310

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

**Program Description:** The purpose of the High Priority Inflow and Infiltration Reduction Program (HPIIRP) is to reduce wet weather sanitary sewer overflow (SSO) volume by implementing cost-effective inflow and infiltration (I/I) reduction projects in priority basins to achieve compliance with the requirements of the approved Regional Wet Weather Management Plan (RWWMP). Work activities may be located on Locality or HRSD-owned assets, and/or private assets/property, and may include the upsizing of gravity pipelines. The currently proposed priority basins are located in James City County, York County, and the Cities of Portsmouth, Chesapeake, and Suffolk.

**Program Justification:** HRSD's RWWMP identified 19 high-priority basins where I/I reduction could be implemented to cost-effectively reduce model-simulated SSOs. Under the Interim Agreement, Burns and McDonnell Engineering Company (BMcD) performed data collection and analysis on the nineteen high-priority project areas and other alternate basins identified by localities as contributors to SSOs. As a result of this analysis, BMcD developed a Comprehensive Inflow and Infiltration Reduction Plan (Plan), which concluded that only three of the original 19 basins were cost-effective for I/I reduction projects, and ultimately identified seven alternate basins recommended for incorporation into the Program. The Comprehensive Agreement approved by Commission on September 2025, includes the design and construction of the selected priority projects and post-construction flow monitoring and modeling to determine the resulting reduction in modeled SSO volume.

**Agreement Description:** This agreement between Portsmouth and HRSD is a supplement to the 2014 Memorandum of Agreement (MOA) between HRSD and all of the Localities and is for the design and construction of improvements to sanitary sewer infrastructure in two of the identified priority basins (Port – 02/04/10) located in Portsmouth. The work includes repairs targeting removal of inflow sources as well as comprehensive rehabilitation of sewer mains, manholes, and laterals as described in the draft Preliminary Engineering Report prepared by BMcD dated July 2026.

The current estimated cost of the construction of infrastructure improvements related to the Agreement is \$18,950,000. HRSD's legal counsel, Sands Anderson PC, has prepared and reviewed the attached [Agreement](#) in coordination with counsel for Portsmouth.

Some key highlights of the Agreement are:

- Portsmouth will have the opportunity to review and comment on the draft PER and final plans and specifications provided by the Design-Builder.
- HRSD, through the Design-Builder, BMcD, will construct improvements in the identified basins in substantial conformance with the final plans and specifications.
- Portsmouth responsibilities under the agreement include coordination with locality projects, support with right of entry agreements and easements, participation in meetings, prompt review of permits and plans, prompt notification of public inquiries, observation of construction work, and participation during the processes for substantial completion, final completion, and warranty inspections of improvements.
- Portsmouth will retain ownership of the locality system and all infrastructure related to the improvements and will remain responsible for maintenance and operation prior to the commencement of construction of the improvements and will resume those responsibilities after the infrastructure is placed back in service.
- HRSD will be responsible for all costs associated with the design and construction of the improvements

**Analysis of Cost:** There is no cost associated with this Agreement, but HRSD will be responsible for all costs associated with the design and construction of the improvements in Portsmouth.

|                         |                    |               |
|-------------------------|--------------------|---------------|
| <b><u>Schedule:</u></b> | Design             | October 2026  |
|                         | Construction       | November 2026 |
|                         | Project Completion | January 2029  |

## **HIGH PRIORITY INFLOW AND INFILTRATION REDUCTION PROGRAM**

### **LOCAL AGREEMENT WITH THE CITY OF PORTSMOUTH, VIRGINIA**

This Agreement (“Agreement”) is entered into as of the date of final signature below, by and among the Hampton Roads Sanitation District (“HRSD”) and the City of Portsmouth, Virginia (the “Locality”) (each a “Party” and together the “Parties”).

#### Recitals

**WHEREAS**, the Locality is within the territory of the “District” as defined in 1960 Acts of Assembly, c. 66, as amended (the “Act”), and HRSD provides wastewater transmission and treatment services in the Locality; and

**WHEREAS**, working closely with the U.S. Environmental Protection Agency, Virginia Department of Environmental Quality, and local communities, HRSD has embarked on an extensive program to reduce sanitary sewer overflows in the District; and

**WHEREAS**, a critical component of these efforts on behalf of the District and the Locality is the implementation of HRSD’s High Priority Inflow and Infiltration Reduction Program (the “Program”), during which HRSD will conduct extensive efforts including studies, design, and construction on sewer systems in the District owned and operated by various localities, governmental authorities, and private property owners, including the Locality; and

**WHEREAS**, the Locality owns and operates a sanitary sewer collection system (the “Locality System”) that collects sewage and delivers it to HRSD’s “sewerage system,” as defined in the Act, for conveyance and treatment; and

**WHEREAS**, to address regional wet weather sewer capacity requirements, HRSD and the Locality, along with other jurisdictions, have been involved in a process to develop and implement a Regional Wet Weather Management Plan (“RWWMP”); and

**WHEREAS**, as a result, a Memorandum of Agreement, attached and incorporated herein as Exhibit A (the “MOA”), was developed through a cooperative process with HRSD and 14 local governments, including the Locality; and

**WHEREAS**, HRSD selected the Public-Private Education Facilities and Infrastructure Act of 2002 (Virginia Code § 56-575.1. *et seq.*) (the “PPEA”) as its method for developing and contracting for the implementation of the Program in furtherance of the RWWMP and the MOA; and

**WHEREAS**, following the review and analysis of proposals, HRSD selected Burns & McDonnell Engineering Company, Inc. (the “Design-Builder”) for the planning, design, and construction of the Program; and

**WHEREAS**, HRSD entered into an interim agreement with the Design-Builder pursuant to Virginia Code § 56-575.9:1, which was approved by the Hampton Roads Sanitation District Commission (the “Commission”) on August 27, 2024, and amended in March 2025 and June 2025 (collectively, the “Interim Agreement”); and

**WHEREAS**, HRSD and the Commission determined that the Program serves the public purpose of the PPEA under the criteria set forth in Virginia Code § 56-575.4(C); and

**WHEREAS**, on September 23, 2025 the Commission approved a comprehensive agreement with the Design-Builder pursuant to Virginia Code § 56-575.9 (the “Comprehensive Agreement”), which allows for the development and operation of phases and segments of the Program through HRSD’s approval of specific projects and corresponding scopes of work (each a “Project Package,” used herein as defined in the Comprehensive Agreement); and

**WHEREAS**, as part of the Interim Agreement, the Design-Builder produced a Comprehensive I/I Reduction Program Plan, which was incorporated into the Comprehensive Agreement and anticipates that work will be performed under Project Packages within the Locality, possibly including, but not limited to, engineering, planning and design, procurement of materials and equipment, construction, testing, and commissioning of all elements necessary to rehabilitate and replace portions of the Locality System; and

**WHEREAS**, HRSD expects Design-Builder to perform work in the Locality related to the Locality System; and

**WHEREAS**, the bonds, insurance, warranty, and guarantees required of the Design-Builder by the Comprehensive Agreement apply to the work to be performed on the Locality System; and

**WHEREAS**, HRSD and the Locality agree that it is consistent with the MOA and in the best interests of the Parties to have such improvements to the Locality System constructed and paid for by HRSD as part of its work with Design-Builder for the design and construction of the Program, under the terms and conditions of the Comprehensive Agreement, the MOA, and those set forth herein.

**NOW, THEREFORE**, in consideration of the above recitals, which are incorporated herein by reference, the agreements set forth below, HRSD’s investment in the Program within the Locality and improvement of the Locality System, and other good and valuable

consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**I. SUPPLEMENTATION OF THE MOA.** This Agreement supplements and clarifies the understanding of the Parties as to certain provisions of the MOA as they relate to the Program generally, and the Project Packages being constructed in the Locality, but does not replace the MOA in its entirety. Where there is a conflict between the terms of this Agreement and the MOA, the terms of this Agreement shall control.

**II. DESIGN AND CONSTRUCTION OF IMPROVEMENTS.** HRSD will design and construct improvements to sanitary sewer infrastructure in the Locality, including the Locality System, to be described in Project Packages approved by HRSD (such work being the “Improvements”). Each portion of the Locality System and associated real property necessary for completion of the Improvements is referred to herein as a “Site.” The Parties agree that the Improvements will be designed and constructed pursuant to the Comprehensive Agreement and in accordance with the following:

**A. Design of Improvements**

1. HRSD and the Design-Builder will prepare Project Packages, including the Improvements in accordance with the Comprehensive Agreement.
2. The Locality will have an opportunity to review and comment on the draft final preliminary engineering report (“PER”) provided by the Design-Builder related to the Improvements proposed to the Locality System. The Locality shall promptly, but no later than twenty-one (21) days after the PER is provided by HRSD (the “Initial Comment Period”), provide any comments or proposed revisions to the PER in writing to HRSD. The Parties agree that the Initial Comment Period is the Locality’s opportunity to consult and coordinate in the preliminary and detailed design of the Improvements related to the following:
  - a) The Design-Builder’s preliminary project schedule, including projected timelines for work being performed on the Locality System.
  - b) The list of applicable Hampton Roads Planning District Commission (“HRPDC”) and HRSD design and construction standards, and identification of Locality-specific special provisions, amendments, modifications, or additional requirements that supersede or supplement the HRPDC standards for design and construction requirements (collectively referred to as “Special Provisions”).
  - c) Locality requests contemplated by the MOA.

If no written comments are received from the Locality during the Initial Comment Period, the PER shall be considered approved by the Locality and HRSD and the Design-Builder will proceed with detailed design of the Improvements using the proposed scope of work and design and construction standards.

3. If no written comments are received from the Locality, or once the Locality's written comments are satisfied as mutually agreed by the Parties, HRSD and the Design-Builder will use the PER to prepare a set of draft final plans and specifications for the Improvements that will be governed by a Project Package (the "Draft Final Plans and Specifications").
4. Locality will have an opportunity to review and comment on the Draft Final Plans and Specifications provided by the Design-Builder related to the Improvements proposed to the Locality System. Locality shall promptly, but no later than twenty-one (21) days after the Draft Final Plans and Specifications are provided by HRSD (the "Final Comment Period"), provide any comments or proposed revisions in writing to HRSD. If no written comments are received from the Locality during the Final Comment Period, the Draft Final Plans and Specifications shall be considered approved by the Locality and HRSD and the Design-Builder will proceed with completion of the detailed design of the Improvements using the PER and Draft Final Plans and Specifications.
5. If no written comments are received from the Locality, or once the Locality's written comments are satisfied as mutually agreed by the Parties, HRSD and the Design-Builder will use the Draft Final Plans and Specifications to prepare a set of final plans and specifications for the Improvements that will be governed by a Project Package (the "Final Plans and Specifications").
6. Locality will have an opportunity to review and approve any "or-equal" or product substitutions proposed by HRSD or Design-Builder for Improvements to the Locality System that vary from the design and construction standards identified in the PER. Locality shall promptly, but no later than twenty-one (21) days after receiving notice of the proposed substitution, provide approval or other comments in writing to HRSD. If no written comments are received from the Locality within such twenty-one (21) day period, the proposed substitutions will be considered approved and HRSD and the Design-Builder will proceed with detailed design and construction of the Improvements using the proposed substitutions.

7. All Final Plans and Specifications shall comply with the PER unless otherwise approved by the Parties.

B. Construction of the Improvements.

1. HRSD and the Design-Builder shall be responsible for constructing the Improvements in substantial conformance with the Final Plans and Specifications.
2. The Locality will be included as an additional insured on the applicable policies of insurance required by the Comprehensive Agreement for each Project Package involving construction of Improvements to the Locality System.
3. HRSD and the Design-Builder shall be responsible for preparing, finalizing, and executing any and all front-end documents, construction contracts, architectural contracts, engineering contracts, drawings, surveys, bidding documents, bonds, insurance documents, construction plans, and all amendments, revisions and modifications thereto, relating to the construction of the Improvements (collectively, the "Project Documents").
4. The Parties understand and agree that construction of the Improvements, or any portion thereof, may be abandoned by HRSD if, in HRSD's sole discretion, the work is no longer expected to be cost-effective for the reduction of inflow and infiltration and sanitary sewer overflows. If a portion of the Improvements are abandoned during administration of a Project Package, HRSD will leave the Site and any areas of disturbance related to the Improvements in no worse condition than existed prior to commencing construction of the portion of the Improvements subject to abandonment (without limitation, any Locality System lines or facilities to which Improvements were commenced and then abandoned prior to completion will be left by the Design-Builder and HRSD in no worse condition than existed prior to commencement of the Improvements), and any non-abandoned portion of the Improvements to the Locality System will remain subject to the substantial completion and final completion procedures identified in Section IV.I of this Agreement.
5. HRSD expects that the Design-Builder shall serve as the engineer and contractor for the construction of the Improvements. The Design-Builder,

and any subcontractors or replacements therefore, shall meet all stated requirements associated with the Project Documents.

6. HRSD and the Design-Builder shall be responsible for acquiring and complying with all necessary permits and approvals necessary for the construction of the Improvements, including right-of-way permits issued by the Locality.
7. HRSD shall arrange and conduct regular progress meetings with the Locality during the construction of the Improvements.
8. HRSD will provide the Locality with notice of the following related to construction of the Improvements to the Locality System:
  - a) The commencement of construction activities on a Site related to the Improvements.
  - b) When a sewer segment is bypassed and when the segment is put back into service.
  - c) When Improvements or a portion thereof will be abandoned as not cost-effective. Such notice will include the steps HRSD or the Design-Builder will take to comply with Section II.B.4 of this Agreement.
  - d) Design-Builder's request for issuance of a certification of substantial completion for the Improvements.
  - e) When a certification of substantial completion is issued by HRSD for the Improvements.
  - f) Design-Builder's request for issuance of a certification of final completion for the Improvements.
  - g) When a certification of final completion is issued by HRSD for the Improvements.
9. HRSD will require the Design-Builder to provide a performance and payment bond for the full amount of the construction of the Improvements.
10. HRSD will use commercially reasonable efforts to have the Design-Builder correct any defects and make any repairs covered by the Design-Builder's warranty of the Improvements or the Design-Builder's applicable policies of insurance that are reported to HRSD by the Locality within one (1) year of the substantial completion of the Improvements.
11. After the Improvements achieve final completion, HRSD will provide the

Locality with the record drawings approved by HRSD. Such approved record drawings will be provided to the Locality within thirty (30) days of being received from the Design-Builder.

12. Upon request by the Locality, HRSD will provide other records and data produced by the Design-Builder during the construction of the Improvements to the Locality System: e.g., pre-construction condition assessment closed-circuit television (CCTV) videos and manhole inspection data, GIS map changes, and post-construction CCTV videos.

### **III. ACCESS TO THE SITE / RIGHT OF ENTRY**

- A. HRSD, the Design-Builder, and their authorized subcontractors and agents shall have a temporary non-exclusive license for ingress and egress over the property and easements of the Locality whereon the Improvements are being made and any related infrastructure is located, as well as any other adjacent land owned by, under the control of, accessible by, or within an easement benefiting the Locality (to the extent permitted by law or the terms of the applicable easement, and to the extent the Locality is not putting, or is not planning to put, the adjacent land or easement to a use that is inconsistent with the purposes of this Agreement), as necessary to access, construct, and maintain the Site or the Improvements, including but not limited to all sewer service laterals and sewer clean-outs, for the purpose of inspecting and reviewing the same, and satisfying HRSD's obligations under this Agreement, the MOA, and the Comprehensive Agreement.
- B. Within thirty (30) days of final execution of this Agreement, the Locality will provide HRSD and the Design-Builder with a letter or other written authorization for presentation to landowners and Locality personnel memorializing HRSD and the Design-Builder's ability to use the Site and the Locality's real property and easements to design and construct the Improvements. The Parties agree to execute such further documentation or instruments as are necessary to confirm, effect, and memorialize the right for HRSD, the Design-Builder, and their authorized subcontractors and agents to access the Locality System, the Site, and related Locality-owned real property and easements necessary to complete the Improvements.

### **IV. LOCALITY RESPONSIBILITIES.** In addition to the obligations described in the MOA and elsewhere in this Agreement, the Locality is responsible for the following to support the MOA, the RWWMP, the Program, and the Improvements:

- A. Coordination with HRSD and the Design-Builder on all of the Locality's projects being conducted on, or in the area of, the infrastructure that is the subject of the Improvements.
- B. Support and facilitation of HRSD's acquisition of any right-of-entry agreements or easements necessary for HRSD and Design-Builder to access and occupy private property to complete the Improvements.
- C. Participation in predesign meetings with HRSD, the Design-Builder, and subcontractors prior to commencement of detailed design work on the Improvements.
- D. Participation in preconstruction meetings with HRSD, the Design-Builder, and subcontractors prior to commencement of construction field work on the Improvements.
- E. Prompt review and issuance of any administrative permits and plan approvals required by the Locality for construction of the Improvements. The Parties' expectation is that complete applications for permits and plans related to the Improvements will receive action from the Locality within twenty-one (21) days of submission or resubmission.
- F. Prompt review, and approval when necessary, of right-of-way permits and traffic control plans related to the Improvements being performed on infrastructure located in or adjacent to rights-of-way. The Parties' expectation is that complete right-of-way permit applications and traffic control plans related to the Improvements will receive action from the Locality within twenty-one (21) days of submission or resubmission, whether related to rights-of-way regulated by the Locality, the Virginia Department of Transportation, or others. The Locality shall review, and approve when necessary, right-of-way permits and traffic control plans related to the Improvements at no cost to HRSD or the Design-Builder.
- G. Prompt notification of any public inquiries, complaints/311 calls, or claims received by the Locality related to construction of the Improvements, but in all cases within one (1) business day of the Locality's receipt.
- H. Prompt communication of any concerns raised during observation of the construction work as it is being performed, but in all cases within twenty-four (24) hours after observation.

- I. Participation in HRSD's process for certification of substantial completion and final completion for the Improvements to the Locality System. The Parties' expectation for prompt participation in these processes are as follows:
  1. Substantial Completion. Upon receiving notice from HRSD of Design-Builder's request for issuance of a certification of substantial completion for the Improvements, the Locality may inspect the Improvements or review relevant records (collectively "Review") to confirm that the Improvements are constructed and connected to the Locality System in substantial conformance with the Final Plans and Specifications. Within ten (10) days of HRSD's delivery of such notice and relevant post-construction inspection records submitted by Design-Builder, the Locality will notify HRSD whether it elects to Review the Improvements. If the Locality elects to Review the Improvements, the Locality will either (i) provide written notice of satisfaction, or (ii) provide written comments identifying all corrections and modifications that the Locality deems necessary for the Improvements to substantially conform to the Final Plans and Specifications (the "Punch List"). If the Locality elects to Review the Improvements, it will promptly conduct the Review and provide the Punch List to HRSD, but in all instances within ten (10) days of HRSD's delivery of Design-Builder's request for issuance of a certification of substantial completion for the Improvements.
  2. Final Completion. If the Locality provided HRSD with a Punch List, upon receiving notice from HRSD of Design-Builder's request for issuance of a certification of final completion for the Improvements, the Locality may Review the Improvements to confirm that the Punch List has been satisfied. Within ten (10) days of HRSD's delivery of such notice, the Locality will notify HRSD whether it elects to Review the Improvements. If the Locality elects to Review, the Locality will either (i) provide written notice of satisfaction, or (ii) provide written comments identifying all corrections and modifications that the Locality deems necessary for the Improvements to satisfy the Punch List. The Locality will promptly complete the Review, but in all instances within ten (10) days of HRSD's delivery of Design-Builder's request for issuance of a certification of final completion for the Improvements. The process in this paragraph IV(G)(2) will repeat until the Locality provides HRSD written notice of satisfaction which shall not be unreasonably withheld.

J. If desired by the Locality, performance of warranty CCTV inspections and delivery of any notice of defects within one (1) year of substantial completion of the Improvements to the Locality System.

**V. PROJECT COSTS.** HRSD shall be responsible for all costs associated with the design and construction of the Improvements, including but not limited to: engineering design costs; costs of preparing the Final Plans and Specifications, and any amendments thereto; cost of construction of the Improvements; costs of advertising for bids; costs of approval and permits required for construction of the Improvements; costs of construction contract administration and inspection by HRSD or its consultants or Design-Builder; costs of all change orders requested solely by HRSD; costs associated with all temporary or permanent easements and land acquisitions associated with the Improvements over third-party property; costs of retiring any existing facilities replaced by the Improvements; and any related miscellaneous essential expenses. The foregoing notwithstanding, the Locality shall review and approve right-of-way permits and traffic control plans necessary for the Improvements at no cost to HRSD or the Design-Builder, and may waive other fees and charges related to the Improvements.

**VI. OWNERSHIP, OPERATION, AND MAINTENANCE OF THE LOCALITY SYSTEM AND THE IMPROVEMENTS.**

A. At all times, Locality will own the Locality System and all infrastructure that is related to the Improvements being performed on the Locality System. The Locality hereby grants HRSD, Design-Builder, and their subcontractors and agents a license to access and use any Site to make the Improvements.

B. Prior to the commencement of construction of the Improvements or any portion thereof, the Locality shall have sole responsibility for maintenance and operation of the Locality System, including that portion that will be subject to work for the Improvements.

C. During construction of the Improvements, HRSD and the Locality agree to cooperate and coordinate for the operations and maintenance of the Improvements, as well as of any interconnections between Locality's existing facilities and the Improvements; however, the Locality will have responsibility for the maintenance and operation of any sewer segments within the Locality System rehabilitated as part of the Improvements upon such segments being placed back into service.

- D. Upon HRSD's confirmation of substantial completion of the Improvements in coordination with the Locality, the operation and maintenance of the Improvements and all related components of the Locality System are automatically the responsibility of the Locality.

## **VII. GENERAL PROVISIONS**

### **A. Notices:**

1. All notices related to the Initial Comment Period, Final Comment Period, and the design and construction of the Improvements, including as identified in Sections II and IV, and VI shall be deemed effective when delivered by hand-delivery or electronic mail to the following individuals (each a "Program Representative"), unless notice of a new Program Representative is provided in accordance with Section VII(A)(2):

HRSD's Program Representative:

Nicholas G. Taschner

HRSD Project Manager

ntaschner@hrsd.com

1434 Air Rail Avenue, Virginia Beach, VA 23455

With a copy to Design-Builder:

Burns and McDonnell Engineering Company Representative:

John J. Pruss

Program Manager

jjpruss@burnsmcd.com

1317 Executive Blvd. Ste 300. Chesapeake, VA 23320

Locality's Program Representative:

Michael Johnson

Director of Public Utilities

johnsonmi@portsmouthva.gov

430 Meander Road, Portsmouth, VA 23704

2. All notices relating to this Agreement, except those related to the Improvements to be delivered to a Party's Program Representative, shall be deemed effective when delivered by hand-delivery, electronic mail with confirmation of receipt, registered mail, or certified mail return receipt requested, postage prepaid, to the Locality and to HRSD at the respective

addresses herein shown, unless this Agreement is modified in writing to reflect other addresses:

**If to Locality:**

City of Portsmouth  
c/o City Manager  
801 Crawford Street  
Portsmouth, VA 23704  
manager@portsmouthva.gov

With copies to:

City Attorney  
801 Crawford Street  
Portsmouth, VA 23704  
challengerd@portsmouthva.gov

**If to HRSD:**

HRSD  
c/o General Manager/CEO  
PO Box 5911  
Virginia Beach, VA 23471  
Email: jbernas@hrsd.com

With Copies to:

HRSD Counsel:  
Robyn Hansen, Esq.  
Sands Anderson PC  
4801 Courthouse Street, Suite 203  
Williamsburg, VA 23188  
Email: Rhansen@sandsanderson.com

- B. Entire Agreement: This Agreement, and any exhibits or attachments made hereto, represent the full agreement and understanding of the Parties hereto relating to the Improvements, there being no additional agreements written, oral or otherwise. This Agreement may be amended only by a writing signed by both Parties.
- C. Authority: The Locality and HRSD both warrant that they have permission and authority derived under their respective organizational documents and Enabling Acts to execute and undertake this Agreement and that all necessary resolutions and actions of their respective governing bodies to allow execution of this Agreement have been completed. This Agreement shall apply to, and

be binding upon both Parties, their elected officials, officers, agents, employees, successors, and assigns.

- D. Compliance with Law: Each Party warrants that, to the best of its knowledge, it has complied with all aspects of applicable federal, state, and local law in entering this Agreement and further warrants that it shall comply with all applicable federal, state, and local laws in the performance of this Agreement.
- E. No Violation: The execution of this Agreement by the Parties will not violate any covenant, condition, or contract to which the Parties hereto are subject at the time of execution.
- F. Insurance. Each Party has the right to review and approve insurance coverage in the various insurance categories that they deem necessary to be carried by the other Party to this Agreement. The Parties acknowledge that the Design-Builder's insurance requirements are governed by the Comprehensive Agreement. Proof of insurance shall be provided at the request of a Party and the insurance coverage shall be maintained during the term of this Agreement.
- G. Governing Law; Venue: This Agreement 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 without regard to conflict of laws principles. Regardless of where actually delivered and accepted, this Agreement shall be deemed to have been delivered and accepted by the Parties in the Commonwealth of Virginia. Venue shall be in the federal or state courts with jurisdiction in the City of Virginia Beach, Virginia.
- H. 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.
- I. Termination. This Agreement may be terminated by Locality or HRSD (i) with cause in the event that a Party materially breaches this Agreement and such breach 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 (ii) upon one hundred eighty (180) calendar days' notice to the other party (provided however that in the event of termination by the Locality pursuant to this subsection VII(I)(ii), HRSD and the Design-Builder shall have the right to perform and

complete Improvements that are shown on a PER approved by the Locality prior to the effective date of the termination); or (iii) by mutual written agreement of the Parties.

