

## Albemarle County Service Authority Board of Directors

1           The Board of Directors of the Albemarle County Service Authority  
2 (ACSA) met in a regular session on April 18, 2024, at 9:00 a.m. at the  
3 Administration and Operations Center at 168 Spotnap Road in  
4 Charlottesville, Virginia.

5           **Members Present:** Mr. Richard Armstrong; Ms. Lizbeth Palmer; Mr. John  
6 Parcels; Mr. Clarence Roberts; Ms. Kimberly Swanson; Mr. Charles Tolbert,  
7 Vice-Chair.

8           **Members Absent:** None.

9           **Staff Present:** Deanna Davenport, Mike Derdeyn, Deborah Herr, Terri  
10 Knight, Quin Lunsford, Jeremy Lynn, Alex Morrison, Gary O'Connell, Emily  
11 Roach, Sabrina Seay, Danielle Trent, April Walker.

12           **Staff Absent:** None.

13           **Public Present:** Neil Williamson, President and Executive Director, Free  
14 Enterprise Forum.

15  
16           1.       Call to Order and Establish a Quorum – Statement of Board Chair

17           The Chair called the meeting to order. He then read the opening  
18 Board Chair statement (Attached as Page \_\_\_\_\_), and a quorum was  
19 established. He announced that today was a special day, as they are  
20 celebrating the ACSA's 60<sup>th</sup> anniversary.

21  
22           2.       Recognitions – Employee Management & Supervisory Leadership  
23 Training – Maintenance; ACSA 60<sup>th</sup> Anniversary Tribute

24           Alex Morrison came forward to give the first recognition. He stated  
25 that as part of the ACSA's Strategic Plan, there is a focus on the employee  
26 experience which includes training and education programs. He stated that  
27 the programs help employees, as well as the ACSA in its mission and vision.  
28 He stated that there were seven maintenance employees that participated  
29 in training for management and supervisory leadership through the Public  
30 Utilities and Waterworks Management Institute. He mentioned that five  
31 employees went through the basic training – Marshall Via, Jonathan Caylor,

**Albemarle County Service Authority Board of Directors**

1 Raymond Mason, Tyler Snoddy, and Jayden Damron. He noted that the  
2 other two employees, Jeff Sprouse and Jake Duff, went through the  
3 advanced training. He added that the total class time was about 18 hours  
4 over a course of three weeks.

5 Mr. O’Connell stated that the next recognition was a surprise that just  
6 happened over the last day or so, which Quin Lunsford would share with the  
7 Board. Mr. Lunsford stated that as of yesterday around lunch time, the AMI  
8 installations are 100% complete. He stated that there are now 22,990 meters  
9 communicating with the office four times a day. He mentioned that the staff  
10 is very proud of the team that made this happen, as well as the support of  
11 the ACSA Board as it was truly an organizational effort. He noted that there  
12 will be a comprehensive overview of the project at the May Board meeting.

13 Mr. O’Connell stated that the last recognition is in honor of the  
14 ACSA’s 60<sup>th</sup> anniversary. He stated that the staff was looking for an  
15 interesting way to celebrate and decided to share some of the fun and talent  
16 that is found within the organization, that the Board does not normally see.  
17 He stated that Ms. Trent has created a song that she is going to present to  
18 the Board. Ms. Roach added that Ms. Trent wrote the song herself, which  
19 they would now play.

20 Ms. Palmer stated that Ms. Trent is very talented and the song should  
21 be on the ACSA website. The Board concurred that they enjoyed the song.

22  
23 3. Approve Minutes of March 21, 2024

24 Mr. Roberts stated that he had one comment on page 2. He stated  
25 that Ms. Swanson’s first name needs to be added where the Board members  
26 present are listed. There were no further corrections or additions to the  
27 minutes of March 21, 2024.

28 Mr. Parcels stated that he had a question on page 16, around line  
29 27. He stated that Mr. Lynn mentioned that the ACSA had fallen into a “bad  
30 habit” of completing some sewer projects piecemeal. He stated that he  
31 wanted to affirm that the ACSA is out of that bad habit and completing them

**Albemarle County Service Authority Board of Directors**

1 better. Mr. Lynn replied that he will find out by how the Board responds to  
2 the Buckingham Circle project. He stated that when he made that comment,  
3 he was specifically referring to the Northfields subdivision, which is very big.  
4 He mentioned that the ACSA has installed four different phases of sewer in  
5 that neighborhood over the last 20+ years and they are still not finished. He  
6 noted that phase 5 is included in the CIP presentation today, which will still  
7 not get them to the finish line. He noted that the challenging part for the  
8 ACSA, and the Board, is whether or not to push projects forward for the  
9 benefit of the entire community regardless of whether people are going to  
10 connect or not. He added that he would like to say yes, the ACSA is moving  
11 away from those bad habits.

12 Ms. Palmer asked if those bad habits cost more in the long run. Mr.  
13 Lynn replied that he thinks with the Buckingham project, they will see that it  
14 would have been cheaper to do the sewer when they did the water main  
15 replacement project, from a construction standpoint. He stated, however, if  
16 property owners and customers do not want the sewer then the Board will  
17 be faced with condemnation potential. He stated that the Board has to decide  
18 if they want to possibly condemn a few properties to push the project through  
19 for future customers or not. Ms. Palmer asked if by condemn, Mr. Lynn  
20 means in terms of the easement. Mr. Lynn replied yes.

21 Mr. Roberts stated that he remembers there being a lot of opposition  
22 when the ACSA did the Buckingham Circle project. He asked if the ACSA  
23 could handle the situation with the sewer project in the same manner they  
24 did with the water project. Mr. Lynn replied that he feels there is more support  
25 for the sewer project now than there was 15 years ago. He noted that the  
26 ACSA is looking into some funding to help offset some of the costs and  
27 making it palatable to the community.

