

Virginia/Carolina Water Authority

1630 Moxley Ridge Rd, Independence Va, 24348

December 11, 2025

1. Call to order, Determine Quorum, Approve Agenda
 - a. Motion to Approve Agenda
2. Minutes from October 9, 2025 Meeting
 - a. Motion to Approve Minutes
3. Financial Report - Angie Houck
 - a. Treasury Report
 - b. Payables Register
 - i. Motion to approve
 - c. Budget vs Actual
 - i. Motion to accept
4. Operator's Report - Andy Blevins
5. Old Business
6. New Business
 - a. New members
 - b. Bylaws
 - c. FY 26-27 Budget Discussion
 - d. Property Expansion Discussion
7. Other Business
8. Adjourn

Virginia/Carolina Water Authority
Post Office Box 129
Independence, VA 24348
Tel: (276) 773-3703
Fax: (276) 773-2634

Jose Butron, Chairman
Manager, Town of Sparta, NC
Kathy Knutson, Vice Chair
Manager, Town of Independence, VA

MINUTES

Virginia Carolina Water Authority
October 9, 2025 – 10:00 AM
Water Plant

BOARD MEMBERS PRESENT: David Spicer, Mitch Smith, Mike Parlier, Kathy Knutson, Darin Young, Jason Cassell

BOARD MEMBERS ABSENT
Garrison Wagoner, Jose Butron

OTHERS PRESENT
Angie Houck, Andy Blevins, Terry Osborne

Kathy Knutson called the meeting to order. There is a quorum present. A motion was made to approve the agenda by David Spicer, Mitch Smith 2nd the motion. Motion approved.

MINUTES

Minutes are attached from October 9, 2025, meeting for review. Mike Parlier made a motion to approve the minutes, Mitch Smith 2nd the motion. Motion approved.

TREASURERS REPORT

The Treasury and Budget reports are attached for reference.

The checking account balance and debt reserve account balance for **October 2025** are:

Checking \$185,727.19

Reserves \$487,808.49

PAYABLES **See attached register**

The November payable register is attached for review.

Jason Cassell made a motion to approve the treasury report, David Spicer 2nd the motion. Motion approved.

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Darin Young made a motion to approve the October payables registers, David Spicer 2nd the motion. Motion approved.

David Spicer made a motion to approve the budget vs actual, Jason Cassell 2nd the motion. Motion approved.

In October 2025, Seventeen (17) invoices were submitted to the board for approval in the amount of \$36,008.27. The amount to be paid on the A/P register is \$36,008.27 + monthly reserve payment of \$1,542.20, with a total of \$37,550.47 being paid using operating funds.

In November 2025, Nineteen (19) invoices were submitted to the board for approval in the amount of \$41,550.35. The amount to be paid on the A/P register is \$41,550.35 + monthly reserve payment of \$1,542.20 + short lived asset Jan-Nov \$833.33 per month + \$4,166.65, with a total of \$47,259.20 being paid using operating funds.

In December 2025, Seventeen (17) invoices were submitted to the board for approval in the amount of \$35,865.07. The amount to be paid on the A/P register is \$35,865.07 + monthly reserve payment of \$1,542.20 + short lived asset payment of \$833.33, with a total of \$38,240.60 being paid using operating funds.

LEGAL

ENGINEERING REPORT

PLANT OPERATIONS

The facility was washed on 9-4. Operating without a permit 9-25 through 10-5 with public notice posted. Lane Group completed documentation for clarifier study and permit was issued 10-5-2025. WCC is going to do training for Sparta staff for confined space training. Time is tbd. FEMA checks should be coming within 45 days. On 9-5 replaced the sodium hypochlorite pump on the offline unit.

OLD BUSINESS

Jose Butron and Kathy Knutson will be the new check signers on the Skyline National Bank accounts. Darin Young made a motion to approve the signers, David Spicer 2nd the motion. Motion approved.

