



Stafford County Utilities Commission
February 19, 2026

- I. Call to Order – Ms. Eppler called the meeting to order at 7:00 PM
- II. Roll Call – Those present at the meeting were: Mr. Albert Bain, Mr. Floyd Bundrant, Mr. Greg Cox, Ms. Tiffany Eppler, Mr. Gary Holland, and Mr. William Tignor. Staff members present were: Mr. Mark Gundersen, Acting Director of Utilities; Mr. Chris Edwards, Chief Operating Officer; Jon Brindle, Acting Utilities Assistant Director of Operations; Ms. Julia Emilius, Administrative Assistant.
- III. Approval of Meeting Minutes – Mr. Albert Bain motioned that approval of the minutes be postponed until the next meeting to give members time to review with Mr. Bundrant, providing the second. The motion passed 5-1 with Mr. Bain, Mr. Tignor, Ms. Eppler, Mr. Bundrant and Mr. Holland voting yes and Mr. Cox voting no.
- IV. Presentations by the Public – Ms. Kristin Maxon asked about the timeline for posting documents, what controls versions of posted documents, and how this affects advertisement and public comprehension. She asked about the cost of the Potomac Church property and the portion being funded by AWS, illustrating the public-private partnership model that enables these improvements. She asked about the concerns of the public if there are multiple big developers in your backyard without having a public hearing. She asked how Stafford County is keeping the water utility public with the proposed public-private partnership model. She asked how the proposed reclaim water system and reuse water being returned to the sewer system will be issued. She asked about data centers being responsible for self-monitoring. She also discussed the various water and sewage rates.

Ms. Eppler asked Mr. Gundersen if he could address Ms. Maxson's concerns. He explained that documents related to Utilities Commission proceedings are posted in a timely manner, in accordance with established guidelines. He notes that data centers operate under water service agreements, including a public-private partnership to manage reclaimed water systems (like the "purple line"), with developers sharing costs proportionally. He also mentions that industrial users must self-monitor under permit requirements to comply with state regulations and service agreements. Finally, he clarifies that the Potomac Church property rezoning is handled through the planning department and is currently designated for two data center sites.

No questions by the Commission.

- V. Public Hearing – Proposed Ordinance 026-03 – Mr. Gundersen reminded everyone that this information is a follow-up to the information presented at the last meeting about proposed amendments to Chapter 25 of the Master Plan. He explained that the Utilities Commission will



need to make a recommendation to move the proposed ordinance to the Board of Supervisors and that this must be approved before the rate structure can be finalized and adopted.

Mr. Jon Brindle, Assistant Director of Utilities, explained that several updates to the ordinance were made at the request of the county attorney and will be reviewed later in the presentation. He described reclaimed water as treated wastewater that meets state and federal standards, allowing it to be reused—primarily for cooling in data centers. The system is being designed to meet Virginia’s highest treatment level (Level 1), enabling additional uses like irrigation. He notes the system will be based at the county’s northern wastewater plant (Aquia) and will serve nearby data center campuses, including Potomac Church and Stafford Technology. Upgrades to the plant will include advanced filtration, along with new distribution infrastructure and storage. Finally, he explained that the ordinance update is significant because it defines reclaimed water and its uses, enables enforcement against users, authorizes the county to sell and regulate it, protects water resources, aligns with existing code language, and codifies the water service agreements while incorporating state and federal regulations.

Mr. Bain asked whether the county maintains ownership of reclaimed water, or, since the data centers are paying for the whole system, once the water is discharged from the plant into the system, does that become data center water? Mr. Edwards explained that the reclaimed water system (“purple line”) will run from the treatment plant to the Potomac Church and Stafford Technology campuses, with two elevated storage tanks along the route. The county will own and control the water within the plant, pipelines, and tanks, and customers will take ownership only after it passes through their meter connections. Mr. Bain stated he understood that it was possible for them to reuse that water. Mr. Brindle explained that after delivery, users will reuse the reclaimed water multiple times in their systems. He added that about 80% is consumed through evaporative cooling, while the remaining concentrated wastewater is returned to the county for treatment.

Continuing with the presentation, Mr. Brindle highlighted that the ordinance defines Level 1 reclaimed water as the highest treatment standard, suitable for uses involving potential human contact due to its low pathogen levels. He clarified that “reclaimed water” and “reuse water” mean the same thing. A key provision is a ban on using potable water for evaporative cooling. Limited exceptions may be allowed for public facilities, such as schools or hospitals. Mr. Bain asked if Geico used evaporative cooling at their headquarters. Mr. Brindle stated that he was not aware of that. Mr. Brindle continued the presentation, explaining that applying for reclaimed water service will involve a more detailed process than standard water/sewer applications and requires a formal water service agreement approved by the Board of Supervisors. These agreements outline customer responsibilities, including paying for usage and infrastructure, maintaining their portion of the system, preventing spills, and adhering to permitted uses. They also give the county authority to disconnect service if agreements are violated. He noted that unused reclaimed water remains under county control and can be redirected or discharged, since the system is designed for peak data center demand but often has excess capacity. The ordinance also reinforces system separation (reclaimed, potable, and sewer) and updates backflow protections.



