

**AGENDA**  
**New River Regional Water Authority**  
**Thursday, February 16, 2023**  
**10:00 a.m.**  
**Conference Room**  
**New River Regional Water Authority Water Plant**  
**289 Kohler Avenue 289 Kohler Ave.**  
**Austinville, Virginia 24312**

**A. INVOCATION AND PLEDGE OF ALLEGIANCE**

**B. CALL TO ORDER; ESTABLISHMENT OF QUORUM**

**C. CONSENT AGENDA**

1. Minutes of the Regular Meeting of January 26, 2023

**D. CITIZENS' TIME**

**E. VENDOR TIME**

**F. APPROVAL OF INVOICES**

- |                       |         |              |
|-----------------------|---------|--------------|
| 1. AEP                | January | \$25,364.29  |
| 2. Town of Wytheville | January | \$107,030.19 |

|                                 |                      |
|---------------------------------|----------------------|
| National Bank Balance: 12/30/22 | \$1.944M             |
| Budget Remaining: 1/31/23       | \$1.096M of \$2.723M |

**G. SUPERINTENDENT'S REPORT**

**H. BOARD TIME**

1. Plant Expansion - Peed and Bortz

**I. ADJOURNMENT**

Minutes Signed?

**MINUTES OF THE REGULAR MEETING OF THE NEW RIVER REGIONAL WATER AUTHORITY HELD IN THE COUNCIL CHAMBERS AT THE TOWN OF WYTHEVILLE MUNICIPAL OFFICES ON THURSDAY, JANUARY 26, 2022, AT 10:00 A.M.**

**Members present:** Stephen D. Bear (Wythe County), Michael Watson (Carroll County), Candice Johnson (Wytheville), Cathy D. Pattison (Wytheville), Rex Hill (Carroll County), Rolland Cook (Wythe County), Brian Freeman (Wytheville)

**Members absent:**

**Others present:** Zachary Slate, Elvan Peed, Robby Krunich, Andrew Austin, Scott Bortz, Beth Taylor

**RE: CALL TO ORDER, QUORUM**

Chairman Freeman called the meeting to order and established that a quorum of Authority members was present. Chairman Freeman recognized the new members of the Authority, Candice Johnson of the Town of Wytheville, and Rex Hill of Carroll County.

**RE: HONOR AND REMEMBRANCE OF C. WAYNE SUTHERLAND, Jr.**

Chairman Freeman advised the next item on the agenda is Honor and Remembrance of C. Wayne Sutherland, Jr. and opened with a moment of silence.

Chairman Freeman advised the next item agenda was consideration of a resolution honoring C. Wayne Sutherland, Jr. Chairman Freeman read the following resolution:

**WHEREAS**, former Town Manager C. Wayne Sutherland, Jr. was appointed as a member of the New River Regional Water Authority in October 2003 at its inception, and he was a member of the Authority until his retirement from the Town of Wytheville on July 1, 2020; and,

**WHEREAS**, during his tenure on the New River Regional Water Authority, Mr. Sutherland held the positions of Secretary/Treasurer, Vice-Chairman and Chairman of the Authority; and,

**WHEREAS**, with Mr. Sutherland's leadership and guidance, the New River Regional Water Authority Plant and the accompanying water infrastructure were constructed to provide much needed water to this area that is integral to the development of businesses and industries, as well as the vitality of all of Wythe County and the surrounding region; and,

**WHEREAS**, during Mr. Sutherland's service to the Authority, several water development projects, including the Lots Gap Water Tank Project and the Raper Ridge Water Tank Project, were brought to fruition; and,

**WHEREAS**, with the vision and forethought of New River Regional Water Authority members, like Mr. Sutherland, the New River Regional Water Authority Plant will be an asset to the citizens of Wythe County and the Town of Wytheville for many years to come; and,

**WHEREAS**, the New River Regional Water Authority, through the adoption of this ordinance, expresses its utmost esteem, respect, and appreciation to Mr. Sutherland for his tireless work and dedication while serving on the Authority.

**NOW, THEREFORE, BE IT RESOLVED** that the New River Regional Water Authority, hereby wishes to express its deepest condolences to the family members of C. Wayne Sutherland, Jr. and wishes to formally recognize and honor Mr. Sutherland's service to the Authority.

Adopted this 26th day of January, 2023.

Chairman Freeman inquired if there was a motion to approve the resolution as presented. A motion was made by Ms. Pattison and seconded by Secretary/Treasurer Bear to approve the resolution in honor of Mr. Sutherland. Chairman Freeman inquired if there was any discussion on the motion. There being none, the motion passed unanimously to approve the resolution in honor of Mr. Sutherland.

Chairman Freeman stated we will frame the resolution and present it to Ms. Sutherland.

**RE: CONSENT AGENDA**

Chairman Freeman presented the consent agenda consisting of the minutes of the regular meeting of November 17, 2022. He inquired if there was a motion to approve the consent agenda as presented. A motion was made by Secretary/Treasurer Bear and seconded by Mr. Cooke to approve the consent agenda consisting of the minutes of the regular meeting of November 17, 2022, as presented. Chairman Freeman inquired if there was any discussion on the motion. There being none, the motion passed unanimously to approve the consent agenda consisting of the minutes of the regular meeting of November 17, 2022, as presented.

**RE: CITIZENS' TIME**

Chairman Freeman advised that the next item on the agenda is Citizens' Time. He inquired if there were any citizens present who wished to address the Authority during Citizens' Time. There being none, Chairman Freeman proceeded with the agenda.

**RE: VENDORS' TIME**

Chairman Freeman advised that the next item on the agenda is Vendors' Time. He inquired if there were any vendors present who wished to address the Authority during Vendors' Time. There being none, Chairman Freeman proceeded with the agenda.