28 Ms. Palmer asked if they get into a situation where they have to force  
29 the issue, would it be helpful to know about contamination in Morey Creek.  
30 Mr. Lynn replied that he thinks it would be helpful to know but does not know  
31 if that will convince an individual property owner or be the deciding factor in

**Albemarle County Service Authority Board of Directors**

1       them granting the ACSA an easement. He stated that the ACSA has spoken  
2       with VDH and they do not have any funding for the project, but they know  
3       the situation in Buckingham Circle and are advocating for those residents to  
4       connect to public sewer.

5               Ms. Swanson asked if the opposition to the sewer project came  
6       before the water line project was finished and residents did not have a good  
7       sense of how the water project would go. Mr. Lynn replied that the decision  
8       to halt the sewer project was made before the water line was installed. He  
9       noted that initially, the two were going to be a joint project with one contractor  
10      performing all of the work. He mentioned, however, that they stopped the  
11      sewer project once they received the survey results and saw that there was  
12      not a lot of support for it. He added that there were never follow-up  
13      conversations with the community after the water project was completed.  
14      Ms. Swanson stated that the customers might be more accommodating with  
15      respect to the sewer project after seeing how well the water project went.

16              Mr. Parcels stated that there is a cost risk for the customer, in terms  
17      of who is willing to bear the cost now versus holding off until it is necessary.  
18      He stated that he assumes, since the ACSA tried for a CDBG grant and  
19      could not get it, that the customers in this area are above the required salary  
20      range. He noted that this does not mean that it will not be expensive for them.  
21      Ms. Palmer stated that she remembers a number of the properties in this  
22      neighborhood were rental properties, but she is not sure about now.

23              ***Mr. Tolbert moved to approve the minutes of March 21, 2024,***  
24      ***seconded by Mr. Parcels. All members voted aye.***

25  
26      4.       Matters from the Public

27              There were no matters from the public.

28  
29      5.       Response to Public Comment

30              There was no response to public comment.

31      6.       Consent Agenda

**Albemarle County Service Authority Board of Directors**

1       **A. Monthly Financial Reports** – Mr. Parcels stated that he had a  
2       comment about the high flow leak mentioned on page 26. He stated that  
3       the graph shows a leak for 20 hours at 9,000 gallons per hour which is  
4       180,000 gallons. He asked how the ACSA covers this cost. Mr. Lunsford  
5       replied that the customer is responsible for the cost. He stated that this  
6       was a unique situation, but the ability to identify it within hours instead  
7       of weeks was crucial. He noted that the customer was not aware of the  
8       issue because the leak had not surfaced yet. Mr. Parcels stated that  
9       interestingly, the description says that RWSA noticed a drop in pressure  
10      and contacted the ACSA, at the same time the ACSA noticed it.

11       Mr. Lunsford stated that this service serves two sinks, thus the water  
12      is not used regularly. Ms. Palmer asked if the use was residential. Mr.  
13      Lunsford replied no. Mr. Parcels stated that this reflects very well on the  
14      AMI system. Mr. Lunsford stated that the major flow alarms have been  
15      incredibly helpful to identify issues very quickly before they become  
16      major issues.

17       Mr. Parcels asked if Mr. Lunsford could remind him of the difference  
18      between unearned connection fees and system connection charges on  
19      pages 27 and 28, respectively. Mr. Lunsford replied that they are, in  
20      essence, the same thing. He stated that when a developer pays in  
21      advance of the actual connection, it is a liability on the ACSA's books.  
22      He mentioned that once the contractor performs all of the responsibilities  
23      to be connected, they will then debit that liability and credit the revenue  
24      on page 28.

25       Mr. Parcels asked if the \$6.5 million on page 28 is revenue that was  
26      obtained from the developers, and the \$3 million on page 27 is the  
27      liability subtracted from that. Mr. Lunsford replied that the \$6.5 million  
28      does not include the \$2 million. He stated that when the revenue cycle  
29      is complete, that \$2 million leaves page 27 and is added to the \$6.5  
30      million. Mr. Parcels stated that it was still not clear to him. Mr. Lunsford  
31      stated, for example, if the developer decided not to build anything else,

**Albemarle County Service Authority Board of Directors**

1 the ACSA would have to return that \$2 million. He noted that the ACSA  
2 does not record it as revenue until the developer is ready for connection.  
3 Mr. O’Connell added that the ACSA has had builders that pay  
4 connection fees and then decided not to build, and the ACSA had to  
5 refund their fee.

6 Mr. Parcels asked a related question about the connection fee  
7 analysis on page 33. He noted that YTD connection fee total for FY 2024  
8 and asked if the amount shows \$5.6 million because it is not totaled up  
9 through March. Mr. Lunsford stated that this is correct. He stated that  
10 there is a certain timing required to get the information ready for the  
11 Board packets. He noted that next month’s Board packet will show \$6.5  
12 million.

13 **b. Monthly Capital Improvement Program (CIP) Report** – Mr. Parcels  
14 referenced the Energy Audit on page 71. He asked how the staff is  
15 charging the electric vehicle, given that they still have some work to do  
16 for the charging station. Mr. Morrison replied that when the electric  
17 vehicle was purchased, the staff was aware that the charging  
18 infrastructure might be delayed beyond the vehicle delivery. He stated  
19 that the ACSA purchased a portable charging unit with the vehicle and  
20 a 240-volt connection was installed on the outside of the fueling building  
21 to charge the vehicle. He mentioned that the vehicle is about 80%  
22 charged at the end of the workday and is fully charged again around  
23 midnight. He noted that the main distribution panel for the charging  
24 station was received Monday.