- J. Enforcement: The failure of either Party to enforce the terms of this Agreement shall not be considered a waiver as to the enforceability of such terms. If any provision of this Agreement is found to be unenforceable, the remainder of this Agreement shall remain in full force and effect. 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.
- K. Force Majeure: No Party shall be responsible for its failure to fulfill an obligation pursuant to this Agreement to the extent that such failure is due to acts of God; labor strikes; war or terrorism; epidemics/pandemics; fires; floods; the actions of a third party; lockouts; strikes, freight embargos, and unusually severe weather or delays of Design-Bulder or subcontractors due to such causes. A Party experiencing a force majeure event that prevents fulfillment of a material obligation hereunder shall (a) give the other Party prompt written notice describing the particulars of the event within seven (7) days of the commencement of the event; (b) suspend performance only to the extent and for the duration that is reasonably required by the force majeure event; (c) use reasonable efforts to overcome or mitigate the effects of such occurrence; and (d) promptly resume performance of the affected obligation if and when such Party is able to do so.
- L. Counterparts: This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument.
- M. Assignment. No Party may assign its rights under this Agreement without the prior written consent of the other Party.
- N. No Third-Party Beneficiaries. This Agreement is only intended to address items between the Parties related to the MOA and the Improvements being constructed in the Locality. Any intent to create a third-party beneficiary is expressly disclaimed.

- O. Binding Effect: This Agreement shall inure to the benefit of the Parties and shall, to the maximum extent permitted by law, be binding on the Parties and their successors and permitted assigns.
- P. Reservation: Except as expressly provided herein, nothing in this Agreement shall be construed to limit or otherwise affect the authority, rights, or responsibilities of the Parties.
- Q. Recitals. The Recitals above are incorporated into this Agreement as if fully set forth herein.

*[Signature pages follow]*

**IN WITNESS WHEREOF**, the City of Portsmouth, Virginia has caused this Agreement to be signed as of \_\_\_\_\_, 2026:

**CITY OF PORTSMOUTH, VIRGINIA**

By: \_\_\_\_\_  
Name: Steven Carter  
Title: City Manager

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

The foregoing Agreement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2026, by Steven Carter, as City Manager, of the City of Portsmouth, Virginia.

\_\_\_\_\_  
Notary Public

Notary#: \_\_\_\_\_  
My Commission expires: \_\_\_\_\_

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

\_\_\_\_\_, \_\_\_\_\_.

HAMPTON ROADS SANITATION DISTRICT

By: \_\_\_\_\_  
Jay Bernas, P.E., General Manager/CEO

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

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by Jay Bernas, P.E., General Manager/CEO of Hampton Roads Sanitation District. He is personally known to me or provided \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public

Notary#: \_\_\_\_\_  
My Commission expires: \_\_\_\_\_

**EXHIBIT A**

**[2014 MOA]**

## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("Agreement") is entered into on this 10 day of <sup>March</sup> February, 2014, by and among the Hampton Roads Sanitation District ("HRSD"); and the cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg; the Town of Smithfield; and the counties of Gloucester, Isle of Wight, and York; and the James City Service Authority (each a "Locality" and collectively, the "Localities").

WHEREAS, HRSD provides wastewater transmission and treatment services for the Localities;

WHEREAS, the Localities individually own and operate sanitary sewer collection systems, which collect sewage within their individual jurisdictional boundaries and deliver it to the HRSD sewer system for conveyance and treatment;

WHEREAS, to address regional wet weather sewer capacity requirements, on February 23, 2010, HRSD, the Virginia Department of Environmental Quality and the United States Environmental Protection Agency entered into a Federal Consent Decree;

WHEREAS, the Federal Consent Decree requires, among other things, that HRSD work in consultation with the Localities to develop a Regional Wet Weather Management Plan ("RWWMP") that will ensure adequate wet weather sewer capacity in HRSD's portion of the regional sewer system;

WHEREAS, on June 25, 2012, HRSD, the Localities (excluding Norfolk), and the Commonwealth of Virginia executed an Amendment to the September 26, 2007 Special Order By Consent that requires the Localities (excluding Norfolk) and HRSD to, among other things, develop a RWWMP identical to the plan called for in the Federal Consent Decree;

WHEREAS, on March 17, 2005, HRSD, Norfolk and the Commonwealth of Virginia executed a second phase to the December 17, 2001 Special Order by Consent (collectively, the "Norfolk/HRSD Consent Orders") that required HRSD and Norfolk, to among other things, address wet weather issues in the City of Norfolk with a Long Term Control Plan requiring a minimum annual investment in sewer infrastructure;

WHEREAS, pursuant to the Norfolk/HRSD Consent Orders, the City of Norfolk has made significant financial investments of over \$100 million, though additional capacity-related investments in the Norfolk sewer system are expected as part of further implementation of the Norfolk/HRSD Consent Order (the "Norfolk/HRSD Consent Order Capacity Projects");

WHEREAS, substantial additional wet weather capacity-related investments in the Norfolk sewer system will still be required to achieve the regional wet weather management capacity requirements in the approved RWWMP (the "Norfolk System RWWMP Projects");

WHEREAS, during the ongoing planning for the RWWMP, HRSD and the Localities conducted a study to determine if HRSD ownership of the Localities' sewer systems would provide significant capital and operational cost savings to the region's ratepayers under the RWWMP;

WHEREAS, the regional study was completed in the summer of 2013 and estimated that HRSD ownership of the regional sewers could potentially save the overall region's ratepayers more than one billion dollars over a 30-year period in capital and operation/maintenance costs as compared to a scenario where HRSD and the Localities independently seek to address wet weather capacity needs, although the amount of savings varied significantly among the Localities;

WHEREAS, full regionalization of the Localities' sewer systems is unlikely at this time for a variety of reasons;

WHEREAS, a significant portion of the estimated savings from full regionalization can still be obtained for the benefit of the region's ratepayers if HRSD agrees to take sole responsibility for financing and implementing the approved RWWMP across the entire regional sewer system; and

WHEREAS, if HRSD assumes sole responsibility for funding and implementing the approved RWWMP, HRSD will have to raise its regional rates in order to fund the cost of the approved RWWMP, and each Locality which is a party hereto acknowledges that such rate increases will be necessary in order to achieve the more affordable and cost-effective RWWMP (which each Locality will have the opportunity to provide input into and to challenge if it believes the RWWMP is not an affordable and cost-effective approach);

NOW, THEREFORE, in consideration of the premises, mutual covenants and obligations contained herein, HRSD and the Localities do hereby enter into this Agreement for the purpose of defining the roles, responsibilities, and obligations of HRSD and the Localities for the development, financing, and implementation of the RWWMP and the assurance of adequate wet weather sewer capacity in the Regional Sanitary Sewer System in the future.

#### **A. DEFINITIONS**

"2007 MOA" means the Memorandum of Agreement dated June 28, 2007, by and among HRSD; the cities of Chesapeake, Hampton, Newport News, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg; the Town of Smithfield; the counties of Gloucester, Isle of Wight, and York; and the James City Service Authority.

"Board" means the State Water Control Board, a permanent citizens body of the Commonwealth of Virginia as described in Virginia Code §§ 62.1-44.7 and 10.1-1184.

"DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia as described in Virginia Code §10.1-1183.

"EPA" means the United States Environmental Protection Agency.

"Federal Consent Decree" means the Amended Consent Decree filed in the United States District Court for the Eastern District of Virginia on February 23, 2010 (Civil Action No. 2:09cv-481), and any subsequent amendments thereto.

"Party" or "Parties" means one or more signatories to this Agreement.

"Regional Sanitary Sewer System" means the collective sanitary sewer systems owned and operated by HRSD and the Localities, including gravity sewer lines, manholes, pump stations, lift stations, pressure reducing stations, force mains, wastewater treatment plants, and all associated appurtenances.

"Special Order By Consent" means the special order by consent dated September 26, 2007, and any subsequent amendments thereto, by and among the Board and HRSD; the cities of Chesapeake, Hampton, Newport News, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg; the Town of Smithfield; the counties of Gloucester, Isle of Wight, and York; and the James City Service Authority.

"Significant Defect" means a physical condition in the sanitary sewer system owned or

operated by a Locality, including: (i) existing or imminent structural failures, cave-ins, and similar defects and (ii) significant sources of inflow and infiltration (including but not limited to missing and/or damaged public clean-outs, missing manhole inserts, direct storm water connections, and unsealed manhole pipe penetrations).

“Warranties” means any warranties and/or rights under bonds or similar instruments securing or assuring the quality, adequacy or timeliness of the design, materials, installation or construction of any improvements conveyed by HRSD to a Locality as contemplated in this Agreement.

## **B. ROLES AND RESPONSIBILITIES**

### **1. HRSD agrees to:**

a. In consultation with the Localities: Develop a reasonably affordable and cost-effective RWWMP, including the Norfolk System RWWMP Projects, in accordance with this Agreement and Paragraph 10 of the Federal Consent Decree, to achieve the wet weather capacity requirements of the Federal Consent Decree for the affected portions of the Regional Sanitary Sewer System including the Norfolk sewer system.

b. Implement the approved RWWMP in accordance with the approved RWWMP long-term schedule;

c. Design and construct all RWWMP projects in accordance with HRSD Standards and Preferences, the applicable portions of the Hampton Roads Planning District Commission Regional Construction Standards, and Locality preferences, policies, or guidelines with respect to operation and maintenance issues where such preferences, policies, or guidelines have been established and are broadly applied by the Locality;

d. Fully fund implementation of the RWWMP regardless of asset ownership through a regional HRSD rate applied equally across all HRSD accounts in the Localities;

e. Upon full implementation of the applicable RWWMP facilities for each HRSD treatment plant service area and the successful completion of the Post-RWWMP Performance Assessment for that service area, HRSD shall be responsible for ensuring and maintaining adequate wet weather capacity for those portions of the Regional Sanitary Sewer System in that service area, whether owned or operated by HRSD or a Locality, up to the applicable capacity level defined in the approved RWWMP;

f. Maintain a flow monitoring program in accordance with the Federal Consent Decree;

g. Investigate, in cooperation with affected Localities, any sanitary sewer overflow where system capacity is reasonably suspected of being a contributing cause or the sole cause of such overflow to determine the actual cause or causes (in support of such inquiry, HRSD shall make available to Localities in a timely manner, upon request, any potentially relevant information it may have) and the appropriate response;

h. Provide to the applicable Locality complete copies of record drawings of improvements constructed by HRSD within that Locality pursuant to the RWWMP within thirty (30) days of completion or amendment of such drawings;

i. Convey to each Locality improvements which HRSD may install or construct pursuant to the approved RWWMP, for addition or modification to the Locality’s sewer system;

j. Negotiate and obtain customary commercial Warranties for pavement and other project improvements in Locality systems and enforce such Warranties during warranty periods as necessary, provided that following such warranty period, any assets conveyed to a Locality are the sole responsibility of such Locality;

k. Make available to the Localities information HRSD uses in the development and implementation of the RWWMP and any other relevant information HRSD may have;

l. Comply with applicable Locality ordinances and other laws and regulations in the planning, design, and implementation of the RWWMP;

m. Assume regulatory liability for wet weather overflows occurring upon completion of the RWWMP implementation (including the Post RWWMP Implementation Performance Assessment) and which are determined to result from lack of adequate capacity as defined in the RWWMP for such sanitary sewer overflows;

n. Reimburse, to the extent permitted by law, any Locality for reasonable claims paid to any third-party resulting from wet weather overflows occurring upon completion of the RWWMP implementation (including the Post RWWMP Implementation Performance Assessment) and which are determined to result from lack of adequate capacity as defined in the RWWMP for such sanitary sewer overflows, provided that HRSD retains the right to assert governmental immunity as allowed by law if HRSD determines a claim is unreasonable or due to causes beyond HRSD's control;

o. Provide staff and/or consultant resources to coordinate development and implementation of the approved RWWMP as it applies to each Locality in accordance with the approved RWWMP schedule;

p. Issue in a timely manner and in accordance with established processes any approvals, and timely execute any documents, necessary for implementation by a Locality of improvements or management, operations or maintenance measures as required by the RWWMP or contemplated by the Special Order by Consent, and not unreasonably withhold, condition or delay such approvals or execution of documents;

q. Support the modification of the Special Order by Consent between DEQ, HRSD and the Localities consistent with the changes to the Federal Consent Decree;

r. Consult with the Localities as necessary to facilitate the timely implementation of the approved RWWMP; and

s. Cooperate with Localities when requested to incorporate other locally funded infrastructure improvements as part of any RWWMP project, provided that HRSD can do so consistent with the approved RWWMP schedule and HRSD's project-related costs do not increase by more than ten percent (10%) (a Locality may pay any amount of additional HRSD cost above the 10% threshold in order to satisfy this condition).

2. Each Locality agrees to:

a. Maintain and operate Locality-owned collection system assets and any improvements constructed by HRSD in Locality-owned assets as part of the RWWMP. This obligation shall be performed in accordance with any approved Management, Operations, and Maintenance program and industry accepted practices relating to sewer inspection, Sewer System Evaluation Survey work and repair of Significant Defects (not scheduled to be addressed by the

RWWMP within a reasonable period of time but excluding those for which HRSD is responsible under Section B.1.j above);

b. Provide full access to data, information and Locality-owned assets necessary for timely and cost-effective development of the RWWMP. This includes, but is not limited to, flow monitoring data, calibrated hydrologic models, long-term simulations, SSES data and results, Rehabilitation Plans and Preliminary Capacity Assessments including hydraulic models and related calculations;

c. Maintain and calibrate the existing locality-owned flow monitoring equipment (previously required by the Regional Technical Standards) and provide data at regular intervals in a mutually acceptable form, throughout the development of the RWWMP;

d. Provide staff and/or consultant resources to coordinate development and implementation of the approved RWWMP as it applies to each Locality in accordance with the approved RWWMP schedule, subject to appropriation, provided that in the event adequate resources are not appropriated, HRSD shall be relieved of its obligations under Section B.1.a with respect to consultation with the Localities and Section B.1.q of this Agreement;

e. Timely issue any Locality administrative permits in accordance with established processes and, subject to applicable law, timely execute any documents, as necessary for implementation of RWWMP-related improvements in that Locality, and not unreasonably withhold, condition or delay such permits or execution of documents;

f. Accommodate reasonable contractor requests for standard work hours and maintenance of traffic in accordance with existing Locality policies during implementation of RWWMP improvements within the Locality;

g. Support the modification of the September 26, 2007 Special Order by Consent, as amended, between DEQ, HRSD and the Localities consistent with the changes to the Federal Consent Decree;

h. Upon HRSD's request, provide a written letter of support for a modification of HRSD's Federal Consent Decree to establish HRSD's responsibilities consistent with this Agreement;

i. Cooperate with HRSD and the other Localities as necessary to facilitate the timely implementation of the approved RWWMP; and

j. Provide timely notice of and investigate, in cooperation with HRSD, all capacity-related sanitary sewer overflows.

## **C. REMEDIES AND RESERVATIONS OF RIGHTS**

1. If any Party shall fail to perform or observe any of the material terms, conditions, or provisions of this Agreement applicable to it, and said failure is not rectified or cured within thirty (30) days after receipt of written notice thereof from another Party, then the defaulting Party shall be deemed in breach of this Agreement; provided, however, that no Party shall have a right to issue a notice of default pursuant to this Section C.1 until the dispute resolution procedures set forth in Section C.2 below have been exhausted. The Parties agree that, in the event of a material breach of this Agreement, a non-defaulting Party, which is or would be harmed by the breach, may seek injunctive relief or specific performance of the defaulting Party's obligations without the requirement to post a bond. The Parties acknowledge that each Party's performance of its material

obligations is valuable and unique and that, for purposes of allowing the non-defaulting Party to seek injunctive relief, the failure of a Party to perform its material obligations hereunder may result in irreparable injury to the other Parties. Nothing in this Agreement shall be deemed to modify, alter, or otherwise affect such other rights and remedies as may be available to the Parties under applicable law or equity.

2. If any dispute arises with respect to the alleged failure of any Party to perform or observe any of the material terms, conditions, or provisions of this Agreement applicable to it, as a condition precedent to instituting a formal action in a court with competent jurisdiction, the parties shall first attempt to resolve the dispute through the dispute resolution procedures contained in this Section C.2. A Party may initiate the dispute resolution procedures of this Section C.2 by providing to the other Parties to the dispute written notice of the existence and nature of the dispute. Within thirty (30) days of such notice, the Parties to the dispute shall meet and attempt in good faith to resolve the dispute. Upon the request of any Party to the dispute, the Parties to the dispute shall participate in non-binding mediation. The mediator shall be selected by mutual agreement of the Parties to the dispute, and the cost of the mediator shall be shared equally by those Parties engaged in the mediation. If the dispute cannot be resolved within sixty (60) days after receipt of written notice of the dispute or any reasonable extension as may be mutually agreed upon by the Parties, then any Party to the dispute may elect to end dispute resolution by providing written notice of such election to the other Parties to the dispute, in which case the dispute resolution procedures shall be deemed to have been exhausted. The dispute resolution procedures may also be deemed exhausted by written agreement of all the Parties to the dispute.

3. Nothing herein shall be construed as or otherwise constitute a waiver or release by any Party of any right, power, immunity, or standing of that Party that may exist pursuant to applicable law or regulation, including, without limitation, such right or standing to appeal or seek review of any case decision or other reviewable determination of the Board, DEQ, EPA, a Court having jurisdiction over the dispute, or any other agency or governmental body related to the matters addressed in this Agreement, the Federal Consent Decree, or the Special Order By Consent.

#### **D. MISCELLANEOUS**

1. Amendments to Agreement. Amendments to this Agreement must be in writing and signed by all the Parties.

2. Entire Agreement. This Agreement contains the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, written or oral, with respect thereto, including the 2007 MOA.

3. Severability. If any provision of this Agreement is found to be unenforceable, the remainder of this Agreement shall remain in full force and effect.

4. Authority. The Parties represent that they have the authority to enter into this Agreement and that the individuals signing this Agreement on their behalf have the requisite power and authority to bind the Parties to its terms and conditions. This Agreement shall apply to, and be binding upon the Parties, their elected officials, officers, agents, employees, successors, and assigns.

5. Reservation. Except as expressly provided herein, nothing in this Agreement shall be construed to limit or otherwise affect the authority, rights, or responsibilities of the Parties.

6. Notices and Written Communications. All notices and written communication pursuant to this Agreement shall be submitted to the recipients listed in Attachment A. A Party may change its designated notice recipient by so informing all other Parties in writing.

7. Effective Date. This Agreement shall be effective and binding upon its execution by all Parties and shall continue in effect until terminated in accordance with Section D.11.

8. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Virginia, without regard to the conflict of laws and rules thereof.

9. Force Majeure. No Party shall be responsible for its failure to fulfill an obligation pursuant to this Agreement to the extent that such failure is due to acts of God; strikes; war or terrorism; the actions of a third party; the actions of another Party; lockouts; or other events not reasonably within the control of the Party claiming force majeure. A Party experiencing a force majeure event that prevents fulfillment of a material obligation hereunder shall (a) give the other Parties prompt written notice describing the particulars of the event; (b) suspend performance only to the extent and for the duration that is reasonably required by the force majeure event; (c) use reasonable efforts to overcome or mitigate the effects of such occurrence; and (d) promptly resume performance of the affected obligation if and when such Party is able to do so.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument.

11. Termination. This Agreement shall terminate (a) if the Motion to Amend the Federal Consent Decree contemplated herein is either not filed with the Court by May 31, 2014 or is filed but denied by the Court; (b) if the Federal Consent Decree is not amended as contemplated herein by August 31, 2014; (c) if the State Special Order by Consent is not, by December 31, 2014, either (1) rescinded in its entirety or (2) amended to relieve the Localities of any obligation to develop, fund, and implement the Regional Wet Weather Management Plan; or (d) upon the written agreement of all Parties. If this Agreement is terminated for any reason, except upon the agreement of HRSD, then HRSD reserves the right to assert a force majeure under the Federal Consent Decree.

12. Not for Benefit of Third Parties. This Agreement and each and every provision hereof is for the exclusive benefit of the Parties and not for the benefit of any third party.

13. Binding Effect. This Agreement shall inure to the benefit of the Parties and shall, to the maximum extent permitted by law, be binding on the Parties and their successors and assigns.

[REST OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officials as of the dates next to their respective signatures as shown below.

By: [Signature]  
Date: 2-27-2014  
Locality: City of Chesapeake

By: [Signature]  
J. Randall Wheeler  
Poquoson City Manager  
Date: 2/26/13  
Locality: City of Poquoson

By: [Signature]  
Date: February 25, 2014  
Locality: Gloucester County

By: [Signature]  
John L. Rowe, Jr., City Manager  
Date: FEB 26, 2014  
Locality: City Of Portsmouth

By: [Signature]  
Mary B. Bunting, City Manager  
Date: 2/18/2014  
Locality: City of Hampton

By: [Signature]  
Peter M. Stephenson  
Town Manager  
Date: 02/04/2014  
Locality: Town of Smithfield

adopted the 20th day of February, 2014.

[Signature]  
Byron B. Bailey, Chairman  
Isle of Wight County  
Board of Supervisors

By: [Signature]  
Selena Cuffee-Glehn, City Manager  
Date: 2/27/14  
Locality: City of Suffolk, Virginia

By: [Signature]  
Date: 2/26/2014  
Locality: JAMES CITY COUNTY

Date: 2.12.14  
By: [Signature]  
City Manager  
Locality: City of Williamsburg

Date: 2/14/14  
By: [Signature]  
City Manager  
Locality: City of Newport News

By: [Signature]  
James O. McReynolds  
County Administrator  
Date: 2-24-2014  
Locality: County of York

By: [Signature]  
City Manager  
Date: 3/10/14  
Locality: City of Norfolk

Date: 2/26/2014  
By: [Signature]  
General Manager  
Locality: HRSD

## **LIST OF SIGNATORIES**

CITY OF CHESAPEAKE

GLOUCESTER COUNTY

CITY OF HAMPTON

ISLE OF WIGHT COUNTY

JAMES CITY COUNTY

CITY OF NEWPORT NEWS

CITY OF NORFOLK

CITY OF POQUOSON

CITY OF PORTSMOUTH

CITY OF SUFFOLK

CITY OF VIRGINIA BEACH

CITY OF WILLIAMSBURG

YORK COUNTY

TOWN OF SMITHFIELD

HAMPTON ROADS SANITATION DISTRICT

This listing of participants is followed by the signature page to be completed by each party.

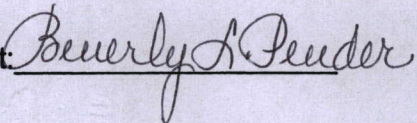
IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: 

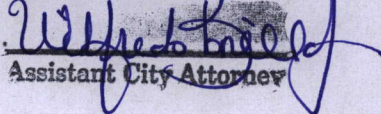
Date: 2-27-2014

Locality: City of Chesapeake

Date: 2-27-2014

Attest: 

Approved as to Form

  
Assistant City Attorney

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: Brenda H. Garton

Date: February 25, 2014

Locality: Gloucester County

Date: February 25, 2014

Attest: Patricia L. Conner

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: Mary B. Bunting  
Mary B. Bunting, City Manager

Date: 2/18/2014

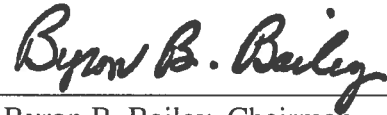
Locality: City of Hampton

Date: 2/19/14

Attest: Katherine K. Glass  
Katherine K. Glass  
Clerk of Council

CITY OF HAMPTON  
OFFICE OF THE CITY ATTORNEY  
Approved as to legal form and sufficiency  
Date: 02.18.2014  
[Signature]  
Attorney

Approved by the Isle of Wight County Board of Supervisors at a regular meeting by motion duly adopted the 20<sup>th</sup> day of February, 2014.



Byron B. Bailey, Chairman  
Isle of Wight County  
Board of Supervisors

Attested:

  
Carey Mills Storm, Clerk

Approved as to form:

  
Mark C. Popovich, County Attorney

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: M. D. P. P. P.