**RE: APPROVAL OF INVOICES**

Chairman Freeman advised that the next item on the agenda is the Approval of the Invoices, as follows:

- |                       |            |              |
|-----------------------|------------|--------------|
| 1. AEP                | November   | \$21,177.74  |
|                       | December   | \$26,542.16  |
| 2. Town of Wytheville | November   | \$112,351.74 |
|                       | December   | \$313,181.52 |
| 3. VRSA (Credit)      | Work Comp. | \$5,692.00   |

Chairman Freeman inquired if there was a motion to approve payment of the invoices as presented. Secretary/Treasurer Bear inquired if there was anything outstanding. Mr. Slate responded there was not. A motion was made by Secretary/Treasurer Bear and seconded by Ms. Pattison to approve payment of the invoices, as presented. Chairman Freeman inquired if there was any other discussion. There being none, the motion passed unanimously to approve payment of the invoices, as presented. Chairman Freeman proceeded with the agenda.

**RE: SUPERINTENDENT'S REPORT**

The Superintendent's Report was entered into the record, as follows:

1. Expansion
2. Maintenance
3. Personnel

Mr. Slate reported that Litton Landscaping has planted the trees. He notified the Authority of the upcoming Operators and Lots Gap meetings on January 27, 2023. We will be discussing cybersecurity at the Operators Meeting. He described the history and need for upgrading cybersecurity as well as the benefits that come with it, such as the resiliency of data communications to the water treatment plant.

Mr. Slate requested to appropriate lightning claim money to the amount of \$14,973.50 from the raw water meter back to the OS Repair and Maintenance line item. After discussion, the Authority denied the request, stating they would reconsider if there were a budgetary need for it. Chairman Freeman reported the Town is more concerned with the overall budget versus a single line item being over.

Mr. Slate reported during the raw water meter replacement there was a sodium permanganate leak into the river. He described the event and the resulting outcome. The Department of Environmental Quality assessed the spill and was not concerned with adverse environmental impacts. Mr. Slate met later with the James McCabe, the Wythe

County Emergency Coordinator, to review spill response procedures. He was satisfied with the Authorities response to the spill and provided information for future use. Secretary/Treasurer Bear expressed appreciation to Mr. Slate for his expedient response and handling of the event.

Mr. Slate reported various maintenance items that are underway and those completed. He discussed permanently repairing the failed pipe penetration seal at Raper Ridge Tank, which was quoted at \$54,000, would be discussed at the upcoming Operators Meeting. He went on to describe the Authority's agreement with Enel-X to respond to energy demand dispatches. The dispatch on December 23 was achievable, but the dispatch on Christmas Eve from 6 a.m. – 10 p.m. was not something he wanted to do, under the circumstances, and therefore did not respond to the dispatch. The January 3, 2023 fuel bill from weekly test running of the generators was \$2,500 and running the generators during this dispatch time would have likely cost more than the credit received from Enel-X. Chairman Freeman inquired as to the run time of a generator on a full tank. Mr. Peed reported it to be twenty-four (24) hours. Mr. Slate stated it was approximately three thousand (3,000) gallons for the three (3) generators and confirmed Secretary/Treasurer Bear inquiry that Homestead Oil was the backup plan.

Mr. Slate continued with stating the finished water flow meter was not working properly after the cold weather, possibly due to air, but that it now seems to be reading correctly. ISI will be checking to verify accuracy. The Mark IV valve vault has faulted and I will check on it today. On January 31<sup>st</sup>, the sodium hypochlorite [bleach] tank siphoned to the filters overnight since operators corrected an air issue. We will be operating from a tote until the sodium hypochlorite tank level is below the water level in the basin. Upgrading to peristaltic pumps should correct this issue in the upgrade. Mr. Slate reported he would like to pilot test hydrogen peroxide to oxidize organics in place of sodium permanganate. Mr. Slate also reported that sodium hypochlorite prices have increased, Jamie Rickman and Shannon Lundy passed their class 1 Waterworks exams, and Elvan and I have started on the next year's budget.

Vice-Chairman Watson inquired where the funds from the lightning strike claim will be placed in the budget. Mr. Slate stated he would ask Mike Stephens. Mr. Cooke inquired if the internet upgrades in Wythe County would benefit the Authority. Secretary/Treasury Bear stated it would give them another option.

Chairman Freeman inquired if there were any other comments. There being none, he proceeded to Board Time.

### **RE: BOARD TIME**

Chairman Freeman advised that the next agenda item is Expansion.

Mr. Peed reported on the Plant Expansion. He discussed the history and need of the water treatment plant expansion. He noted that being behind on the expansion is likely a good thing and will make the price cheaper. Secretary/Treasurer Bear added it is also

beneficial since everything is not finalized with the Economic Development Authority (EDA) grant. He noted we have submitted additional information to them at their request and believe we are on track to receive the grant. Chairman Freeman and Mr. Peed described the plant expansion to the new board members.

Mr. Peed discussed the status of the withdrawal permit. He reported that we applied to the Department of Environmental Quality (DEQ) in April 2020 and received the draft permit January 2023. The first permit was for 10 million gallons per day (MGD) and the draft permit is for 10 MGD/264 million gallons per month/2,306 million gallons per year. Mr. Peed reviewed the stipulation that the screens would have to be changed from the current 2-millimeter (mm) to 1 mm if we did work in the river and also included that the withdrawal capacity could be amended when we reach 80% capacity. The Authority members discussed the permit and determined to proceed with the draft.

Chairman Freeman inquired if there was a motion to allow the respective executives from the three (3) localities to review and initiate this process. A motion was made by Mr. Cooke and seconded by Ms. Pattison to allow the respective executives from the three (3) localities to review and initiate this process. Chairman Freeman inquired if there was any other discussion. There being none, the motion passed unanimously to allow the respective executives from the three (3) localities to review and initiate this process.