25 Mr. Parcels mentioned that he saw plans for another electric vehicle  
26 in the budget, and asked if the charging station would be ready by the  
27 time the second vehicle arrives. Mr. Morrison replied yes. Mr. Parcels  
28 asked if there were plans for more electric vehicles, or if they would  
29 assess how things are going before making the decision to convert. Mr.  
30 Lynn replied that there are actually two electric vehicles in the budget,  
31 one for engineering and one for IT. Mr. O’Connell added that the idea is

**Albemarle County Service Authority Board of Directors**

1 that when a vehicle comes up for replacement, the staff will consider  
2 replacing it with an electric vehicle.

3 Ms. Palmer asked how many miles the vehicles get on one charge.  
4 Mr. Morrison stated that the current electric vehicle is a 2024 Ford  
5 Lightning and with a standard battery, it averages 240 miles per charge.

6 Mr. Parcels moved to page 72, referencing the update to the Avon  
7 Operations Center project. He stated that the two bids were \$5 million  
8 over the budget which he assumes was a shock, and asked why they  
9 were so high. Mr. Lynn replied that it was a shock that they were so  
10 much over budget. He noted that the two bids were only within a couple  
11 hundred thousand dollars of each other. He mentioned that during the  
12 bid period, they heard a big concern from contractors about the  
13 presence of rock on the site. He stated that the way the bid the project,  
14 rock was the contractor's risk thus they had to build that cost into their  
15 pricing. He stated that the staff decided to work with Dewberry and  
16 Schnabel to gather additional rock information, and that proposal for  
17 additional geotechnical work will probably be before the Board next  
18 month. He added that they believe this will give them a better idea of  
19 what is at the site, after which they will go to a unit price for rock removal.  
20 He stated that the risk will then be on the ACSA, but the hope is that it  
21 will bring the price down some. He stated that they are also looking at a  
22 couple of other items that Dewberry has identified, to see if they can be  
23 pulled or delayed.

24 Ms. Palmer asked if there had been any boring or anything done to  
25 look at how much rock is on the site. Mr. Lynn replied that there were  
26 some limited borings on the site, but they want to do some seismic  
27 refraction to get an understanding of the density of the rock and see what  
28 can be ripped and what might need to be blasted. He added that both  
29 contractors understand that their bids have been rejected and the ACSA  
30 will readvertise. Mr. Parcels asked how long it will take before the  
31 geotechnical information will be obtained. Mr. Morrison stated that once

**Albemarle County Service Authority Board of Directors**

1 they get on site, there will be two days' worth of data collection for 1600  
2 linear feet of seismic refraction. He stated that this data will then be  
3 analyzed by Dewberry, which will take 1-2 weeks. He noted that this will  
4 give them the ability to quantify the rock and classify it to get a unit price.  
5 He added that in conjunction with this, the ACSA staff will work with  
6 Dewberry to revise the bid documents for the items that can be additive  
7 or alternative items, instead of a single lump sum bid. He stated that it  
8 will probably be early to mid-summer when they rebid, and it may be a  
9 shorter bid time.

10 Mr. Parcels moved to the Four-Story Backflow Prevention Assembly  
11 Retrofit project and expressed his joy for the completion of the project.  
12 Mr. Lynn replied, unfortunately, they were notified earlier this week that  
13 the plumber completing the last installation had to reschedule. He stated  
14 that it is now scheduled for April 23<sup>rd</sup>, so they can save their excitement  
15 for next month.

16 Ms. Palmer asked about the Ragged Mountain Phase 1 Water Main  
17 Replacement project, and what the 12" pipe that will go under Route 29  
18 will serve. Mr. Lynn replied that it currently serves the Trinity  
19 Presbyterian Church and about 10-12 homes along Reservoir Road. He  
20 noted that it will also serve the Regents School. He mentioned that the  
21 goal is to eventually connect Buckingham Circle, which provides some  
22 redundancy. Ms. Palmer stated that there has been discussion for years  
23 about what to do with the commercially zoned property just south of 64.  
24 She asked if this project would affect any future plans with that property.  
25 Mr. Lynn replied that the current water line runs through that site, but it  
26 is very deep. He mentioned that a few of the alternatives negatively  
27 impacted that property, but the current approach will not and the  
28 property will continue to have service. Ms. Palmer stated that the  
29 property does not currently have service. She stated that she was  
30 referring to the property where the brewery was going to go, south of  
31 Interstate 64. Mr. Lynn stated that this project will not affect that property

**Albemarle County Service Authority Board of Directors**

1 at all. He stated that the developer of that site will still need to provide a  
2 water line to their site and under Route 29 to provide water and sewer  
3 for that property.

4 **c. CIP Authorizations** – Mr. Parcels stated that he had a comment about  
5 a minor detail on page 92. He stated that on the attachment, there is talk  
6 about two plats and three plats. He stated that the \$6,615 is quoted for  
7 three plats, but two plats are mentioned in several places. Mr. Lynn  
8 replied that the earlier draft had two plats, but a third one was added. He  
9 noted that Kimley-Horn probably changed the pricing but did not change  
10 the text to reflect that change. He noted that the ACSA only pays for the  
11 ones they need, so if they only need two then they will pay for two.

12 Mr. Parcels asked if the trenchless application to install the pipe  
13 means that there will be boring under Route 29. Mr. Lynn replied that it  
14 will be a jack and bore. He noted that RWSA has a jack and bore right  
15 next to the ACSA's which is a 36" pipe, while the ACSA's is only a 12"  
16 pipe. He stated that the equipment to do a much larger bore will already  
17 be in place, which will present some cost savings for the ACSA with a  
18 single mobilization for the contractor.

