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Augusta Water

Regular Board Meeting, Thursday, June 19, 2025, at 1:30 p.m.

Field Operations Training Room

PRESENT: Andrew C. Middleton, Chairman, North River District
Garry R. Gordon, Vice Chairman, Middle River District
Harvey Almarode, South River District
Allen Dahl, Beverley Manor District
Matthew Egeli, Wayne District
Phil Martin, Executive Director
Brent Canterbury, Treasurer
Jean Marshall, Board Secretary

ABSENT: Michael L. Shull, Riverheads District
Timothy Simmons, Pastures District

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CALL TO ORDER

The Chairman called the meeting to order at 1:30 p.m.

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PUBLIC RATE HEARING

Dr. Middleton opened the Public Hearing at 1:31 p.m.

The purpose of this hearing is to receive comments regarding the proposed increase in water and sewer user rates, becoming effective July 1, 2025. This hearing and the proposed changes were properly advertised in The News Leader on Thursday, June 5, and Thursday, June 12, 2025.

Mr. Canterbury reminded the Board they are tasked with setting and maintaining rates and fees high enough to comply with bond requirements and all state laws, as well as being fairly structured for rate payers, and sufficient to meet future capital needs.

The proposed budget for FY-2026 follows a carefully thought-out four-year plan set forth in the rate model and is preceded by many years of long-term financial planning and annual updates to the rate model. The FY-2026 budget proposes an increase in water variable rates of 3% and an increase in sewer variable rates of 3%. The July 1, 2025 increase for the average residential user will be \$4.10 bi-monthly. The average combined public water and sewer residential bill will be \$177.89 bi-monthly. An unmetered residential sewer bill will be \$110.89 bi-monthly.

With no members of the public being present to offer comments, the Public Hearing was declared closed at 1:33 p.m.

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There being no further discussion, Mr. Egeli moved, seconded by Mr. Gordon to adopt the proposed user rates as advertised, effective for all bills created after July 1, 2025.

Vote was as follows:

Yeas:	Middleton, Gordon, Almarode, Dahl, and Egeli
Nays:	None

Motion approved.

There being no further business, Dr. Middleton adjourned the Public Hearing at 1:34 p.m.

ADOPTION OF AGENDA

Mr. Gordon moved, seconded by Mr. Almarode to adopt the Agenda as presented.

Vote was as follows:

Yeas:	Middleton, Gordon, Almarode, Dahl, and Egeli,
Nays:	None

Motion approved.

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APPROVAL OF MINUTES

Mr. Almarode moved, seconded by Mr. Egeli to approve the Minutes of the Regular Board Meeting of May 15, 2025.

Vote was as follows:

Yeas:	Middleton, Gordon, Almarode, Dahl, and Egeli,
Nays:	None

Motion approved.

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MATTERS PRESENTED BY THE PUBLIC

Mr. Martin reminded the Board members Mrs. Tammy Johnston addressed the Board at the December meeting on behalf of her son, Ryan Johnston, to request consideration be made to extend public water service to Mullins Lane, where Mr. Johnston lives. Mr. Martin informed the Board members recent discussions with Mr. Johnston have indicated Augusta County is considering rezoning an area near his property to a Community Developing Area, which would allow Augusta Water to extend water service to his house. Staff will work with Mr. Johnston to begin the petition process in order to determine if there is enough interest from other residents in the area to hook up to public water service.

Mr. Dahl asked if the petition process will require a lot of time from Augusta Water staff. Mr. Martin stated Augusta Water will send a letter to neighboring property owners explaining the

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request; the property owners will have a chance to respond. It will be up to Mr. Johnston to initiate the process and gain support from the neighboring property owners.

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EXECUTIVE DIRECTOR'S HIGHLIGHTS

Mr. Martin informed the Board members as of June 4, 2025 a gravity sewer line is in operation at the Stone Valley development. The pump station is no longer in operation and there is no longer a need for a generator at the site. The generator will be placed at the Middlebrook water tank to help meet the new reporting deadlines of any critical equipment failure as required by the Virginia Department of Health.

PROGRESS REPORT

The May Progress Report was included in the Board packets and was reviewed with the Board.

There were no questions or comments by the Board members.