NEW BUSINESS

OTHER BUSINESS

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Meeting Adjourned

VCWA Secretary

Virginia Carolina Water Authority
Treasury Report/October 2025

11/13/2025

CHECKING ACCOUNT

Revenue	185,543.06
Grant: Mt. Rogers	0.00
VA Conserv.	184.13
Checking Account Balance	<u>185,727.19</u>

¹⁰⁻³⁰
as of ~~09-30~~-2025

DEBT RESERVE ACCOUNTS

Short Lived Assets	59,437.36	ea. 2,252.75
Operations & Maintenance	77,761.46	Amount Fulfilled
Debt Reserve	106,924.37	ea. 1,085.80
Debt Reserve - New Construction	30,122.40	ea. 456.40
CD	<u>211,584.32</u>	
	485,829.91	
Interest Income	1,978.58	
Debt Reserve Balance	<u>487,808.49</u>	

Additional Liabilities

Town of Independence

Labor	151,911.28	Payments resumed in July 2025	159,277.28
Pre-Paid Water Usage	<u>0.00</u>		
Current Balance	151,911.28	Payments began 01/01/2021	

Town of Sparta

Labor	72,473.95	Payments resumed in July 2025	75,971.95
Pre-Paid Water Usage	<u>462.66</u>		
Current Balance	72,936.61	Payments began 01/01/2021	

Total Pending Liabilities 224,847.89

**Virginia Carolina Water Authority
Treasury Report/November 2025**

12/11/2025

CHECKING ACCOUNT

Revenue	187,860.96
Grant: Mt. Rogers	0.00
VA Conserv.	184.13

Checking Account Balance 188,045.09 as of 11-30-2025

DEBT RESERVE ACCOUNTS

Short Lived Assets	63,604.01	ea. 833.33
Operations & Maintenance	77,761.46	
Debt Reserve	108,010.17	ea. 1,085.80
Debt Reserve - New Construction	30,578.80	ea. 456.40
CD	<u>211,647.22</u>	
	491,601.66	
Interest Income	2,001.47	
Debt Reserve Balance	<u>493,603.13</u>	

Additional Liabilities

Town of Independence

Labor	151,911.28	Payments resumed in July 2025	159,277.28
Pre-Paid Water Usage	<u>0.00</u>		
Current Balance	150,069.78	Payments began 01/01/2021	

Town of Sparta

Labor	72,473.95	Payments resumed in July 2025	75,971.95
Pre-Paid Water Usage	<u>462.66</u>		
Current Balance	72,062.11	Payments began 01/01/2021	