Secretary/Treasurer Bear informed the new Authority members that Mr. Peed and Mr. Bortz have been involved with the plant from its infancy to now. He knows this process inside out and is very valuable. Chairman Freeman proceeded with the agenda.

Chairman Freeman presented and described the VRA funding letter. Chairman Freeman and Secretary/Treasurer Bear asked that Mr. Slate work with Mr. Stephens to complete the annual requirements for the VRA funding. Chairman Freeman inquired if there was any other discussion. There being none, proceeded with the agenda.

Chairman Freeman presented the VACO/VML VA Investment Resolution needed to allow moving money into their investment pool. A motion was made by Secretary/Treasurer Bear and seconded by Mr. Watson to adopt the resolution authorizing our participation and authorize the Chairman, Vice-Chairman, and Secretary to sign. Chairman Freeman inquired if there was any other discussion. There being none, Chairman Freeman called for a roll call vote. The motion passed unanimously to adopt the resolution authorizing our participation and authorize the Chairman, Vice-Chairman, and Secretary to sign. Voting Yea: Watson, Bear, Freeman, Johnson, Pattison, Cooke, Hill. Chairman Freeman proceeded with the agenda.

Chairman Freeman inquired if Mr. Slate had any comments on the Audit Report. There being none, Chairman Freeman inquired if there was a motion to accept the Audit Report. A motion was made by Secretary/Treasurer Bear and seconded by Ms. Johnson to accept the Audit Report. Chairman Freeman inquired if there was any other discussion. Secretary/Treasurer Bear expressed appreciation to Mr. Slate, Mr. Peed, and The Town of Wytheville for their work on the finances. The motion passed unanimously to accept

the Audit Report. Chairman Freeman proceeded to Adjournment.

**RE: ADJOURNMENT**

There being no further business to be discussed, a motion was made by Secretary/Treasurer Bear to adjourn the meeting and to do so in honor and remembrance of Mr. C. Wayne Sutherland, Jr., and all of his commitment to the Authority. The motion passed unanimously and carried to adjourn the meeting. (10:53 a.m.)

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T. Brian Freeman, Chairman

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Stephen D. Bear, Secretary/Treasurer

# Town of Wytheville

P.O. Box 533, 150 E. Monroe St.  
 Wytheville, VA 24382  
 276-223-3333 fax 276-223-3315

Invoice No.

1253

## INVOICE

### Customer

Name NEW RIVER REGIONAL WATER AUTHORITY  
 Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_  
 Phone \_\_\_\_\_

Date 1/31/2023  
 \_\_\_\_\_  
 \_\_\_\_\_

| Qty   | Description   | Unit Price   | TOTAL        |
|-------|---|--------------|--------------|
| 1     | MONTHLY INVOICE JANUARY 2023<br>EXPENSES FOR JANUARY 2023 | \$107,030.19 | \$107,030.19 |
| NRRWA |   |              |              |

### Payment Details

Check  
 Check # \_\_\_\_\_

Make Checks Payable to: **Town Of Wytheville**

|              |                     |
|--------------|---------------------|
| SubTotal     | \$107,030.19        |
|              | \$0.00              |
| <b>TOTAL</b> | <b>\$107,030.19</b> |