Date: 2 / 26 / 2014

Locality: JAMES CITY COUNTY

Date: 2 / 26 / 2014

Attest: Lune Selloff

IN WITNESS WHEREOF, the City of Newport News has caused this Agreement to be executed by their duly authorized official as shown below:

Date: 2/14/14

By: James M. Bourney  
City Manager

Commonwealth of Virginia  
City of Newport News

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of February by James M. Bourney, City Manager, on behalf of the City of Newport News. <sup>2014</sup>



Pam L. Foshee  
Notary Public

My commission expires: 8-31-2014

Registration No: 299515

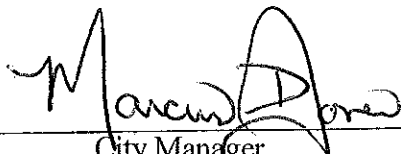
APPROVED AS TO FORM:

[Signature]  
Deputy City Attorney

ATTEST:

Pamela Washington Jenkins  
City Clerk

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By:   
City Manager

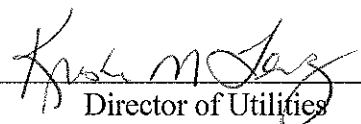
Date: 3/10/14

Locality: City of Norfolk

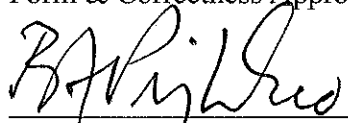
Date: 3/11/14

Attest:   
City Clerk

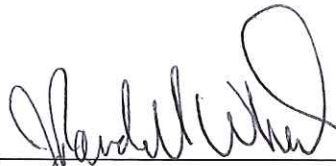
Contents Approved:

  
Director of Utilities

Form & Correctness Approved:

  
City Attorney

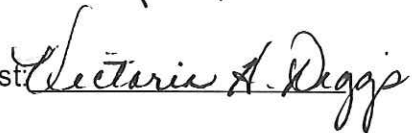
IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By:   
J. Randall Wheeler  
Poquoson City Manager

Date: 2/26/13

Locality: City of Poquoson

Date: 2/26/2014

Attest: 

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: John L. Rowe

John L. Rowe, Jr., City Manager

Date: FEB 26, 2014

Locality: City Of Portsmouth

Date: Feb 26, 2014

Attest: Debra Y. White

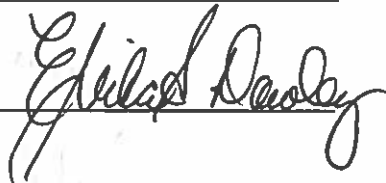
IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By:   
Selena Cuffee-Glenn, City Manager

Date: 2/27/14

Locality: City of Suffolk, Virginia

Date: \_\_\_\_\_

Attest: 

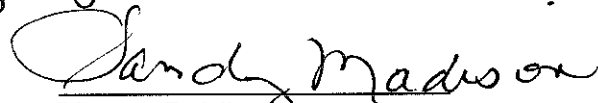
IN WITNESS WHEREOF, the City of Virginia Beach has caused this Agreement to be executed by their duly authorized official as shown below.

Date: 2.12.14

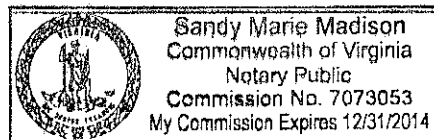
By:  DCM  
City Manager

Commonwealth of Virginia *Attest: Gregory J. Hines, MMC*  
City of Virginia Beach: *City Clerk*

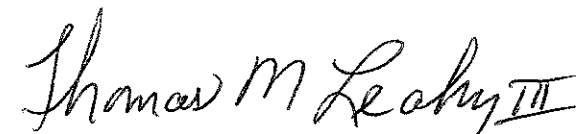
The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of February, 2014 by ~~James K. Spore~~, City Manager, on behalf of the City of Virginia Beach..  
David L. Hansen, Deputy City Manager

  
Notary Public

My commission expires: 12-31-14



Approved as to Content:

  
Dept. of Public Utilities

Approved as to Legal Sufficiency:

  
City Attorney's Office

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: 

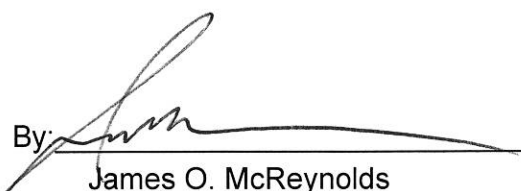
Date: 2/14/2014

Locality: City of Williamsburg

Date: 2/14/14

Attest: Dan Clayton, DIR PW

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: 

James O. McReynolds  
County Administrator

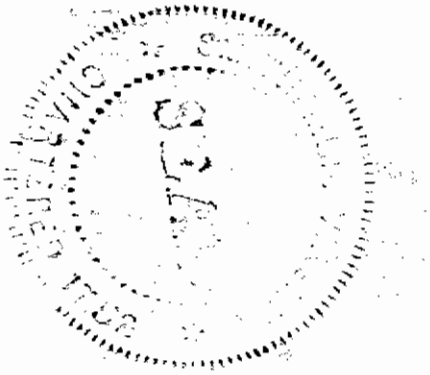
Date: 2-24-2014

Locality: County of York

Date: 2-24-2014

Attest: Donals A. Vance

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.



By: *Peter M. Stephenson*  
Peter M. Stephenson  
Town Manager  
Date: 02/04/2014  
Locality: Town of Smithfield

Date: 2-4-14

Attest: *Lesley H. King*

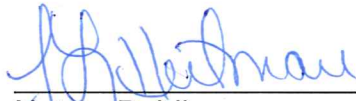
IN WITNESS WHEREOF, HRSD has caused this Agreement to be executed by their duly authorized official as shown below.

Date: 2/26/2014

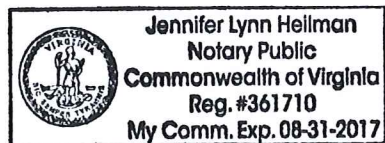
By:   
General Manager

Commonwealth of Virginia  
City/County of Virginia Beach

The foregoing instrument was acknowledged before me this 26<sup>th</sup> day of February, 2014 by Ted Henifin, General Manager of HRSD, on behalf of HRSD.

  
Notary Public

My commission expires: August 30, 2017



# ATTACHMENT A

## List of Individuals to Receive Notices Pursuant to Paragraph D.6:

Mr. James E. Baker  
City Manager  
City of Chesapeake  
306 Cedar Road, 6<sup>th</sup> Floor  
Chesapeake, VA 23328

Ms. Brenda G. Garton  
County Administrator  
Gloucester County  
6467 Main Street  
Gloucester, VA 23061-0329

Ms. Mary Bunting  
City Manager  
City of Hampton  
22 Lincoln Street  
Hampton, VA 23669

Ms. Anne Seward  
County Administrator  
Isle of Wight County  
17090 Monument Crescent, Suite 138  
Isle of Wight, VA 23397

Mr. Douglas Powell  
Interim County Administrator  
James City County  
101C Mounts Bay Rd  
Williamsburg, VA 23187-8784

Mr. Jim Bourey  
City Manager  
City of Newport News  
2400 Washington Avenue  
Newport News, VA 23607

Mr. Marcus Jones  
City Manager  
City of Norfolk  
1101 City Hall Building  
810 Union Street  
Norfolk, VA 23510

Mr. J. Randall Wheeler  
City Manager  
City of Poquoson  
500 City Hall Avenue  
Poquoson, VA 23662

Mr. John L. Rowe Jr.  
City Manager  
City of Portsmouth  
801 Crawford Street  
Portsmouth, VA 23704

Ms. Selena Cuffee-Glenn  
City Manager  
City of Suffolk  
PO Box 1858  
Suffolk, VA 23439

Mr. James K. Spore  
City Manager  
City of Virginia Beach  
2401 Courthouse Drive, Suite 243  
Virginia Beach, VA 23456

Mr. Jackson C. Tuttle II  
City Manager  
City of Williamsburg  
401 Lafayette Street, Suite 202  
Williamsburg, VA 23185

Mr. James O. McReynolds  
County Administrator  
York County  
224 Ballard Street  
Yorktown, VA 23690

Mr. Peter M. Stephenson AICP  
Town Manager  
Town of Smithfield  
315 Main Street  
Smithfield, VA 23431

Mr. Edward G. Henifin  
Hampton Roads Sanitation District  
PO Box 5911  
Virginia Beach, VA 23471

## AGENDA ITEM 7. – September 22, 2026

**Subject:** York River Treatment Plant Medium Voltage Switch Improvements Feasibility Study  
Initial Appropriation – Non-Regulatory

**Recommended Action:** Appropriate funding for preliminary engineering services in the amount of \$150,000.

**CIP Project:** YR015810

**Regulatory Requirement:** None

**Project Description:** This project will provide a Preliminary Engineering Report (PER) to evaluate options for addressing deficiencies in the medium-voltage switch configuration (Kirk key) system at the York River Treatment Plant (YRTP). The PER will consider system reliability, safety, remaining useful life of the existing system, and operations and maintenance requirements. The PER will make recommendations regarding continued use of the existing Kirk key system and potential modifications to improve safety, reliability, and system redundancy.

**Project Justification:** This project will address safety and reliability risks associated with the power transfer system at the YRTP. Major plant components are supplied by two separate electrical services, with only one required to operate at a given time. The Kirk key system is intended to provide a controlled and safe method for transferring power between these sources, but is inoperable, which increases the risk of improper switching, simultaneous energization, or unintended de-energization of power sources. These conditions present significant safety hazards and could result in service disruptions or equipment damage.

**Funding Description and Analysis of Cost:** The initial appropriation of \$150,000 is based on the cost of the Preliminary Engineering Services task order and a contingency for additional services required during this phase of the project. HDR's costs are based on the General Engineering Annual Services Contract rates and are below the \$200,000 Commission approval threshold.

|                         |                  |                       |
|-------------------------|------------------|-----------------------|
| <b><u>Schedule:</u></b> | PER              | October 2026          |
|                         | Design           | TBD at PER Completion |
|                         | Bid              | TBD at PER Completion |
|                         | Construction     | TBD at PER Completion |
|                         | Project Closeout | TBD at PER Completion |

AGENDA ITEM 8. – September 22, 2026

**Subject:** Martha Hahn Best WEFTEC Program Abstract Award  
Briefing

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

**Brief:** Lilian McIntosh is an HRSD Water Technology and Research intern and a PhD candidate at Virginia Tech. The abstract she submitted for WEFTEC 2026 was ranked the very best among typically more than a thousand abstracts submitted each year. This award is known as the Martha Hahn Best WEFTEC Program Abstract Award, which Lily will be receiving at the end of the month at WEFTEC in New Orleans. The title of her presentation is “Why does low dissolved oxygen favor biological phosphorus removal? Oxygen inhibition of PAOs is an important part of the story”. This is compelling work and very important for HRSD compliance with new future permit limits. Staff wanted the Commission to have an opportunity to hear Lily present this work with the focus it merits.

AGENDA ITEM 9. – September 22, 2026

**Subject:** New Business

AGENDA ITEM 10. – September 22, 2026

**Subject:** Unfinished Business

AGENDA ITEM 11. – September 22, 2026

**Subject:** Commissioner Comments

AGENDA ITEM 12. – September 22, 2026

**Subject:** Informational Items

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

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

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

September 16, 2026

Re: General Manager's Report



## Environmental Responsibility

Out of a possible 9,311 total exceedances so far in Fiscal Year 2027, I am proud to report that HRSD has recorded **zero permit exceedances** through August, and we have removed 98.6 million pounds of pollutants from the region's waterways year-to-date. These figures reflect the consistent operational discipline our plant and interceptor staff bring to protecting public health and the Chesapeake Bay watershed. We did receive a warning letter on August 20 regarding a low chlorine residual reported at the Williamsburg Treatment Plant (WTP) back in May, and no civil penalties were issued through our Pretreatment and Pollution Prevention program in August.

On August 4, HRSD experienced a failure on a 1940s-era force main located in the City of Portsmouth. Staff worked through the night with contractors to isolate the break, pump and haul flow, and complete repairs, but approximately 3.1 million gallons of raw wastewater reached Hull Creek, a tributary of the Elizabeth River, before the line was restored to service on August 7. This event drew significant local and regional media attention, and our Water Quality staff continue to coordinate closely with DEQ, the Virginia Department of Health, the Elizabeth River Project, and the City of Portsmouth on water quality monitoring and a longer-term sediment remediation strategy.

Separately, on August 23, a 66-inch influent pipe at the Boat Harbor Treatment Plant (BHTP) failed and released thousands of gallons of raw wastewater into the plant's basement. The release was fully contained on-site, and our Asset Management team is now evaluating the condition of the pipe to ensure it can operate safely until the plant is decommissioned in a few months.

On a more positive note, the Archaeological Resources Protection Act permit for the Great Bridge Locks Force Main Emergency Project was approved on August 20, clearing the way for construction to begin on September 15, and keeping this critical pipe replacement on track to avoid conflicts with the 250th Anniversary commemoration of the Battle of Great Bridge. Our West Point Consent Order also remains on schedule, with four of five required projects underway and the fifth already complete.



## Financial Stewardship

Through the first two months of Fiscal Year 2027, our finances continue to track favorably against the adopted budget. Wastewater treatment charges (which account for roughly 95% of HRSD's revenue since we bill ratepayers based on their water consumption multiplied by our approved rate) totaled \$92.7 million and are running slightly ahead of pace as billed consumption for August came in 5.4% above budget. Total operating expenses of \$32.7 million remain well controlled at only 11% of the annual budget two months into the year, reflecting continued discipline across materials, contractual services, and other cost categories. Together, consumption-driven revenue is running ahead of plan and expenses are being carefully managed, leaving HRSD in a solid financial position early in the fiscal year.

On the debt side, HRSD closed its new Extendable Commercial Paper program on August 6 with an initial \$140 million offering, using \$92.5 million of that to pay off our line of credit with Bank of America. We also have approximately \$495 million in reimbursements pending from DEQ for the Boat Harbor and James River SWIFT projects. We received a \$1.25 million federal award for Eastern Shore Sewer Improvements and resubmitted our \$499.9 million Nansemond SWIFT Water Quality Improvement Fund grant application.

Customer Care is also making changes to control costs and modernize service: staff are restricting commercial customer credit card payments due to rising processing fees, a move expected to save at least \$1 million annually and are preparing to close the underused Air Rail Avenue payment lobby by the end of October as walk-in traffic has fallen nearly 50% since 2021. Separately, our Construction Support Team completed a valve replacement project at the Atlantic Treatment Plant (ATP) for \$80,000 against an original \$470,000 estimate, saving \$390,000 and finishing eight days ahead of schedule through smart use of in-house crews.



## Talent

Our Apprenticeship Program celebrated its annual graduation in August with 33 graduates, the most in the program's history, a strong showing for one of our key workforce pipeline investments. Several plant operators also advanced their professional credentials this month, including new Class 1 Virginia Wastewater Works Licenses earned by staff at the Williamsburg and Onancock plants and a Class 3 license earned at the York River plant. HR also welcomed 33 accepted job offers in August, continuing steady progress on filling open positions across the District.

Participation in HRSD's new Vitality wellness platform has been strong out of the gate, with 742 employees, spouses, and retirees registered for the 2026-2027 Wellness Year. On the safety side, work-related injuries requiring medical attention rose from three the prior month to eight in August, and Safety and Security responded with targeted vehicle and tool-

safety training; staff also completed a VOSH voluntary compliance inspection at the new SWIFT construction site at Nansemond with no issues identified.



## Community Engagement

On August 26, HRSD hosted Virginia Secretary of Natural and Historic Resources David Bulova, along with leadership from the Chesapeake Bay Foundation and James River Association, for a tour of the SWIFT Research Center and the future Nansemond SWIFT full-scale facility. During the visit, staff also presented Secretary Bulova with a National Association of Clean Water Agencies State Public Service Award, recognizing his longtime support for clean water infrastructure dating back to his service in the Virginia House of Delegates. Gatherings like this one help build the state and regional partnerships that are critical to advancing HRSD's water resilience work.

HRSD and the SWIFT program were mentioned in 45 news stories in August, with the Portsmouth Hull Creek spill, regional groundwater sustainability, and the SWIFT program's role in aquifer recharge as the dominant themes; overall sentiment held roughly neutral even amid the spill coverage. Deputy Chief Operating Officer Chris Stephan and Director of Planning and Analysis John Dano participated in a WHRO interview discussing how HRSD is preparing engineered solutions for growing capacity needs in northern Williamsburg. Staff also gave project updates at the Larchmont/Edgewater and Meadowbrook Civic League meetings, where the exterior design of the new Magnolia Pump Station drew sharp criticism from nearby residents; HRSD will hold a follow-up meeting on September 18 with residents, City Council, and City staff to discuss additional screening options.

On a brighter note, our Reliability and Odor Control Improvements team's quarterly newsletter drew positive feedback from a Community Task Force member who noted only two odor complaints across all of July and August, a marked improvement from past summers.

On August 20, I presented HRSD's Innovation Ecosystem at the Norfolk Innovation Corridor board meeting. They were very impressed with what we are doing and invited us to join to board.



## Innovation

Our Enterprise Data Platform, developed with EAOS specifically for wastewater utility needs, continues to advance as the foundation for AI readiness across HRSD; our contractor Jacobs has produced an architecture we consider acceptable for eventually transmitting model outputs like operating setpoints securely to our plant control systems.

Staff are also piloting Pentair's Xcentric impeller pump design, which reduces clogging and energy use, at candidate sites narrowed to the Rodman and Claremont pump stations, and are

working with Radian Forge, a Portsmouth startup, to trial 3D-printed metal replacement parts that are otherwise difficult or slow to source.

At the Virginia Initiative Plant (VIP), the new CalSTORE system was successfully started up in August, the product of close collaboration between our Operations and Engineering staff, contractors, and the equipment manufacturer.

**I look forward to seeing you in Virginia Beach at 9:00 a.m. on Tuesday, September 22, 2026.**

Respectfully submitted,

*Jay Bernas*

Jay Bernas, P.E.  
General Manager/CEO

TO: General Manager

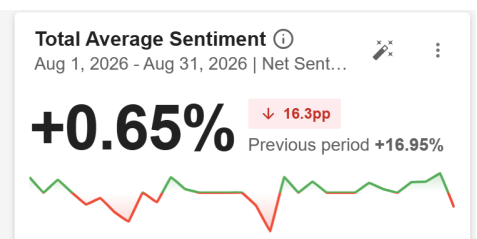
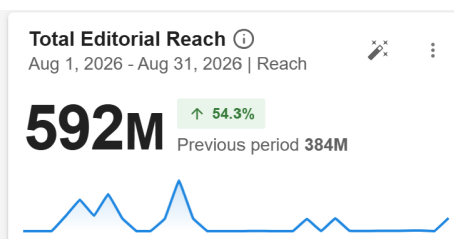
FROM: Chief Communications Officer

SUBJECT: Monthly Report for August 2026

DATE: August 14, 2026

A. Publicity and Promotion

1. HRSD and/or the Sustainable Water Initiative For Tomorrow (SWIFT) were mentioned or featured in 45 different stories this month. Top themes:
  - a. **Portsmouth sewage spill response and recovery** - A failed sewer force main in Portsmouth released approximately 3 million gallons of wastewater into Hull Creek, prompting cleanup, repairs, road closures and a recreational water advisory. Subsequent coverage reports emergency repairs, ongoing restoration and community concerns about environmental and property impacts. [Yahoo! News](#), [WTKR-TV](#), [The Daily Press](#), [Yahoo! News](#), [WTKR-TV](#), [Yahoo! News](#)
  - b. **Groundwater depletion and limits on new withdrawals** - Multiple reports identify coastal Virginia aquifers as being withdrawn faster than they naturally replenish, creating risks for groundwater supplies and limiting capacity for additional industrial and data center withdrawals. Conservation investments and regulatory review are being discussed as responses to the pressure on aquifers. [VPM News](#), [WHRO-FM](#), [Engineering News-Record](#), [Tidewater News](#)
  - c. **Water reuse and aquifer recharge through SWIFT** - The Hampton Roads Sanitation District's SWIFT program uses advanced treatment and aquifer recharge to address groundwater depletion, nutrient pollution and coastal subsidence. Coverage also highlights related pipeline construction and PFAS removal for indirect potable water reuse. [The Daily Press](#), [Smart Water Magazine](#), [Water Finance & Management](#), [Engineering News & Analysis - IHS Engineering360](#)
  - d. Analysis of Media Coverage
    - o Key results for August

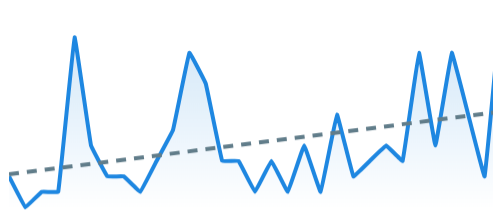


- Top performing news content

Total Mentions

129

↑ 135%



### ✦ AI-Powered Insight

- The majority of the posts are related to sewage spills and emergency repairs in Portsmouth, Virginia.
- There are concerns about groundwater threats and overdrawn sources in Hampton Roads, as highlighted by a comprehensive study.
- The posts also mention ongoing roadwork and projects, including the repair of a sewer main and the assignment of high credit ratings to a sanitation district.

#### Top Articles by Estimated Views ⓘ

Aug 1, 2026 - Aug 31, 2026 | Sort by views



**Substack** • Williamsburg Watch  
News | US | Aug 12, 2026 • 5:29 AM

##### Where your flush goes -- and what happens when it rains

it rains. The 40-acre facility, owned by the Hampton Roads Sanitation District, normally handles eight to nine million gallons of water

Hampton Roads Sanitation District

65.4M 3k \$ 605.3k Neutral

#### Top Articles by Social Echo ⓘ

Aug 1, 2026 - Aug 31, 2026 | Social echo



**WHRO-FM** • Katherine Hafner  
News | US | Aug 5, 2026 • 2:08 PM

##### Hampton Roads' groundwater supply is under threat, new analysis shows

solution. Specifically, officials point to the Hampton Roads Sanitation District's Sustainable Water Initiative for Tomorrow, or SWIFT. The

Hampton Roads Sanitation District, Sustainable Water Initiative for Tomorrow

116.8k 125 \$ 1.1k 3 4 5 Negative

## Hampton Roads Sanitation District's (HRSD) Infrastructure and Response

- HRSD received praise for its prompt response to the sewage leak, mitigating environmental impact.  
[pilotonline.com](#), [yahoo.com](#)
- Sewer main repairs and road closures were promptly addressed following infrastructure failures.  
[yahoo.com](#), [wavy.com](#), [dailypress.com](#)

## Sustainable Water Initiative for Tomorrow (SWIFT)

- SWIFT program by HRSD focuses on groundwater sustainability and aquifer recharge efforts.  
[pilotonline.com](#), [vpm.org](#), [thetidewaternews.com](#)
- The initiative aims to address regional water supply challenges and ensure long-term water quality.  
[informedinfrastructure.com](#), [thetidewaternews.com](#), [suffolknewsherald.com](#)

## Financial Stability and Partnerships

- HRSD received a stable outlook and high credit ratings, reflecting financial health.  
[ainvest.com](#), [dailypress.com](#)
- Collaborations with local entities, such as museums and community projects, highlight HRSD's community involvement.  
[pilotonline.com](#), [pilotonline.com](#)

○

### Top Social Posts by Views and Engagement

#### Top Social Posts by Views ⓘ

Aug 1, 2026 - Aug 31, 2026 | Sort by views



**WAVY TV 10** @wavy\_news  
X | US | Aug 23, 2026 • 11:00 AM

Douglas Avenue in Portsmouth, between Bruce Place and Adriatic Street, will be temporarily closed beginning Monday due to road repairs after a sewer main break on Aug. 4, according to [Hampton Roads Sanitation District](#). For full details and detour information, click this link:...