Total Pending Liabilities 222,131.89

VIRGINIA CAROLINA WATER AUTHORITY
 INVOICE REGISTER - VCWA SUBMITTED PAYABLES
 November 13, 2025

JOSE BUTRON - CHAIRMAN
 MANAGER, TOWN OF SPARTA
 KATHY KNUTSON-VICE CHAIR
 MANAGER, TOWN OF INDEPENDENCE

POST OFFICE BOX 129
 INDEPENDENCE, VA 24348
 TEL: (276) 773-3703
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INVOICE DATE	INVOICE NUMBER	PROVIDER	AMOUNT	WHAT THE INVOICE IS FOR	EXPENSE LINE ITEM	REMAINING BALANCE IN BUDGET 2025-2026	SOURCE OF FUNDING	CHECK NO.
10/27/25	028-865-836-0-4	AEP	\$5,432.16	RAW WATER PUMP STATION	UTILITIES	\$46,599.48	CHECKING	5500
10/27/25	024-422-029-0-5	AEP	\$2,831.92	WATER TREATMENT PLANT	UTILITIES	\$20,597.07	CHECKING	5500
10/14/25	13758	BLUE RIDGE ANALYTICAL	\$27.00	TOTAL SUSPENDED SOLIDS	LAB SERVICE & WATER TESTING	\$4,849.00	CHECKING	5501
10/28/25	158596	BLUE RIDGE ELECTRIC	\$47.42	WATER TANK NILE ROAD	UTILITIES	\$313.98	CHECKING	5502
9/29/25	66580	BLUE RIDGE SOLVENTS & COATINGS INC	\$1,417.50	CHLORINE CYLINDERS	CHEMICALS	\$14,054.72	CHECKING	5512
9/23/25	9650591002	GRAINGER	\$715.12	RUST STAIN REMOVER	CHEMICALS	\$14,757.10	CHECKING	5503
10/16/25	14716037	HACH	\$7,500.92	CONTRACT	ANNUAL SERVICE CONTRACTS	\$20,118.84	CHECKING	5504
10/31/25	33526	OSBORNE & ASSOCIATES, INC	\$517.50	ACCOUNTING	ACCOUNTING	\$3,895.00	CHECKING	5514
10/31/25	33526	OSBORNE & ASSOCIATES, INC	\$235.00	ADMINISTRATIVE	ADMINISTRATIVE	\$2,494.75	CHECKING	5514
11/6/25	PK243215-027	PARKER'S BUILDING SUPPLY	\$29.99	AMP CARTRIDGE FUSE	EQUIPMENT REPAIRS	-\$64.39	CHECKING	5505
7/1/25	FB0006110	RIVERTRAIL TECHNOLOGY	\$350.00	TECH	TECH	\$3,400.00	CHECKING	5506
11/1/25	FB0006336	RIVERTRAIL TECHNOLOGY	\$250.00	TECH	TECH	\$3,150.00	CHECKING	5506
10/30/25	1-2025-0010	SCWHITE LLC	\$461.32	FLASH EEPROM IN WTP PLC	TECH	\$2,688.68	CHECKING	5507
11/1/25	17321747	SKYLINE MEMBERSHIP CORP(VOID DID NOT CLEAR THE BANK)		TELEPHONE/INTERNET	TELEPHONE	\$1,726.40	CHECKING	5508 (VOID)
9/25	70919	SURRY CHEMICALS, INC	\$2,159.00	CITRIC ACID, CAUSTIC SODA, SODIUM HYPOCHLORITE	CHEMICALS	\$11,180.60	CHECKING	5509
11/7	159	TOWN OF INDEPENDENCE -	\$1,437.50	MAN HOURS	EMPLOYEE LEASE INDEPENDENCE	\$65,668.75	CHECKING	5513
11-01-25	36	TOWN OF INDEPENDENCE - LIABILITY	\$1,841.50	NOTES PAYABLE	NOTES PAYABLE	\$11,049.00	CHECKING	5510
11/1/25	36	TOWN OF SPARTA - LIABILITY	\$874.50	NOTES PAYABLE	NOTES PAYABLE	\$5,247.00	CHECKING	5511
		TOWN OF SPARTA-		MAN HOURS	EMPLOYEE LEASE SPARTA			
	LOAN PAYMENT #161	USDA RURAL DEVELOPMENT	\$10,858.00			\$65,148.00	BANK DRAFT	DRAFT
	LOAN PAYMENT #66	USDA RURAL DEVELOPMENT	\$4,564.00			\$27,384.00	BANK DRAFT	DRAFT
CURRENT ACCOUNTS PAYABLE TO BE APPROVED			\$41,550.35					
TOTAL INVOICES TO BE PAID THIS REGISTER			\$41,550.35					

DATE SUBMITTED: BY: ANGIE HOUCK, ACCOUNTANT
 DATE APPROVED: BY: CHAIR
 DATE PAID: BY: VICE CHAIR/TREASURER

DEBT RESERVE		
SHORT LIVED ASSET #66	\$ 4,166.65	JULY-NOVEMBER
	\$ 456.40	
DEBT RESERVE PMT #135	\$1,085.80	
OE	\$41,550.35	
GRT-MR		
GRT-RD		
TOTAL	\$47,259.20	