*Amount Due 30 Days from Invoice Date*



--DETAIL--

--DETAIL--

| FUND # | MAJOR ACCT# | DESCRIPTION                         | BUDGET AMOUNT | APPR. AMOUNT | CURRENT AMOUNT | Y-T-D AMOUNT | ENCUMBRANCE AMOUNT | UNENCUMBERED BALANCE | % REMAIN. |
|--------|-------------|-------------------------------------|---------------|--------------|----------------|--------------|--------------------|----------------------|-----------|
| 999    |             | ** NRRWA EXPENSES **                |               |              |                |              |                    |                      |           |
| 47000  |             | NEW RIVER REG.WATER ADMINISTRATION  |               |              |                |              |                    |                      |           |
| 1101   |             | SALARIES AND WAGES REGULAR          | 377,401.00    | 377,401.00   | 30,815.40      | 214,042.24   | .00                | 163,358.76           | 43.28     |
| 1102   |             | SALARIES AND WAGES PART TIME        | 23,900.00     | 23,900.00    | 2,060.00       | 16,860.40    | .00                | 7,039.60             | 29.45     |
| 1201   |             | SALARIES AND WAGES OVERTIME         | 10,887.00     | 10,887.00    | .00            | 512.48       | .00                | 10,374.52            | 95.29     |
| 2100   |             | FICA                                | 31,532.00     | 31,532.00    | 2,469.80       | 17,388.19    | .00                | 14,143.81            | 44.85     |
| 2210   |             | VRS                                 | 49,934.00     | 49,934.00    | 4,293.10       | 27,571.02    | .00                | 22,362.98            | 44.78     |
| 2301   |             | MEDICAL INSURANCE                   | 92,052.00     | 92,052.00    | 5,975.40       | 39,937.64    | .00                | 52,114.36            | 56.61     |
| 2401   |             | GROUP INSURANCE                     | 9,027.00      | 9,027.00     | 447.32         | 2,924.20     | .00                | 6,102.80             | 67.60     |
| 2521   |             | DISABILITY INSURANCE                | .00           | .00          | 199.16         | 1,402.63     | .00                | 1,402.63             | 100.00    |
| 2601   |             | UNEMPLOYMENT INSURANCE              | 387.00        | 387.00       | 33.46          | 82.22        | .00                | 304.78               | 78.75     |
| 2710   |             | WORKER'S COMPENSATION               | 12,458.00     | 12,458.00    | .00            | 10,077.00    | .00                | 2,381.00             | 19.11     |
| 3110   |             | PROFESSIONAL HEALTH SERVICES        | 400.00        | 400.00       | .00            | .00          | .00                | 400.00               | 100.00    |
| 3130   |             | O S PROFESSIONAL SERVICES           | 13,000.00     | 13,000.00    | .00            | 6,279.45     | .00                | 6,720.55             | 51.69     |
| 3140   |             | ENGINEERING SERVICES                | 325,000.00    | 325,000.00   | 5,700.00       | 24,611.54    | .00                | 300,388.46           | 92.42     |
| 3160   |             | REPAIR MAINTENANCE O S VENDOR       | 50,000.00     | 50,000.00    | 16,142.07      | 39,526.03    | .00                | 10,473.97            | 20.94     |
| 3161   |             | O S INSTRUMENTATION SERVICES        | 10,000.00     | 10,000.00    | 556.00         | 11,141.00    | .00                | 1,141.00             | 11.41     |
| 3162   |             | O S LABORATORY TESTING              | 4,100.00      | 4,100.00     | 100.00         | 678.00       | .00                | 3,422.00             | 83.46     |
| 3163   |             | O/S VENDOR - MOWING                 | 5,500.00      | 5,500.00     | .00            | 3,665.00     | .00                | 1,835.00             | 33.36     |
| 3180   |             | SLUDGE REMOVAL                      | 30,000.00     | 30,000.00    | .00            | 12,059.08    | .00                | 17,940.92            | 59.80     |
| 3600   |             | ADVERTISING                         | 450.00        | 450.00       | .00            | .00          | .00                | 450.00               | 100.00    |
| 3841   |             | PYMT OF OTHER ENTITIES - WYTHE CO   | 1,000.00      | 1,000.00     | .00            | 275.00       | .00                | 725.00               | 72.50     |
| 5111   |             | ELECTRICAL SERVICES                 | 200,000.00    | 200,000.00   | 26,542.16      | 128,945.59   | .00                | 71,054.41            | 35.52     |
| 5231   |             | TELECOMMUNICATIONS                  | 8,000.00      | 8,000.00     | 599.92         | 4,245.97     | .00                | 3,754.03             | 46.92     |
| 5302   |             | FIRE/LIABILITY/PROPERTY INSURANCE   | 14,751.00     | 14,751.00    | .00            | 14,781.00    | .00                | 30.00                | .20       |
| 5510   |             | TRAVEL MILEAGE                      | 1,400.00      | 1,400.00     | 87.88          | 483.45       | .00                | 916.55               | 65.46     |
| 5530   |             | TRAVEL MEALS                        | 500.00        | 500.00       | 7.80           | 218.97       | .00                | 281.03               | 56.20     |
| 5540   |             | TRAVEL CONVENTIONS & EDUCATION      | 2,000.00      | 2,000.00     | .00            | 945.00       | .00                | 1,055.00             | 52.75     |
| 5810   |             | PERMITS, LICENSES & MEMBERSHIPS     | 2,000.00      | 2,000.00     | 225.92         | 1,865.68     | .00                | 134.32               | 6.71      |
| 6001   |             | OFFICE SUPPLIES                     | 1,200.00      | 1,200.00     | 21.88          | 338.07       | .00                | 861.93               | 71.82     |
| 6004   |             | LABORATORY SUPPLIES                 | 6,000.00      | 6,000.00     | 105.12         | 1,851.55     | .00                | 4,148.45             | 69.14     |
| 6005   |             | JANITORIAL SUPPLIES                 | 700.00        | 700.00       | 42.16          | 373.13       | .00                | 326.87               | 46.69     |
| 6006   |             | PROCESS CHEMICALS                   | 188,000.00    | 188,000.00   | 5,024.00       | 87,066.51    | .00                | 100,933.49           | 53.68     |
| 6007   |             | MATERIAL & SUPPLIES                 | 3,000.00      | 3,000.00     | 41.83          | 648.98       | .00                | 2,351.02             | 78.36     |
| 6008   |             | VEHICLE AND POWER EQUIPMENT SUPPLIE | 7,000.00      | 7,000.00     | 2,640.83       | 4,000.10     | .00                | 2,999.90             | 42.85     |
| 6009   |             | MAINTENANCE EQUIPMENT               | 7,000.00      | 7,000.00     | 2,347.19       | 4,274.94     | .00                | 2,725.06             | 38.92     |
| 6012   |             | BOOKS AND SUBSCRIPTIONS             | 1,000.00      | 1,000.00     | .00            | .00          | .00                | 1,000.00             | 100.00    |
| 6014   |             | OTHER OPERATING SUPPLIES            | 1,000.00      | 1,000.00     | 332.00         | 332.00       | .00                | 668.00               | 66.80     |
| 6015   |             | MINOR PLANT IMPROVEMENTS            | 2,000.00      | 2,000.00     | .00            | 678.78       | .00                | 1,321.22             | 66.06     |
| 6019   |             | TOOLS AND SUPPLIES                  | 400.00        | 400.00       | .00            | 376.55       | .00                | 23.45                | 5.86      |
| 6023   |             | REPAIR/MAINTENANCE INSTRUMENTATION  | 1,500.00      | 1,500.00     | .00            | 240.00       | .00                | 1,260.00             | 84.00     |
| 6027   |             | SAFETY EQUIPMENT                    | 3,000.00      | 3,000.00     | 219.79         | 997.60       | .00                | 2,002.40             | 66.74     |
| 8000   |             | CONTINGENCY                         | 13,305.00     | 13,305.00    | .00            | .00          | .00                | 13,305.00            | 100.00    |
| 8010   |             | CONSTRUCTION COST                   | 46,800.00     | 46,800.00    | .00            | 9,002.96     | .00                | 37,797.04            | 80.76     |
| 9100   |             | SHARED DEBT SERVICE                 | 254,082.00    | 254,082.00   | .00            | 222,998.85   | .00                | 31,083.15            | 12.23     |
| 9120   |             | LOAN - U S BANK 2015A               | 788,881.00    | 788,881.00   | .00            | 614,200.00   | .00                | 174,681.00           | 22.14     |
| 9125   |             | LOAN - U S BANK 2020C               | 122,666.00    | 122,666.00   | .00            | 99,793.75    | .00                | 22,872.25            | 18.64     |
|        |             | NEW RIVER REG.WATER ADMINISTRATION  | 2,723,213.00  | 2,723,213.00 | 107,030.19     | 1,627,692.55 | .00                | 1,095,520.45         | 40.22     |
|        |             | NEW RIVER REG.WATER ADMINISTRATION  | 2,723,213.00  | 2,723,213.00 | 107,030.19     | 1,627,692.55 | .00                | 1,095,520.45         | 40.22     |
|        |             | --FUND TOTAL--                      | 2,723,213.00  | 2,723,213.00 | 107,030.19     | 1,627,692.55 | .00                | 1,095,520.45         | 40.22     |

