

Waterworks Advisory Committee Meeting

Thursday, January 26, 2017
Sydnor Hydro, Inc.
2111 Magnolia St,
Richmond, VA 23223
10:00 am – 12:50 pm

Acting Chair: Drew Hammond, Virginia Department of Health

Secretary: Sarah Hinderliter, Virginia Department of Health

Timekeeper: Drew Hammond, Virginia Department of Health

Members Present:

Roger Cronin,
John Danielson, Virginia Water Well Association
Mark Estes, Virginia Rural Water Association
Robert Glowacky, Virginia Department of General Services
Amanda Howe, Southeast RCAP
Eric Lassalle, Nontransient Noncommunity Systems
Ignatius Mutoti, Virginia Society of Professional Engineers
David Raines, Virginia Association of Counties
Jesse Royall, Sydnor Hydro, Inc. (Community waterworks owner)
Erinn Tisdale, Department of Environmental Quality
David Van Gelder, Hanover County Dept of Public Utilities, Operator Class I

Guests in Attendance:

Susan Douglas, Virginia Department of Health
Howard Eckstein, Virginia Department of Health
Robert Payne, Virginia Department of Health
Steve Pellei, Virginia Department of Health
Paul Saunders, Dept of Professional and Occupational Regulation
Roy Soto, Virginia Department of Health

Minutes

Agenda Item: Call to Order

Discussion: Mr. Hammond convened the meeting at 10:05 a.m.

Conclusions: Move to next item

Action items: None

Agenda Item: Agenda Adoption/Adoption of November 2016 Meeting Minutes

Discussion: There was a motion to adopt the draft agenda and minutes and the motion was seconded. Draft agenda and minutes were adopted unanimously.

Conclusion: Move to next item

Action items: Secretary to distribute November's minutes as approved.

Agenda Item: Public Comment

Discussion: There were no comments.

Conclusion: Move to next item

Action items: None

Agenda Item: Chair's Report/Director's Report

Discussion: Mr. Hammond reported on the following items:

- ODW Staffing Changes
 - New Source Water Projects Engineer (CO) – Aaron Moses, started November 25, 2016. Promoted from the Abingdon Field Office.
 - Field Services Engineer (CO) – Michelle Caruthers is leaving ODW as of January 20, 2017.
- FY2017 Budget Reductions resulting from consolidation of the Business functions of ODW, Office of Environmental Health Services (OEHS) and Office of Radiological Health (ORH). Expect more details on this effort at the March meeting.
 - \$75,000 reduction – resulting from not filling the ODW Director position
 - 2 layoffs
 - Funding breakout
 - PWSS - \$1.443 million, 17.7%
 - Operator and Technical Fees - \$4.653 million, 57.3%
 - General Funds – \$2.024 million, 25%
- FY2018 Budget Reductions borne mostly by ODW and OEHS because ORH is predominantly fee funded.
 - \$218,000 reduction – researching ways to cut costs without cutting services
 - 0 anticipated layoffs
 - Funding breakout
 - PWSS - \$1.225 million, 15.5%
 - Operator and Technical Fees - \$4.653 million, 58.9%
 - General Funds – \$2.024 million, 25.6%
- 2017 General Assembly – VDH is the lead or has given comment on four pieces of proposed legislation.
 - House Joint Resolution 639 – Introduced by Delegate Alfonso H. Lopez. Requests ODW to study the Commonwealth's drinking water infrastructure and oversight of the drinking water system with special attention to lead and copper.
 - \$4million budget amendment in FY2018 and FY2019
 - Referred to the Rule committee and then on to the Studies subcommitteeVDH advised not to audit the Lead and Copper Rule as that is the EPA's job, but suggested instead a report on lead and copper initiatives already underway. The bill's sponsor agreed.
 - House Bill 2089 – Introduced by Delegate Kaye Kory (by request). Requires each local school board to develop and implement a plan to test potable water from sources identified by the U.S. Environmental Protection Agency as high priority as often as is required of the supplying public water system by ODW.

