

**RIDGE UTILITIES, INC.
REGULAR MEETING
OF THE BOARD OF DIRECTORS
May 4, 2019**

A regular meeting of the Board of Directors of Ridge Utilities, Inc., (hereinafter "RU") was held in the Conference Room of the Association Office Building on May 4, 2019.

Board members present were Alex MacCormack, Molli Ellis, Al Fortune, William Haase, William Munday, Stephen Tompkins, and Steve Burrill. General Manager, Denny Kelly and Manager of Fiscal Affairs, Amy Evans-Kail were also present.

CALL TO ORDER:

Alex MacCormack, President, called the meeting to order at 9:00 a.m.

MEMBERSHIP INPUT:

No membership present.

ADOPTION OF AGENDA:

MOTION: William Munday made a motion, seconded by William Haase to approve the agenda as presented. The motion carried unanimously.

APPROVE MINUTES:

MOTION: Molli Ellis made a motion, seconded by Steve Burrill, to approve the February 16, 2019 minutes as presented. The motion carried unanimously.

CORRESPONDENCE:

Molli Ellis, Secretary, reviewed the contents of the Correspondence Folder that were sent and/or received by RU since the last Board meeting. The Correspondence Folder was available at the meeting for the Board members to review its contents.

TREASURER'S REPORT:

Stephen Tompkins, Treasurer, reviewed the February 2019, March 2019, and April 2019 Treasurer Reports with the Board members.

MOTION: Steve Burrill made a motion, seconded by William Haase, to accept the February 2019, March 2019, and April 2019 Treasurer's Reports as presented. The motion carried unanimously.

MANAGER'S REPORT:

Denny Kelly, General Manager, reviewed his written Manager's Report with the Board members. A copy of Mr. Kelly's report is attached to the minutes. Mr. Kelly reported that Robinson, Farmer, Cox conducted the 2018 audit the week of April 23rd. Mr. Kelly reported that it was a very clean audit and no deficiencies noted. The report is on the Board's agenda today for acceptance.

Mr. Kelly stated that initially when his report was written we had planned to replace the well pump at Well 9; however, when Atlantic Pump came on site it was determined that a light had shorted out in the system. Our Waterworks Supervisor, George Allen Kail was able to negotiate a deal with Atlantic Pump to keep the well pump for future use and avoid a high restocking fee and a deduction is in their normal trip charge.

Mr. Kelly additionally reported that the following items had been repaired: the check valve in Well 1, electrical relay in Well 2, and two significant leaks in the shop wellhouse. Mr. Kelly informed the Board that maintenance exercised all the valves in the system. During this process maintenance experienced problems with three valves on Redbud. Mr. Kelly said that these are newer valves so maintenance is continuing to work on loosening them up, but if they are not successful then they we need to be replaced.

Mr. Kelly informed the Board that we had a mechanical relay issue with the backhoe that has been repaired. He also reported that to date maintenance has repaired 15 water leaks. Mr. Kelly additionally reported that the office staff recently completed the mailout for the 2019 Joint Annual Meeting and commended their efforts in getting the packets ready and in the mail in a timely and efficient manner.

At this time Mr. Kelly reviewed an additional attachment to his report titled, Supplemental Report for Redbud Generator. Mr. Kelly said that this report was prepared as a follow-up on discussion from the February meeting. Mr. Kelly stated that should the Board decide to renew the inspection in 2020 that it would be valid for one year, but there is an additional option to renew for a period of years. The additional option is projected at \$1,000.00.

BRPOA LIAISON

No report was given.

PERSONNEL COMMITTEE

Al Fortune reported that the committee recently met and is suggesting that the salary range perimeters be expanded for several positions.

NEW BUSINESS:

- 1. 2019 Inspectors of Election:** Alex MacCormack informed the Board that Ed Wright, Chief Inspector of the 2019 Election Committee has submitted a list of members to serve as inspectors for the upcoming election. Molli Ellis expressed concern over the Chief Inspector's wife serving on the committee while her husband is the chair.