Regarding enforcement, the county will have strong oversight, including inspections, required signage, spill reporting, and classifying users as significant industrial users, which triggers stricter federal and state regulations. Users must obtain a separate operational permit (SIU permit), and violations can result in notices, fines, or even criminal charges.

Mr. Brindle then outlined several ordinance revisions requested by the county attorney. These include adding clear criteria and a process for waivers—limited to facilities serving a public purpose—clarifying that tentative allocation approval is just the first step toward a water service agreement, removing a provision that allowed design standard variances, and specifying that water rates are set by the Board of Supervisors rather than staff.

Mr. Holland asked regarding the ban on potable water, if the ordinance will allow those using potable water to continue, or if they have to convert? Mr. Brindle stated that current customers are grandfathered and can continue using potable water. Mr. Tignor asked if the reclaimed water would be metered so that the water after the evaporative process would go back into the sewer system. Mr. Brindle said yes and explained that the current plan is that the sewer itself would be metered as well. Mr. Cox asked if there was a plan if the system goes down and they can't get reclaim water. Mr. Brindle explained that the reclaimed water system will not have the capacity to fully supply the Potomac Church campus or other data centers on peak days if the system fails. While some storage at the plant and in the field provides a few days of backup, extended outages would require the data centers to bring in alternative water, such as trucking it in or sourcing directly from the plant. Mr. Edwards added that each data center building has on-site storage for several days of water, and the county's reclaimed water system is designed to provide about a day and a quarter of supply during peak usage. This gives roughly 2–3 days of buffer under the water service agreement, with potential to extend cycling to cover 3–4 days, ensuring that short-term outages won't create immediate issues.

Ms. Epple asked if outside temperature constitutes a day of peak usage or lack of rain, what is that based on? Mr. Brindle stated that it should be based on ambient outdoor temperature and that we've been told there is an expectation that they expect to begin using the reclaimed water in April and continue through October, with each building managing its own system. Peak water demand typically occurs during periods of high average temperature above 85 degrees. Ms. Epple asked if there were preparations to deal with several days with temperatures above 85. Mr. Edwards stated that the water service agreements specify the amount of water provided and limit connections to a maximum number of buildings. Mr. Brindle added that the first phase of the new system will be completed in 2027, with full build-out of the data center campus by 2029—earlier than the originally planned 2035—giving the county 7–10 years before reaching peak water usage.

Ms. Epple asked how the data center determines when to extend the use of reclaimed water—whether the facility monitors water quality (e.g., mineral content) and manages it internally, or if it's simply replaced like flushing a toilet—seeking clarification on the process for deciding to continue using water beyond its initial cycle. Mr. Brindle explained that data centers monitor water primarily for mineral content, using conductivity as an indicator of dissolved solids. They recirculate water internally until it reaches a set threshold, then test it, discharge it to the sewer,



and bring in fresh water to continue the process. Ms. Epple then asked if that would affect how it is treated. Mr. Gundersen stated that it will be handled the same way, with dilution adjusted as needed. An equalization tank is included in the system design to help balance water quality, addressing an initial concern. Mr. Brindle added an additional issue with reclaimed water is that its low organic and solids content—essentially “too clean”—can negatively affect the wastewater treatment process. The equalization tank lets the county hold water with too many or too few nutrients and adjust the flow into the system as needed.

Mr. Bain asked for clarification, noting that if reclaimed water use runs from April through October, how can it only be a few days per year? He asked whether the average daily usage is low and only reaches peak flow when temperatures exceed 85°F. Mr. Brindle explained that while the data centers will use some reclaimed water for about eight months of the year, typical daily usage is around 50,000 gallons. Peak demand—up to 200,000 gallons per day—occurs only on very hot days, such as consecutive days in July and August, when water is recycled as quickly as possible. Mr. Edwards explained that from November to April, the reclaimed water system can be drained back to the wastewater plant for maintenance. He noted this seasonal operation is important to consider when discussing rates for a system that is only used part of the year.