- Forwarded to Education Committee and then to the Elementary and Secondary Education subcommittee.
- Sponsor has accepted VDH suggested amendments
- Senate Bill 1359 (companion bill to HB2089) – introduced by Senator Jeremy McPike. Requires each local school board to develop and implement a plan to test potable water from sources identified by the U.S. Environmental Protection Agency as high priority as often as is required of the supplying public water system by the Virginia Department of Health's Office of Drinking Water.
 - Referred to Education and Health committee
 - Sponsor has accepted VDH amendments
- House Bill 2384 – introduced by Alfonso H. Lopez. Directs the State Board of Health to adopt regulations establishing the action level for lead in drinking water as 10 parts per billion beginning January 1, 2018, and as five parts per billion beginning January 1, 2022.
 - Referred to House Health, Welfare and Institutions Committee, Subcommittee #3.

ODW reviewed lead testing results over the past five years and found that if the proposed reduced levels were in place, the office would require five additional staff costing \$525,000.

- Lead and Copper Rule – EPA conducted a file review in December 2016. Draft report due back to us February 1, 2017. Exit interviews with Field Directors indicate that PN/CN follow-up and sample site substitution are potential areas of improvement for ODW.
- Revised Total Coliform Rule – ODW submitted the final primacy packet to EPA on December 14, 2016. EPA granted interim primacy on January 18, 2017 and completed its review of the primacy packet on January 25, 2017. After a 30 day public comment period, EPA is expected to grant ODW final primacy.
- WAC Charter – Mr. Hammond and Allen Hammer, ODW Consulting Engineer, have drafted and updated charter covering the same points as the existing charter; policy, regulations, recommendations and annual report. Member terms are three years with a limit of two consecutive terms. The Vice Chair term is one year. The annual report is due each year in December.

Conclusion: N/A

- Action items:**
- **Regarding the revised WAC charter, Mr. Hammond will make the following changes to the draft:**
 - **annual report due date from December each year to June or early July to facilitate legislative proposals as necessary**
 - **WAC members to deliver/present annual report to VDH Commissioner.**
 - **add information on expectations for members and attendance**

On a related note, WAC members also want to change the Regulations to state that the WAC chair will no longer be the ODW Director but chosen from the WAC membership. Consensus is this change will enhance the committee's ability to influence VDH with its recommendations.

- **Ms. Hinderliter will scan and email the last few annual reports to the WAC members for their review.**

Agenda Item: Technical Assistance Fees

Discussion: Steve Pellei covered the following items –

- Per the WAC’s request at the November 2016 meeting, ODW researched and compiled the information regarding the amount of staff time/effort spent on transient, noncommunity (TNC) waterworks and what other states charge for a TNC fee. The findings appear in the attached documents.
- Current considerations to replace lost revenue resulting from GF budget cuts:
 - Raise the current \$2.95 per connection fee for CWWs to the \$3.00 per connection maximum. This requires no legislative action and raises \$45,000. Can be effective July 2017.

These options require legislation (2-3 year timeline):

- Revise the minimum NTNC (nontransient, noncommunity) fee from \$90 to \$120 per year. Generates \$8,700.
- Establish a minimum community waterworks (CWW) fee to equal or exceed the NTNC flat fee. Generates \$5,778 at \$90 and \$7,427 at \$100, and \$11,200 at \$120.
- Establish a minimum TNCs fee to equal the NTNC fee. Generates \$99,630 in additional revenue at \$90 and \$110,700 at \$100, and \$132,840 at \$120.
- Revise the NTNC fee to be based on the gallons per day permitted capacity of the facility. Revenues will depend on fee structure. For example if a threshold, cost per equivalent residential connection (ERC), and maximum amount are established as follows:

| | | | | |
|-----------------|----------|----------|----------|----------|
| Threshold (gpd) | 100,000 | 100,000 | 100,000 | 100,000 |
| per ERC fee | \$0.50 | \$0.50 | \$0.50 | \$0.50 |
| Max. fee | \$1,000 | \$2,000 | \$3,000 | \$4,000 |
| Revenue | \$34,894 | \$41,028 | \$45,840 | \$48,210 |
| Add. | \$8,794 | \$14,928 | \$19,740 | \$22,110 |