VIRGINIA CAROLINA WATER AUTHORITY
INVOICE REGISTER - VCWA SUBMITTED PAYABLES
 December 11, 2025

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11/25/25	028-865-836-0-4	AEP	\$5,882.65	RAW WATER PUMP STATION	UTILITIES	\$46,148.99	CHECKING	5515
11/25/25	024-422-029-0-5	AEP	\$2,747.31	WATER TREATMENT PLANT	UTILITIES	\$20,681.68	CHECKING	5515
11/24/25	158596	BLUE RIDGE ELECTRIC	\$53.60	WATER TANK NILE ROAD	UTILITIES	\$307.80	CHECKING	5516
11/19/25	66905	BLUE RIDGE SOLVENTS & COATINGS INC	\$1,149.00	CHLORINE CYLINDERS	CHEMICALS	\$14,323.22	CHECKING	5517
11/13/25	14755936	HACH	\$486.24	BUFFER SOLN, REAGENT SET	CHEMICALS	\$13,836.98	CHECKING	5518
11/30/25	33603	OSBORNE & ASSOCIATES, INC	\$517.50	ACCOUNTING	ACCOUNTING	\$3,895.00	CHECKING	5519
11/30/25	33603	OSBORNE & ASSOCIATES, INC	\$125.50	ADMINISTRATIVE	ADMINISTRATIVE	\$2,604.25	CHECKING	5519
12/1/25	FB0006399	RIVERTRAIL TECHNOLOGY	\$250.00	TECH	TECH	\$3,500.00	CHECKING	5527
11/20/25	31900	SCOTT'S LANDSCAPING	\$103.47	VALVE, CONNECTORS, COUPLING	EQUIPMENT REPAIR	\$577.25	CHECKING	5520
12/1/25	17374139	SKYLINE MEMBERSHIP CORP	\$386.80	TELEPHONE/INTERNET	TELEPHONE	\$1,339.60	CHECKING	5521
12/1	307	SPARTAN PRESSURE WASHING	\$125.00	GUTTER CLEANING	BUILDING REPAIR	\$2,430.01	CHECKING	5522
12/1	161	TOWN OF INDEPENDENCE -	\$1,700.00	MAN HOURS	EMPLOYEE LEASE INDEPENDENCE	\$65,406.25	CHECKING	5525
12-01-25	37	TOWN OF INDEPENDENCE - LIABILITY	\$1,841.50	NOTES PAYABLE	NOTES PAYABLE	\$11,049.00	CHECKING	5523
12/1/25	37	TOWN OF SPARTA - LIABILITY	\$874.50	NOTES PAYABLE	NOTES PAYABLE	\$5,247.00	CHECKING	5524
12/9/25	99962	TOWN OF SPARTA-	\$4,200.00	MAN HOURS	EMPLOYEE LEASE SPARTA	\$61,206.25	CHECKING	5526
	LOAN PAYMENT #163	USDA RURAL DEVELOPMENT	\$10,858.00			\$65,148.00	BANK DRAFT	DRAFT
	LOAN PAYMENT #68	USDA RURAL DEVELOPMENT	\$4,564.00			\$27,384.00	BANK DRAFT	DRAFT
CURRENT ACCOUNTS PAYABLE TO BE APPROVED			\$35,865.07					
TOTAL INVOICES TO BE PAID THIS REGISTER			\$35,865.07					

DATE SUBMITTED: BY: ANGIE HOUCK, ACCOUNTANT
 DATE APPROVED: BY: CHAIR
 DATE PAID: BY: VICE CHAIR/TREASURER

DEBT RESERVE	
SHORT LIVED ASSET	\$ 833.33
#68	\$ 456.40
DEBT RESERVE PMT	
#137	\$1,085.80
OE	\$35,865.07
GRT-MR	
GRT-RD	
TOTAL	\$38,240.60