Mr. Tignor noted that most planned data centers in Virginia are concentrated in Northern Virginia, while smaller localities with smaller operations typically rely on standard water systems rather than specialized reclaimed water systems. Mr. Brindle explained that even small localities like King George have received data center inquiries, but the size of the local plant limits how much water can be supplied and which data centers can use water cooling. Many planned data centers in the county will use alternative cooling methods—air-cooled systems, closed-loop systems, or newer high-efficiency technologies—so each facility effectively designs its own cooling system. Some will use reclaimed water with evaporative cooling, while others rely on air or closed-loop systems, which can increase electricity demand.

Mr. Bundrant noted that, in addition to the Aquia facility, you are reviewing potential reclaimed water use for data centers and other developments in areas by Little Falls, where future projects may begin. Mr. Edwards explained that for the Aquia facility, the construction of a new system was approved by the planning commission and the board. Afterward, the facility entered into a water service agreement outlining water allocation and infrastructure responsibilities. He noted that for four current rezonings in the area, any new data centers using water for cooling would follow the same process—approvals, construction plans, and water service agreements—using the same methodology. Mr. Bundrant asked for clarification that our WSAs precede the actual rezoning area. Mr. Edwards explained that developers submit a “proffer statement” detailing all planned infrastructure and water needs for a development. This statement is reviewed first by the Planning Commission and then by the Board of Supervisors. The county uses the information from the proffer statement to create a detailed water service agreement, specifying how much reclaimed water the county will provide and what the developer will construct. The process ensures that reclaimed water systems are built and funded through public-private partnerships, rather than relying solely on county resources.



Mr. Bundrant then asked for clarification regarding Section 25-- 122, specifically what "tentative approval" means in the context of the reclaimed water process. Mr. Brindle explained that "tentative approval" refers to initial, concept-level discussions with potential applicants during the proffer process, assessing feasibility before formal approvals. Mr. Edwards added that the reclaimed water system has limited excess capacity. Any new users, such as data centers going through rezoning, would still need a water service agreement and might have to expand the system themselves, as they cannot simply connect without meeting those requirements. Mr. Bundrant then asked about 25-7 on page 3 of the Chapter 25 ordinance, using terms like "guidelines" and "obligate," so are we referencing everything that follows that section? Mr. Brindle explained that Section 25-- 7 refers to the county's water system design standards, which, although incorporated into the code, serve as guidelines for things such as pipe types and pumps. Alterations to these standards require departmental approval.

- VI. Public Comment on Proposed Ordinance O26-03 – Ms. Eppe asked if there were any public comments. Ms. Kristin Maxon discussed two water quality tiers: Tier One, which is clean enough to touch, and Tier Two, which is lower quality, used for servicing, and then discarded. She expressed concerns about how discarded water is handled, particularly regarding landfill disposal and nutrient management, and how this affects the public. She also noted that about 40% of the water returns to the plant while 60% evaporates, raising questions about cumulative evaporation and whether repeated recycling increases the water's toxicity.

In response to Ms. Maxon, Mr. Brindle explained that treating water has a cost, so the plant carefully decides how to handle discarded water. If the water already meets discharge standards, it is sent to the end of the treatment process, to avoid extra costs. Recycling it back to the start of the treatment process would only happen if it were really needed for data centers and only if the water quality requires further treatment.

Ms. Eppe then asked for a motion on Proposed Ordinance O26-03. Mr. Tignor made a motion to approve. Mr. Bain seconded the motion. Motion was approved unanimously 6-0.

- VII. Reports by Commission Members – Mr. Bain as for assurance that we will not have a similar catastrophic sewage leak similar to DC. Mr. Gundersen explained that was an extremely large pipe and is used by multiple facilities. We are doing several things including educating the public, using CCTV, sewer jetting and cleaning the system, robust 3R projects program, pump stations, and conveyance lines to do upgrades. He also expressed that things do break but that we are trying to be proactive. Mr. Tignor raised concerns about river pollution and its impact on people, such as those in Whitewater who depend on the water for their livelihoods. Mr. Gundersen acknowledged that there will be environmental impacts, noting pollution has already been documented by monitoring groups. Mr. Cox asked the potential for changes in specification. Mr. Gundersen added that while the facility operates within its permits, regulations may change, especially as discussions—such as those about biosolids in Maryland—are ongoing and could lead to new rules.

Mr. Holland shared that he toured the plants, met the staff, and was very impressed by their professionalism, expertise, and the level of engineering. He expressed appreciation for the



opportunity and noted planned upgrades, including new equipment, buildings, and reclaimed systems. He also highlighted the need for additional staffing, especially with experienced employees nearing retirement, and encouraged increasing headcount to support ongoing operations and future improvements.