Hampton Roads Sanitation District

👤 254.6k

👁 3.5k

💰 \$ 181

🗨 3

😊 Neutral

#### Top Social Posts by Engagement ⓘ

Aug 1, 2026 - Aug 31, 2026 | Sort by engagement



**WTKR News 3**  
Youtube | US | Aug 6, 2026 • 7:25 PM

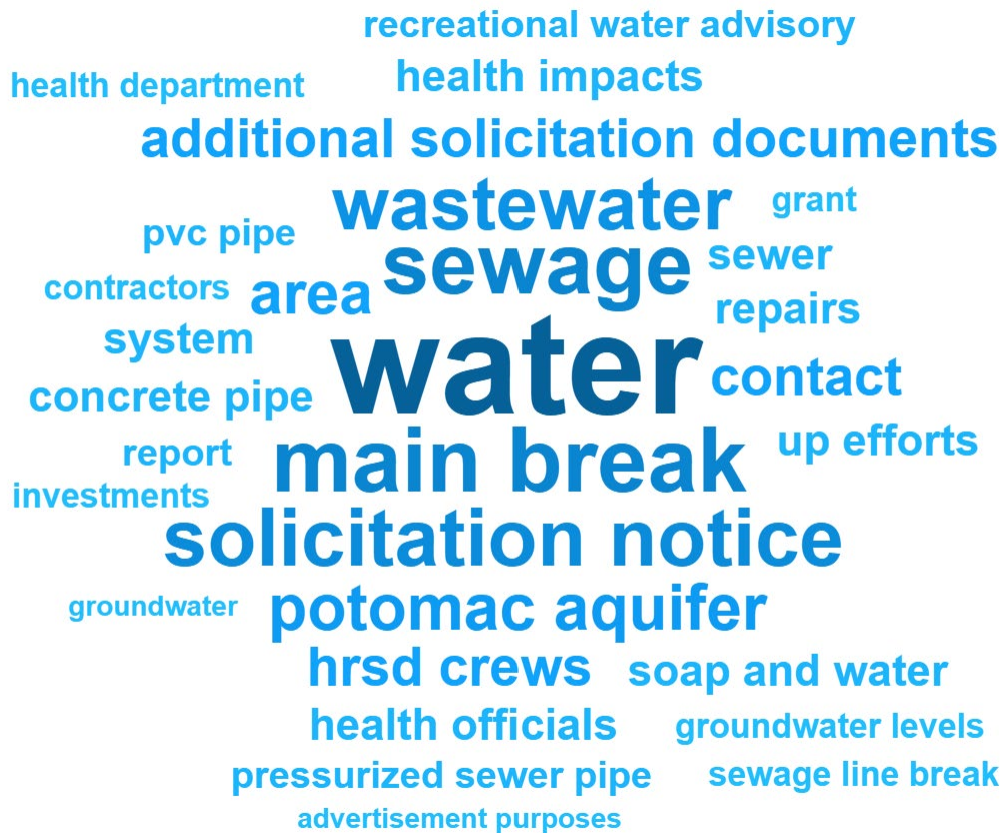
### Recreational water advisory issued after sewer main break impacts Hull Creek: VDH

precautions to avoid contact with the contaminated water. The [Hampton Roads Sanitation District](#) will work to repair the break and clean up

Hampton Roads Sanitation District

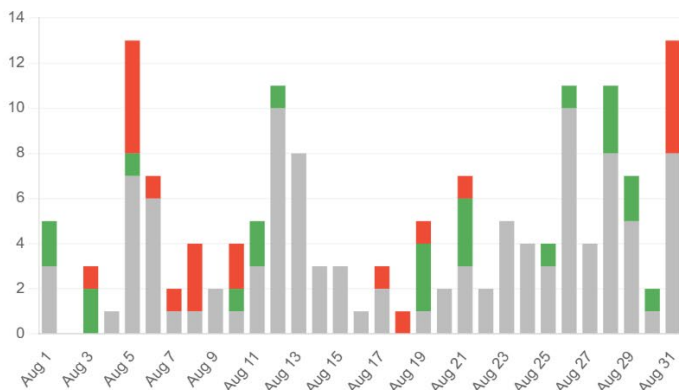
😊 Neutral

- Top Key Words

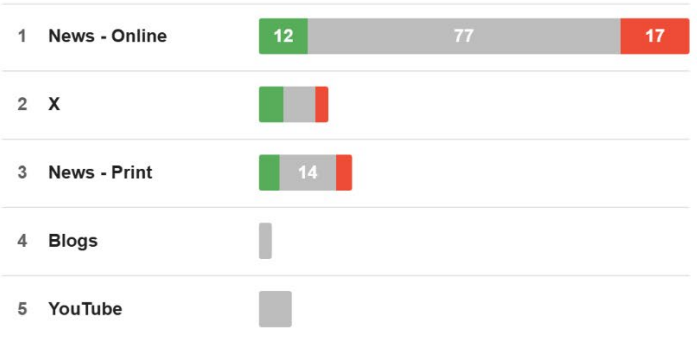


- How favorable is the content? (Trend and source type)

● Neutral ● Positive ● Negative



● Neutral ● Positive ● Negative



**Context related to negative sentiment:**

Negative sentiment ties to the August 4 force main failure on Douglas Avenue in Portsmouth. Secondly, groundwater reports also are seen as negative, but not directly pointed to HRSD; however, we are mentioned in the story.

Top Keywords by Sentiment ⓘ

Aug 1, 2026 - Aug 31, 2026 | Mentions

● Neutral ● Negative ● Positive

|    |                          |   |    |   |
|----|--------------------------|---|----|---|
| 1  | water                    | 4 | 17 | 5 |
| 2  | wastewater               | 4 | 8  | 4 |
| 3  | potomac aquifer          | 3 | 6  | 5 |
| 4  | main break               |   | 14 | 5 |
| 5  | sewage                   | 8 |    | 9 |
| 6  | solicitation notice      |   | 17 |   |
| 7  | area                     | 8 |    | 5 |
| 8  | additional solicitati... |   | 12 |   |
| 9  | contact                  |   | 11 |   |
| 10 | hrsd crews               | 6 |    | 6 |

Top Keyword Sentiment ⓘ

Aug 1, 2026 - Aug 31, 2026 | Mentions

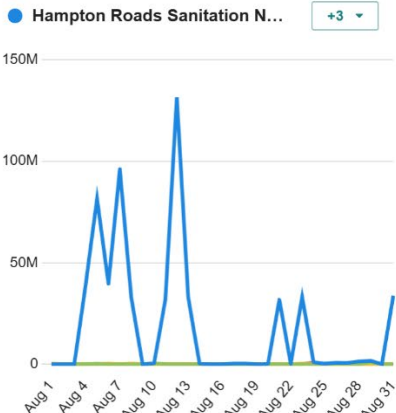
● Positive ● Negative

water  
sewage  
main break  
wastewater

○ What is the potential reach?

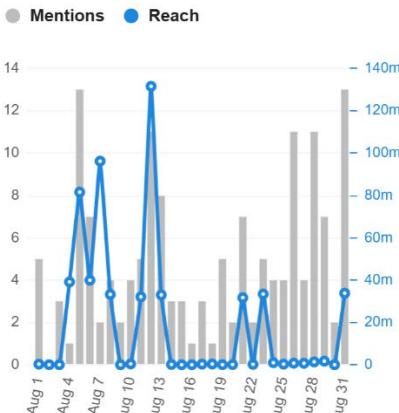
Reach Trend ⓘ

Aug 1, 2026 - Aug 31, 2026 | Reach



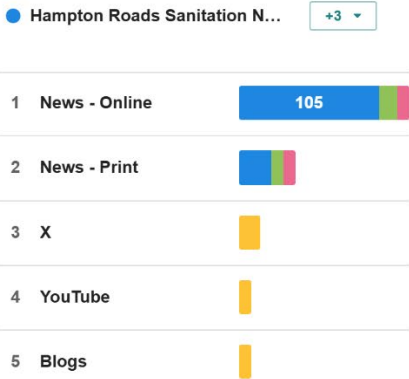
Mentions and Reach Trend ⓘ

Aug 1, 2026 - Aug 31, 2026 | Mention...



Share of Voice by Source T... ⓘ

Aug 1, 2026 - Aug 31, 2026 | Mentions



○ Who's Driving the Conversation?

Top Journalists by Mentions ⓘ

Aug 1, 2026 - Aug 31, 2026 | Sort by mentions

Sort by Mentions

|   |                     |    |
|---|---------------------|----|
| 1 | NA Natalie Anderson | 18 |
| 2 | EP Ed Pugh          | 4  |
| 3 | KH Katherine Hafner | 3  |
| 4 | DH Dana Hazzard     | 2  |
| 5 | TC Tracy Cooper     | 2  |
| 6 | RR Rob Rizzo        | 2  |

Top Journalists by Social Echo ⓘ

Aug 1, 2026 - Aug 31, 2026 | Social echo

Sort by Social Echo

|   |                     |                    |
|---|---------------------|--------------------|
| 1 | KH Katherine Hafner | 12<br>(3 mentions) |
| 2 | JL Jimmy LaRoue     | 8<br>(2 mentions)  |
| 3 | NA Natalie Anderson | 4<br>(18 mentions) |
| 4 | PL Patrick Larsen   | 3<br>(1 mention)   |
| 5 | RR Rob Rizzo        | 1<br>(2 mentions)  |
| 6 | VG Valenti Govantes | 1<br>(2 mentions)  |

### Top Social Authors by Posts ⓘ

Aug 1, 2026 - Aug 31, 2026 | Sort by mentions

Sort by Mentions

|   |                                                                                                                                                                                   |   |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|
| 1 |  HRSD                                                                                            | 4 |
| 2 |  SuperRichFred                                                                                   | 3 |
| 3 |  WAVY TV 10                                                                                      | 3 |
| 4 |  City of Portsmouth                                                                              | 1 |
| 5 |  Xaman® Wallet  | 1 |
| 6 |  Oscar Kellenberger Z                                                                            | 1 |

### Top Social Authors by Engagement ⓘ

Aug 1, 2026 - Aug 31, 2026 | Sort by engagement

Sort by Engagement

|   |                                                                                                                                                                                     |                     |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 1 |  WAVY TV 10                                                                                        | 11<br>(3 mentions)  |
| 2 |  HRSD                                                                                              | 3<br>(4 mentions)   |
| 3 |  SuperRichFred                                                                                     | N/A<br>(3 mentions) |
| 4 |  City of Portsmouth                                                                                | N/A<br>(1 mention)  |
| 5 |  Xaman® Wallet  | N/A<br>(1 mention)  |
| 6 |  Oscar Kellenberger Z                                                                              | N/A<br>(1 mention)  |

### Top Publications by Mentions ⓘ

Aug 1, 2026 - Aug 31, 2026

Sort by Mentions

|   |                                                                                                                  |    |
|---|------------------------------------------------------------------------------------------------------------------|----|
| 1 |  Indian Government Tender...    | 27 |
| 2 |  U.S. Fed News                  | 17 |
| 3 |  Yahoo! News                    | 13 |
| 4 |  The Daily Press                | 8  |
| 5 |  Virginian-Pilot (Norfolk, VA) | 7  |
| 6 |  The Virginian-Pilot          | 6  |

### Top Publications by Social Echo ⓘ

Aug 1, 2026 - Aug 31, 2026

Sort by Engagement

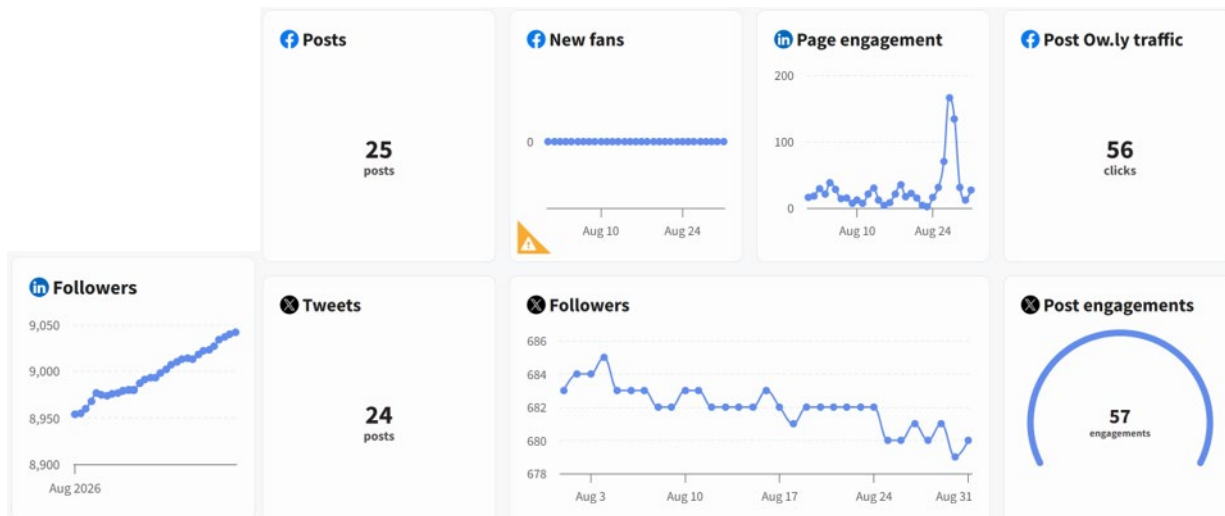
|   |                                                                                                               |                    |
|---|---------------------------------------------------------------------------------------------------------------|--------------------|
| 1 |  WAVY-TV                     | 12<br>(5 mentions) |
| 2 |  WHRO-FM                     | 12<br>(1 mention)  |
| 3 |  The Virginian-Pilot         | 8<br>(6 mentions)  |
| 4 |  VPM News                    | 5<br>(1 mention)   |
| 5 |  Environment + Energy Le... | 2<br>(1 mention)   |
| 6 |  WTKR-TV                   | 1<br>(3 mentions)  |

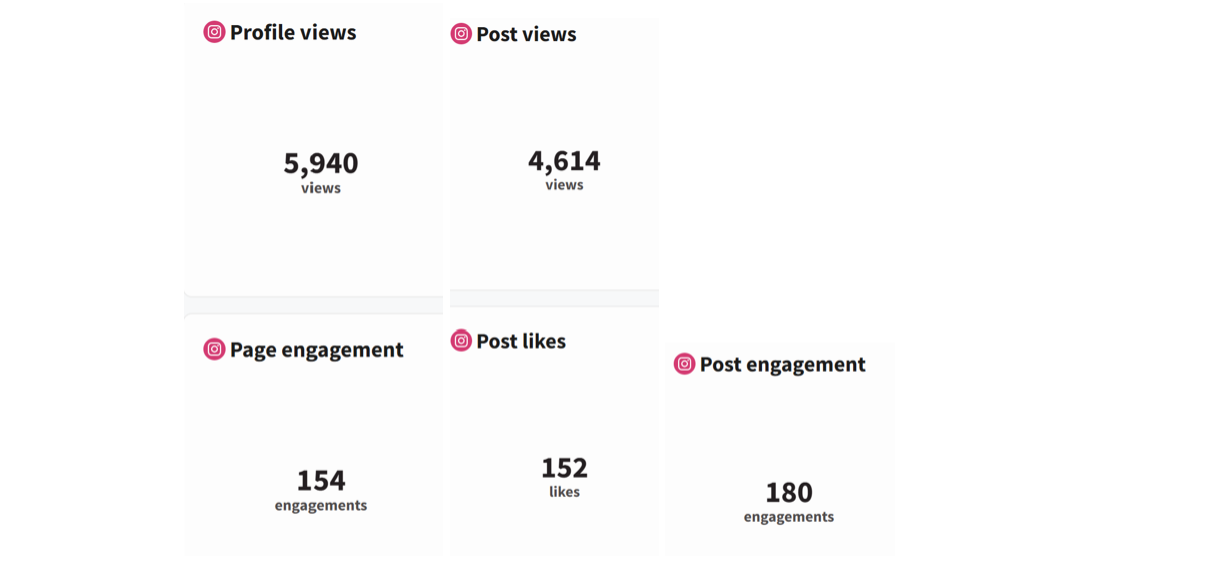


## Community Engagement

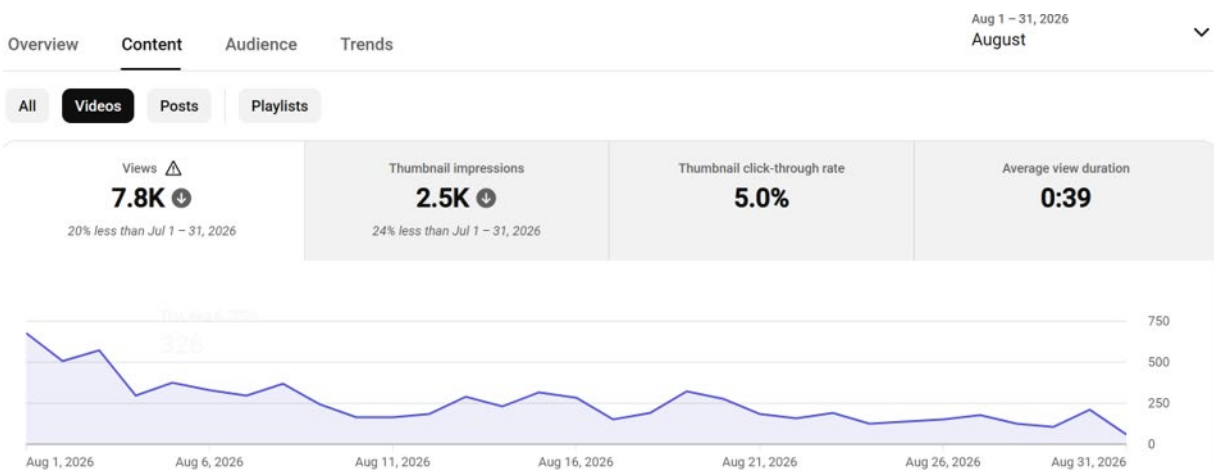
### B. Social Media and Online Engagement

#### 1. Metrics – Facebook, X, LinkedIn, and Instagram





## 2. YouTube

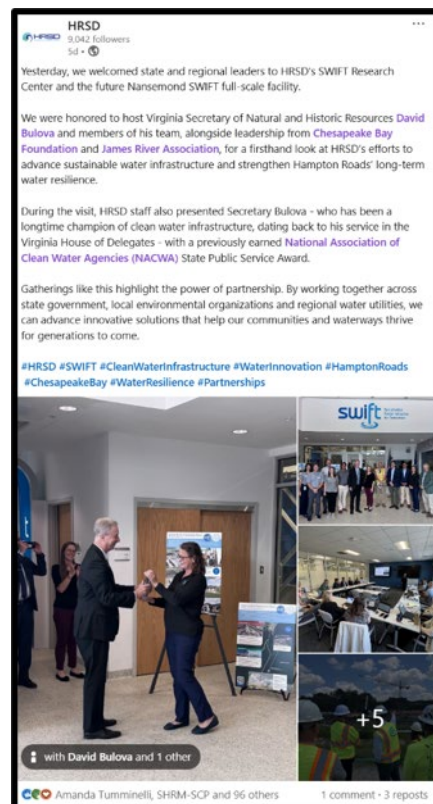


## 3. Top posts on Facebook, Twitter, and YouTube

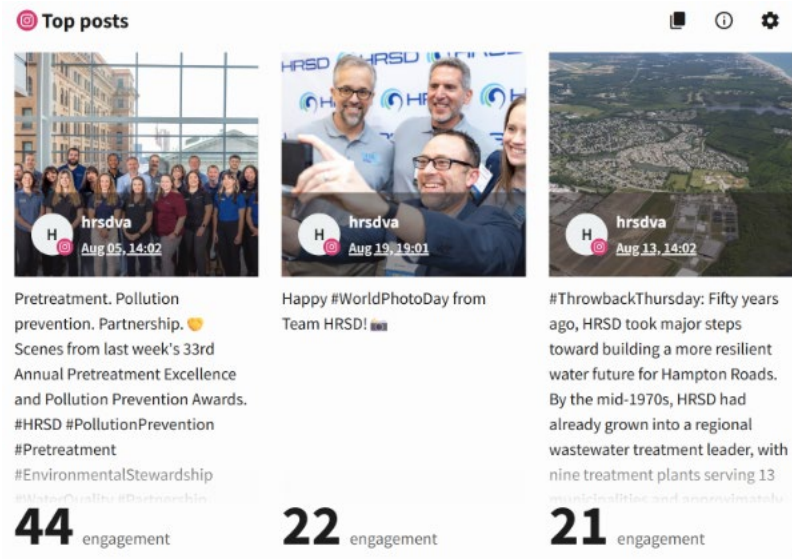
### a. Top Facebook post



b. Top LinkedIn Post



c. Top Instagram posts



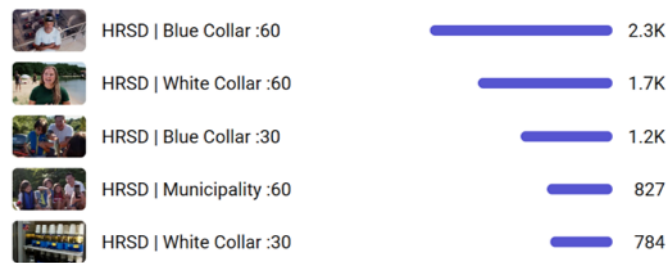
d. Top X Post



e. Top YouTube Videos (based on views in the month)

**Top videos** 

Views - August



4. Website and Social Media Impressions and Visits

a. Facebook:

- (1) 15,482 users reached
- (2) 158,626 page views
- (3) Facebook Engagement of 2,676 (854 reactions, 8 shares, and seven comments)
- (4) 25, 028 post views

b. X: 5.54% engagement rate

c. HRSD.com/SWIFTVA.com: 977 page visits

d. LinkedIn:

- (1) 378,577 page impressions
- (2) 423 unique page visits post
- (3) 839 page searches
- (4) Gained 82 new followers (9062 total followers)

e. YouTube: 7,850 views

f. NextDoor unique impressions: 16,586 post impressions from 23 targeted neighborhood postings and three regionwide postings.

g. Instagram Overview:

- (1) 5,940 profile views
- (2) 4,614 post views with an engagement of 180

h. Blog Posts: 0

i. Construction Project Page Visits – 1,687 total

C. Education and Outreach Activity Highlights

1. 08/01/26 – Tabling at Eastern Shore Rural Health System Annual Be Well Block Party
2. 08/05/2026 – SWIFT Research Center (SWIFT RC) tour, HRSD Friends & Family
3. 08/06/2026 -- SWIFT RC tour, Virginia Beach City Public Schools faculty
4. 08/20/2026 – SWIFT RC tour for interested citizen
5. 08/26/2026 – SWIFT RC tour for Virginia Secretary of Natural and Historic Resources, James River Association and Chesapeake Bay Foundation
6. 08/27/2026 – SWIFT RC tour for Southeastern Public Service Authority Public Relations Manager
7. 08/31/2026 – Project update given at Meadowbrook Civic League meeting
8. 08/31/2026 – Project update given at Larchmont/Edgewater Civic League meeting
9. Newsroom postings:
  - a. Construction notices –10
  - b. News releases – 4
  - c. Traffic Advisories - 3

D. Meetings, Planning and other Communications

CCO participated in the following meetings and events:

1. SWIFT Research Center tour and presentation to Virginia Secretary of Natural and Historic Resources and members of the James River Association and Chesapeake Bay Foundation
2. Conducted media training for subject matter experts from Operations and Engineering divisions
3. Participated in interview panel for Deputy Chief Operating Officer positions
4. Attended coordination calls with the Virginia Department of Health, Virginia Department of Environmental Quality and City of Portsmouth

5. Coordinated and provided media interviews in response to August 4 Douglas Avenue force main failure
6. Made site visits to York, Williamsburg and James River treatment plants
7. Participated in the Potomac Aquifer Recharge Monitoring Laboratory (PARML) communications workshop
8. HRSD.com weekly redesign meetings
9. SWIFT monthly communications status call
10. Bi-weekly General Manager (GM) briefings
11. Discharge Monitoring Report (DMR), SWIFT Quality Steering Team (QST), and HRSD QST meetings
12. Check-in meetings with Deputy General Manager (DGM)
13. Monthly check in meeting with Chief Operating Officer
14. CCO conducted biweekly Communications department status meetings and weekly one-on-one check-in meetings.
15. Staff participated in 39 project progress and/or construction meetings in addition to communication planning meetings with various project managers, plant staff, internal and external stakeholders.
16. Communications Manager represented communications at the Project Support Office (PSO) Pre-proposal Meeting



**Talent**

Professional development and internal communications activities and pursuits for August:

- Communications Manager participated in Monthly Boat Harbor Closure/ Retirement Celebrations Planning meetings
- Coordination with various departments and divisions ahead of internal newsletter launch

Respectfully,

*Leila Rice, APR*

Chief Communications Officer

TO: General Manager

FROM: Chief Engineer

SUBJECT: Monthly Engineering Report for August 2026

DATE: September 12, 2026



## Environmental Responsibility

- HRSD continues its track record of excellent regulatory compliance through our Consent Order with DEQ in West Point. Five projects are included in this Order; one is already completed, and the other four are underway and on schedule, including the West Point Generator Replacement project, which experienced a delay in generator delivery. However, for this project, the contractor has produced an updated schedule for the installation, MORP, testing, and training for this unit, and expects to complete the project before the October 31, 2026, regulatory deadline.
- The design team for the Great Bridge Locks Force Main Emergency Project has worked extensively with US Army Corps of Engineers (USACE) to obtain the required Archaeological Resources Protection Act (ARPA) Permit, which was approved on August 20. This cleared the way for HRSD to finalize the necessary easements with USACE and begin construction on September 15. Maintaining this schedule will allow the pipe installation beneath the canal to be completed without impacting activities associated with the 250th Anniversary of the Battle of Great Bridge and the associated reenactment.



## Financial Stewardship

- The Fiscal Year 2028 Capital Improvement Program (CIP) is projected to be nearly \$770 million. August fell significantly short of projections. Finance and Engineering continue to discuss better ways to track and show CIP expenditures; thus, reporting methods and amounts may evolve over the remainder of this fiscal year.

| Capital Improvement Program Spending (\$M) |                |            |
|--------------------------------------------|----------------|------------|
|                                            | Current Period | FY to date |
| Actual                                     | \$23.9         | \$121.9    |
| Plan                                       | \$75.5         | \$150.6    |

- The design team and contractor for the Army Base Treatment Plant Generator Control Replacement project determined that several aspects of the original scope, including temporary power systems, were no longer needed. This narrowed the remaining work to the specialty installation, testing, and programming associated with ITAC's equipment.