MOTION: Al Fortune made a motion, seconded by William Haase to approve the following individuals as 2019 Inspectors of Election: Larry Blake, Wendy Bond, Eddie Munday, Wal Wallace, and Pam Wright, as submitted by Ed Wright, Chief Inspector. **FOR:** MacCormack, Munday, Tompkins, Fortune, Haase, Burrill **AGAINST:** Ellis The said motion carried.

- 2. Tree Removal Invoice Approval:** Alex MacCormack referenced the April 5th email he sent to the Board members requesting approval to remove a large Maple tree and four Cypress trees at the Redbud facility for \$1,800.00. Mr. MacCormack informed the Board he approved the proposal and today the Board needs to formally approve the email vote. William Munday asked if the Cypress trees were going to be replanted. Mr. MacCormack stated that after the repairs to the Redbud tank are completed, then we will plant scrubs in the area.

MOTION: Molli Ellis made a motion, seconded by Steve Burrill to approve funding for the tree removal and stump grinding at the Redbud plant at \$1,800.00. The motion carried unanimously.

- 3. Audit of 2018 Financial Records:** Alex MacCormack directed the Board's attention to the audit report of the 2018 financial records. He noted it was a good clean audit and no deficiencies noted.

MOTION: Steve Burrill made a motion, seconded by Stephen Tompkins to accept the audit of the 2018 financial records as submitted by Robinson, Farmer, Cox Associates. The motion carried unanimously.

- 4 Redbud Water Tank:** Alex MacCormack directed the Board's attention to the report and proposal submitted by Mid Atlantic Storage Systems, Inc. Mr. MacCormack stated that based upon the report the tank is not in as bad condition as originally thought when the holes were first detected. Mr. MacCormack stated

that based on the report the tank is in good condition for its age. Mr. MacCormack said it will be a year or so before we try any of the suggested rehab procedures listed in the report. Mr. MacCormack further stated that by his calculations the repair work will be approximately \$20,000.

Mr. MacCormack stated that the work would need to be done in the spring or fall. Molli Ellis asked if this project is so urgent that we won't have a choice when it needs to be done. Mr. MacCormack stated that it is not an emergency. Steve Burrill stated that we probably need to factor in climate and temperature when selecting a repair timeframe.

Mr. MacCormack asked the Board to read over the report carefully and keep it in mind for future implementation. Steve Burrill asked if we have checked with Louisa County Water Authority to see what their contingency plan is in a situation similar to this and if they have a source they would recommend. Mr. MacCormack stated that we can check into this with the Louisa County Water Authority.

Mr. Burrill also asked if Mid Atlantic has a recommended procedure for supplemental water supply while the repairs are being made. Mr. Kelly stated that we have the water availability within our current wells. Mr. Kelly said what Mid Atlantic recommends is bringing in a temporary set up, tapping the incoming lines that are being fed and goes into and out that set-up, and pressurizes our tank and system.

Mr. Burrill also asked if Option 4 listed in the proposal could be performed in-house by our staff. Mr. MacCormack stated it could probably be performed in-house and we already wash the tank annually. Mr. Kelly stated that with regards to that option, Mid Atlantic has a system that catches chemical wash and puts it back into another tank instead of allowing that muriatic acid to seep into the ground.

Mr. MacCormack suggested the Board task General Manager, Denny Kelly with finding some sort of tank system to use during the repairs. Molli Ellis suggested we shoot for a fall timeframe rather than spring and do the repairs sooner than later. Mr. Burrill stated we need to keep temperature in mind. Mr. Kelly stated that temperature plays a big role because if the temperature is not at a certain level then the material used will not cure and dry. Mr. MacCormack stated these are items that need to be researched and determined.

William Haase asked if we would need to obtain any special permits for the repairs. Mr. Kelly stated we would not need any special permits. Mr. MacCormack stated we would probably need approval from VDH, Office of Drinking Water. Mr. Kelly stated we would not need VDH approval either.

Molli Ellis asked if we needed to take any action on this today. Mr. MacCormack stated that is only for informational purposes at this time.

ADJOURN:

MOTION: Molli Ellis a motion, seconded by William Munday to adjourn the meeting. The motion carried unanimously.

ADJOURNMENT took place at 9:43 a.m.

President

Date

Secretary

Date