19 **d. Monthly Maintenance Update** – Mr. Parcels stated that the water main  
20 break on Earlysville Road noted on page 110 was a big break. He stated  
21 that it was a PVC main, thus he is sure the ACSA is glad that it will  
22 ultimately be replaced. Mr. Morrison replied that this area has not been  
23 problematic in the past and is the first major break along this section of  
24 PVC. He stated that it has not been added to a replacement schedule  
25 and for a while, the plan was to eliminate it with construction of the  
26 western bypass. He mentioned that when VDOT removed that bypass  
27 project, the water main remained in the system. He stated that right now,  
28 they are going to monitor the water main and see if there are additional  
29 breaks. He stated that this will determine if it gets added to the CIP for  
30 replacement as a higher priority item, or if it remains a lower priority item  
31 to be replaced after they move through the high priority items.

**Albemarle County Service Authority Board of Directors**

1 Mr. Parcels stated that he assumes this main does not have the  
2 same iron saddle connections that have been plaguing the system  
3 elsewhere. Mr. Lynn replied that there likely are pipe saddles out there  
4 that need to be evaluated. He stated that with the pipe saddle project,  
5 they try to weigh the cost of solely replacing the pipe saddle versus a full  
6 pipe replacement. He mentioned that in some areas, the decision was  
7 made to just replace the saddles as the pipe is in good shape. He noted  
8 that this might be an area where a saddle replacement might make more  
9 sense, as the lots are bigger so the number of connections per foot of  
10 pipe is small.

11 ***e. Rivanna Water and Sewer Authority (RWSA) Monthly Update*** – Mr.

12 Roberts stated that he had a question about the Rivanna Pump Station  
13 flooding update on page 116. He noted that it states insurance will likely  
14 cover half of the estimated \$20-\$25 million and asked how the other half  
15 will be paid. Mr. O’Connell stated that RWSA probably will not know the  
16 exact cost until June, but the latest number was \$22 million. He stated  
17 that the RWSA Board will have to make a choice about reducing or  
18 delaying other capital projects, using reserves, and/or debt financing.

19 Ms. Palmer asked if the insurance company is only paying half because  
20 that is what the policy stipulates or was there some differential diagnosis  
21 that led them to say they are only paying half the cost. Mr. O’Connell  
22 replied that he did not know. He stated that once RWSA gets down to  
23 specific items, that amount could be more or less. Ms. Palmer stated  
24 that she assumes, since the cost is so unknown, that it has not been  
25 worked into the RWSA budget. Mr. O’Connell stated that he knows if the  
26 cost not covered by insurance is completely debt-funded, it would  
27 probably raise the rate about .05% a year, for the life of the bond.

28 Mr. Tolbert asked if anyone has suggested a cause for the flooding  
29 yet. Mr. O’Connell replied that he thinks RWSA has a cause, but they  
30 are trying to come to an agreement with the engineers and the insurance  
31 company, which is a bit of a negotiation. He stated that he does not know

**Albemarle County Service Authority Board of Directors**

1 if it was one cause or multiple causes. He mentioned that the flooding is  
2 what caused all the damage, but he does not know what caused the  
3 flooding.

4 Ms. Palmer asked if the original design engineers, Hazen and  
5 Sawyer, are involved in any way. Mr. O’Connell replied that he did not  
6 know, but RWSA hired a third-party engineer that has no association  
7 with the original project to evaluate the design and what happened. He  
8 stated that there will be three engineers’ opinions, and it is unlikely that  
9 they will all be the same. He noted that RWSA has an item on their Board  
10 meeting agenda, authority for the bond issuance if they go that route,  
11 but they will not have any answers until June or July.

12 ***f. ACSA Board Policy Future Issues Agenda 2024 –***

13 ***g. National Drinking Water Week –***

14 ***Mr. Parcels moved to approve the consent agenda, seconded***  
15 ***by Ms. Palmer. All members voted aye.***

16  
17 7. **Proposed FY 2025 Budget and Rates – Overview Presentation**

18 Mr. Lunsford stated that today’s presentation (Attached as  
19 Pages\_\_\_\_\_) is an introduction to the budget, with next month’s workshop  
20 providing a deeper dive. He stated that today, he would highlight the strategic  
21 focus of the budget, provide an overview of revenue and expense  
22 expectations, outline the proposed rates, and talk about what he will discuss  
23 during next month’s workshop.

24 Mr. Lunsford stated that the next slide shows a graphic of the ACSA’s  
25 5-Year Strategic Plan, which contains four main pillars – data optimization,  
26 business resilience, customer experience, and the employee experience. He  
27 stated that throughout the budget document, several areas reference and  
28 focus on the 5-Year Strategic Plan.

29 Mr. Lunsford stated that the next slide is incredibly conceptual and  
30 illustrates departmental collaboration, and how the Strategic Plan fits into  
31 that. He noted that, as in the past, each department has taken an active role

**Albemarle County Service Authority Board of Directors**

1 in the development of their respective budgets. He mentioned that what has  
2 changed is the interaction between the groups, to be more interactive and  
3 intentional in how the budget is prepared. He added that this graphic is an  
4 attempt to show the “sweet spot” in the middle where both customer and  
5 employee needs are met.