Since ITAC's involvement was already needed to ensure the equipment was properly installed, programmed, and tested, the refined scope allowed the team to justify completing the work through a change order with ITAC rather than procuring a separate construction contract.



## Talent

- Staff retention and recruitment remain significant priorities as Engineering added six new positions in Fiscal Year 2027. Planning and Analysis welcomed Angela Luu to the team on August 31st as a Planning Engineer. Angela interned for South Shore Interceptors in 2016 and 2017, then worked in consulting and for the City of Chesapeake. We're excited to have her return to HRSD!



## Community Engagement

- The ROCI team, led by Tim Kearney, published a quarterly newsletter for the Community Task Force on August 27<sup>th</sup>. A Task Force member responded to let the team know they have noticed a reduction in odors in recent months. Specifically, there were only two odor complaints in the entirety of July and August – a notable decrease from past summers.
- Kayla McCoy and Laura Kirkwood attended the Larchmont Civic League meeting on August 31<sup>st</sup>, during which the design engineer provided a brief construction update. The exterior of the new Magnolia Pump Station received sharp criticism from nearby residents. HRSD will schedule a follow-up meeting for September 18th to discuss additional screening measures with residents, City Council, and other City Staff.
- As part of the Community Commitment Program, staff coordinated the Quarterly SWaMs Insights call with Ulliman-Schutte and supported meeting planning activities. The presentation entitled "Insights for SWaMs: Marketing & Business Development Best Practices" was held on August 26<sup>th</sup>. The session was recorded and is now hosted on HRSD.com at <https://www.hrsd.com/hrsd-industry-outreach>.



## Innovation

- Staff continues to coordinate with Pentair to pilot their innovative Xcentric impeller design at an HRSD pumping station. Site visits were conducted at four stations that are being considered to pilot Pentair's XRW series of pumps. Factors considered were the variability in flow and head conditions, the potential for ragging, and the degree of modifications needed to install the pump. Site selection has been narrowed to the Rodman Pump Station on the South Shore and Claremont Pump Station on the North Shore.

A handwritten signature in black ink, appearing to read 'J. Scarano', followed by a horizontal line.

---

Jeff Scarano, PE, BCEE, DBIA

TO: General Manager/CEO

FROM: Deputy General Manager and Chief Financial Officer

SUBJECT: Monthly Report for August 2026

DATE: September 11, 2026



## Financial Stewardship

### Debt and Grants Management

Staff continued making progress on several active grants, with approximately \$495 million in reimbursements pending from the Virginia Department of Environmental Quality (DEQ) for both the Boat Harbor and James River ANRI SWIFT projects.

A \$1.25 million federal award was executed in August for Eastern Shore Sewer Improvements, and the Nansemond SWIFT Water Quality Improvement Fund grant application for \$499.9 million was resubmitted to DEQ.

HRSD's Extendable Commercial Paper program closed on August 6 with a \$140 million initial offering. \$92.5 million was used to pay off the line of credit with Bank of America.

### Accounting & Interim Financial Reports

Staff continued fiscal year 2026 year-end financial statement preparations.

The Interim Financial Report shows most revenue and expense accounts generally aligning with the adopted budget.

In accordance with HRSD's Financial Policy, fiscal year 2026 valid, outstanding encumbrances (those for which performance is expected in a subsequent fiscal year) amounting to \$26.4 million have been reappropriated and added to the 2027 budget.

| Summary of Billed Consumption (,000s ccf) |                            |                          |              |                          |             |                           |                     |
|-------------------------------------------|----------------------------|--------------------------|--------------|--------------------------|-------------|---------------------------|---------------------|
| Month                                     | FY2027                     |                          | % Difference | % Difference             |             | % Difference              |                     |
|                                           | Cumulative Budget Estimate | FY2027 Cumulative Actual | From Budget  | Cumulative FY2026 Actual | From FY2026 | Cumulative 3 Year Average | From 3 Year Average |
| July                                      | 4,550                      | 4,870                    | 7.0%         | 4,536                    | 7.3%        | 4,557                     | 6.9%                |
| Aug                                       | 9,100                      | 9,594                    | 5.4%         | 9,205                    | 4.2%        | 9,385                     | 2.2%                |
| Sept                                      | 13,696                     | -                        |              | 13,682                   |             | 13,956                    |                     |
| Oct                                       | 18,206                     | -                        |              | 18,219                   |             | 18,648                    |                     |
| Nov                                       | 22,338                     | -                        |              | 22,425                   |             | 22,950                    |                     |
| Dec                                       | 26,732                     | -                        |              | 26,490                   |             | 27,095                    |                     |
| Jan                                       | 31,412                     | -                        |              | 31,400                   |             | 31,745                    |                     |
| Feb                                       | 35,483                     | -                        |              | 35,582                   |             | 35,855                    |                     |
| March                                     | 39,831                     | -                        |              | 39,592                   |             | 39,888                    |                     |
| Apr                                       | 43,898                     | -                        |              | 44,081                   |             | 44,180                    |                     |
| May                                       | 48,378                     | -                        |              | 48,581                   |             | 48,724                    |                     |
| June                                      | 53,000                     | -                        |              | 53,084                   |             | 53,299                    |                     |

Capital spending remains substantial, with CIP cash disbursements amounting to \$121.9 million.

## **Customer Care**

---

Past-due balances increased slightly in August as staff continued summer alternative field operations during the heat related suspension of residential disconnections on days above 92 degrees.

Field staff disconnected 1,675 accounts, and call volume averaged 4,300 per week, with service levels affected by system interruptions and partner locality outages.

Staff sent 16,163 text reminders resulting in 8,258 payments, and after-call surveys produced an 89.5 percent favorable rating.

Staff are implementing several business process improvements, including restricting the use of credit cards for payments made by commercial customers. This change is driven by a substantial increase in fees associated with high-cost corporate credit cards. Staff estimate that this move will create annual savings of at least \$1 million in credit card processing fees. Commercial customers will continue to have access to other electronic payment options.

In addition, staff are preparing to close the Air Rail Avenue Payments Lobby by the end of October. Since 2021, lobby transactions have declined by nearly 50 percent compared to pre-pandemic levels, now averaging only about 15 customers per day. HRSD will continue to offer a variety of convenient payment methods for residential customers, including online debit and credit card payments. Customers may also utilize an extensive network of third-party payment locations across the service area—such as Walmart, Kroger, and Harris Teeter stores. Currently, 26 retail payment sites are located within three miles of the Air Rail Avenue Payments Lobby.

## A. Entity Wide Interim Financial Report & Summary of Reserves

### Hampton Roads Sanitation District Interim Financial Report Funds Analysis For the Period Ending August 31, 2026

|                                    | Operating Fund        | Operating Grants   | Capital Fund          | Total                 |
|------------------------------------|-----------------------|--------------------|-----------------------|-----------------------|
| <b>Inflows</b>                     |                       |                    |                       |                       |
| Wastewater Treatment Charges       | \$ 92,457,433         | \$ -               | \$ -                  | \$ 92,457,433         |
| Interest Income                    | 2,615,281             | -                  | -                     | 2,615,281             |
| Grants                             | -                     | -                  | -                     | -                     |
| Debt Issuances                     | -                     | -                  | 98,563,378            | 98,563,378            |
| Transfers-In                       | -                     | -                  | 30,567,068            | 30,567,068            |
| <b>Total Inflows</b>               | <b>95,072,714</b>     | <b>-</b>           | <b>129,130,446</b>    | <b>224,203,160</b>    |
| <b>Outflows</b>                    |                       |                    |                       |                       |
| Operational                        | 52,965,454            | 18,479             | -                     | 52,983,933            |
| Debt Service                       | 20,887,786            | -                  | -                     | 20,887,786            |
| Capital                            | -                     | -                  | 121,897,704           | 121,897,704           |
| Transfers-Out                      | 30,567,068            | -                  | -                     | 30,567,068            |
| <b>Total Outflows</b>              | <b>104,420,308</b>    | <b>18,479</b>      | <b>121,897,704</b>    | <b>226,336,491</b>    |
| Net Change in Reserves             | (9,347,593)           | (18,479)           | 7,232,743             | (2,133,329)           |
| Beginning Reserves                 | 306,346,380           | (24,606)           | 156,872,492           | 463,194,266           |
| <b>Ending Reserves</b>             | <b>\$ 296,998,787</b> | <b>\$ (43,085)</b> | <b>\$ 164,105,235</b> | <b>\$ 461,060,937</b> |
| <b>Ending Reserves Summary</b>     |                       |                    |                       |                       |
| Unrestricted                       |                       |                    |                       |                       |
| General                            | \$ 254,021,232        | \$ (43,085)        | \$ -                  | \$ 253,978,147        |
| Risk                               | 4,799,555             | -                  | -                     | 4,799,555             |
| PayGo                              | -                     | -                  | 152,829,735           | 152,829,735           |
| <b>Total Unrestricted Reserves</b> | <b>258,820,787</b>    | <b>(43,085)</b>    | <b>152,829,735</b>    | <b>411,607,437</b>    |
| Restricted                         |                       |                    |                       |                       |
| Debt Service                       | 38,178,000            | -                  | -                     | 38,178,000            |
| Bond Proceeds                      | -                     | -                  | -                     | -                     |
| McGill Escrow                      | -                     | -                  | 11,275,500            | 11,275,500            |
| <b>Total Ending Reserves</b>       | <b>\$ 296,998,787</b> | <b>\$ (43,085)</b> | <b>\$ 164,105,235</b> | <b>\$ 461,060,937</b> |

## **Notes to Entity Wide Interim Financial Report and Summary of Reserves**

The Entity Wide Interim Financial Report and Summary of Reserves summarizes the results of HRSD's operations and capital improvements on a basis of accounting that differ from generally accepted accounting principles. Revenues are recorded when received and expenses are generally recorded when paid. No provision is made for non-cash items such as depreciation and bad debt expense.

Reserves represent the balance of HRSD's cash and investments classified into functional purposes.

## B. Operating Fund Interim Financial Report - Budget to Actual

### Hampton Roads Sanitation District Operating Fund Interim Financial Report Budget to Actual For the Period Ending August 31, 2026

|                                         | Amended Budget        | Current YTD           | Current YTD as<br>% of Budget<br>(17% Budget to<br>Date) | Prior YTD as<br>% of Prior<br>Year Budget |
|-----------------------------------------|-----------------------|-----------------------|----------------------------------------------------------|-------------------------------------------|
| <b>Operating Revenues</b>               |                       |                       |                                                          |                                           |
| Wastewater                              | \$ 527,302,950        | \$ 92,720,601         | 18%                                                      | 17%                                       |
| Surcharge                               | 1,750,350             | 244,672               | 14%                                                      | 14%                                       |
| Indirect Discharge                      | 3,264,250             | 805,944               | 25%                                                      | 24%                                       |
| Fees                                    | 4,787,000             | 637,999               | 13%                                                      | 18%                                       |
| Municipal Assistance                    | 771,000               | 158,745               | 21%                                                      | 20%                                       |
| Miscellaneous                           | 1,201,000             | 34,483                | 3%                                                       | 7%                                        |
| <b>Total Operating Revenue</b>          | <b>539,076,550</b>    | <b>94,602,444</b>     | <b>18%</b>                                               | <b>17%</b>                                |
| <b>Non Operating Revenues</b>           |                       |                       |                                                          |                                           |
| Facility Charge                         | 6,740,000             | 1,355,440             | 20%                                                      | 21%                                       |
| Interest Income                         | 12,968,000            | 2,436,282             | 19%                                                      | 36%                                       |
| Other                                   | 1,657,000             | 166,479               | 10%                                                      | 1%                                        |
| <b>Total Non Operating Revenue</b>      | <b>21,365,000</b>     | <b>3,958,201</b>      | <b>19%</b>                                               | <b>28%</b>                                |
| <b>Total Revenues</b>                   | <b>560,441,550</b>    | <b>98,560,645</b>     | <b>18%</b>                                               | <b>17%</b>                                |
| Transfers from Reserves                 | 26,373,569            | 4,395,595             | 17%                                                      | 17%                                       |
| <b>Total Revenues and Transfers</b>     | <b>\$ 586,815,119</b> | <b>\$ 102,956,240</b> | <b>18%</b>                                               | <b>17%</b>                                |
| <b>Operating Expenses</b>               |                       |                       |                                                          |                                           |
| Personal Services                       | \$ 97,641,986         | \$ 14,330,916         | 15%                                                      | 15%                                       |
| Fringe Benefits                         | 34,788,542            | 5,398,103             | 16%                                                      | 15%                                       |
| Materials & Supplies                    | 16,122,406            | 1,274,061             | 8%                                                       | 9%                                        |
| Transportation                          | 2,334,174             | 6,124                 | 0%                                                       | 8%                                        |
| Utilities                               | 18,323,890            | 2,480,159             | 14%                                                      | 10%                                       |
| Chemical Purchases                      | 17,841,677            | 1,004,943             | 6%                                                       | 11%                                       |
| Contractual Services                    | 80,133,390            | 6,052,721             | 8%                                                       | 10%                                       |
| Major Repairs                           | 17,309,345            | 1,041,841             | 6%                                                       | 6%                                        |
| Capital Assets                          | 1,931,395             | 143,650               | 7%                                                       | 9%                                        |
| Miscellaneous Expense                   | 5,240,947             | 931,201               | 18%                                                      | 23%                                       |
| <b>Total Operating Expenses</b>         | <b>291,667,752</b>    | <b>32,663,719</b>     | <b>11%</b>                                               | <b>12%</b>                                |
| <b>Debt Service and Transfers</b>       |                       |                       |                                                          |                                           |
| Debt Service                            | 111,745,000           | 20,887,786            | 19%                                                      | 14%                                       |
| Transfer to CIP                         | 183,402,368           | 30,567,068            | 17%                                                      | 17%                                       |
| <b>Total Debt Service and Transfers</b> | <b>295,147,368</b>    | <b>51,454,854</b>     | <b>17%</b>                                               | <b>16%</b>                                |
| <b>Total Expenses and Transfers</b>     | <b>\$ 586,815,120</b> | <b>\$ 84,118,573</b>  | <b>14%</b>                                               | <b>14%</b>                                |

## **Notes to Operating Fund Interim Financial Report – Budget to Actual**

The Operating Interim Financial Report – Budget to Actual is intended to summarize financial results on an accounting basis similar to the Annual Operating Budget. The basis of accounting differs from generally accepted accounting principles and from the Entity Wide Interim Financial Report. 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.

### C. Capital Fund – Project Length Summary of Activity

#### HRSD-PROJECT ANALYSIS

August 31, 2026

| Classification/<br>Treatment<br>Service Area | Appropriated<br>Funds   | Project to<br>Date<br>Expenditures | Encumbrances          | Available             |
|----------------------------------------------|-------------------------|------------------------------------|-----------------------|-----------------------|
| Administration                               | \$ 119,488,472          | \$ 47,331,886                      | \$ 61,219,873         | \$ 10,936,713         |
| Army Base                                    | 49,704,075              | 15,597,157                         | 5,946,979             | 28,159,939            |
| Atlantic                                     | 227,388,366             | 86,697,732                         | 25,013,086            | 115,677,548           |
| Boat Harbor                                  | 508,365,299             | 430,112,946                        | 27,255,246            | 50,997,107            |
| Ches-Eliz                                    | 29,279,118              | 15,307,476                         | 679,027               | 13,292,615            |
| Eastern Shore                                | 68,576,326              | 47,492,864                         | 1,317,174             | 19,766,288            |
| James River                                  | 365,412,866             | 322,277,221                        | 12,685,623            | 30,450,022            |
| Middle Peninsula                             | 107,113,398             | 31,881,796                         | 9,518,360             | 65,713,242            |
| Nansemond                                    | 569,186,148             | 445,429,690                        | 107,748,526           | 16,007,932            |
| Surry                                        | 57,978,543              | 52,887,045                         | 385,812               | 4,705,686             |
| VIP                                          | 331,890,254             | 185,841,350                        | 67,910,637            | 78,138,267            |
| Williamsburg                                 | 104,945,804             | 13,820,027                         | 7,186,751             | 83,939,026            |
| York River                                   | 113,605,421             | 78,109,532                         | 1,635,967             | 33,859,922            |
| General                                      | 1,705,710,291           | 786,967,820                        | 619,311,006           | 299,431,465           |
|                                              | <u>\$ 4,358,644,381</u> | <u>\$ 2,559,754,542</u>            | <u>\$ 947,814,067</u> | <u>\$ 851,075,772</u> |

## D. Summary of Debt Activity

### HRSD- Debt Analysis

August 31, 2026

(in thousands)

|                                     | Fixed Rate   | Variable Rate | Line of Credit | ECP        | Total        |
|-------------------------------------|--------------|---------------|----------------|------------|--------------|
| Beginning Balance 7/1/26            | \$ 1,991,164 | \$ 50,000     | \$ 92,462      | \$ -       | \$ 2,133,626 |
| Add:                                |              |               |                |            |              |
| New Debt                            | 274,885      | -             | -              | 140,000    | 414,885      |
| Capitalized Interest                | 1,573        | -             | -              | -          | 1,573        |
| Less:                               |              |               |                |            |              |
| Principal Payments                  | (10,315)     | -             | -              | -          | (10,315)     |
| Refunded Debt - Principal Payment   | (223,860)    | -             | (92,462)       | -          | (316,322)    |
| Ending Balance 08/31/26             | \$ 2,033,447 | \$ 50,000     | \$ -           | \$ 140,000 | \$ 2,223,447 |
| Interest Payments                   | (9,816)      | (193)         | (564)          | -          | (10,573)     |
| Refunded Debt - Interest Payment    | (5,596)      | -             | -              | -          | (5,596)      |
| FY27 YTD Interest Payments          | \$ (15,412)  | \$ (193)      | \$ (564)       | \$ -       | \$ (16,169)  |
| YTD Operating Debt Service Payments | \$ (20,131)  | \$ (193)      | \$ (564)       | \$ -       | \$ (20,888)  |

ECP = Extendable Commercial Paper

### HRSD- Series 2016 Variable Rate Bond Analysis

August 28, 2026

|                | SIFMA Index | HRSD Series<br>2016VR | Deviation to<br>SIFMA |
|----------------|-------------|-----------------------|-----------------------|
| Maximum        | 4.71%       | 4.95%                 | 0.24%                 |
| Average        | 1.65%       | 1.12%                 | -0.53%                |
| Minimum        | 0.01%       | 0.01%                 | 0.00%                 |
| As of 08/28/26 | 2.28%       | 2.25%                 | -0.03%                |

Since October 20, 2011 HRSD has averaged 112 basis points on Variable Rate Debt

### Subsidised Debt Activity

| Source                                  | Funder | Loan Amount    | Current Drawn<br>Total | % Remain | Initial Draw Date -<br>Projected |
|-----------------------------------------|--------|----------------|------------------------|----------|----------------------------------|
| VCWRLF 2026 CIP Project                 | DEQ    | \$ 60,000,000  | \$ 7,309,414           | 88%      | May 2026                         |
| VCWRLF Emerging Contaminants            | DEQ    | \$ 15,031,209  | \$ 1,145,028           | 92%      | June 2026                        |
| WIFIA Tranche 3                         | EPA    | \$ 268,087,870 | \$ 268,087,870         | 0%       | July 2026                        |
| CFPF ABTP Generator Control Replacement | DCR    | \$ 6,439,410   | \$ 10,116              | 100%     | July 2026                        |

## E. Cash and Investment Summary

| Operating Liquidity Accounts        | Beginning Market Value<br>July 1, 2026 | YTD Contributions     | YTD Withdrawals       | YTD Income Earned   | Beginning Market Value<br>Aug 31, 2026 | Allocation of funds | Current Mo Avg Yield |
|-------------------------------------|----------------------------------------|-----------------------|-----------------------|---------------------|----------------------------------------|---------------------|----------------------|
| BOA Corp Disbursement Account       | \$ 21,599,711                          | \$ 579,426,874        | \$ 581,229,131        | \$ 80,820           | \$ 19,878,274                          | 5.1%                | 2.05%                |
| BOA Operating Accounts              | 14,115,126                             | 221,890,866           | 220,733,832           | 35,570              | 15,307,730                             | 3.9%                | 2.05%                |
| Truist Accounts                     | -                                      | 11,273,150            | -                     | 2,350               | 11,275,500                             | 2.9%                | 1.90%                |
| BNY Mellon Account                  | 6,772,167                              | 13,306,314            | 19,518,771            | 6,749               | 566,459                                | 0.2%                | 3.57%                |
| SNAP & SLG Accounts                 | 208                                    | -                     | 208                   | 0                   | -                                      | 0.0%                | 0.00%                |
| VIP Stable NAV Liquidity Pool       | 349,066,324                            | 110,019,582           | 119,000,000           | 2,026,919           | 342,112,825                            | 87.9%               | 3.82%                |
| <b>Operating Liquidity Accounts</b> | <b>\$ 391,553,536</b>                  | <b>\$ 935,916,786</b> | <b>\$ 940,481,942</b> | <b>\$ 2,152,408</b> | <b>\$ 389,140,788</b>                  | <b>100.0%</b>       |                      |

VIP Stable NAV Liquidity Pool performed 0.01% above to the Va Local Government Investment Pool's (the market benchmark) in the month of August 2026.

| Total Return Account                | Beginning Market Value<br>July 1, 2026 | YTD Contributions | YTD Withdrawals | YTD Income Earned & Realized G/L | Beginning Market Value<br>Aug 31, 2026 | Yield to Maturity at Market |
|-------------------------------------|----------------------------------------|-------------------|-----------------|----------------------------------|----------------------------------------|-----------------------------|
| VIP 1-3 Year High Quality Bond Fund | 71,640,937                             | -                 | 2,395           | 460,607                          | 71,920,149                             | 4.32%                       |
| <b>Total Return Account</b>         | <b>\$ 71,640,937</b>                   | <b>\$ -</b>       | <b>\$ 2,395</b> | <b>\$ 460,607</b>                | <b>\$ 71,920,149</b>                   |                             |

VIP 1-3 Year High Quality Bond Fund performed 0.03% below to the ICE BofA ML 1-3 yr AAA-AA Corp/Gov Index (the market benchmark) in August 2026.

|                              | Total                 | Fund Alloc    |
|------------------------------|-----------------------|---------------|
| Operating Liquidity Accounts | \$ 389,140,788        | 84.4%         |
| Total Return Account         | \$ 71,920,149         | 15.6%         |
| <b>TOTAL</b>                 | <b>\$ 461,060,937</b> | <b>100.0%</b> |

## F. Financial Performance Metrics Adjusted Days Cash on Hand

### HRSD - UNRESTRICTED CASH

August 31, 2026

Can be used for any purpose since it is not earmarked for a specific use.

|                                   | Cash                  | Days Cash on Hand | Adjusted Days Cash on Hand |
|-----------------------------------|-----------------------|-------------------|----------------------------|
| <b>Total Cash</b>                 | <b>\$ 461,060,937</b> |                   | <b>577</b>                 |
| Restricted Cash                   | (49,453,500)          | (62)              | 515                        |
| Unrestricted Cash                 | <b>411,607,437</b>    |                   | <b>515</b>                 |
| Risk Management Reserve           | (4,799,555)           | (6)               | 509                        |
| Capital (unrestricted PAYGO only) | (152,829,734)         | (191)             | 318                        |
| <b>Adjusted Days Cash on Hand</b> | <b>\$ 253,978,148</b> |                   | <b>318</b>                 |

Risk Management Reserve as a % of Projected Claims Cost is 25% YTD compared to 25% Policy Minimum