VIII. Director's Report

- A. Presentation – Mr. Gundersen reminded everyone that the March meeting has been moved to April 2nd.
- B. Mr. Gundersen introduced Mr. Chris Edwards with a presentation on Rates and Pro Rata Information. Mr. Edwards explained that the utilities system is funded through an enterprise fund, meaning it relies on user fees rather than taxes. He highlighted that residential customers currently bear a larger share of costs than commercial users, prompting the proposal of a tiered commercial rate structure to improve fairness and better account for high usage. He outlined proposed rate increases of about 6.5% over three years, and under the preferred option, a phased approach of approximately 6% in year one, 5.5% in year two, and 5.5% in year three. He also compared current rates, noting that for a typical 6,000-gallon household, the cost is about \$1.15 in Stafford County versus \$1.24 in Spotsylvania. Even with the proposed increases, Stafford's rates would remain slightly lower. Mr. Edwards noted that Prince William County has slightly lower rates despite proposing a larger increase, largely due to economies of scale from serving a much larger population. Overall, he recommended adopting the new tiered commercial structure balance costs more equitably and it will help reduce the cost burden on residential customers.

Mr. Tignor asked if any adjustment was made for water users that doesn't go through the sewer system, like swimming pools. Mr. Edwards explained that water and sewer charges are capped at the upper usage tiers, around 15,000 gallons or more, based on the assumption that excess water is used for irrigation or pools and may not return to the sewer system. This approach helps ensure customers are not overcharged for sewer services they don't actually use. He emphasized that the main budget drivers include debt service for major capital projects, such as upcoming water plant improvements, and operational costs, which are rising due to inflation—utility-related CPI has increased steadily around 4% annually. Additionally, staffing and benefits contribute to costs, with about 2.5 new positions being added, salary adjustments being implemented, and health insurance expenses rising by several thousand dollars. These combined factors are driving the need for rate adjustments.

Ms. Eppele asked whether, similar to the supply delays experienced during COVID, recent tariffs on chemicals or toxic supplies have had any impact on obtaining necessary materials for the facilities. Mr. Edwards explained that of two projects, which isn't enough to draw firm conclusions, one was over and one was under. There seems to be a steady increase. Mr. Gundersen added the supply was calm.



Mr. Edwards explained that Smith Lake is 35 years old, with much of its original equipment, including chemical feed and electrical systems. A recent major capital project there came in under budget and was financed through borrowing. The county maintained its triple-A bond rating. Another significant local project, approved by the board, is a \$45 million state loan program with very low interest—around 2%, roughly half of typical market rates—spread over 30 years. He noted that recent operating expenses, personnel costs, and inflation (CPI) are additional key budget drivers.

Mr. Bain asked if there had been any significant costs incurred with PFAS? Mr. Edwards explained that at both the Little Falls and Smith Lake plants, no major issues exist, though Smith Lake will require some heating upgrades, which are still in the early design phase. He noted that funding for these projects will likely involve borrowing toward the end of the budget cycle. Additionally, with the expansion of reclaimed water, the county is building a utilities facility and allocating funds to ensure it meets future needs for the next two to three years. Current debt service, including a state VRA loan, is about \$7 million per year and is projected to rise to around \$10–11 million annually over 30 years, contributing to overall rate increases. Mr. Edwards explained that personnel costs are also increasing, with the addition of 2.5 positions, including converting a part-time engineer to full-time and adding staff for SCADA and telemetry systems to support the 3R program. Reclaimed water rates are slightly lower than commercial water rates, around \$6.20 per 1,000 gallons, but there is also a flat base fee of \$320,000 per month to cover staff and system operations, which helps fund the long-term depreciation and maintenance of the reclaimed system over 30–50 years. Mr. Edwards emphasized that the combination of rate increases, new reclaimed water revenue, debt service, and base fees provides a steady, predictable funding stream, allowing the county to maintain high bond ratings, cover operational costs, and plan for future system replacements. The budget also includes positions and resources necessary to operate the expanded water and reclaimed systems effectively, ensuring financial stability while meeting service needs.

Mr. Cox asked if there was any idea how much electrical costs would go up in Stafford County. Mr. Gundersen explained that he serves on VEPGA (Virginia Electric Purchasing Governmental Association), which manages and regulates utility costs for municipalities. He noted that while energy rates have increased, the committee negotiates with energy providers to keep rate hikes substantially lower than typical market increases. Mr. Bundrant asked if these increases would make it easier to hire people and be more competitive with other counties. Mr. Edwards emphasized that the goal of regular compensation reviews is to maintain competitiveness in the job market. By conducting thorough studies every other year, the county ensures that positions remain comparable to other jurisdictions, helping to attract new employees and retain existing staff.



- IX. Unfinished Business – Mr. Cox inquired about the missing member. Mr. Edwards relayed that County Admin had been notified, and they are working to fill the position soon.
- X. New Business – None
- XI. Ms. Eppler motioned to adjourn, Mr. Bain second. Meeting unanimously adjourned.