6 Mr. Lunsford moved to the next slide, which illustrated the FY 2025  
7 budgeted revenues and use of revenues. He stated that the ACSA expects  
8 to collect a little over \$40 million in water and sewer charges, and about \$8  
9 million in system connection charges which is comparable to FY 2024. He  
10 mentioned that about \$2.8 million is projected in other revenues. He noted  
11 that the ACSA intends to use \$9.3 million in reserves, \$6.5 million of which  
12 is from rate stabilization reserves to offset operating increases the ACSA is  
13 absorbing on behalf of its customers.

14 Mr. Lunsford stated that the next slide shows a familiar graphic  
15 illustrating budgeted expenses and capital costs for FY 2025. He stated that  
16 nearly \$32 million will be paid to RWSA, which is about a 14% increase in  
17 charges from FY 2024. He noted that the ACSA expects similar increases  
18 for at least the next four to five years. He mentioned that the next largest  
19 component of the budgeted expenses is the ACSA’s CIP, which Mr. Lynn  
20 will speak to later. He stated that there will be some specific departmental  
21 budget information next month to help illustrate how the Strategic Plan aligns  
22 with those departmental initiatives and where those dollars are going.

23 Mr. Lunsford stated that the Proposed FY 2025 water and sewer rate  
24 schedule is shown on the next slide. He stated that ACSA Board is being  
25 asked to consider a 7% increase for water and sewer service charges, which  
26 is essentially half of the increase from RWSA to the ACSA. He stated that in  
27 addition to the proposed changes shown on the rate schedule, the inspection  
28 fees for water and sewer line installations have also been adjusted to recoup  
29 some CCTV work being done. He added that there will also be a \$2 increase  
30 for irrigation plan review.

**Albemarle County Service Authority Board of Directors**

1           Mr. Lunsford moved to the next slide which briefly summarized the  
2 CIP program, which Mr. Lynn would discuss in detail. He noted that it is  
3 substantial but reasonably consistent with past years.

4           Mr. Lunsford noted the areas of focus for the May 16<sup>th</sup> budget  
5 workshop outlined on the next slide. He stated that he would dive deeper  
6 into the revenue and expense expectations, as well as take a comprehensive  
7 look at the charges from RWSA and how their CIP is driving those rates. He  
8 mentioned that he would also speak in more depth about the use of rate  
9 stabilization and growth reserves, and ACSA departmental initiatives.

10           Mr. Lunsford stated that in terms of next steps, the budget workshop  
11 will be next month, followed by a second workshop and public hearing at the  
12 June meeting. He stated that the Board will also be asked to adopt the  
13 budget and rates which, if adopted, would be effective July 1, 2024.

14           Mr. Parcels referred to the Proposed FY 2025 operating budget  
15 detail on page 179. He asked if the category “Personal Services” should read  
16 “Personnel Services.” Mr. Lunsford replied that it could be, but it has been  
17 “Personal Services” for a long time. Mr. O’Connell added that the wording is  
18 what the auditors suggested.

19  
20 8.       Resolution scheduling Budget and Rates Public Hearing for June 20,  
21 2024

22           ***Ms. Palmer moved to adopt a resolution that sets June 20, 2024***  
23 ***as the date for a Public Hearing on the Proposed FY 2025 budget and***  
24 ***the preliminary schedule fixing and classifying such rates, fees, and***  
25 ***charges for the ACSA, and authorizing the advertising of the Public***  
26 ***Hearing; seconded by Mr. Tolbert. The Chair asked for a roll-call vote:***  
27 ***Mr. Parcels, aye; Ms. Palmer, aye; Mr. Tolbert, aye; Mr. Armstrong, aye;***  
28 ***Mr. Roberts, aye; Ms. Swanson, aye.***

**Albemarle County Service Authority Board of Directors**

1           9.     FY 2025 Proposed Capital Improvement Program (CIP) Presentation  
2     Public Hearing

3           Mr. Lynn stated that he first wanted to acknowledge the ACSA's CIP  
4     team, as putting the CIP program together takes a lot of time and energy and  
5     it is a great program. He noted that the first slide gives an illustration of the  
6     FY 2025 CIP budget, which totals \$12.1 million. He noted that the two pie  
7     charts show a breakdown of the CIP program between water, sewer, and  
8     non-utility projects, as well as new and existing projects. He noted that the  
9     vast majority of CIP projects this fiscal year are existing projects.

10          Mr. Lynn moved to the next slide, which showed a bar graph of the  
11     CIP 10-year rate model projections. He stated that they quickly added some  
12     dollars to FY 2026 due to the Avon Operations Center, as that number was  
13     not at \$20 million a few weeks ago. Mr. Parcels asked if that was due to the  
14     extra \$5 million from the bids. Mr. Lynn replied yes and stated that he would  
15     speak about that a bit later.

16          Mr. Lynn stated that he has 25 projects to go over today, beginning  
17     with the water projects. He stated that the first water project is the Crozet  
18     Phase 4 Water Main Replacement Project. He stated that the intention of  
19     this project is to replace asbestos-cement and older PVC water mains. He  
20     mentioned that construction is underway along Hillsboro Lane, and the  
21     budget for FY 2025 is \$3.2 million. He noted that each project slide shows a  
22     total budget number as well, but he will focus on the budget number solely  
23     for FY 2025.

24          Mr. Parcels asked how many miles this is. Mr. Lynn replied about  
25     three to four miles. He stated that the contractor wants to mobilize another  
26     crew, which will expedite construction. Mr. Parcels asked about night work.  
27     Mr. Lynn stated that everything has been day work thus far, and there have  
28     only been preliminary discussions with VDOT about night work. He noted  
29     that any work in the pavement along Route 250 will have to be night work.

