



2.23.09

TO: Lane Ramsey, Interim County Administrator

FR: Don Charles, Director – Community Development

RE: Utilities Reorganization Activities Report - #2

Shortly after the reorganization/re-assignment of Utilities to Community Development on Dec. 18, 2008, I submitted the attached activities report to the former county administrator and, subsequently upon his review, to the Board members. I attach it simply as a history that might be helpful.

The summary report below [topics in no particular order] is the second report I am submitting. Upon your review, I recommend that either you or I submit this report to the Board as part of their agenda package for the March 3, 2009 Board meeting.

Kinloch water quality:

After evaluation of several options, we expect to have a 'bid ready' project submitted to Purchasing by Feb. 27. Recently researched [by staff] DEQ restrictions concerning chlorinated water discharged into wetlands/'live waters' caused us to alter planned discharge into creeks and ponds/lakes to, instead, a sanitary system point. Project costs are still anticipated to be less than the figure approved by the Board [\$35K]. We will move on implementation as quickly as possible and continue our present manual flushing procedures until the automated system is operational....this will maintain desired water quality levels without interruption.

Hidden Rock Park - Landfill Consent Decree

As of this writing [Feb. 23, 2009] we are scheduled to start the two blower systems on Wed., Feb. 25, 2009. System pressure/vacuum balancing will immediately follow. Once fully operational, monitoring will commence with results provided to DEQ as well as being posted on the county's website as promised our citizens. By phone this morning, DEQ [Mr. Robert Timmins] stated that DEQ would need a minimum of three [3] months of satisfactory monitoring results before rendering a statement on safe use for recreation with that statement periodically affirmed by continued satisfactory testing.

At my request the consultants [Resource International] have submitted estimated annual costs to operate the landfill methane systems, remove contaminated pipe condensation, monitor and report, etc. In summary, the Board needs to be advised that approximately \$60,000/year needs to be programmed into the operating budget for these costs. Operational cost appropriations may be needed until 2025.

'Found Checks'

As of this writing there is no evidence of any more 'found checks'. There were 65 accounts totaling \$197,224 that needed resolution. All but \$3,601 [1.8%] has been 're-received'. Of the \$3,601 balance, one account is for \$2,501...we are actively working to bring this account and other few minor accounts to 100% closure.

Forensic Audit

We have made a securable work space available to the auditors. I was told they would use that space beginning March 2, 2009.

Capital One bill inquiry

Upon investigation of this matter I submitted a letter to Cap One's facility management firm stating my conclusion that the water consumption records were accurate. Both you and the Board have a copy of that letter.

I have made recommendations concerning 'master' meter locations as well as noting our intention to develop a 'quick notification 20% beyond norm' process.

Henrico payments due Goochland - Eastern Pump Station

This matter proved to be failure to submit timely invoices to Henrico. Henrico has been extremely cooperative and helpful. Payments are now received from them very soon after we send invoices. New fiscal policies should make this matter a non-issue henceforth.

However, during investigation of this matter a number of technical/operational issues were revealed concerning flow meters, chemical injections, system redundancy, operational options, etc. We are working on those issues and, when appropriate, in concert with Henrico counterparts. I am meeting with Henrico officials tomorrow.

TCSD

As noted in my first report, I have asked staff to develop a full presentation on the TCSD system itself and pertinent details, issues, options, pending matters, opportunities, and any collateral topics that should be known. At this point the demands of the tasks noted in this report have not allowed all of this work to be completed, but we will get there.

The TCSD is a major component of the utilities operation within Community Development and a wider and fuller understanding is needed by many, not just me. A TCSD development projection team has been formed and will meet soon to recommend growth scenarios that can then be translated into financial report models for your, the Boards', and the TCSD advisory team's review and consideration.

An independent financial advisor should be hired to do a complete review of the TCSD fiscal structure, submit periodic audits, and offer recommendations.

Utility Asset Inventory and Management

We are diligently working to identify, plot, input, analyze* and otherwise determine what the county's utility assets are and how to recommend management. This process is just beginning and will take time. The assembling of 'as-built' drawings [if they even exist], research and record accuracy of easements, incorporation and/or raw production of data into our GIS system, files, contracts, agreements, inspection logs, etc. etc. are tasks identified and being addressed as resources allow. It is critical that utility department records be restructured, reorganized, made part of the larger county-wide data base, and in some situations, files/data need to be constructed from virtually nothing. Staff is only a month into this major effort.

*Included in this aspect of the utilities operation will be analysis, by district or zone, of present usage and potential remaining capacity so as to guide growth and capital budget decisions. This task alone, having never been done before for Goochland's utility assets, is significant.

Utility Asset Maintenance

It has become abundantly clear that there is a very great need for an asset maintenance program. Inasmuch as we are still working to inventory utility assets, it is premature to suggest a program. However, video investigations of pipe systems, aggressive attention to water storage tanks and like matters have already revealed themselves as immediate needs. I will continue to report on this aspect of the utilities operation.

Meter Reading/Accounting/Devices/Billing Reconciliation

As noted in the last report, while we are making great progress in this arena, too, we still have more work ahead of us. We have created the first-ever for Goochland list of meters and customers based on file and anecdotal information. This is a start and we will be discovering errors and making amendments for some time.

One component of this task will be to reconcile not only customer usage and bills, but also the county's own purchase, distribution and fiscal tracking of water and sewer consumption and accounting. We have just started that process, too.

Permitting and Operational Procotols and Procedures

We have made much progress adapting the historically successful building inspection permitting process to utility functions. Our goal is to fully integrate building/zoning/environmental and utility permitting, record management and data recovery-manipulation.

An internal task force has been created to brainstorm best methods and practices for the utilities operation and its integration into the day-to-day functions of all county

operations be it construction, electronic data, personnel or policy. Our second meeting is scheduled for this morning.

Convenience Centers

Earlier this month I made an executive decision and shifted the tasks associated with convenience centers back to Community Development. This responsibility had previously been in utilities and part of the initial Community Development reorganization but was moved to the head of buildings and grounds at some unknown point without notice or discussion. The individual tasked was overwhelmed with other new tasks as well, including parks and recreation tasks. Relief was imperative.

Existing Community Development staff is being 'cross-trained' to administer and manage the physical, operational, fiscal, and personnel components of this task in addition to their own present C.D. functions. There were found to be some money management issues that have been and are being addressed. Both centers have existing and emerging operational and physical condition needs as well.

Staffing

I will continue to reassign and utilize present staff in whatever roles are appropriate, including 'part time' tasks heretofore not in their respective job descriptions, e.g. building inspection staff assisting with utilities tasks. Thus far, this is working well and I anticipate more extensive multi-tasking.

My understanding of the utilities operation is now to the point that I recommend we discuss the scope and nature of the County Engineer/P.E. position and advertise for that individual sooner rather than later.

Unknowns

I would like to report that all unknowns have been revealed, but I can't. As we continue to get deeper into utilities matters, more issues emerge....some minor...some not. We will apply the same professionalism and diligence to any unknown that awaits us and report to you accordingly.

The above represents just a segment of reorganizational activities. I have not burdened this report with day-to-day operational and tangential matters, but will be happy to brief you on those items if you wish.

Please call me if I may provide any additional information. I will provide subsequent activity reports.

c: M. Saconne