## Superintendent Notes

1. Expansion
  - a. Operators meeting and Lots Gap tank meeting on 1/27/23.
    - i. Recommend permanent repair at Raper Ridge Tank \$39K, new seal has moved ¼" since installation.
    - ii. Cybersecurity: Add a TosiBox for each locality's main office and network map. Quote updated. (Recommend to proceed) Met with CISA on 1/30/23 for a cybersecurity assessment.
    - iii. Fully Automate FCPS
  - b. Withdrawal permit
    - i. Met with DEQ 1/31/23
    - ii. Accepted Draft Permit
    - iii. Advertised in Wytheville Enterprise 2/11/23
    - iv. Public Comment Period: 2/11/23 – 3/13/23
    - v. Anticipate Permit Early March
2. Maintenance
  - a. Chemical Feed Pumps
  - b. Silt to be hauled to landfill in March
3. Other
  - a. VDH site visit 2/9/23, went well.
  - b. Research: VDH was very accepting of piloting Hydrogen peroxide and recommended adding ultrasonic algae control.
  - c. Insurance Claim funds return to a revenue line-item call insurance recoveries.

January 28, 2022

Revised February 7, 2023

## PROPOSAL 20220036

### EMERGENCY LEAK REPAIR 1,500,000 – GALLON WATER STORAGE TANK FORT CHISWELL, VIRGINIA

CROM Coatings and Restorations, a Division of CROM, LLC ("CCR") proposes to provide labor and material for the repair/modification of the prestressed concrete tank for Peed & Bortz, LLC, 20 Midway Plaza Drive, Suite 100, Christiansburg, Virginia 24073 ("Client"). All work will be completed in accordance with all applicable codes and standards including OSHA, AWWA, ACI and standard prestressed concrete tank design.

#### 1. DRAWINGS, SPECIFICATIONS, AND OTHER REQUIRED DATA

The Client or a duly authorized representative, is responsible for providing CCR with a clear understanding of the project nature and scope as is reasonably known to the Client. The Client shall supply CCR with sufficient and adequate information, including, but not limited to, maps, site plans, reports, surveys, and designs, to allow CCR to properly complete the specified services. The Client shall also communicate changes in the nature and scope of the project as soon as possible during performance of the work so that the changes can be incorporated into the work product.

Prior to starting work, CCR will request from Client data reasonably required for submittal purposes for the repair/modification of the aforementioned storage tank including any available computations, detailed drawings, and specifications. If, in the opinion of CCR, adequate data is not available or is incomplete, Client will be informed and arrangements made for creation of needed data. CCR will not perform engineering studies or perform work requiring professional engineering duties but will assist Client in obtaining such services.

#### 2. INSURANCE

CCR represents and warrants that it and its agents, staff and Consultants employed by it is and are protected by worker's compensation insurance and that CCR has such coverage under public liability and property damage insured policies which CCR deems to be adequate. Certificates for all such policies of insurance shall be provided to Client upon request in writing. Within the limits and conditions of such insurance CCR agrees to indemnify and save Client harmless from and against loss, damage, or liability arising from negligent acts by CCR, its agents, staff and consultants employed by it. CCR shall not be responsible for any loss, damage or liability beyond the amounts, limits, and conditions of such insurance or the limits described in Section 7, whichever is less. The Client agrees to defend, indemnify, and save CCR harmless for loss, damage or liability arising from acts by Client, Client's agent, staff, and other consultants employed by Client. Any bond requirement(s) by Client will carry an additional cost unless the parties agree otherwise.

#### 3. SERVICES TO BE FURNISHED BY CCR

CCR proposes to furnish all supervision, labor, material, and equipment required to complete the

250 S.W. 36TH TERRACE | GAINESVILLE, FLORIDA | 32607-2889

PHONE 352.372.3436 | FAX 352.372.6209 | WWW.CROMCORP.COM

CHATTANOOGA, TN – FORT MYERS, FL – GAINESVILLE, FL – RALEIGH, NC – WEST PALM BEACH, FL

work, except as noted in Paragraph 4. The services to be furnished by CCR are specifically:

This scope of work is to be performed on the following tank:

- 1,500,000 – Gallon Water Storage Tank  
80'-0" ID x 40'-0" SWD  
(CCR Job No. 2008-M-049)
  - a. Mobilization of crew, equipment, and material to job site.
  - b. Remove exterior one (1) 12" ductile iron pipe through wall pipe up to closest flanged fitting. Carefully chip away inside core wall to expose and remove waterstop ring.
  - c. Prepare gap between waterstop ring and diaphragm to receive epoxy injection.
  - d. Install one (1) 12" ductile iron (client provided) pipe with welded waterstop ring at length of the original ductile iron pipe and connections (client provided). Waterstop ring will be imbedded at the diaphragm in the inner core wall.
  - e. Secure wall pipes with an NSF approved, two component, polymer modified, cementitious, structural mortar.
  - f. Seal wall pipe by epoxy injection to provide a watertight seal.