30          Mr. Lynn moved to the Scottsville Phase 4 Water Main Replacement  
31     project. He stated that the goal of this project is to replace cast-iron and

**Albemarle County Service Authority Board of Directors**

1 asbestos-cement water mains, as well as some aging asbestos-cement pipe  
2 that is owned by RWSA. He stated that a lot of the project has been  
3 coordinating with RWSA, and the ACSA has just begun easement  
4 acquisition. He noted that \$50,000 is in the FY 2025 budget, which will cover  
5 a lot of the anticipated easement acquisition costs. Mr. Parcels asked what  
6 the mileage was for this project. Mr. Lynn replied that he would have to get  
7 that information for him.

8 Ms. Palmer asked if the cast-iron pipes have lead joints. Mr. Lynn  
9 replied that some of the really old cast-iron pipes do, however they are on  
10 the outside and not necessarily in contact with the water. He noted that most  
11 of the challenge with cast-iron pipe is the age and the tuberculation that  
12 builds up inside, reducing the capacity of the pipe. He added that these cast-  
13 iron mains are not that old like the Ragged Mountain water main, which he  
14 would discuss next. Mr. O'Connell added that there has been extensive lead  
15 testing in this area to ensure there is none in the water and there is not.

16 Mr. Lynn stated that the original Ragged Mountain Phase 1 Water  
17 Main Replacement project was a coordinated effort with VDOT and their  
18 Morey Creek Bridge replacement project. He stated that after two  
19 unsuccessful bids, the ACSA went back and revised the alignment that goes  
20 under the bypass to the Fontaine Research Park. He mentioned that,  
21 coincidentally, this alignment is parallel to RWSA's raw water main, so they  
22 are now partnering with RWSA to have a section of that water main installed  
23 as part of the Ragged Mountain to Observatory WTP raw water line. He  
24 noted that RWSA anticipates bidding in August 2024, so the ACSA  
25 anticipates that construction activity will begin on some portion of the project  
26 next calendar year.

27 Mr. Parcels asked, if RWSA's bore is going to be 72" with a 36" pipe,  
28 why the ACSA cannot put its pipe in there as well. Mr. Lynn replied that there  
29 was some discussion about it but one is a raw water line and the other a  
30 finished water line, and VDH has not been supportive of putting them both  
31 in the same casing pipe. He stated that the other challenge would be if one

**Albemarle County Service Authority Board of Directors**

1 of the lines had to be removed while leaving the other in service. He noted  
2 that there is no money in the FY 2025 budget for this project, and they expect  
3 funds in next year's budget to complete construction.

4 Mr. Parcels noted that this is Phase 1 of the project, and asked Mr.  
5 Lynn to refresh his memory on what the other phases were. Mr. Lynn replied  
6 that Phases 2 and 3 were done first and were further down Reservoir Road.  
7 He mentioned that Phase 1 was probably the hardest, thus they completed  
8 the easier phases first.

9 Mr. Lynn moved next to the Northfields Water Main Replacement  
10 project. He stated that this was originally a well system that the ACSA  
11 inherited and connected to public water in the 1960's. He stated that the  
12 easement acquisition has just begun, which he will talk about some more  
13 when he goes over the Northfields Phase 5 sewer project. He noted that  
14 these projects will be constructed together by the same contractor. Mr.  
15 Parcels asked if there was any guess as to the number of miles for this  
16 project. Mr. Lynn stated that he would send Mr. Parcels a link that shows  
17 the footages for all of the projects.

18 Mr. Lynn stated that the Briarwood Water Main Replacement project  
19 consists of PVC pipes that have started to experience issues like pipe  
20 splitting and saddle failures. He noted that the construction schedule has  
21 actually been moved up due to recent breaks in the area. He stated that the  
22 intention is to have construction underway later in FY 2025, which would spill  
23 over into FY 2026. He added that there is \$1.5 million in the FY 2025 budget  
24 for this project.

25 Mr. Lynn stated that the Barracks West Water Main Replacement  
26 project will replace cast iron and galvanized water mains that date back to  
27 the 1960s. He stated that another goal with this project is to improve fire  
28 protection, as there are only three or four fire hydrants serving the entire  
29 apartment complex. He mentioned that they hope to have construction  
30 underway in FY 2025 and \$2.5 million is included in the budget for this  
31 project. Mr. Parcels asked when this project will go out to bid. Mr. Lynn

**Albemarle County Service Authority Board of Directors**

1       replied that they just learned the current owner is looking to sell the property,  
2       so they are now working with the current owner and the contract purchaser.  
3       He stated that as soon as the easement issue is resolved, the ACSA will  
4       advertise.

5               Mr. Lynn moved to the Townwood Water Main Replacement project.  
6       He stated that this is another project focused on replacing older PVC water  
7       mains. He mentioned that there have been three breaks in this area in the  
8       last three years, which is very disruptive to the community and costly to  
9       repair. He stated that there is no money in the FY 2025 budget and  
10      construction is slated to begin in the FY 2026-2027 timeframe. He added  
11      that the total project budget is \$2.8 million.

12             Ms. Swanson asked if the gas lines in this community run in the  
13      roads. He referred to the map of the project and stated that the area below  
14      the section of line to be replaced is where the gas line comes in and then it  
15      bisects the neighborhood.

16             Mr. Lynn stated that the Broadway Street Water Main Replacement  
17      project is another one the ACSA would like to get started but there is one  
18      easement that needs to be resolved. He mentioned that construction is  
19      anticipated in FY 2025, with \$250,000 in the budget. He noted that the ACSA  
20      is partnering with the County on this project. He stated that the ACSA  
21      increased the pipe size in the design to handle future economic development  
22      along this corridor, and the County will be doing some pavement marking  
23      during the pavement restoration.