- To improve cash flow, raise the \$400 threshold for quarterly payments to accelerate first quarter collections.

| | | | | |
|-------------------|-----------|-----------|-----------|-----------|
| Revised Threshold | \$2,000 | 4,000 | 5,000 | 10,000 |
| Moved to 1st Qrt | \$100,500 | \$217,000 | \$268,200 | \$517,700 |

Conclusion: Members voted to move ahead with review of ODW fee structure based on actual cost and equity across all systems.

Action items: None

Agenda Item: State Revolving Fund Update

Discussion: Mr. Pellei updated the Committee as follows:

- SRF staff presenting six workshops in March
- Applications are due April 1, 2017
- Revised disadvantaged criteria will make it easier for systems to qualify for a 30 year loan.

Conclusion: Move to next item

Action items: None.

Agenda Item: Lead Service Line Replacement update

Discussion: Mr. Pellei provided the following information:

- SRF staff have incorporated LSLR Stakeholders group feedback into the current design manual.
- Program may receive additional \$4million in funding if HJ639 is passed by the General Assembly; however, even without that the program will move forward.
- The non-binding interest survey revealed a need for \$3million in the first year of the program and more than that in subsequent years.

Conclusion: Move to next item

Action items: None

Agenda Item: Waterworks Regulations Revision Update

Discussion: Susan Douglas updated the Committee as follows:

- A revision to a portion of the regulations was proposed as a 'small project' in lieu of moving forward with revisions to the entire Waterworks Regulations at this time. This is recommended due to expected delays in some subject areas, particularly permit procedures and water supply and withdrawal. The table of contents and text appears as an attachment.

Conclusion: WAC meeting in March will be extended into the afternoon to discuss these and other changes.

Action items: **ODW will send the entire proposed regulations revision document to the WAC for their review in preparation for the extended March meeting.**

Agenda Item: Division of Consolidated Laboratory Services update

Discussion: Robert Glowacky provided the following information:

- In December, DCLS assisted ODW with testing water samples at Fairfax Water Supply and its distribution system after a nearby power plant accidentally discharged approximately 150 gallons of turbine oil. Also at ODW request, performed similar testing for the town of Leesburg.
- For the Presidential Inauguration, DCLS was on alert for any potential emergency testing; however, no test was necessary.
- The Biological Terrorism and Chemical Terrorism groups are available 24/7 to respond to such incidents. Management rotates on a weekly basis, handling EMRS (emergency pager/phone) to direct inquiries to the appropriate personnel.

Conclusion: Move to next item

Action items: None

Agenda Item: DEQ Update

Discussion: Erinn Tisdale updated the committee as follows:

- Compliance Assistance Framework – The DEQ OWS will offer a six or seven month window of opportunity this year for groundwater users who have, without a permit, been withdrawing over 300,000 gallons/month in either GWMA to submit an application and get a permit without DEQ taking the usual compliance and enforcement actions. The expected window for application submittal is April 1 through October 30, 2017. The permit fee is required with the complete application; however, some requirements (such

as aquifer testing and geophysical logging) are required as permit conditions, where necessary, but not as part of the application. The goals are to increase regulatory compliance and resource management capabilities while offering unauthorized groundwater users a pathway to permit coverage.

- A combined surface and groundwater withdrawal permitting manual is in progress and is expected to be completed by the end of the year.
- DEQ has migrated from the old annual withdrawal reporting platform to the new VAHydro database. The e-mails were delayed due to migration complications, and we understand that reporting may also be a bit behind because of this. DEQ appreciates everyone's patience in getting this going and please let them know of any issues.
-

Conclusion: Move to next item

Action items: None

Agenda Item: SERCAP Update

Discussion: Amanda Howe informed the committee that SERCAP is currently conducting a training push, providing numerous training opportunities for clients.