4. MATERIALS AND SERVICES FURNISHED BY CLIENT OR OTHERS

It is understood that the following services shall be provided by others without expense to CCR:

- a. Client will grant or obtain free access to the site for all equipment and personnel necessary for CCR to perform the work set forth in this Proposal. The Client will notify any and all processors of the project site that Client has granted CCR free access to the site. CCR shall be responsible for site cleanup and repair of any damages caused by CCR or its subcontractors.
- b. The Client is responsible for the accuracy of locations for all subterranean structures and utilities. CCR will take responsible precautions to avoid known subterranean structures, and the Client waives any claim against CCR, and agrees to defend, indemnify, and hold CCR harmless from any claim or liability for injury or loss, including costs to defend, arising from damage done to subterranean structures and utilities not identified or accurately located. In addition, Client agrees to compensate CCR for any time spent or expenses incurred by CCR in defense of any such claim with compensation to be based upon CCR's prevailing fee schedule and expense reimbursement policy.
- c. A continuous supply of potable water under 50 psi pressure at the rate of 60 gallons per minute for the use of the CCR crew within 100 feet of each tank site.
- d. A continuous supply of electricity during the period of work: one 100-AMP, 110/220-volt service for the operation of our power tools and accessories, located not more than 100 feet from each tank. Please be sure that all circuit breakers are ground-fault protected. If it is necessary for CCR to supply its own electric power, add \$500.00 per week to the contract amount.

- e. Any permit or other fees from any AHJ as may be required for the work including but not limited to all connect/disconnect, impact and building/construction fees.
- f. A suitable container conveniently located on site for the use of the CCR crew to dispose of construction debris generated during the repairs/modifications.
- g. Sanitary facilities for the CCR crew for the duration of the project.
- h. Drainage and disposal of the tank's contents.
- i. Refilling, disinfecting, bacteriological sampling, and testing of the tank's contents.
- j. Cleaning the interior and exterior of the tank and accessories.
- k. Complete lock-out and tag-out of the subject tank prior to personnel entering each tank. The Client will be required to provide all materials for this process. The Client will be responsible for demonstrating to CCR that the lock-out procedure is complete, and the tank is rendered "safe" before CCR will perform air quality testing to enter each tank.
- l. All professional engineering design services.
- m. All new piping and fittings required to make connection back to existing piping system.
- n. Confined space compliance including hole watch, ventilation, and retrieval system.
- o. Proper environmental conditions including ambient temperature, moisture control and curing conditions.
- p. Adhesion testing as required by the specifications.

5. BACK CHARGES AND CLAIMS FOR EXTRAS

No claim for extra services rendered or materials furnished will be valid by either party unless written notice thereof is given during the first ten days of the calendar month following that in which the claim originated. CCR's claims for extras shall carry 30% for overhead and 10% for profit. Any mutually agreed upon deductive change order will provide only a credit for 10% profit but will not provide a credit for 30% overhead.

6. LIMIT ON INDIVIDUAL LIABILITY OF DESIGN PROFESSIONAL

**LIMITATION ON INDIVIDUAL LIABILITY OF DESIGN PROFESSIONAL - TO THE EXTENT PERMITTED BY LAW, AN EMPLOYEE, AGENT, DESIGN PROFESSIONALS, OR ENGINEERS EMPLOYED BY CCR SHALL NOT BE INDIVIDUALLY LIABLE FOR NEGLIGENCE OCCURRING WITHIN THE COURSE AND SCOPE OF EMPLOYMENT WITH CCR UNDER THIS PROPOSAL TO AN OWNER, CONTRACTOR, SUBCONTRACTOR, OR TO ANY THIRD PARTY CLAIMING BY AND THROUGH THESE PARTIES.**

## 7. RISK ALLOCATION

Client agrees that CCR's liability for any damage on account of any error, omission or other professional negligence will be limited to a sum not to exceed \$50,000 or CCR's fee, whichever is greater. Client agrees that the foregoing limits of liability extend to all of CCR's employees and professionals who perform any services for Client. If Client prefers to have higher limits on general or professional liability, CCR agrees to increase the limits up to a maximum of \$1,000,000.00 upon Client's written request at the time of accepting our proposal provided that Client agrees to pay an additional consideration of four percent of the total fee, or \$400.00, whichever is greater. The additional charge for the higher liability limits is because of the greater risk assumed and is not strictly a charge for additional professional liability insurance.

## 8. ASSIGNMENT AND THIRD PARTIES

Neither the Client nor CCR may delegate, assign, sublet or transfer their duties or any interest in this Proposal without the written consent of the other party. Both parties agree there are no intended third-party beneficiaries to this Proposal including other contractors or parties working on the project, or, if necessary, a surety of CCR.

## 9. LABOR

This proposal is predicated on open-shop labor conditions, using our own personnel. If we are required to employ persons of an affiliation desirable to the Client or other contractor employed by him or the general contractor thereby resulting in increased costs to us, the contract price shall be adjusted accordingly. Such requirement shall not provide that CCR sign a contract with any labor organization. In the event of a labor stoppage, we shall not be in default or be deemed responsible for delay of the progress of this contract or damage to the Client or the contractor so long as CCR has sufficient qualified employees available to perform the work.