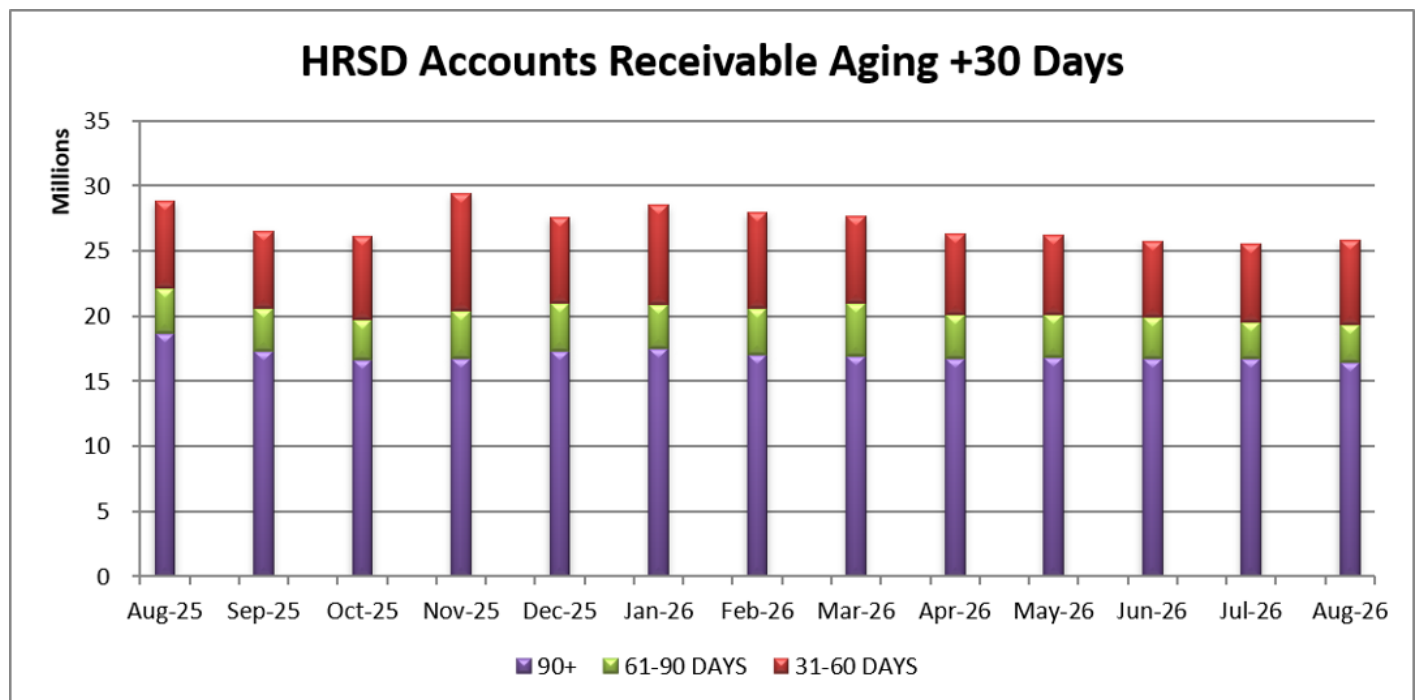
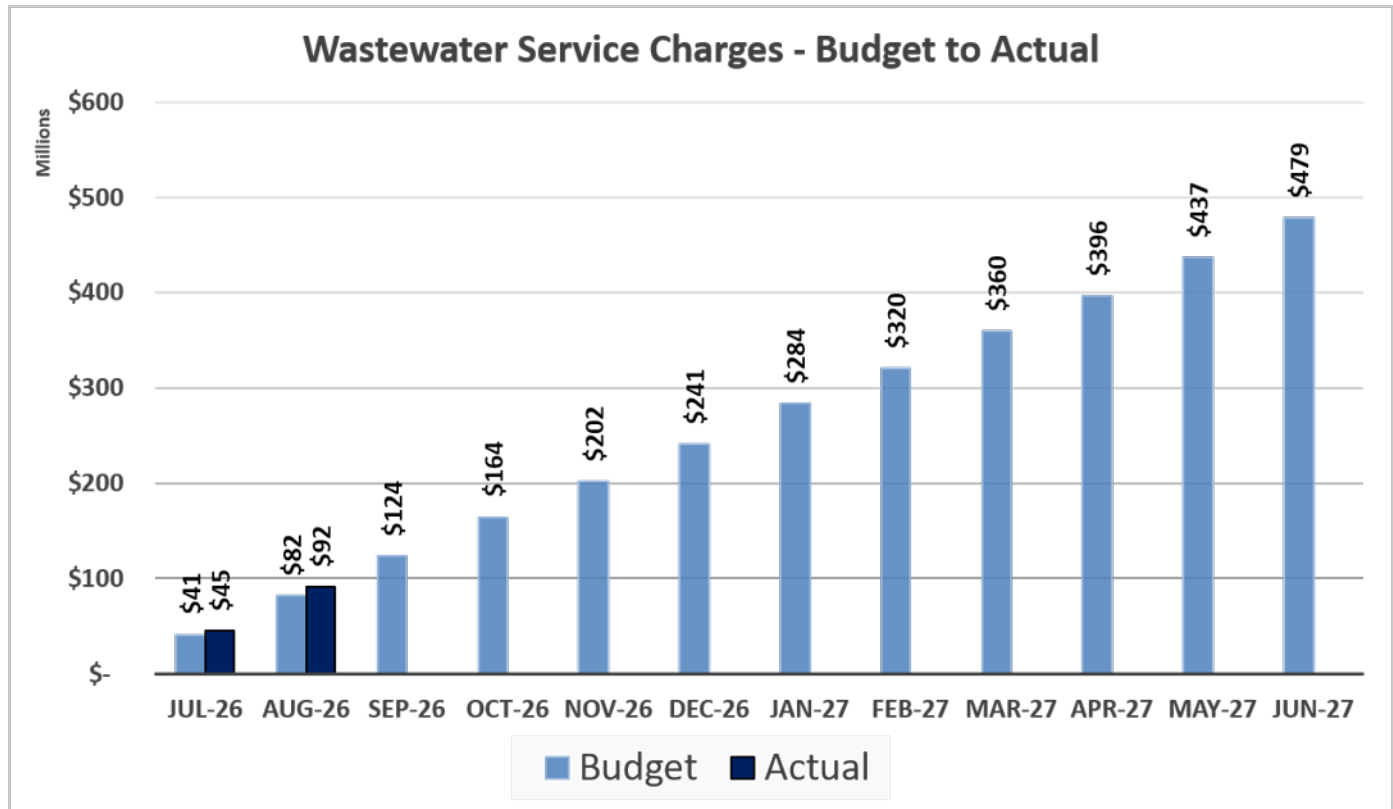
Adjusted Days Cash on Hand Policy Minimum is 270-365 days.

## G. Summary of Grant Applications, Awards and Activity

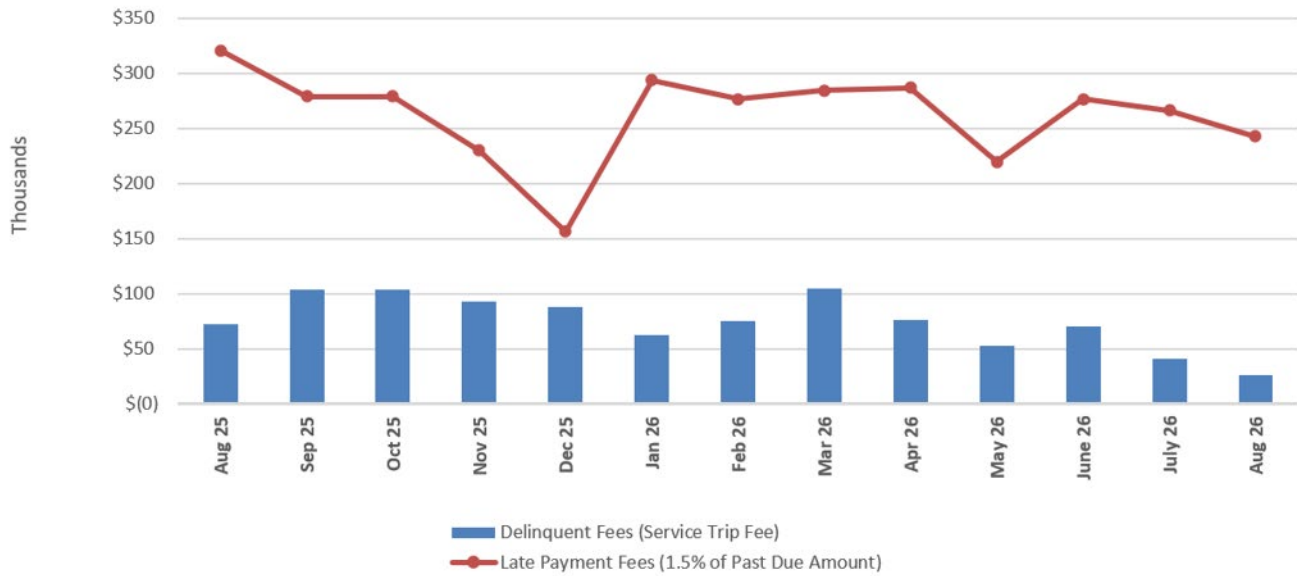
| Active Capital Grants                                                 |        |                                                                                                              |                                                                      |                        |                       |                       |                              |
|-----------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------|-----------------------|-----------------------|------------------------------|
| Grant Name                                                            | Funder | Project                                                                                                      | CIP#                                                                 | Application Submitted  | Amount Requested      | HRSD Award Amount     | Reimbursement as of 08/31/26 |
| Community Flood Preparedness Fund                                     | VDCR   | Dozier's Corner Pump Station Replacement                                                                     | AT015400                                                             | 12/4/2024              | \$ 6,265,669          | \$ 6,265,669          | \$ -                         |
| Community Flood Preparedness Fund                                     | VDCR   | Onancock Treatment Plant Administrative Building Design                                                      | ES010300                                                             | 10/30/2024             | \$ 374,400            | \$ 374,400            | \$ -                         |
| Water Quality Improvement Fund                                        | VDEQ   | Boat Harbor Pump Station and Conveyance                                                                      | BH015700<br>BH015701<br>BH015710<br>BH015720<br>GN016345<br>GN016346 | 3/4/2024               | \$ 311,286,392        | \$ 294,300,592        | \$ 67,000,000                |
| Water Quality Improvement Fund                                        | VDEQ   | James River Advanced Nutrient Reduction Improvements (ANRI) SWIFT                                            | GN016360<br>GN016361<br>GN016362<br>JR013400                         | 3/23/2023              | \$ 344,741,547        | \$ 331,384,307        | \$ -                         |
| FFY2024 Congressionally Directed Spending / Community Project Funding | EPA    | Eastern Shore Wastewater Improvements: Designs for Chincoteague Treatment Plant and Onancock Solids Handling | ES010500<br>ES010800                                                 | 3/14/2023,<br>2/6/2026 | \$ 9,677,112          | \$ 1,250,000          | \$ -                         |
|                                                                       |        |                                                                                                              |                                                                      |                        | <b>\$ 672,345,120</b> | <b>\$ 633,574,968</b> | <b>\$ 67,000,000</b>         |

| Active Non-Capital Grants |        |                                                  |      |                       |                     |                     |                              |
|---------------------------|--------|--------------------------------------------------|------|-----------------------|---------------------|---------------------|------------------------------|
| Grant Name                | Funder | Project                                          | CIP# | Application Submitted | Amount Requested    | HRSD Award Amount   | Reimbursement as of 08/31/26 |
| Non-Point Source Funding  | VDEQ   | Gloucester Septic to Sewer (Pay for Performance) | n/a  | 2/3/2024              | \$ 1,180,000        | \$ 1,180,000        | \$ 35,327                    |
|                           |        |                                                  |      |                       | <b>\$ 1,180,000</b> | <b>\$ 1,180,000</b> | <b>\$ 35,327</b>             |

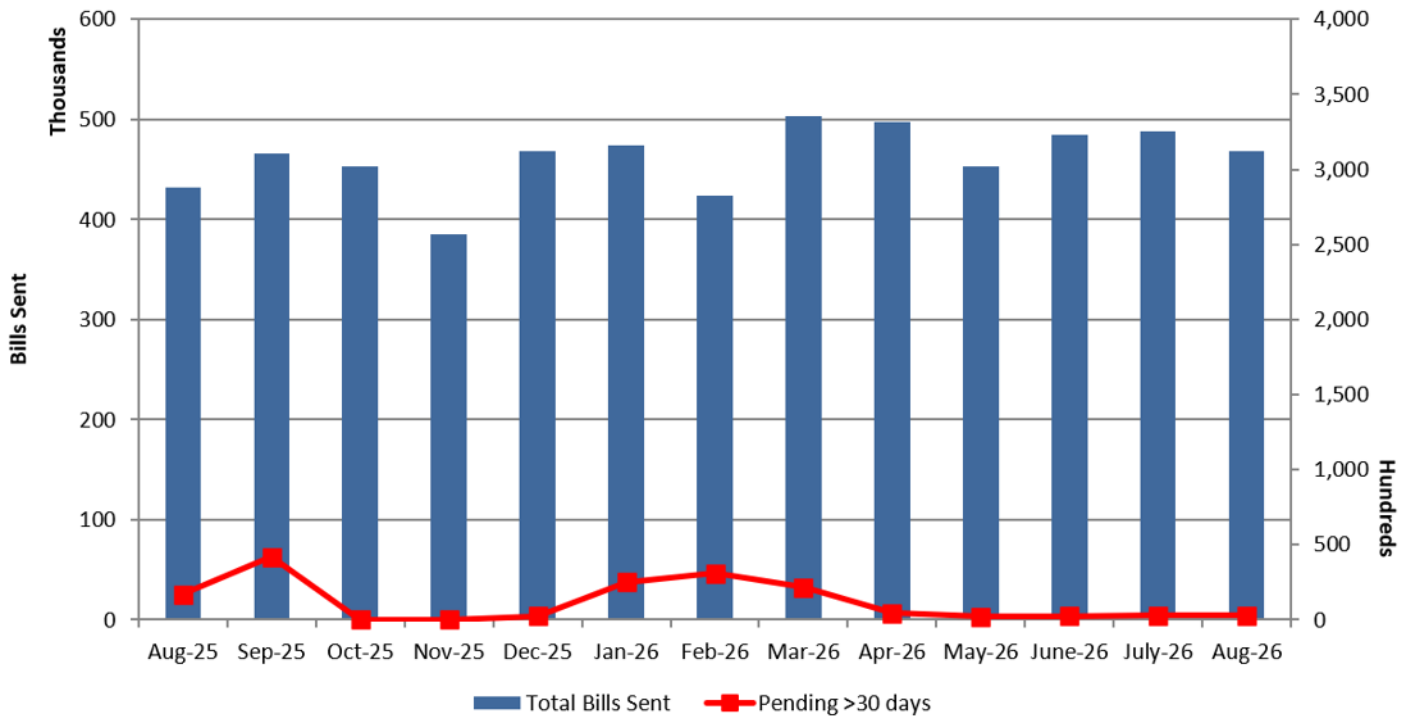
## H. Customer Care Center – Key Statistics



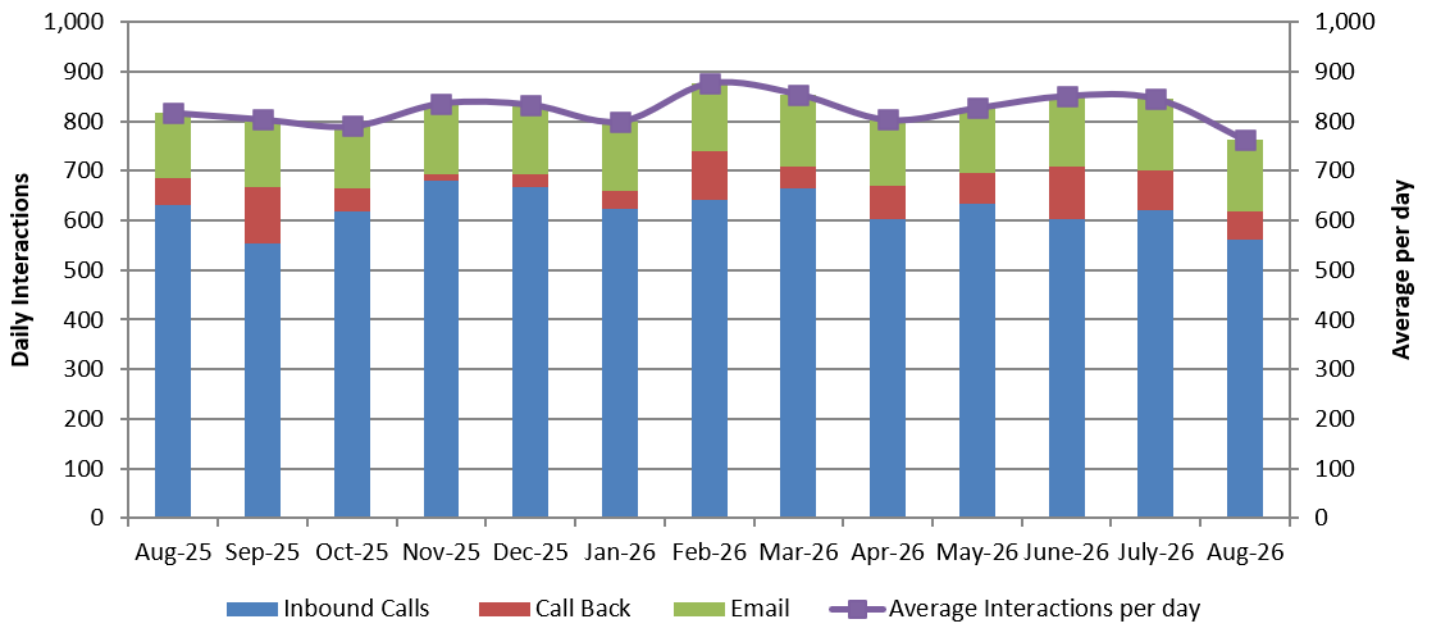
## Delinquent & Late Payment Fees



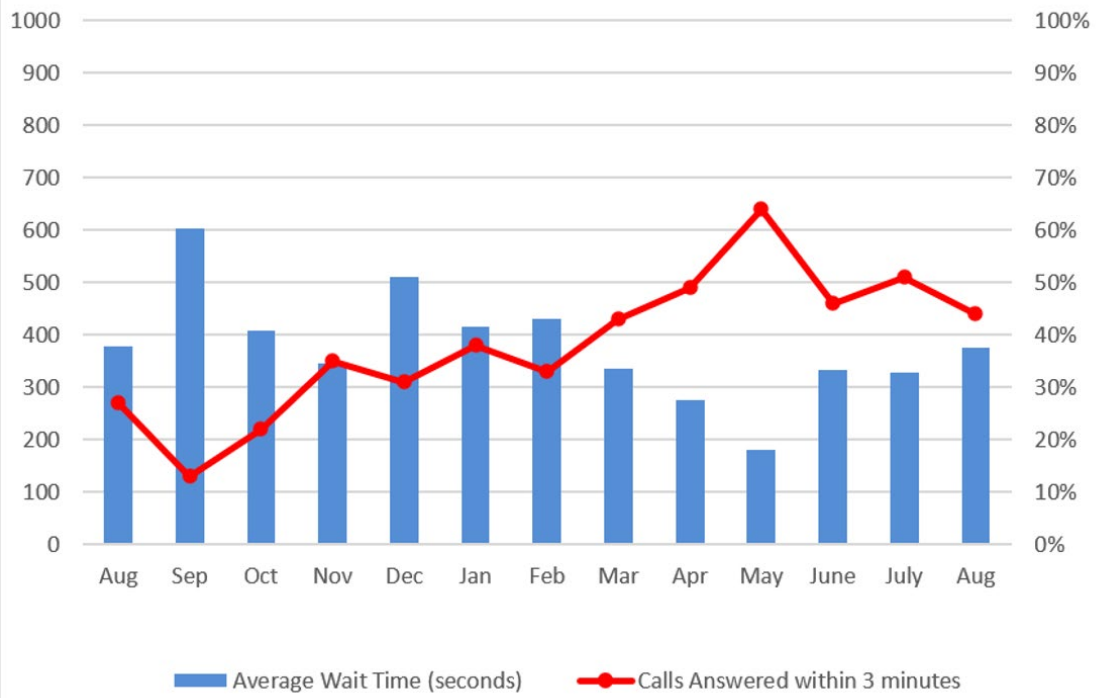
## Billing Summary



## Call Center Interactions (per day)



## Customer Interaction Statistics

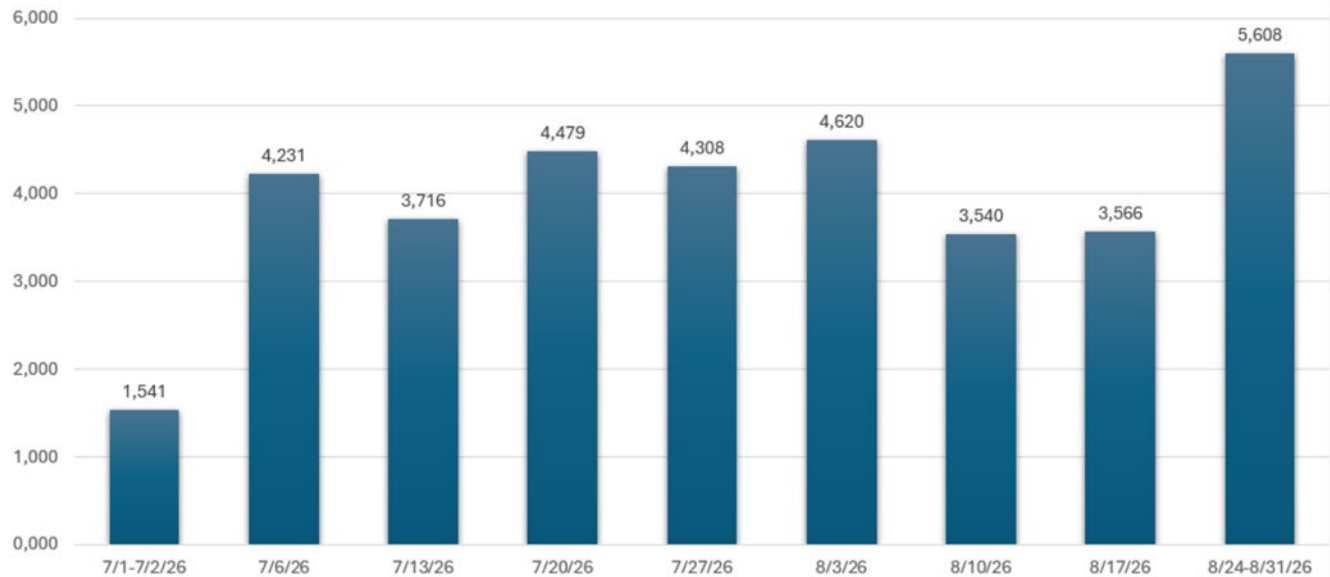


## Customer Interaction

### Statistics

|                                 | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June | July | Aug |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|------|-----|
| Calls Answered within 3 minutes | 27% | 13% | 22% | 35% | 31% | 38% | 33% | 43% | 49% | 64% | 46%  | 51%  | 44% |
| Average Wait Time (seconds)     | 379 | 604 | 409 | 346 | 512 | 417 | 431 | 336 | 277 | 181 | 333  | 328  | 375 |
| Calls Abandoned                 | 28% | 42% | 33% | 25% | 32% | 27% | 23% | 20% | 16% | 12% | 20%  | 19%  | 21% |

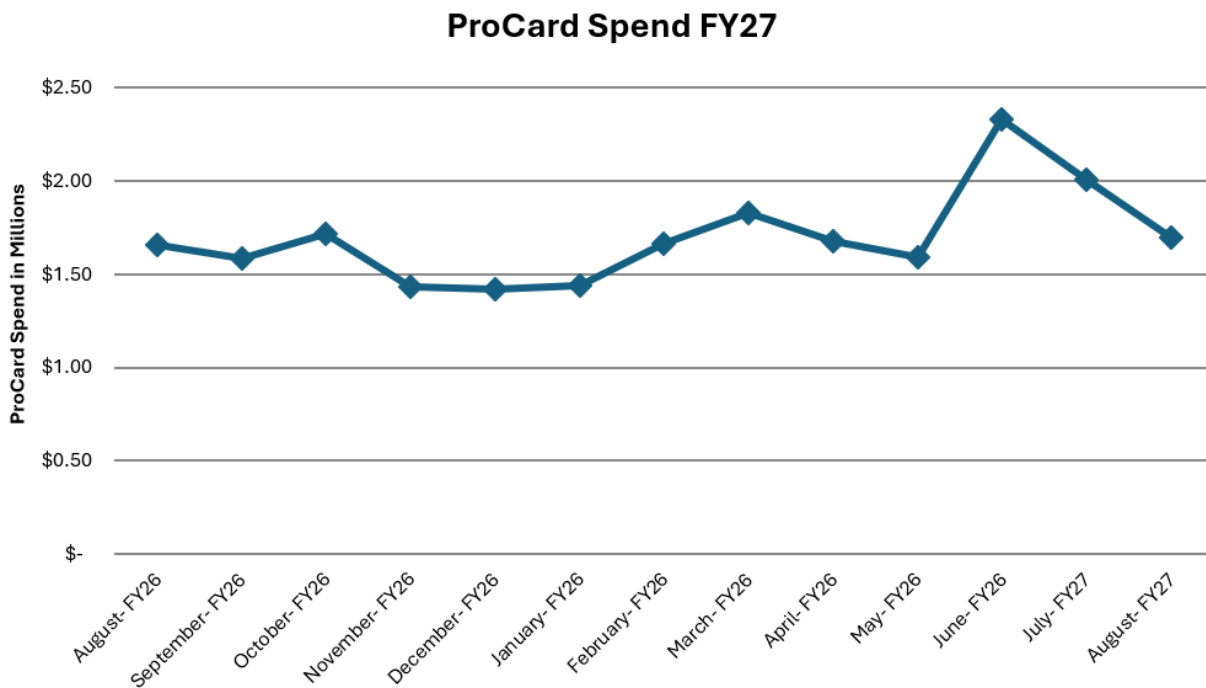
Total Calls Received by Week



| Item # | Strategic Planning Measure | Unit                                           | August 2026  |
|--------|----------------------------|------------------------------------------------|--------------|
|        | Accounts Receivable (HRSD) | Dollars                                        | \$56,238,195 |
|        | Aging Accounts Receivable  | Percentage of receivables greater than 90 days | 29.3%        |

## I. Procurement Statistics

| Savings                                | Current Period | FYTD        |
|----------------------------------------|----------------|-------------|
| Competitive Savings                    | \$11,007       | \$19,939    |
| Negotiated Savings                     | \$2,185,000    | \$2,185,689 |
| Salvage Revenues                       | \$11,361       | \$16,736    |
| Corporate VISA Card - Estimated Rebate | \$25,319       | \$55,242    |



Respectfully,

*Steven G. de Mik*

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

TO: General Manager/ Chief Executive Officer

FROM: Chief Information Officer

SUBJECT: Information Technology Division (ITD) Report for August 2026

DATE: September 11, 2026



## Innovation

### IT Operations Activities:

#### Help Desk:

| Opened<br>Work Orders | Closed<br>Work Orders |
|-----------------------|-----------------------|
| 564                   | 501                   |

- Continued replacement of wireless access points on the South Shore Main Campus.
- Performed upgrades to CEL Organics workstations.
- Worked with VICOM to complete upgrades to Audio Visual equipment in the South Shore Atlantic conference room and North Shore training room.