24             Ms. Palmer asked if the County's economic development fund would  
25      be paying for any portion of the project. Mr. Lynn replied that the County will  
26      pay for the pavement portion, but the ACSA will be using growth reserves to  
27      pay for the oversizing of the pipe. Ms. Palmer stated that it would not hurt to  
28      ask the County about using economic development funds for this project to  
29      help with the costs.

30             Mr. Lynn moved to the next slide outlining the Raintree and  
31      Fieldbrook PVC Water Main Replacement project. He stated that the PVC

**Albemarle County Service Authority Board of Directors**

1 mains have started to cause issues and need to be replaced. He stated they  
2 are still very early in the design phase and it is unclear how many easements  
3 will be needed. He mentioned that construction is anticipated in the FY 2027-  
4 2028 timeframe. Ms. Swanson asked if Raintree has public sewer. Mr. Lynn  
5 replied that Raintree was a private development and it was connected to  
6 public sewer.

7 Mr. Lynn stated that the next project was the Exclusion Meters  
8 Replacement. He stated that in the mid-1990s, the ACSA decided to permit  
9 private exclusion meters behind the domestic meter, allowing customers to  
10 exclude that portion of their water from their sewer bill and avoid paying  
11 sewer charges on water they were using for irrigation. He mentioned that in  
12 2006, the Board shifted away from allowing these meters and the ACSA  
13 began eliminating them from the system. He noted that there were 495  
14 exclusion meters, and they are just over halfway complete. He stated that  
15 most of the work has been performed by ACSA maintenance crews until  
16 earlier this year when the staff decided to pay irrigation contractors to do the  
17 work. He noted that there is funding for the project that was already allocated  
18 in previous budgets, and there is nothing budgeted for FY 2025.

19 Ms. Palmer asked if these are total replacements. Mr. Lynn stated  
20 that when the program first began, the ACSA wanted to own everything but  
21 this approach was very disruptive and costly. He stated that with the new  
22 switchover, the ACSA will own the meter, the box, and setter, but the  
23 customer will be responsible for a section of pipe between their line and the  
24 meter. He noted that there will be an AMI meter that reads everything and  
25 an AMI meter that reads what goes to the irrigation system, and the  
26 difference is what goes to the house.

27 Ms. Swanson asked, as they embarked on this project, if they found  
28 customers that decided to abandon the irrigation system altogether. Mr. Lynn  
29 replied yes, but not a large number. He stated that some people feel there is  
30 a value to their property to have the irrigation system, even if they do not use

**Albemarle County Service Authority Board of Directors**

1 it. He noted that on the flip side, they are paying a monthly service charge  
2 for the meter as well as a fee to have the backflow device tested annually.

3 Mr. Lynn moved to the Pipe Saddles Replacement project, which he  
4 briefly touched on earlier. He stated that so far, replacements have been  
5 done along the five streets listed on the slide. He stated that there is no  
6 additional funding being requested in FY 2025. He mentioned that a few  
7 more areas have been identified to begin looking at for possible  
8 replacements.

9 Mr. Lynn stated that the Annual Water Repair and Replacement  
10 project is the last one to present on the water side. He stated that the ACSA  
11 had an authorization in last month's Board packet for a contract with  
12 Rocktown Excavating. He stated that the Notice of Award has been issued  
13 and once the contract is signed, the work will begin. He stated that the first  
14 items will be the Huntington water connection and the Lewis Hill-West Leigh  
15 interconnect. He noted that this provides support to the ACSA maintenance  
16 department and avoids the long, cumbersome design/bid/build process.

17 Mr. Lynn moved to the sewer projects, beginning with the Airport  
18 Trunk Sewer Upgrade project. He stated that the project is under design and  
19 he feels they have done as much as they can until there is significant  
20 progress made with easement acquisition, which has proved to be very  
21 challenging for this project. He noted that the construction has been pushed  
22 to the FY 2027-2028 timeframe, and there will be no funds incorporated into  
23 the FY 2025 budget for this project.

24 Ms. Swanson asked if Mr. Lynn could explain how the pipe will tie  
25 into the pump station next to Kohl's. Mr. Lynn replied that the pump she is  
26 referring to is a water pump, which allows RWSA to bring water from the  
27 South Rivanna system to the North Rivanna system. She asked if there was  
28 a sewer line near Kohl's put in for Berkmar. Mr. Lynn stated that the section  
29 under Berkmar was upgraded when the Berkmar Drive extension project  
30 was done, and that sewer extends all the way to the airport, which is what  
31 this sewer will tie into. He noted that this is the section where multiple

**Albemarle County Service Authority Board of Directors**

1 branches come down and the existing pipe size is not adequate to support  
2 full build-out.

3 Ms. Swanson asked how this project aligns with the Hollymead dam.  
4 Mr. Lynn stated that the ACSA has already obtained the easement from the  
5 County, who is supportive of this project. He mentioned that there would be  
6 a jack and bore under the dam, so they would not be cutting through the  
7 dam. Mr. Parcels asked if this is a new path. Mr. Lynn replied that most of it  
8 is replace in place or slightly parallel to the existing line. He noted that the  
9 challenge is that all of these properties are already ACSA sewer customers,  
10 and they do not see the benefit of granting the easement because they  
11 already have the service, thus it would just be a disruption.

12 Ms. Palmer asked if the new sewer line would serve another new  
13 development, like the one in the back of Hollymead. Mr. Lynn replied that it  
14 will serve Willow Glen Phase 2, which is a couple hundred units. He added  
15 that the Forest Springs Mobile Home Park has been sold, so there is the  
16 potential to redevelop that site and increase density over what is currently  
17 there.