Conclusion: Move to next item

Action items: None

Agenda Item: Dept of Professional and Occupational Regulation Update

Discussion: Paul Saunders updated the WAC as follows:

- The Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals Board is currently in the final stage of amending the regulations to ensure the standards set forth by the Board were minimally burdensome, complied with current Virginia law and continued to protect the safety, health and welfare of the public. The new regulations are expected to be effective April 1, 2017. To highlight the biggest change, the Board proposes to separate the waterworks and wastewater works operator regulations from those of the onsite sewage system professionals.
- Examination transition from NTN to the new test provider and closed book national examination is complete. Candidates will now take their examinations through AMP/PSI and will be taking the ABC national examination.

Conclusion: Move to next item

Action items: None

Agenda Item: Virginia Tech Update

Discussion: Dr. Greg Boardman retired in December 2016, but will return as a consultant in early February through the end of 2017. The search is underway for his replacement in regards to ODW's VT education contracts.

Conclusion: Move to next item

Action items: None

Agenda Item: Virginia Rural Water Association Update

Discussion: Mark Estes shared the following updates:

- VRWA appreciates the support roles of VDH and DEQ in assisting small water and wastewater systems in Virginia. VRWA may see a reduction in federal funding from USEPA on the technical assistance programs and additional staffing needs will need to be met.
- VRWA will offer certification and training classes for both water and wastewater operators in February and March of this year. This class would assist operators or trainees in preparation of their respective examinations.

Conclusion: Move to next item

Action items: None

Agenda Item: Closing remarks

Discussion: Jesse Royall proposed that a small contingent of WAC members attempt to meet with the VDH Commissioner early in February to express their support for ODW and for maintaining both a Director and Deputy Director positions.

Conclusion: Committee voted to approve this proposal (Mr. Hammond abstained from the vote).

***Action items:* Mr. Royall, Mark Estes and David Van Gelder volunteered for this.**

Agenda Item: Adjournment

Discussion: Meeting adjourned at 12:50 p.m.

Conclusion: Next meeting is Thursday, March 16 from 10 am till 3pm.

Action items: None

Sarah C. Hinderliter,
Secretary

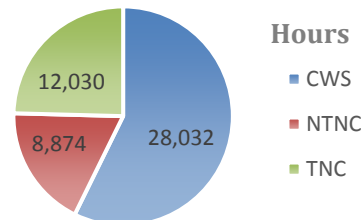
Drew Hammond
Acting Chair

| 2016 Estimated VDH-ODW Technical Assistance Time by System Type* | | | | | | | | |
|--|------------------|---------------|------------|---------------|------------|--------------|------------|---------------|
| Field Office | Timetrac Field | Total (hr) | CWS (%) | CWS (hr) | NTNCWS (%) | NTNCWS (hr) | TNCWS (%) | TNCWS (hr) |
| Abingdon | TA | 1359 | 81 | 1101 | 3 | 41 | 16 | 217 |
| | Surveillance | 3080 | 89 | 2741 | 6 | 185 | 5 | 154 |
| | Sanitary Surveys | 2578 | 84 | 2166 | 5 | 129 | 11 | 284 |
| Subtotal | | 7017 | | 6008 | | 354 | | 655 |
| Culpeper | TA | 3474 | 40 | 1390 | 15 | 521 | 45 | 1563 |
| | Surveillance | 5305 | 45 | 2387 | 35 | 1857 | 20 | 1061 |
| | Sanitary Surveys | 4399 | 50 | 2200 | 25 | 1100 | 25 | 1100 |
| Subtotal | | 13178 | | 5976 | | 3478 | | 3724 |
| Danville | TA | 1487 | 41 | 610 | 20 | 297 | 39 | 580 |
| | Surveillance | 5534 | 55 | 3044 | 20 | 1107 | 25 | 1384 |
| | Sanitary Surveys | 2520 | 58 | 1462 | 15 | 378 | 27 | 680 |
| Subtotal | | 9541 | | 5115 | | 1782 | | 2644 |
| Lexington | TA | 817 | 41 | 335 | 21 | 172 | 38 | 310 |
| | Surveillance | 6023 | 71 | 4276 | 12 | 723 | 17 | 1024 |
| | Sanitary Surveys | 3256 | 61 | 1986 | 14 | 456 | 25 | 814 |
| Subtotal | | 10096 | | 6597 | | 1350 | | 2148 |
| Southeast | TA | 1406 | 41 | 576 | 19 | 267 | 40 | 562 |
| | Surveillance | 4695 | 50 | 2348 | 19 | 892 | 31 | 1455 |
| | Sanitary Surveys | 3003 | 47 | 1411 | 25 | 751 | 28 | 841 |
| Subtotal | | 9,104 | | 4,335 | | 1,910 | | 2,859 |
| Total | | 48,936 | 57% | 28,032 | 18% | 8,874 | 25% | 12,030 |