#### Systems Engineering:

- The Linux team continued the building out of the new Web Application Firewall (WAF) to strengthen application security and improve threat protection.
- Detailed project planning continued for the impending Core Switch upgrades.
- Planning and Configuration work for new Wireless Access Points at the Virginia Initiative Plant were conducted.
- Continued infrastructure modernization initiatives through ongoing hardware lifecycle management, network optimization, and storage migration planning activities to improve reliability, scalability, and long-term platform supportability.
- Build out of enhancements and configurations to the monitoring software for the top-end SCADA system continued.
- Continued network and cloud support for the Digital Water department AI initiatives.
- Storage system upgrades were performed.
- Assisted in network needs for the implementation of the KLIR system for Water Quality.
- Completed replacements of multiple Microsoft 206 servers.

#### Database Administrators (DBA):

- Performed monthly critical patch updates to all database systems.

#### Enterprise Applications Services:

| Newly Opened Work Orders | Closed Work Orders |
|--------------------------|--------------------|
| 216                      | 233                |

- Customer Care & Billing (CC&B) programming staff continue data cleansing in preparation for the Customer Cloud Service (CCS) implementation.
- Enterprise Resource Planning (ERP) programming staff continued work on data cleanup and documentation initiatives.
- IT Geographic Information Systems (GIS) staff completed migration of ESRI ArcGIS Utility Network.
- IT GIS staff participated in GeoNexus workshops in preparation for the Installation and configuration of a GEONEXUS GIP system.
- IT GIS staff successfully performed an FME system upgrade.
- The Web Portal programming staff continued collaboration with the Communications Division on the redesign of the HRSD.com website.
- Web Portal programming staff worked with several work centers to migrate their SharePoint sites.

#### Cybersecurity:

- Jacobs Engineering, Cybersecurity and IT staff continued work efforts on the new Purdue Level 3.5 network environment. This establishes a secure foundation for Digital Water and Operations.
- Continued evaluation of emerging cybersecurity technologies designed specifically to address the rapidly evolving risks associated with artificial intelligence. Multiple AI security platforms were assessed, resulting in the development of a focused shortlist of solutions capable of supporting areas such as AI governance, data protection, monitoring, and control of AI use within the enterprise. This work was supplemented through roundtable discussions, technical sessions, and direct engagement with cybersecurity and industry leaders at two major cybersecurity conferences. These efforts provide HRSD with greater visibility into emerging AI risks and practical options for securely enabling AI as organizational adoption expands.
- Expanded internal Operational Technology (OT) cybersecurity capability by allocating targeted SANS cybersecurity certificate training to Operations Industrial Automation Programmer (IAP) personnel. This investment strengthens cybersecurity knowledge within the teams closest to HRSD's control systems, improves understanding of OT-specific risks and security practices, and builds greater shared responsibility for protecting the reliability and resilience of critical operational environments. Developing this expertise within Operations also supports stronger collaboration between Operations, IT, and Cybersecurity and reduces reliance on cybersecurity personnel for routine security decisions.

Division collective work efforts:

| Description                | Projects In Progress | Projects In Queue |
|----------------------------|----------------------|-------------------|
| Large Maintenance Projects | 15                   | 7                 |
| Other Enterprise Projects  | 65                   | 35                |
| <b>Total Projects</b>      | <b>80</b>            | <b>42</b>         |

- Desktop Support Analysts and Senior System Engineers continue the Microsoft Intune mobile device management role out. This is a large effort and expected to take several more months. Delays have been encountered due to supply chain issues with phones.



## Community Engagement

- HRSD Cybersecurity staff participated in regional cybersecurity preparedness through active participation and leadership in Hampton Roads cybersecurity collaboration efforts and the Area Maritime Security Committee (AMSC) cybersecurity subcommittee led by the U.S. Coast Guard. Engagement included cybersecurity leaders from the FBI, CISA, Virginia State Police, regional government organizations, and private-sector critical infrastructure partners. Discussions focused on recent cybersecurity incidents, emerging threats, regional dependencies, information sharing, and coordinated incident response. These relationships improve HRSD's situational awareness, expand access to federal and state cybersecurity resources, and strengthen regional resilience by ensuring HRSD remains connected to the organizations that would coordinate during a significant cyber or critical infrastructure event.



## Talent

- Nina Charlem, former Web Portal Programmer, was promoted to Senior Web Portal Programmer.
- Sanyika Evans joined HRSD and began her new role as an IT Senior Project Manager in late August.
- Ben Charlem joined HRSD and began his new role as a Senior Systems Engineer – Networks.
- Recruiting continues for the Cybersecurity Analyst – Identity & Access Control.

Respectfully,

*Mary Corby*

Chief Information Officer

TO: General Manager/Chief Executive Officer

FROM: Chief Operating Officer

SUBJECT: Operations Monthly Report for August 2026

DATE: September 14, 2026



## **Community Engagement**

Staff participated in several community events as follows:

1. On August 26, South Shore (SS) Interceptor Operations staff met with City of Suffolk Public Utilities to discuss operational issues, ongoing initiatives, and upcoming projects.
2. On August 31, Mr. Chris Stephan, Deputy Chief Operating Officer-North Shore (NS), and Mr. John Dano, Director of Planning and Analysis, participated in an interview with Mr. Nick McNamara of WHRO regarding the capacity of the regional sanitary system in northern Williamsburg and how HRSD is preparing engineered solutions through capital projects and operational improvements. Mr. McNamara indicated that a follow-up interview or news story had not yet been determined.



## **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.

### **Additional Topics of Interest:**

1. At the James River Treatment Plant (JRTP), work continued on the Advanced Nutrient Removal Improvements and Sustainable Water Initiative for Tomorrow (SWIFT) projects, including secondary clarifier improvements, chemical systems piping and electrical installation, power to recharge wells, activated carbon placement in contactors, and administration building, landscaping, and paving. A lightning strike disrupted continued startup and troubleshooting of the ozone system and damaged instrumentation and control equipment. Repairs were completed; however, the disruption impacted the project schedule.

2. At the Williamsburg Treatment Plant (WBTP), centrifuge cake solids were hauled to HRSD's contractor's composting site due to a major screw conveyor failure. The failed screw conveyor is one of multiple conveyors that move cake solids from the centrifuge into the incinerator. Staff removed the failed screw conveyor, and a contractor installed a new one.
3. On August 23, a 66-inch pipe at the Boat Harbor Treatment Plant (BHTP), leading from the influent Parshall flume into the grit process, failed and spilled thousands of gallons of raw wastewater into the float-treat basement. The release was contained in the basement, and staff recovered and treated all wastewater at BHTP. Staff responded to BHTP in the early morning hours to secure flow and complete the repair. Asset Management staff are evaluating the failed 66-inch pipe patch and remaining wall thickness to ensure safe operation until plant decommissioning in a few months.
4. Atlantic Treatment Plant (ATP) staff identified that the 12-month rolling gas throughput for the flares is approaching its permitted limit. If gas production continues at the current rate, the plant could exceed the limit within a few months. The increased flare usage is due to the temporary inability to beneficially use digester gas following removal of piping to the combined heat and power (CHP) system and steam boiler in preparation for the renewable natural gas (RNG) project. Staff submitted updated data and supporting calculations to the Virginia Department of Environmental Quality (DEQ), requesting an increase in allowable throughput from 238 million cubic feet per year (MMcf/yr) to 375 MMcf/yr. Staff are working with DEQ to incorporate the request into the permit modification currently under review.
5. At ATP, repairs to the plant's main steam boiler, which has been out of service for several months, are ongoing. Shaw Boiler removed a section of metal near the Morrison tube for analysis to determine whether it is suitable for welding. The results will inform the next steps.
6. The total volume of SWIFT recharge into the Potomac aquifer from the Research Center for August was 7.91 million gallons (MG), representing approximately 27.5 percent recharge time based on 650 gallons per minute (gpm). Recharge operations were impacted by the following:
  - a. The ozone system could not operate until the ozone blower in the destruct unit was repaired.
  - b. Several EIM valves required maintenance, and Electrical and Instrumentation (E&I) staff adjusted the torque settings on the valves.
  - c. Granular Activated Carbon (GAC) Pump #2 failed and is currently out of service pending repairs.
  - d. A lightning strike damaged the ultraviolet (UV) system.
  - e. Several UV intensity sensors at the UV windows required replacement.
7. On August 21, after 45 day interruption, NTP staff resumed recharge operations at the SWIFT Research Center. Currently, only one GAC pump and one GAC vessel are in service; this operating configuration is possible because of the low Total Organic Carbon (TOC) entering SWIFT from the plant effluent.

8. The Onancock service area experienced a major flooding event on August 22, when more than eight inches of rain fell over a 10-hour period. The town's collection system was overwhelmed by floodwaters, and Eastern Shore staff worked diligently overnight to minimize spills in the town's collection system and prevent the Onancock Treatment Plant (ONTP) equalization tank and storage pond from overflowing.
9. Small Communities Department (SCD) implemented flow control for the West Point Treatment Plant (WPTP) storage pond and installed a new blower to keep the pond water fresh. This new flow-control process will help the plant meet its percent biochemical oxygen demand (BOD) removal permit requirement
10. SCD staff addressed dozens of cleanout risers and several manhole castings throughout the King William service area to reduce wet-weather inflow into the collection system. Staff identified multiple defects during recent smoke testing and are working to complete the needed repairs.



## Financial Stewardship

1. Material Transportation & Logistics (MTL) staff hauled 28 loads of ash totaling 220 dry tons, excluding the WBTP, which was offline for the entire month. Staff also hauled 143 loads of Primary Clarifier Solids (PCS) and 82 loads of Thickened Waste Activated Biosolids (TWAB), totaling 1,271,000 gallons, from the Army Base Treatment Plant (ABTP). Additionally, staff hauled 77 loads from ATP to the McGill Composting Facility, totaling 1,735 wet tons, and 61 loads from NTP, totaling 1,204 wet tons. Lawnes Point continues to be pumped and hauled weekly, averaging five to six loads per week, or approximately 30,000–36,000 gallons, to Hardy Pump Station. WBTP hauling was completed on August 26, with staff hauling 48 loads totaling 1,030 wet tons to McGill over four weeks. Staff also hauled five emergency loads from JRTP because McGill did not have drivers available.
2. Construction Support Team (CST) Projects
  - a. ATP: The valve replacement project demonstrated significant cost and schedule efficiency. The original cost estimate was \$470,000; however, through strategic planning, effective coordination, and extensive support from ATP staff and the SS Interceptor Operations team, the project was completed for \$80,000. This resulted in savings of \$390,000, or an 83 percent reduction from the baseline estimate. The team achieved these savings by leveraging in-house expertise, optimizing labor and equipment use, and reducing the need for external contracting while maintaining quality and safety standards. The baseline schedule projected 20 days to complete the valve replacement; the team finished the work in 12 days, eight days ahead of schedule, representing a 40 percent schedule reduction. The accelerated completion minimized operational disruptions and improved system reliability sooner than expected.
  - i. Overall, the project demonstrates successful cross-team collaboration, efficient use of internal resources, and strong adherence to project management

principles, resulting in significant financial savings and improved operational performance.

- b. King William Treatment Plant: The team will begin work next month on process piping for the Kubota Membrane Installation Project.
  - c. York River Treatment Plant: The team poured six cubic yards of 4,000 pounds per square inch (PSI) concrete, including an 8-foot by 16-foot pad for the fuel tank and a 10-foot by 10-foot pad for a storage shed.
3. On August 26, SS Interceptor Operations partnered with NTP staff to clean the Regional Residuals Facility, removing approximately 15 cubic yards of material from the grit traps to maintain peak operating efficiency. By working together and leveraging internal resources, this effort saved approximately \$15,000.



## Innovation

1. HRSD's Enterprise Data Platform (EDP), conceived by the Digital Water Department and custom-designed with EAOS for the specific needs of a wastewater utility, is a unique initiative focused on AI readiness and connectivity to operational control systems. The EDP will pull information from existing IT systems, connect that data to assets, documents, drawings, and operational knowledge, apply standardized Digital Water data-cleaning methods, and centralize the resulting information in a governed cloud environment. Digital Water applications, including forecasting models, optimizers, digital twins, and other internally developed tools, can then run centrally in Azure Databricks. At project completion, selected model outputs, such as operating setpoints, can be transmitted securely across the 3.5 boundary for use by plant distributed control systems (DCSs) and the Interceptor SCADA System. Jacobs has made meaningful progress on the cloud-to-control component by developing a draft architecture that HRSD considers acceptable and beginning direct collaboration with EAOS and CCI Cake on the integration. Remaining efforts are focused on refining and implementing the architecture to establish a secure pathway from enterprise data, through cloud-based intelligence, and back into physical operations.
2. NS and SS Interceptor Operations staff met with Pentair to review potential sites for a trial of its Xcentric pump. This pump features a patented pump impeller that eliminates traditional vane leading edges. Featuring a tapered conical shape for efficient pumping and handling of difficult solids, this design leads to significantly reduced clogs, lower energy consumption, longer service intervals, and less vibration.
3. NS Interceptor Operations staff met with Kallipr and Xylem to pilot rugged level-sensor equipment in the gravity line feeding the BHTP along Jefferson Avenue in Newport News. This pilot will support calibration and verification of the Interceptor Digital Twin being developed by the Digital Water Department (DWD).

4. SCD and NS Interceptor Operations staff met with Radian Forge, a startup company in Portsmouth specializing in additive metal manufacturing, which uses large-scale 3D printing to create metal objects. Staff are working with Radian Forge to conduct trial runs on replacement parts that are difficult to source or have long manufacturing lead times.
5. Virginia Initiative Plant (VIP) and E&I staff started up the CalSTORE system in August. This effort represents a significant achievement through collaboration among HRSD's Operations and Engineering staff, the contractors (MEB and REW), and the manufacturer (World Water Works).



## **Talent**

1. At WBTP, Mr. Aaron Royal, Plant Operator, obtained a Class 1 Virginia Wastewater Works License.
2. At YRTP, Ms. Jenny Curtis, Plant Operator, obtained a Class 3 Virginia Wastewater Works License.
3. At ONTP, Mr. Howard Cook, Plant Operator, obtained a Class 1 Virginia Wastewater Works License and Mr. Joe Ranieri, Lead Operator, graduated from the apprenticeship program.
4. SCD welcomed three new employees this month: Mr. Thomas Westfall, Operations Manager; Mr. Zachery Cepukenas, Maintenance Technician; and Mr. Christopher Williams, Maintenance Assistant.
5. NS Interceptor Operations welcomed three new employees this month: Mr. Brian Freeman, Interceptor Inspector; Mr. Tyree Penn-Hasan, Maintenance Technician; and Mr. Justin Miller, Maintenance Assistant.
6. Asset Management conducted interviews for the Maintenance Analyst position and selected Mr. Joshua McSmith.
7. Mr. Melvin Powers was promoted from Maintenance Technician at VIP to Construction Foreman for the newly developed CST.
8. SS Interceptor Operations welcomed Mr. Keegan Ankofski as an Operations Manager and Mr. Larry Almond as a System Maintenance Technician.

Respectfully submitted,

Eddie M. Abisaab, PE, PMP  
Chief Operating Officer

[Attachment: MOM Reporting](#)

## MOM Reporting Numbers

[illegible]

TO: General Manager

FROM: Chief People Officer

SUBJECT: Talent Management Monthly Report for August 2026

DATE: September 11, 2026



**Talent**



**Continuous Learning / Innovation**



**Commitment to Excellence**

## **Talent Management**

Across the Talent Management Division, Human Resources, Learning & Development, and Safety & Security continued to strengthen HRSD's workforce through recruitment, employee development, policy and process improvements, and proactive safety efforts. Together, these initiatives support employee well-being, organizational effectiveness, and a strong culture of continuous improvement.

## **Human Resources (HR)**

### **Talent Acquisition**

HR continued efforts to address key staffing needs during the month.

| <b>Activity</b>           | <b>Metric</b> |
|---------------------------|---------------|
| New recruitment campaigns | 25            |
| Job offers accepted       | 33            |

## Policy Review & Modernization

HR continued its ongoing review and revision of HRSD policies to improve clarity, consistency, and alignment with current practices.

Current areas of focus include:

- Corrective action
- Grievance procedures
- Recruitment-related policies

## Employee Recognition & Engagement

Employee participation in the **Awardco recognition and rewards platform** remained relatively stable, with a slight increase in the staff login rate.

| Activity                         | Metric |
|----------------------------------|--------|
| Staff login rate                 | 17.33% |
| Employees engaged                | 236    |
| Service anniversaries recognized | 88     |
| Birthdays recognized             | 82     |

While the login rate increased slightly, overall employee engagement on the platform decreased modestly during the month.

## Wellness Program

Participation in HRSD's Wellness Program continues to grow as the **2026–2027 Wellness Year** gets underway. Engagement with the new **Vitality platform** has been strong.

| Vitality Registrations               | Total      |
|--------------------------------------|------------|
| Employees                            | 637        |
| Spouses                              | 91         |
| Retirees                             | 14         |
| <b>Total registered participants</b> | <b>742</b> |

The strong early participation reflects continued employee and family engagement in HRSD's wellness offerings.

## Learning and Development (L&D)

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## July training impact Workforce Development & Innovation

L&D continued to advance workforce development initiatives while exploring new approaches to recruitment, training, and employee development.

Key activities included:

- Participated in the **EPA Water Workforce Roundtable**, focused on recruitment, retention, training, and workforce reciprocity.
- Explored the use of **augmented reality technology** for apprenticeship and operator training with a training vendor.
- Began developing a proposal for the **EPA Innovative Water Infrastructure Workforce Development Grant**.

## Leadership & Internal Training

L&D continued building leadership capability and strengthening HRSD's internal facilitator network.

| Program                 | August Activity                                           |
|-------------------------|-----------------------------------------------------------|
| LAMA                    | Cohort completed <b>Motivation and Alignment</b> training |
| Facilitator Development | Hosted <b>2 skill-building workshops</b>                  |
| Your Role in Quality    | Hosted the latest employee project presentations          |
| Talent Management       | Participated in the Division-wide workshop                |

## Early Career & Apprenticeship Programs

Several workforce pipeline programs reached important milestones during August.

| Program                                | Highlight                                                                             |
|----------------------------------------|---------------------------------------------------------------------------------------|
| LIFT                                   | Summer program concluded with interns presenting final projects                       |
| Apprenticeship Program                 | Celebrated annual graduation with <b>20 graduates in attendance</b>                   |
| Apprenticeship Mentoring Program (AMP) | Conducted annual mentor training                                                      |
| Instructor Development                 | Delivered <b>2 instructor training workshops</b> in preparation for the academic year |

## Career Pathways

The Career Pathways program continues to support employee development and internal mobility.

**Five employees earned promotions** following participation in the program.

Fall activities are also beginning across HRSD treatment plants, including on-site workforce development visits and pilot workshops focused on **resume development and interview skills**.

## **Safety and Security**

### **Safety Inspections & Training**

Safety and Security continued its focus on proactive risk reduction through workplace inspections, employee training, and targeted interventions. Safety and Security maintained an active presence across HRSD's major construction projects, working with project teams and contractors to identify and address potential hazards.

| <b>August Safety Inspections &amp; Training</b> |               |
|-------------------------------------------------|---------------|
| <b>Activity</b>                                 | <b>Metric</b> |
| Safety Inspections                              | 9             |
| Safety Training Sessions                        | 14            |
| Construction Site Walks                         | 13            |
| Contractor Safety Briefings                     | 5             |

Targeted training was provided in response to recent incident trends:

- **Vehicle Safety:** A safety stand-down addressed an increase in backing incidents and side-mirror strikes, reinforcing situational awareness, use of spotters, and safe vehicle maneuvering.
- **Tool Safety:** Refresher training was conducted following a hand injury and reinforced proper tool selection, safe work practices, and correct tool use.

Staff also participated with Garney in a **VOSH voluntary compliance inspection** of the new SWIFT Plant construction at Nansemond. **No HRSD issues were identified.** The inspection also provided an opportunity for Safety staff to strengthen hazard-identification practices through direct interaction with VOSH inspectors.

### **Physical Security**

The department conducted **five physical security inspections** at HRSD work centers, focusing on:

- Perimeter fencing
- Security cameras

- Lighting
- Visitor access

Safety and Security staff also participated in project meetings and site walk-throughs for the **new SWIFT facility at the Nansemond Plant and the CEL building** to assess security requirements and identify appropriate security camera locations.

## Emergency Preparedness

The Emergency and Security Manager attended the **Hurricane Matthew@10 Workshop at NASA Langley Research Center**, which examined lessons learned from the 2016 storm and regional preparedness for future events.

Topics included emergency response, critical infrastructure, regional recovery, and potential impacts of sea-level rise. Insights from the workshop will help inform HRSD's ongoing emergency preparedness efforts.

## Workplace Incidents

| August Incident Summary                           |        |                |
|---------------------------------------------------|--------|----------------|
| Event                                             | August | Previous Month |
| Auto Accident/property damage incident            | 3      | 3              |
| Work-related injuries requiring medical attention | 8      | 3              |
| Accidents resulting in lost time                  | 2      | 2              |

Safety and Security continues to use incident trends to identify opportunities for targeted training and preventive action across HRSD work centers.

Respectfully submitted,

*Christina Gibson*

Chief People Officer

TO: General Manager/ Chief Executive Officer  
FROM: Chief of Water Quality (CWQ)  
SUBJECT: Monthly Report for August 2026  
DATE: September 11, 2026



## **Environmental Responsibility**

### HRSD's Regulatory Activities:

- Monthly Discharge Monitoring Report (DMR) Summary and Items of Interest: [Effluent and Air Emissions Summary](#).
- 0 Permit Exceedances out of 9,311 Total Possible Exceedances to date in FY2027.
- 98.6 million pounds of pollutants removed to date in FY2027.
- HRSD received a warning letter on August 20 for a low chlorine residual reported for the Williamsburg TP in May 2026.

### Pretreatment and Pollution Prevention (P3) Program Highlights:

- No civil penalties were issued in August.

### Environmental and Regulatory Advocacy

Chief participated in the following advocacy and external activities:

- Attended a Department of Environmental Quality (DEQ)-led hearing regarding the triennial update of Virginia's Water Quality Standards. The updated regulations will include acute and chronic aquatic standards for per- and polyfluoroalkyl substances (PFAS), specifically identifying standards for PFOA and PFOS. These standards are based on aquatic life toxicity. Other updates allow additional flexibility to Chesapeake Bay Criteria assessment procedures and clarify approaches for setting a site-specific copper standard using the Biotic Ligand Model (BLM). Importantly for the latter, the Water Effect Ratio (WER) remains available as a site-specific adjustment to the existing hardness-based criteria. HRSD has site-specific copper criteria based on the WER for its Central Middlesex facility.
- On behalf of the Chesapeake Bay Program's Wastewater Treatment Workgroup (WWTWG), provided the group's recommendations for E3 (Everything, Everywhere, by Everyone) wastewater related inputs to the Phase 7 Watershed Model to the CBP's Clean Water Goal Team.
- Following the Sanitary Sewer Overflow (SSO) into Portsmouth's Hull Creek, participated in frequent communication and coordination calls with DEQ, the Virginia Department of Health (VDH), the Portsmouth Health District, and City of Portsmouth staff. Water Quality staff conducted water quality monitoring in and around Hull Creek in addition to sediment monitoring near the site of spill entry to

the waterway. Water Quality and Engineering staff are working with Kimley-Horn on a sediment remediation strategy and will solicit input on the proposed options from the Elizabeth River Project and residents.