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COMMITTEE REPORTS

Dr. Middleton gave a report from the Technology Committee meeting held on May 19, 2025.

The purpose of the meeting was to initiate review of the status of the Weyers Cave WWTP. William Monroe, Director of Engineering, and Rachel Cannon, Project Engineer, presented background information noting this WWTP has been considered for modifications as far back as 2006. The last consideration was in 2016, when plans were developed to build a new WWTP on higher ground to move the plant out of the 100-year flood plain and to double its capacity from 0.5 MGD to 1.0 MGD, thereby opening up an additional 892 residential hookups. The engineering estimated cost of the new plant was \$18 million in 2016.

The group discussed the situation with the following being some summary thoughts resulting from the discussion:

- The 2016 cost estimate of \$18 million is likely to be somewhat higher in 2025. For example, using the ratio of the 2025/2016 ENR indices (13,839/10,338) would result in an increase factor of 1.34 to project the 2025 cost to be \$24 million.
- There is no current, clear developmental event on the horizon specifically driving the need to double the capacity of the WWTP. This has apparently been the situation for the past two decades.
- The existing plant is in need of some repair, replacement, redoing or relocation of equipment or piping, such as, new blowers for the aeration tanks; addressing a sewer main coming into the WWTP that appears under capacity in wet weather, as well as other sewer mains upstream of this one; addressing some operational aggravations to make the plant better for operators to work in; and, relocating or redoing the UV disinfection equipment to prevent is flooding during high water levels in the receiving river.

- As the last review of applicable technology was before 2016, a discussion took place on a fresh look at technological alternatives for upgrading the existing WWTP; one example discussed was the use of MBBR technology to increase the treatment performance and/or capacity of the existing WWTP.
- A discussion took place about the location of the existing WWTP in the 100-year flood plain and what could be done to protect the existing plant from flooding, including exploration of purchasing additional land to provide space for a berm around the existing plant.

The Committee members requested staff to investigate the following and report back to the Committee at a future meeting:

- Provide a list with budgetary cost estimates of actions regarding repair, replacement, redoing or relocation of equipment or piping to bring the existing WWTP to a better operating condition for the present treatment capacity of 0.5 MGD.
- Do a zero-based review of current technologies for upgrade of the existing WWTP to double the capacity to 1.0 MGD incorporating nutrient removal as necessary for a capacity increase permit.
- Develop conceptual alternatives with budgetary cost estimates for protecting the existing plant from a 100-year flood including the possibility of additional land purchase needed to do so.
- Develop a list of reasonably possible new development alternatives that would provide a basis for increasing the capacity of the WWTP including a discussion of their likelihood based on current information including commentary on whether the current water provision capability to Weyers Cave is sufficient to support the possibilities and whether current sewers could convey the wastewater to the WWTP. In other words, what else would be needed besides increased capacity at the WWTP.

The Committee concluded the above information is needed in order to evaluate path's forward, especially if a capital project of \$24 million or more is to be considered for the Weyers Cave WWTP.

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CONSIDER ADOPTION OF FY-26 BUDGET

Mr. Martin stated there have been no changes to the proposed budget since it was presented to the Board at the May 15, 2025 meeting.

After discussion by Staff and the Board members, Mr. Gordon moved, seconded by Mr. Egeli to adopt the FY-2026 budget as presented.

Vote was as follows:

Yeas:	Middleton, Gordon, Almarode, Dahl, and Egeli,
Nays:	None

Motion approved.

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APPOINTMENT OF THE NOMINATING COMMITTEE

Dr. Middleton appointed Mr. Gordon and Mr. Simmons as the Nominating Committee for the FY-2026 Board officers. The election will take place at the July 17, 2025 Board meeting.

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BOARD COMMENTS

Dr. Middleton thanked staff for the hard work they do to keep Augusta Water running smoothly for the people of Augusta County.

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ADJOURNMENT

There being no further business, Mr. Egeli moved, seconded by Mr. Gordon to adjourn the meeting at 2:04 p.m.

Vote was as follows:

Yeas:	Middleton, Gordon, Almarode, Dahl, and Egeli,
Nays:	None

Motion approved.

Board Secretary

Chairman