*Caveats wording placeholder.

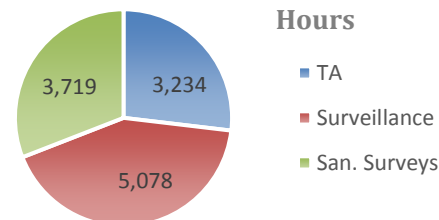
Time by WWS Type

| | Hours | % |
|-------|--------|------|
| CWS | 28,032 | 57% |
| NTNC | 8,874 | 18% |
| TNC | 12,030 | 25% |
| Total | 48,936 | 100% |



TNC Time by Activity

| | Hours | % |
|--------------|-------|-----|
| TA | 3,234 | 27% |
| Surveillance | 5,078 | 42% |
| San. Surveys | 3,719 | 31% |



Total 12,030 100%

Estimated time for TNC (hrs/year) = 12,030

Average TA Personnel Cost (incl salary, fringe, & indirect) = \$35 hourly rate for paygrade 04
 Estimated TNC mean cost to VDH = \$415,222 annually
 TNCs in VA = 1107
 Estimated mean cost to VDH/TNC = **\$375** annually/TNC

Estimated time for Sanitary Survey at TNC (hrs) = 5 10
 Average TA Personnel Cost (incl salary, fringe, & indirect) = \$35 \$35 hourly rate
 Estimated average cost to VDH/Sanitary Survey = \$173 \$345 annual
 Estimated average cost to VDH/TNC = \$558 \$1,117 annual/TNC

| Pay Grade | Number of Staff | Average Salary* |
|-----------|-----------------|-----------------|
| 02 | 6 | 34,000 |
| 03 | 10 | 41,000 |
| 04 | 30 | 47,000 |
| 05 | 58 | 65,000 |
| 06 | 9 | 94,000 |

* Rounded up to the nearest thousand

TNCs total: 1107 in Virginia

- Sanitary Survey frequency: Once every 3 years, = 369/yr
- Staff Time spent includes: On-site survey & meeting with owner/operator
- Drive time (round trip): Report drafting, review, finalization, revisions, approval (s), and mailing
- Does not include routine compliance determinations, monitoring or other assistance.
- Average: 4 to 5 hours each assuming no complications. / 3 years = 1.33 to