- Attended DEQ's PFAS Advisory Committee (PEAC) meeting which largely focused on updates to available drinking water data and developing a communication document to meet the statute requirements for farmer notification of biosolids PFAS testing and land application compliance.
- Worked with MissionH2O (MH2O) to develop materials for a presentation to the State Water Commission (SWC) on DEQ's recently released report (SJ25), a comprehensive review of the groundwater supply and sustainability in the Commonwealth east of I-95. This report was cautious about relying on managed aquifer recharge (MAR) from SWIFT for its water supply benefits, noting uncertainty about continuity of the program. As a result, HRSD messaging in the MH2O presentation and in other venues has emphasized the critical importance of the SWIFT program to HRSD's nutrient compliance strategy, specifically that without SWIFT, HRSD would need to make significant investments in multiple HRSD facilities to comply with required nutrient reductions for its James River dischargers. HRSD is also obligated to operate SWIFT as part of its Water Quality Improvement Fund (WQIF) grant agreement. This agreement imposes significant financial penalties if minimum recharge requirements are not met.



## **Financial Stewardship**

HRSD's Municipal Assistance Program (MAP)

- Provided sampling and analytical services on a cost-reimbursement basis to the following:
  - City of Franklin
  - Northumberland County
  - Westmoreland County



## **Talent**

Water Quality staff toured the Virginia Initiative Plant (VIP) with the WQ Leadership team to highlight not just innovations in wastewater treatment but to also make connections between the work that they do and their support to Operations.



## **Community Engagement**

Microbial Source Tracking (MST) partnering localities and projects.

- City of Chesapeake (Southern Branch)
- City of Hampton (Southeast)
- City of Roanoke
- City of Suffolk (Downtown)
- James City County



## **Innovation**

The Quality Assurance Department is rolling out IdeaGen to Water Quality staff to support Quality System management.

Respectfully submitted,

*Jamie S. Heisig-Mitchell*  
Chief of Water Quality

## EFFLUENT SUMMARY FOR AUGUST 2026

[illegible]

|                    | % of Capacity |
|--------------------|---------------|
| North Shore        | 46%           |
| South Shore        | 69%           |
| Small Communities  | 48%           |
| King William Reuse | 0.060         |

## AIR EMISSIONS SUMMARY FOR AUGUST 2026

|              | No. of Permit Deviations below 129 SSI Rule Minimum Operating Parameters |                                        |                                      |                                    |                                     |                            |                            | Part 503e Limits        |                  |                                   |
|--------------|--------------------------------------------------------------------------|----------------------------------------|--------------------------------------|------------------------------------|-------------------------------------|----------------------------|----------------------------|-------------------------|------------------|-----------------------------------|
|              | Temp<br>12 hr ave<br>(F)                                                 | Venturi(s) PD<br>12 hr ave<br>(in. WC) | Precooler Flow<br>12 hr ave<br>(GPM) | Venturi Flow<br>12 hr ave<br>(GPM) | Tray/PBs Flow<br>12 hr ave<br>(GPM) | Scrubber<br>pH<br>3 hr ave | Any<br>Bypass<br>Stack Use | THC<br>Mo. Ave<br>(PPM) | THC<br>DC<br>(%) | BZ Temp<br>Daily Ave<br>Days >Max |
| MHI PLANT    |                                                                          |                                        |                                      |                                    |                                     |                            |                            |                         |                  |                                   |
| BOAT HARBOR  | 0                                                                        | 0                                      | 0                                    | 0                                  | 0                                   | 0                          | 1                          | 27                      | 83               | 0                                 |
| VIP          | 0                                                                        | 0                                      | 0                                    | 6                                  | 0                                   | 0                          | 0                          | 20                      | 99               | 0                                 |
| WILLIAMSBURG | 0                                                                        | 0                                      | 0                                    | 0                                  | 0                                   | 0                          | 1                          | 11                      | 97               | 0                                 |

### **ODOR COMPLAINTS**

|              |   |
|--------------|---|
| ARMY BASE    | 0 |
| ATLANTIC     | 1 |
| BOAT HARBOR  | 0 |
| JAMES RIVER  | 0 |
| NANSEMOND    | 0 |
| VIP          | 0 |
| WILLIAMIBURG | 0 |
| YORK RIVER   | 0 |
| NS OPS       | 2 |
| SS OPS       | 1 |
| SCD          | 0 |
| NON-HRSD     | 1 |

## **Items of Interest – August 2026**

### **MULTIPLE HEARTH INCINERATION (MHI)**

Total Hydrocarbon (THC) monthly averages (not to exceed 100 ppm) were met by all three operating MHI plants (Boat Harbor, Virginia Initiative, and Williamsburg). The THC continuous emissions monitoring (CEM) valid data capture was 83% or more.

The three operating MHI plants had six (6) 129 operating parameter deviations, two (2) minor uses of the emergency bypass stack (<60 minutes), and zero (0) reportable uses of the MHI bypass (>60 minutes).

On 8/24/26 the Title V Semi-Annual Monitoring Reporting Forms for the period of 1/1/26-6/30/26 were submitted to DEQ for the four Title V permitted treatment plants.

### **AIR PERMITS and ODOR CONTROL**

On 8/5/26 DEQ performed a Full Compliance Evaluation of York River Treatment Plant involving a site visit and records review associated with YRTP's air permit. On 8/12/26 we received DEQ's resulting Air Inspection Report, noting two record-keeping related items out of compliance and the associated Request for Corrective Action (RCA). On 8/24/26 DEQ was provided with the RCA response demonstrating compliance with the identified record-keeping discrepancies.

On 8/12/26 the 2026 Annual Air Permit Fees were paid to DEQ for each of the 8 major WWTPs.

On 8/18/26 EPA was accompanied by DEQ in conducting a Clean Air Act inspection at Nansemond Treatment Plant involving a site visit and records review associated with NTP's air permit. We will receive EPA's summary report of the inspection within 60 days, with compliance determinations to follow after. On 8/24/26 DEQ provided a Partial Compliance Evaluation report, indicating our compliance with general right of entry requirements.

On 8/28/26 we provided DEQ with additional requests related to the in-progress Form 7 application amending Atlantic Treatment Plant's air permit to replace the candlestick flares with the new enclosed flares and remove the CHP engines. The additional information and data were provided to expand the permit amendment request to include an increase in the allowable throughput to the waste gas burning flares and a lowering of the SO<sub>2</sub> emission factor for our digester gas based on decreased H<sub>2</sub>S concentrations.

There were a total of five (5) odor complaints received this month:

Atlantic Treatment Plant received one (1) odor complaint from the neighbor on Kitimal Drive. Plant staff investigated and took corrective actions as needed. Communications personnel provide responses as appropriate and TSD recorded the complaint in the air permit required odor complaint log.

NS Ops received two (2) odor complaints related to the new Willard PS. These complaints came from the neighboring couple whose residence backs up directly to the PS property. The first complaint expressed general frustration with odors and other impacts from the PS being next door. The second complaint came during an afternoon later in the month, describing odors around their property. NS Ops was able to respond to the PS that afternoon and noted the OCS running normally and no odors along the shared fenceline with these neighbors. Communications, NS Ops, and TSD have been working together to provide responses to these complaints and keep these neighbors informed as we continue to monitor and minimize odors from the station. NS Ops has removed a screen prone to fouling on the wet well take off leading to the OCS to optimize the draft pulled by the OCS fan and minimize potential for fugitive odor emissions from the station/wet well hatch. In addition, HRSD's Data Analysis group created TELOG alarms for the 3 H<sub>2</sub>S sensors on the OCS that will notify NS personnel of increased H<sub>2</sub>S levels.

SS Ops received one (1) complaint from a contractor working around the new Park Ave PS. TSD responded the same day and observed some ambient odors around the station believed to be coming from the wet well. SS Ops made some changes to the fan configuration at the station, which has greatly reduced odors. TSD has been checking the station weekly to monitor and confirm odors remain minimal.

The one (1) non-HRSD complaint was submitted to the ATP Outreach email address describing odors around a residence in the Williamsburg/York County area. After we determined there was no HRSD infrastructure nearby, Communications provided a response to this resident, forwarding their concerns to the York County Public Works Department and providing them with their contact information.

## **TREATMENT**

### Nansemond

On August 16, an Operator discovered a submersible pump discharging non-potable water (NPW) directly on the ground. The pump was set up by a contractor who believed the tank was filled with rainwater. Contractors have been instructed to never discharge onto the ground, and pumping down of tanks must be controlled by HRSD management. Approximately 200 gallons of NPW were released to the ground.

### Williamsburg

On August 25, while draining the solids holding tank, the drain manhole became blocked, causing solids to overflow and enter a nearby storm drain and traveled to the outfall ditch. Staff isolated the release, and the affected storm drain line was rinsed and pumped recovering a majority of the solids. Contractors recovered the remaining solids on August 27. The 5,870 gallons of thickened solids were fully recovered.

## **SYSTEM**

On August 4, HRSD was notified by the Portsmouth Utility Superintendent of a large forcemain failure in front of their pump station on Douglas Avenue following an abrupt and substantial rain event that caused heavy localized flooding and elevated system flows and pressures. HRSD identified a failure in HRSD's SF-219 forcemain, a 30-inch 1940s era reinforced concrete pipe. Staff immediately engaged Bridgeman Civil, Inc. (BC), Hazen and Sawyer, City of Portsmouth Public Utilities counterparts, and pump and haul service contractors. BC isolated the failed section of force main and the contractors began pumping and hauling the City stations in between the closed mainline valves. Through the night, staff and contractor forces worked to clean up standing sewage and debris. Lime was spread through the evening as vac trucks, heavy equipment, and shovels were used for a substantial, manual clean up. The failed pipe sections (2) were removed on August 6 and replaced with new PVC pipe and couplings. Manual cleanup of the roadway, adjacent yards, the vacant lot and the water way continued during the August 6 and 7 (and continues till present day). The forcemain was placed back in service on August 7 and City stations were turned on. Approximately 3,137,500 gallons of raw wastewater were released to Hull Creek, a tributary of the Elizabeth River.

On August 4 and 22, heavy rainfall inundated the Chesapeake Boulevard Pump Station service area. Pump stations were observed to be operating properly. All sewage from these overflows were conveyed directly to Wayne Creek (Elizabeth River) behind the station via gravity overflow pipe. The following raw wastewater overflow events were reported:

- August 4: 4,200 gallons with a total rainfall of 3.5”.
- August 22: 28,650 gallons with a total rainfall of 2.06”.

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

### Dendron

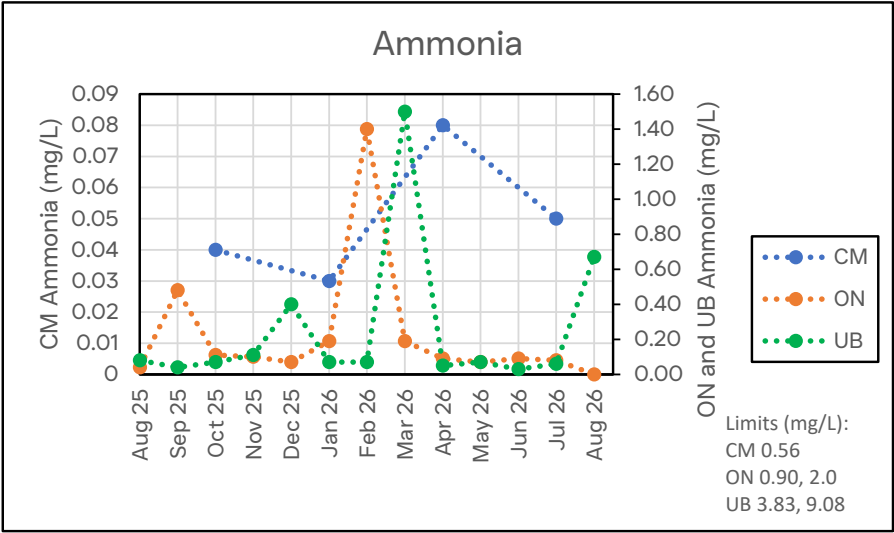
On August 4 and 28, heavy rainfall and flash flooding inundated the Dendron Pump Station service area. Pump stations were observed to be operating properly. The following raw wastewater overflow events were reported at Dendron PS1B on Railroad Avenue:

- August 4, 1,440 gallons to the ground to Cypress Swamp with a total rainfall of 2.24”.
- August 28, 1,380 gallons to the ground to Cypress Swamp with rainfall of 2.5” in 40 minutes.

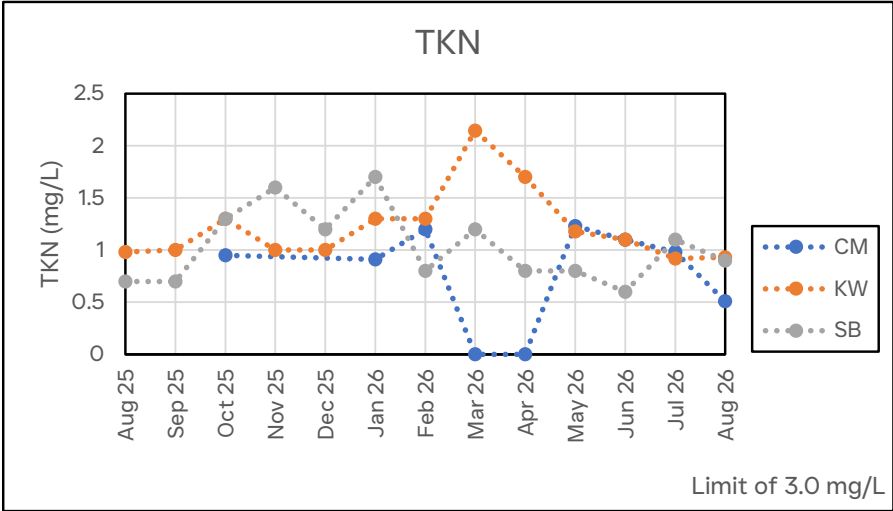
### King William

On August 18, staff discovered the fill valve to the NPW tank to have a leak, causing spill over. Staff closed the valve and pumped down the tank then monitored to ensure leak was fixed. Approximately 58 gallons of NPW were released to Moncuin Creek and the reuse pump station wet well.

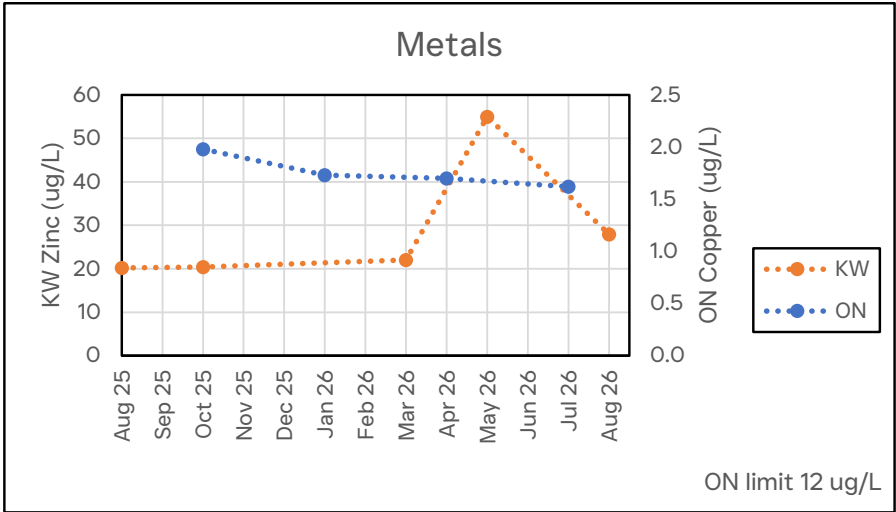
|        | Ammonia |       |      |
|--------|---------|-------|------|
|        | CM      | ON    | UB   |
| Aug 25 |         | 0.04  | 0.08 |
| Sep 25 |         | 0.48  | 0.04 |
| Oct 25 | 0.04    | 0.11  | 0.07 |
| Nov 25 |         | 0.10  | 0.11 |
| Dec 25 |         | 0.07  | 0.40 |
| Jan 26 | 0.03    | 0.19  | 0.07 |
| Feb 26 |         | 1.4   | 0.07 |
| Mar 26 |         | 0.19  | 1.5  |
| Apr 26 | 0.08    | 0.09  | 0.05 |
| May 26 |         | 0.07  | 0.07 |
| Jun 26 |         | 0.09  | 0.03 |
| Jul 26 | 0.05    | 0.08  | 0.06 |
| Aug 26 |         | <0.05 | 0.67 |



|        | TKN   |      |      |
|--------|-------|------|------|
|        | CM    | KW   | SB   |
| Aug 25 |       | 0.98 | 0.70 |
| Sep 25 |       | 1.0  | 0.70 |
| Oct 25 | 0.95  | 1.3  | 1.3  |
| Nov 25 |       | 1.0  | 1.6  |
| Dec 25 |       | 1.0  | 1.2  |
| Jan 26 | 0.91  | 1.3  | 1.7  |
| Feb 26 | 1.2   | 1.3  | 0.80 |
| Mar 26 | <0.40 | 2.1  | 1.2  |
| Apr 26 | <0.40 | 1.7  | 0.8  |
| May 26 | 1.23  | 1.2  | 0.80 |
| Jun 26 | 1.1   | 1.1  | 0.60 |
| Jul 26 | 1.0   | 0.92 | 1.1  |
| Aug 26 | 0.51  | 0.93 | 0.90 |



|        | Zinc | Copper |
|--------|------|--------|
|        | KW   | ON     |
| Aug 25 | 20   |        |
| Sep 25 |      |        |
| Oct 25 | 20   | 2.0    |
| Nov 25 |      |        |
| Dec 25 |      |        |
| Jan 26 |      | 1.7    |
| Feb 26 |      |        |
| Mar 26 | 22   |        |
| Apr 26 |      | 1.7    |
| May 26 | 55   |        |
| Jun 26 |      |        |
| Jul 26 |      | 1.6    |
| Aug 26 | 28   |        |



SC&H prepared the following Internal Audit Status document for the HRSD Commission. The status includes a summary of projects in process, upcoming projects, and management action plan updates.

## ***I. Projects in Process***

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### **Grants Management**

- **Completed Tasks (August 2026)**
  - Performed fieldwork/test procedures; communicated with HRSD re: questions/comments.
  - Continued drafting report.
- **Upcoming Tasks (September 2026)**
  - Finalize and communicate fieldwork results.
  - Communicate fieldwork observations.
  - Provide draft report to HRSD for review.

### **AI Governance and Operations**

- **Completed Tasks (August 2026)**
  - Continued testing documentation.
  - Followed up on remaining request list open items.
- **Upcoming Tasks (September 2026)**
  - Continue to follow up on open request list items.
  - Continue to obtain, review and validate testing documentation.
  - Complete initial testing documentation and initiate internal review process.

### **Accounts Payable**

- **Completed Tasks (August 2026)**
  - Conducted entrance meeting with HRSD.
  - Conducted process understanding meetings with HRSD management.
  - Began drafting planning documentation (flowcharts, RCM, audit program).
- **Upcoming Tasks (September 2026)**
  - Schedule and conduct additional process understanding meetings.
  - Continue drafting planning documentation (flowcharts, RCM, audit program).
  - Communicate planning documentation to HRSD management for review and comment.

## ***II. Upcoming Internal Audits***

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- Patch Management: IT Audit (October 2026)

## ***III. Management Action Plan Status***

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SC&H performs on-going management action plan (MAP) monitoring for completed internal audits/projects.

- SC&H begins MAP follow-up approximately one year following the completion of each audit and periodically follows up until conclusion.
- For each recommendation noted in an audit report, SC&H gains an understanding of the steps performed to address the action plan and obtains evidence to confirm implementation, when available.
- The following describes the current project monitoring status. This listing does not include audits which were determined by HRSD Management and the Commission to include confidential or sensitive information.

| Audit / Project                           | Next Follow-up | Recommendations |      |       |
|-------------------------------------------|----------------|-----------------|------|-------|
|                                           |                | Closed          | Open | Total |
| Personally Identifiable Information (PII) | September 2026 | 1               | 2    | 3     |
| CEL Assessment                            | September 2026 | 0               | 5    | 5     |
| Closed Audit/Projects (x23)               | Closed         | 142             | 0    | 142   |
| Totals                                    |                | 143             | 7    | 150   |

Strategic Measures  
August 2026

| Strategic Planning Measure                                                                                                                                                                  | July-2026          | August-2026         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------|
| Educational and Outreach Events                                                                                                                                                             | 11                 | 6                   |
| Number of Community Partners                                                                                                                                                                | 9                  | 6                   |
| Number of Technical Presentations                                                                                                                                                           | 2                  | 1                   |
| Number of Technical Publications                                                                                                                                                            | 0                  | 0                   |
| Revenue vs. Budget                                                                                                                                                                          | 9%                 | 18%                 |
| Wastewater Expenses vs. Budget                                                                                                                                                              | 6%                 | 11%                 |
| Accounts Receivable (HRSD)                                                                                                                                                                  | \$54,132,291       | \$56,238,195        |
| Aging Accounts Receivable                                                                                                                                                                   | 30.80%             | 29.30%              |
| Turnover Rate wo Retirements                                                                                                                                                                | 0.11%              | 0.74%               |
| Turnover Rate w Retirements                                                                                                                                                                 | 0.42%              | 0.74%               |
| Avg Time to Hire (Posting to Acceptance)                                                                                                                                                    | 3 months<br>8 days | 2 months<br>15 days |
| Number of Vacancies                                                                                                                                                                         | 92                 | 84                  |
| Average number of applicants per position                                                                                                                                                   | 4.8                | 5.7                 |
| Percentage of positions filled with internal applicants                                                                                                                                     | 14.3%              | 30.3%               |
| Recruitment source Return on Investment                                                                                                                                                     | *                  | *                   |
| Avg Time to Hire (Acceptance to NEO)                                                                                                                                                        | 22.05              | 29.10               |
| Customer Call Wait Time (mins)                                                                                                                                                              | 0.23               | 0.26                |
| 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<br>Energy consumed (gas (scfm) and electricity (kWh)) per million gallons of wastewater treated.          | 1 month            | 1 month             |
| GAS CONSUMPTION: Tons of carbon produced per million gallons of wastewater treated<br>Energy consumed (gas (scfm) and electricity (kWh)) per million gallons of wastewater treated.         | 0                  | 0                   |
| ELECTRICITY CONSUMPTION: Tons of carbon produced per million gallons of wastewater treated<br>Energy consumed (gas (scfm) and electricity (kWh)) per million gallons of wastewater treated. | 0                  | 0                   |
| Cumulative CIP Spend                                                                                                                                                                        | \$98,000,000       |                     |

\*Not currently tracking due to constraints collecting the data.

\*\* Updated after EPA Quarterly Report submittal.

\*\*\*Billing is one month behind

# Strategic Measures

August 2026

## Community Partners

| Date       | Division           | Event                                 |
|------------|--------------------|---------------------------------------|
| 08/01/2026 | Communications     | Eastern Shore Rural Health System     |
| 08/05/2026 | Communications     | HRSD                                  |
| 08/06/2026 | Communications     | Virginia Beach City Public Schools    |
| 08/20/2026 | Communications     | Grease Outlet, Williamsburg           |
| 08/26/2026 | General Management | Commonwealth of Virginia, JRA, CBF    |
| 08/26/2026 | Operations         | Commonwealth of Virginia, JRA, CBF    |
| 08/26/2026 | Water Quality      | Commonwealth of Virginia, JRA, CBF    |
| 08/26/2026 | Engineering        | Commonwealth of Virginia, JRA, CBF    |
| 08/26/2026 | Communications     | Commonwealth of Virginia, JRA, CBF    |
| 08/27/2026 | Communications     | Southeastern Public Service Authority |

## Educational Outreach

| Date      | Division           | Event                                                                                                              | Community Partner                     |
|-----------|--------------------|--------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| 8/1/2026  | Communications     | HRSD information table at ESRHS 3rd Annual Be Well Block Party                                                     | Eastern Shore Rural Health System     |
| 8/5/2026  | Communications     | SWIFT RC tour - HRSD friends and family                                                                            | HRSD                                  |
| 8/6/2026  | Communications     | SWIFT RC tour - Virginia Beach City Public Schools faculty                                                         | Virginia Beach City Public Schools    |
| 8/20/2026 | Communications     | SWIFT RC tour - Private citizen (colleague of Mike Martin)                                                         | Grease Outlet, Williamsburg           |
| 8/26/2026 | Communications     | SWIFT RC tour - VA Secretary of Natural and Historic Resources, James River Association, Chesapeake Bay Foundation | Commonwealth of Virginia, JRA, CBF    |
| 8/26/2026 | General Management | SWIFT RC tour - VA Secretary of Natural and Historic Resources, James River Association, Chesapeake Bay Foundation | Commonwealth of Virginia, JRA, CBF    |
| 8/26/2026 | Water Quality      | SWIFT RC tour - VA Secretary of Natural and Historic Resources, James River Association, Chesapeake Bay Foundation | Commonwealth of Virginia, JRA, CBF    |
| 8/26/2026 | Engineering        | SWIFT RC tour - VA Secretary of Natural and Historic Resources, James River Association, Chesapeake Bay Foundation | Commonwealth of Virginia, JRA, CBF    |
| 8/26/2026 | Operations         | SWIFT RC tour - VA Secretary of Natural and Historic Resources, James River Association, Chesapeake Bay Foundation | Commonwealth of Virginia, JRA, CBF    |
| 8/27/2026 | Communications     | SWIFT RC tour - PR manager for Southeastern Public Service Authority                                               | Southeastern Public Service Authority |