

**MINUTES  
PURCELLVILLE TOWN COUNCIL SPECIAL MEETING  
WEDNESDAY, OCTOBER 9, 2019, 7:00 PM  
TOWN HALL COUNCIL CHAMBERS**

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The special meeting of the Purcellville Town Council convened at 7:00 PM in Council Chambers with the following in attendance:

**PRESENT:**      Tip Stinnette, Vice Mayor  
                     Ted Greenly, Council member  
                     Chris Bledsoe, Council member  
                     Joel Grewe, Council member

**ABSENT:**       Kwasi Fraser, Mayor  
                     Ryan Cool, Council member  
                     Nedim Ogelman, Council member

**STAFF:**        David Mekarski, Town Manager  
                     Sally Hankins, Town Attorney  
                     Liz Krens, Director of Finance  
                     Connie LeMarr, Assistant Director of Finance  
                     Buster Nicholson, Director of Public Works  
                     Jason Didawick, Asst. Director of Public Works  
                     Dale Lehnig, Capital Projects & Engineering Manager  
                     Kimberly Bandy, Deputy Town Clerk

**CALL TO ORDER OF SPECIAL MEETING:**

Vice Mayor Stinnette called the special meeting to order at 7:00 PM. The Pledge of Allegiance followed. This meeting was scheduled for the review of the Water CIP Risk Analysis.

**AGENDA AMEDNMENTS/APPROVAL**

None

**CITIZENS/BUSINESS COMMENTS**

None

## **DISCUSSION/INFORMATIONAL ITEMS**

David Mekarski, Town Manager, stated that the Public Works team along with their extended team Jacobs Engineering, Ed Fletcher, would largely be presenting the material for the meeting. Mr. Mekarski stated that this is the first step in the establishment of water and sewer rates. The capital improvements for water is what is driving the scenario that is being displayed of facing increases of 10% for 10 years unless it is mitigated, and for sewer it is the \$32 million debt that has the same consequence. There will be a five step process: Water CIP Risk Analysis, Stantec's Cost of Service Analysis, Stantec working on Equity of Rates, Rate Schedule, and then Setting Rates for next fiscal year and for the next 10 years. Mr. Mekarski continued that he tried reducing Capital Improvements, but actually increased them to \$23 million and was able to shift some of these projects over to the next decade of 2030-2040.

## **PRESENTATION(S)**

### **a) Water CIP Risk Analysis** *(Presentation is on file at the Clerk's office)*

Buster Nicholson, Director of Public Works, stated gratitude towards Vice Mayor Stinnette for his help on looking over the list of Capital Improvement Projects, in helping with the presenting the risks, and the placement prioritization of the CIPs. Mr. Nicholson began by referencing a 2018 study conducted by Utah University's Buried Structure Laboratory titled, "Water Main Breaks Rates In the USA and Canada: A Comprehensive Study". The study compiled the collective experience of 308 utilities with a total of 200,000 miles of pipe serving a population of 52 million. The Public Works team chose three metrics from the study that could apply to the Town system: 1) Pipe Age, 2) Pressure, and 3) Recorded Breaks. Mr. Nicholson stated a likelihood computation of pipe age times pipe pressure times frequency of breaks equals likelihood of failure. He continued to share a severity rating for each section of the Town's system with an "acceptable", "acceptable with mitigation", and "unacceptable" status of risk for each section. The factors used to determine the Capital Improvement Project needs were risk analysis, transportation projects, capacity needs, and regulatory compliance. He then shared with the help of Dale Lehnig, Capital Projects and Engineering Manager, a chart listing each project to be worked on by each fiscal year and the costs to complete them. Ms. Lehnig added a discussion of the infrastructure of the town's water lines and water resources.