VCWA 2025-2026 BUDGET vs ACTUAL

Revenue	Annual Budget	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE	YTD Actual	YTD Variance	% ACTUAL	% VARIANCE
		Town of Independence	227,230.15	19,318.98	16,155.88	33,919.67	15,698.92	17,238.94								102,332.39	124,897.76
Town of Sparta	370,015.85	30,451.52	33,614.62	15,850.83	34,071.58	32,531.56								146,520.11	223,495.74	-60%	40%
USDA Rural Development Grant																	
Mt Rogers PDC																	
Water Tap Fees																	
VDH Conservation																	
Misc Income														0.00	0.00		
Total Revenue	597,246.00	49,770.50	49,770.50	49,770.50	49,770.50	49,770.50	0.00	248,852.50	348,393.50	-58%	42%						
ASSETS																	
Equipment	0.00													0.00	0.00		
Raw Water Intake Expansion														0.00	0.00		
Land																	
Expenses																	
Dues (HOA)	750.00													0.00	750.00	-100%	0%
Safety	2,000.00													0.00	2,000.00	-100%	0%
Employee Lease																	
Independence (3,750.00) Avg			3,425.00	2,318.75	1,112.50	1,437.50								8,293.75	-8,293.75		
Sparta (1,250.00) Avg														0.00	0.00		
ORC			8,400.00	4,200.00	5,600.00									18,200.00	-18,200.00		
Total Employee Lease	93,600.00	0.00	11825.00	6518.75	6712.50	1437.50	0.00	26,493.75	67,106.25	-72%	28%						
Equipment Lease																	
Independence														0.00			
Sparta														0.00			
Total Equipment Lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Surplus Parts Inventory	10,000.00													0.00	10,000.00	-100%	0%
Insurance	5,033.00	5,262.00												5,262.00	-229.00	5%	105%
Janitorial	0.00													0.00	0.00		
Permits	1,000.00		170.00											170.00	830.00	-83%	17%
Office/Postage Supplies	0.00													0.00	0.00		
Lab Services & Tests	5,000.00	70.00	27.00			27.00								124.00	4,876.00	-98%	2%
Professional Fees																	
Accounting	7,000.00	517.50	517.50	517.50	517.50	517.50								2,587.50	4,412.50	-63%	37%
Administrative	4,000.00	254.75	270.00	313.00	197.50	235.00								1,270.25	2,729.75	-68%	32%
tech	5,100.00		250.00	250.00	250.00	600.00								0.00	0.00		
Audit	8,000.00													1,350.00	3,750.00	-74%	26%
Legal	1,000.00													0.00	8,000.00	-100%	0%
														0.00	1,000.00	-100%	0%
Repairs/Maintenance																	
Annual Service Contracts	40,000.00	2,894.00			1,524.00	7,962.24								12,380.24	27,619.76	-69%	31%
Building	3,500.00		294.99	650.00										944.99	2,555.01	-73%	27%
Equipment	16,000.00	6,500.00	6,657.18		1,416.99	745.11								15,319.28	680.72	-4%	96%
Computers	3,000.00													0.00	3,000.00		
Safety Equipment	2,000.00													0.00	2,000.00		
Small Tools	1,000.00													0.00	1,000.00	-100%	0%
Fuel			545.09	10.00										555.09	-555.09		
Chemicals	25,000.00	1,149.00	1,719.00	3,083.28		3,576.50								9,527.78	15,472.22	-62%	38%
Supplies																	
Lab Supplies	2500.00	329.65												329.65	2,170.35	-87%	13%
Total Supplies	2500.00	329.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	329.65	2,170.35	-87%	13%
Telephone																	
Skyline	2,500.00	193.40	193.40	193.40	193.40									773.60	1,726.40	-69%	31%
Utilities																	
Water Trt Plant	37,500.00	2,852.01	2,953.61	2,716.37	2,717.10	2,831.92								14,071.01	23,428.99	-62%	38%

VCWA OPERATOR REPORT

PROJECT SUMMARY

REPORT DATE	PREPARED FOR	PREPARED BY
Date 11/4/2025	October Operations	Timothy A. Blevins

STATUS SUMMARY

Operations continued with minimal issues and no interruptions in service. Working on inventory items for stock with OT for minimal need for upgrade of PLC components of control cabinets. Reviewing scada controls and needs for upcoming budgets.

Adjacent Property available for purchase causing need for discussion. (Lot 22)

PROJECT OVERVIEW

TASK	% DONE	DUE DATE	NOTES
Virginia State Line Meter	75%	TBD	Meter received. Action plan for install being developed
Confined Space Training		TBD	Scheduling training with WCC in Sparta for staff *Contract pricing for install requested from G2 Utilities for cost comparison.(Sparta contractor / Meter install)

PLANNED MATERIAL COST EXPENSE /REQUEST

LOCATION	SPENT / EXPECTED COST	DATE	NOTES
Transducer Replacement	\$1500	10/10	Replaced Clearwell Transducer following failure causing multiple alarms. Used shelf stock item and will reorder replacement for stock

ADDED EXPENSE / OPERATION INVOICE EXPLANATION

EQUIPMENT/PROJECT	INVOICE	DATE	NOTES
OT Programming	1-2025-00010	10/30	OT onsite programming and update to Memory Module. Reviewed equipment and Virtual Machine for data Backed up components of Virtual Machine and Data

RISK AND ISSUE HISTORY

ISSUE	ACTION	DATE
Obsolete Software and Operating Electronics (Suggestion by OT)	Pre-purchase available replacement by years end.	10/30 due 12/31
Windows 10 No longer available for update	Install updated version and backup system Pricing requested.	10/30 due 12/31
Transducer fail in Clearwell 10/10	Removed and install replacement to restore operation	10/10

CONCLUSIONS/RECOMMENDATIONS

Order Obsolete components crucial to continue operations- Allen Bradley Micro-logics and analog cards and modules.