

**AUTHORIZATION FOR STAFF TO EVALUATE
POOLING R&R FUNDING**

REFERENCE: Repair and Replacement (R&R) Funding
PROJECT MANAGER: Carla Burleson
REPORT AUTHOR: Carla Burleson
MEETING DATE: March 12, 2015

COMMITTEE CHECKLIST: N/A

BACKGROUND:

The Board will consider an action item to adopt a Resolution stating Loudoun Water's intent to have all customers fund the replacement of the water systems in Raspberry Falls and Selma Estates. In adopting the Resolution, the Board is authorizing the pooling of repair and replacement funding to pay for this significant capital project.

Given the precedent of all customers funding this replacement project, staff would like to request Board authorization to evaluate the impact of pooling R&R funding across all customers – central and community systems. By doing so, there will be flexibility in the future when additional replacements are needed and/or there is an opportunity to connect a community system to the central system.

Studies are scheduled to be performed by an independent third party for both central and community system rates. The tentative start date for the studies is May 1st and an estimated completion date of September 1st. The impact of pooling R&R funding can be evaluated as part of the studies.

RECOMMENDED MOTION:

I move the Board authorize staff to evaluate the impact of pooling repair and replacement funding as part of the 2015 rate studies.