Our proposal is based on our crew performing our Scope of Work in accordance with our standard safety program. If any additional safety requirements are placed on us (not required by OSHA) such as: site training, additional safety equipment or permit required confined space, the cost for such additional requirements plus 30% for overhead shall be reimbursed to us.

## 10. SCHEDULE, COMMENCEMENT, AND DELAYS

Based on the Client's request, this scope of work is anticipated to begin field construction on March 6, 2023 (Anticipated Construction Start Date). This quotation is valid for **30 days**. Should the anticipated construction start date change during project execution, a new quotation will be required to reflect updated pricing due to market changes. Furthermore, a new mutually agreeable Commencement Date will be incorporated into this Proposal (or other agreement between us). If the readiness of the project site or conditions do not allow efficient execution of our work on or before the Anticipated Construction Start Date or Commencement Date (whichever governs), our contract price will increase \$55.00 per man hour of crew delay until other productive work can be scheduled for the assigned crew.

An agreement must be executed between us to allow sufficient time for preparation of our design drawings and other submittals. CCR will be prepared to start work on **March 6, 2023** and will undertake to furnish sufficient labor, materials, and equipment to complete construction of our scope of work within approximately **2 crew weeks** working time thereafter. Confirm that these milestones and durations are considered when selecting the Commencement Date above.

It is agreed that we shall be permitted to execute our work without interruption. If delayed at any time for a period of 24 hours or more by an act or neglect of the owner, his representative, or other contractor employed by him, or by the general contractor, or by reason of any changes ordered in the work, we shall be reimbursed for our actual additional expense caused by such delay, including loss of use of our equipment, plus 30% for overhead.

In the event an agreement apart from this proposal is preferred, such agreement shall include this Proposal and all the conditions herein unless both parties agree in writing to specifically omit any condition.

**11. QUOTATION**

We are prepared to carry out this work in accordance with the foregoing for the lump sum price of:

|                                    |                           |
|------------------------------------|---------------------------|
| <b>Mobilization:</b>               | <b>\$ 8,250.00</b>        |
| <b>Emergency Pipe Replacement:</b> | <b><u>\$30,300.00</u></b> |
| <b>Total:</b>                      | <b>\$38,550.00</b>        |

Periodic and final payment, including any retention, shall be made within **7 days** from the date our work is completed, or the billing is received, or in accordance with applicable state Prompt Payment law, whichever is earlier, and is to be received by us in our accounting office at 250 SW 36<sup>th</sup> Terrace, Gainesville, Florida 32607. All costs for third party contracts and billing management services, or use of any software, as may be required by the Customer or Owner, will be added to the Contract Price, by change order. Final payment shall not be held due to delays in testing. Payment not received by that date will be considered past due and will be subject to a late payment charge of 1½% per calendar month, or any fraction thereof until received in our office.

If CCR does not receive payment within 7 days after such payment is due, as defined herein, CCR may give notice, without prejudice to and in addition to any other legal remedies and may stop work until payment of the full amount owing has been received. The Proposal Amount and Time shall be adjusted by the amount of CCR's reasonable and verified cost of shutdown, delay, and startup, which shall be effected by an appropriate change order.

Any reasonable legal or other expense necessary for the enforcement of this Proposal or for the collection of monies due shall be borne by the party at fault. If sales tax is excluded from our price, or on materials contained in our price, in accordance with project specifications, such exclusion is subject to receipt of adequate tax exemption documents from you or the project owner prior to commencement of Work to allow for our application of same. If proper tax exemption documentation is not received or is not adequate to provide exemption, we reserve the right to receive reimbursement of all sales tax CCR is obligated to pay due to the tardiness, lack of, or inadequate exemption documentation on behalf of you or the owner.

**12. ARBITRATION/DISPUTE RESOLUTION AND VENUE**

Any controversy or claim relating to the contract between us shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment by the arbitrator(s) may be entered in any court having jurisdiction. The claim will be brought and tried in

judicial jurisdiction of the court of the state and county where CCR's principal place of business is located and Client waives the right to remove the action to any other county or judicial jurisdiction, and the prevailing party will be entitled to recovery of all reasonable costs incurred, including staff time, court costs, attorneys' fees and other claim related expenses the venue for any litigation under this Agreement shall be in Alachua County, Florida. If CCR engages an attorney for the collection of the amounts due from the Client, the Client shall pay CCR its reasonable attorney's fees and costs through any appeal. The laws of the State of Florida will govern the validity of these terms, their interpretation and performance. If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions will not be impaired. Limitations of liability and indemnities will survive termination of this Agreement for any cause.

### 13. CHANGES IN SCOPE AND LIMITATIONS

If the Client wishes to have CCR perform any additional repairs or remediation of the tank or accessories, it shall authorize such work in writing and pay CCR its standard rates for such work.

It is agreed that CCR shall not be responsible for any consequential, special or delay damages or any force majeure events, including but not limited to acts of God and pandemic. CCR does not assume responsibility for differing, latent or concealed conditions, which differ materially from those indicated in the Subcontract/Contract documents or from those ordinarily found to exist and not inherent in the Work, including but not limited to weather or subsurface conditions, and not caused by CCR's fault or negligence.

### 14. TERMINATION

This agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof. Such termination shall be effective if that substantial failure has been redeemed before expiration of the period specified in the written notice. In the event of termination, CCR shall be paid for services performed to the termination notice date plus reasonable termination expenses.

In the event of termination, or suspension for more than three (3) months prior to completion of all work contemplated by the proposal, CCR may complete such analyses and records as necessary to complete their files and may also complete a report on the services performed to the date of notice of termination or suspension. The expense of termination or suspension shall include all direct costs of CCR in completing such analyses, records and reports if necessary.