ANNUAL AMOUNT or FEE

| STATE | NTNCs | TNCs | NOTES |
|----------------|------------------|----------------|---|
| DELAWARE | ? | \$25 | |
| MICHIGAN | \$425 | \$100 | As of 2012 |
| ALABAMA | \$300 to \$550 | \$300 to \$550 | TNC/NTNC submits a fee at the time they apply for renewal of their operating permit – every 10 years. The operating permit application fee depends on the type of raw water source for the TNC/NTNC: Surface Source - \$5495; Ground Source - \$3715; Consecutive (Purchase) Source - \$2995. |
| NORTH CAROLINA | \$150 | N | |
| MARYLAND | N | N | |
| WEST VA | N | N | |
| PENNSYLVANIA | N | N | |
| OREGON | N | N | |
| ILLINOIS | N | N | |
| NEW JERSEY | N | N | |
| LOUISIANA | \$100 | ? | Charged annual flat rate connection fee |
| ARIZONA | starts at \$250 | ? | Monitoring Assistance Program (MAP) - All NTNC water systems serving less than 10,000 persons are required to participate in the program. Each PWS is charged a \$250 base fee and \$2.57 per every service connection annually. The program samples for regulated VOCs, SOCs, IOCs, and radionuclides. |
| INDIANA | \$150 to \$3,000 | \$100 | NTNCWS are assessed an annual fee based on population served, these range from \$150 to \$3,000. TNCWS pay \$100 annually |
| GEORGIA | ? | ? | No response as of 1/10/17 |
| WASHINGTON | ? | ? | No response as of 1/10/17 |

N = NO annual fee charged

Proposed Jan 19, 2017

Yellow highlighted sections contain federal (SDWA) Regulations; Red text indicates sections excluded from this Small Project.

Waterworks Regulations Proposed Small Project Revisions

| Part I | | | | |
|------------|---|---|---|-------------------------|
| Article | Section | Existing Title [Proposed Title] | Action | Internal X-References |
| | 10 | Definitions [Definitions and abbreviations] | Revise | 374,375,384,405,430,530 |
| | 55 | Relationship of this chapter to the Virginia Uniform Statewide Building Code | New | None |
| Part II | | | | |
| 3 | | Operation of Waterworks | | |
| | 450 | General [Facility and personnel management] | Revise | None |
| | 460 | Personnel [Repealed] | Repeal | N/A |
| | 461 | Classification of waterworks, operation of waterworks, and operator attendance | New | 10, 530, 874 |
| | 470 | Waterworks appearance [Waterworks condition] | Revise | None |
| | 475 | Removal of wells from service | New | None |
| | 476 | Reactivation of wells | New | 840 H |
| | 480 | Analytical laboratory control [Operational control testing and monitoring] | Revise | 760 |
| | 490 | Adequate treatment | Revise | none |
| | 505 | Emergency management plan for extended power outages | Revise | None |
| | 510 | Acceptable operating practices | Revise | None |
| | 511 | Maintenance of waterworks integrity | New | 515 |
| | 515 | Use of chemicals, components, materials, and products | New | None |
| | 520 | Waterworks expansion [Waterworks capacity] | Revise | 840 H |
| 4 | | Cross Connection Control and Backflow Prevention in Waterworks | | |
| | 580 | General [General requirements] | Revise | 360, 510 |
| | 590 | Cross connections [Repealed] | Repeal | N/A |
| | 600 | Responsibilities [CCCP requirements] | Revise | 610, 630 |
| | 610 | Containment policy [Containment of backflow] | Revise | None |
| | 620 | Type of protection required [Repealed] | Repeal | N/A |
| | 630 | Backflow prevention devices [Backflow prevention assemblies, devices and methods for containment] | Revise | None |
| APPENDICES | | | | |
| Appendix I | Suggested outline of contents of a cross connection control program | | Repeal. New text inserted in Part II, Article 4 for cross connections and backflow prevention | |

NOTES:

- Section 461 will complement existing DPOR regulations on waterworks operators (18VAC160-20-120)
- Article 4 will become consistent with current DHCD Building & Plumbing Codes.
- Some internal cross-references may be problematic (those outside the scope of this proposed revision), and may need to be deleted.
- Definitions & abbreviations will need close scrutiny. Only changes pertinent to this project are allowed. Definitions are only allowed in section 10 if the term is used multiple times in the Regulation. (Otherwise the definition is located where it is used.)