### **b) Purcellville Water Resources Study Update-Project Prioritization Framework** *(Presentation is on file at the Clerk's office)*

Mr. Ed Fletcher, Jacobs Engineering, stated that he wanted to go over the framework that Jacobs had been developing to prioritize projects as part of a water resources study with it taking a broader look at demand and supply on what direction the town may want to seek in the long term. He stated that his presentation will go over an agenda covering 1) Overview of draft project

prioritization framework, 2) Framework category measurement and ranking, 3) Draft category weighting, and 4) Pipelines, if time is allowed. (*Presentation is on file at the Clerk's office*) He stated there were five ranking categories: capacity provided, reliability and availability, complexity of implementing rehabilitation/project, regulatory compliance considerations, and public health and safety that all hold a scoring system and then final scores are weighted by category for priority. He then continued in detail that each category would have a subcategory attached to it and further provided that explanation. He provided a pie chart on the weighting of each category, after discussions with the project team, with final results showing the highest ratings for 1) increase to supply and 2) increase for public health and safety to feed into the Capital Improvement Projects list. He finished the presentation with supplemental information regarding pipelines and how it would be a good idea to have a pipeline replacement strategy.

### **MAYOR AND COUNCIL COMMENTS**

Vice Mayor Stinnette questioned Mr. Fletcher on the categories of Regulatory Compliance and Health and Safety having a distinction without a difference. Mr. Fletcher stated that there is an overlap, but there are some examples that would cause differentiation. Vice Mayor Stinnette would like to see one of these categories eliminated or shown an example distinctly to Purcellville to differentiate these categories. Vice Mayor Stinnette next pointed out the Complexity of the Rehabilitation and how it does not align with the other categories, and needs to be thought out more. Vice Mayor Stinnette would also like more thought to be put into scaling the binary measures.

Dale Lehnig commented on the Complexity category and is not looking for those types of projects to be dropped off entirely, but look at those in the length of time to get the project online. Vice Mayor Stinnette commented that is a fair point and redirects the conversation to the chart regarding the Capital Improvement Projects shown by fiscal year and wonders if a financial analysis would need to be done because he prefers not to look past five years in the costs and future day dollars. Liz Krenz, Director of Finance, commented that it would be in the future Stantec model.

Vice Mayor Stinnette suggested moving some of the projects to different years to have a smoother flow of costs and discussed this with Mr. Nicholson, Mr. Mekarski and Ms. Krenz.

Vice Mayor Stinnette specifically questioned the Intake Structure for Hirst Reservoir and its' \$80,000 cost being too low. Dale Lehnig pointed out that the first year it would be that amount and continue to go higher each year after that.

Vice Mayor Stinnette liked the green/yellow/red chart that staff provided from their Water Capital Improvement Projects Risk Analysis presentation and would like more refinement done with the timing manor of "likelihoods" definitions. He would like this presentation adopted across the town staff, with the Jacobs study, and this would promote staff to be speaking the same language and become a good benchmark for a model.

Council member Bledsoe stated a question to Mr. Nicholson regarding the recorded breaks, had he seen any correlation with other factors. Mr. Nicholson had not observed breaks himself. Jason Didawick, Assistant Director of Public Works, commented on the Maple line having a break several years back and the replacement line that was installed had no breaks to date. Council

member Bledsoe also questioned the budget regarding the two “unacceptable” categorized projects being planned five years out and those may need to be sooner. Mr. Mekarski commented that those areas of “unacceptable” would only affect a few residents. Council member Bledsoe questioned if that type of impact, number of residents affected, was weighed in on Capital Improvement Projects and Mr. Nicholson stated that it was not in depth.

Council member Greenly questioned if the overlapping of the type of different materials used to repair pipes was considered in the study and had cast iron pipes been replaced recently with any new materials. Ms. Lehnig stated that there are still cast iron pipes and Council member Greenly commented that would affect the risk computation.

Council member Grewe stated he would add to the study, relative to severity, the scope of impact and the need of knowing the composition of the pipes by possible testing.

Jason Didawick stated that as far as testing the pipes, most pipes reside in the right of ways, and when testing for types of pipe material there is a chance to have to rip up the concrete, pavement, and risk breaking electrical lines which would be costly.

Council member Grewe confirmed for the record he would not want the streets in Purcellville dug up.

David Mekarski lastly stated that once this information is refined, along with cash debt services, instruments in financing over 40 years, and doing the construction over 20 years, it will have a very positive affect on the rate model and achieve some kind of reasonable rate to achieve the Council objective.

### **ADJOURNMENT:**

With no further business, Council member Grewe made a motion to adjourn the meeting at 8:27 PM. The motion was seconded by Council member Greenly and carried 4-0-3.

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Murrell “Tip” Stinnette, Vice Mayor

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Kimberly Bandy, Deputy Town Clerk