### 15. GUARANTEE

CCR will guarantee its workmanship and materials on its work covered in this Proposal for a period of one-year after completion of its work. Prior to leaving the location, CCR personnel will perform a walk through with the responsible party overseeing our work for the Client. In case any defects in CCR's workmanship or materials appear within the one-year period after completion and acceptance of CCR's work, CCR shall promptly make repairs at its own expense upon written notice by the Client that such defects have been found. CCR's guarantee is limited to defects in CCR's workmanship and materials, excluding inspections, cleaning, and disinfection services ("Services"). CCR shall endeavor to perform these Services with that degree of care and skill ordinarily exercised under similar circumstances by contractors practicing in the same discipline at the same time and location. CCR shall not be responsible for, nor liable for, delamination of previous coatings application, any ordinary wear and tear or for damage caused from negligent or inappropriate use or by any other entity beyond our control, including but not limited to modifications, work, or repairs by others.



If a bond is required for the Scope of Work included in this contract, CCR will furnish a one-year Performance and Payment Bond. The cost of this bond is **not included** in our price. Please add \$9.00 per \$1,000 of contract value.

16. ACCEPTANCE

This proposal is offered for your acceptance within **30 days** from the proposal date. We reserve the right after that period to amend our proposal to reflect our changing construction schedules and materials and labor rate changes. The return to this company of a copy of this proposal with your acceptance endorsed thereon within the time aforesaid will constitute a contract between us. This proposal shall be made a part of any subcontract agreement or purchase order.

Sincerely,

CROM Coatings and Restorations, a Division of CROM, LLC



Josh Homes  
Business Development Manager



Joseph Swann  
Senior Vice President

/mj

ACCEPTED BY CLIENT

\_\_\_\_\_

PRINT: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

| Total Production |          |       |            |       |           |             |             |         |      |
|------------------|----------|-------|------------|-------|-----------|-------------|-------------|---------|------|
| 2022             | NRRWA    | %     | Wytheville | %     | Wythe Co. | Carroll Co. | Total       | Avg/Day | %    |
| Jan              | 73.95 MG | 3     | 78.43 MG   | -4    | 3.07 MG   | 2.73 MG     | 158.19 MG   | 5.27 MG | -0.5 |
| Feb              | 68.87 MG | 3     | 71.00 MG   | -1    | 2.30 MG   | 2.74 MG     | 144.91 MG   | 4.83 MG | 0.1  |
| Mar              | 72.27 MG | -3    | 75.76 MG   | -8    | 2.45 MG   | 2.90 MG     | 153.38 MG   | 5.11 MG | -5.9 |
| Apr              | 68.38 MG | 5     | 71.83 MG   | -2    | 2.66 MG   | 2.70 MG     | 145.57 MG   | 4.85 MG | 0.4  |
| May              | 71.41 MG | -1    | 73.60 MG   | -5    | 1.80 MG   | 2.82 MG     | 149.63 MG   | 4.99 MG | -3.7 |
| Jun              | 73.36 MG | 4     | 76.41 MG   | -2    | 1.59 MG   | 2.58 MG     | 153.94 MG   | 5.13 MG | -0.3 |
| July             | 76.54 MG | 12    | 81.65 MG   | 6     | 1.59 MG   | 2.57 MG     | 162.35 MG   | 5.41 MG | 7.3  |
| Aug              | 74.77 MG | 3     | 82.96 MG   | 5     | 1.69 MG   | 2.85 MG     | 162.26 MG   | 5.41 MG | 2.6  |
| Sept             | 71.84 MG | 6     | 78.24 MG   | 5     | 1.41 MG   | 2.94 MG     | 154.43 MG   | 5.15 MG | 3.9  |
| Oct              | 68.15 MG | 0     | 74.85 MG   | -2    | 1.53 MG   | 3.00 MG     | 147.53 MG   | 4.92 MG | -1.7 |
| Nov              | 58.67 MG | -6    | 70.02 MG   | -2    | 1.50 MG   | 2.81 MG     | 133.00 MG   | 4.43 MG | -5.2 |
| Dec              | 71.56 MG | 6     | 73.84 MG   | -6    | 1.63 MG   | 2.80 MG     | 149.83 MG   | 4.99 MG | -1.3 |
| Total            | 849.7 MG | 2.658 | 908.6 MG   | -1.52 | 23.23 MG  | 33.44 MG    | 1,815.01 MG | 4.97 MG | -0.4 |

| Total Production |          |    |            |    |           |             |           |         |     |
|------------------|----------|----|------------|----|-----------|-------------|-----------|---------|-----|
| 2023             | NRRWA    | %  | Wytheville | %  | Wythe Co. | Carroll Co. | Total     | Avg/Day | %   |
| Jan              | 81.21 MG | 10 | 75.27 MG   | -4 | 1.75 MG   |             | 158.22 MG | 5.27 MG | 0.0 |
| Feb              |          |    |            |    |           |             |           |         |     |
| Mar              |          |    |            |    |           |             |           |         |     |
| Apr              |          |    |            |    |           |             |           |         |     |
| May              |          |    |            |    |           |             |           |         |     |
| Jun              |          |    |            |    |           |             |           |         |     |
| July             |          |    |            |    |           |             |           |         |     |
| Aug              |          |    |            |    |           |             |           |         |     |
| Sept             |          |    |            |    |           |             |           |         |     |
| Oct              |          |    |            |    |           |             |           |         |     |
| Nov              |          |    |            |    |           |             |           |         |     |
| Dec              |          |    |            |    |           |             |           |         |     |
| Total            | 81.2 MG  |    | 75.3 MG    |    | 1.75 MG   | 0.00 MG     | 158.22 MG | 0.43 MG |     |

