

MEMORANDUM

**TO: RIVANNA WATER & SEWER AUTHORITY
BOARD OF DIRECTORS**

FROM: THOMAS L. FREDERICK, EXECUTIVE DIRECTOR

SUBJECT: EXECUTIVE DIRECTOR'S REPORT

DATE: FEBRUARY 23, 2009

In this report last month I updated the Board on the progress toward a goal of amending a draft MOU to be acceptable to four different local boards. Since that time we have been notified that the ACSA Board is no longer pursuing an MOU agreement. In the interest of finding a way to move forward studies that we believe most of the members of these boards still want to pursue, we have offered another suggestion to the RWSA Board under Item 6d of today's Board agenda. As stated last month, we remain "on hold" with respect to a dredging feasibility study and pipeline review study pending further direction, which can come either from the RWSA Board or through an executed MOU.

Staff continues to monitor the federal stimulus bill which was signed into law by the President on February 17. Funding under this new law for water and wastewater in Virginia is being passed through the Commonwealth for awards and administration; the available funds are small by comparison to the need and it is expected they will be hotly contested – we are also getting indications that state agencies may give preference to economically depressed areas. It remains our intent to pursue funding where we believe we are qualified; we are strongly considering the Meadow Creek Interceptor but also looking at other "shovel ready" projects. We will also take into consideration that the stimulus funds carry requirements for contractor's to pay prevailing wages as defined by the federal government ("Davis Bacon Act") and contain requirements for purchasing material manufactured in the United States, both of which could elevate bid prices.