18 Mr. Parcels asked if the service is being upgraded for more capacity  
19 and is being done in phases, when do they envision full capacity  
20 requirements. Mr. Lynn stated that this pipe section has different slopes,  
21 diameters, and lines coming into it, which means different sections of the  
22 pipe have different capacities. He stated that it is being done in pieces and  
23 if a developer needed capacity, they would have a section that they would  
24 be responsible for.

25 Mr. Roberts stated that he visited this area a couple of years ago and  
26 the terrain is unbelievable, with nice shrubbery and lawns. Mr. Parcels  
27 stated that he had a friend that lived in this area and they had a beautiful  
28 backyard that stretched down to the lake. He stated that he cannot imagine  
29 digging that up to put in a 36" line. Mr. Tolbert asked if the ACSA is offering  
30 any money for these easements. Mr. Lynn replied that the ACSA offers  
31 financial compensation based on the value of the land. He stated that

**Albemarle County Service Authority Board of Directors**

1 sometimes this is enough, and sometimes it is not. He stated that the ACSA  
2 has to be reasonable and fair, but prudent with its funds as well. Mr. Tolbert  
3 asked if the land value includes shrubs and trees. Mr. Lynn stated that those  
4 items are typically not taken into consideration when the rough calculations  
5 are done. He noted that if there is an appraisal done on the project, it usually  
6 takes into consideration things like mature trees or duration of construction.  
7 Mr. Tolbert asked if, at some point, the ACSA uses “the stick instead of the  
8 carrot.” Mr. Lynn stated that they would present a resolution to the Board for  
9 potential condemnation, but they would still try to work with the property  
10 owner.

11 Mr. Parcels asked if they could use an alternate route, like cutting  
12 across Amberfield Drive to some other sewer line. Mr. Lynn replied that this  
13 is a gravity line, so they have to go where the land takes them. He stated  
14 that the logical point is along the water. He mentioned that it would probably  
15 not work to cut through Amberfield and would be more disruptive to the  
16 community as a whole to pick another alignment. He added that this project  
17 is one of the bigger challenges they are currently facing in the CIP.

18 Mr. Lynn stated that the next slide shows the Northfields Phase 5  
19 Sewer project. He stated that when they were doing the water main design,  
20 there were some areas identified where it made sense to have public sewer  
21 extended. He stated that this phase will serve upwards of 20 homes and  
22 construction will be coordinated with the water main replacement project,  
23 which will take place during the FY 2027-2028 timeframe. He noted that  
24 there are no funds included in the FY 2025 budget for this project. He added  
25 that the connection fees are about \$8,000, which totals a fraction of the  
26 project cost. He stated that spending that type of money for a service that  
27 people are not going to use is a tough decision for the Board to make.

28 Mr. O’Connell stated that Northfields was an old well system and  
29 most, if not all of them, do not have sewer. Mr. Lynn stated that Carrsbrook  
30 and Buckingham Circle are both old well systems that do not have sewer.  
31 Ms. Palmer asked if Key West has public sewer. Mr. Lynn replied that Key

**Albemarle County Service Authority Board of Directors**

1 West is not in the ACSA's jurisdictional area for sewer, so they can only  
2 provide public water.

3 Mr. Lynn stated that next is the Buckingham Circle Sewer project,  
4 which is the first new project that he will be sharing this morning. He stated  
5 that he spoke about this in great detail last month. He stated that the original  
6 design for the project was done over 10 years ago in 2012, thus part of the  
7 FY 2025 CIP is to reevaluate that design and see if it makes sense. He noted  
8 that the hope is to begin easement acquisition in FY 2025 as well. He stated  
9 that \$175,000 has been included in the FY 2025 budget for this project.

10 Ms. Swanson stated that a few years ago during the County budget  
11 townhall meeting, there was a discussion about creating a separate fund to  
12 help people connecting to sewer. She stated that, to her understanding, that  
13 fund has gone largely untapped and asked if this was something the County  
14 and the ACSA could partner on. Mr. Lynn stated that the ACSA is looking at  
15 a couple of different options. He mentioned that they have talked to VDH and  
16 while they are supportive of the project, they do not have any financial  
17 resources to share at this point. He stated that they will be talking with DEQ  
18 and the County to see if there is any way they can contribute to the project.

19 Ms. Palmer stated that there was a discussion when the federal  
20 government was giving out funds during COVID-19, and she thought a fund  
21 was created for that purpose. Mr. O'Connell stated that the County  
22 government set aside \$1 million, with the thought that homeowners with  
23 properties close to public sewer, that are having septic problems, would take  
24 advantage of the funding. He stated that there has been very little, if any,  
25 interest, and the County has talked about reprogramming the money for  
26 something else.

27 Ms. Swanson stated perhaps the County can use those funds and  
28 work with the ACSA to help people connect to public sewer if the connection  
29 fees are a restraint. Mr. O'Connell noted that there is an income requirement  
30 because of the source of the funding. He stated that the ACSA's previous  
31 work in Buckingham Circle would show that the residents are not income

**Albemarle County Service Authority Board of Directors**

1 eligible. He added that he thinks the income requirement is part of the reason  
2 why the funds have not been utilized. Ms. Swanson stated that she thought  
3 there was more discretion at the local government level. Mr. O’Connell  
4 stated that there is not because this is, in essence, grant money. Mr. Lynn  
5 added that the ACSA has been working with Albemarle Housing  
6 Improvement Program (AHIP), and they have done about 4-5 connections  
7 total.

8 Mr. Lynn moved to the Bellair-Liberty Hills Sewer project. He stated  
9 that this project was started a few years ago in response to community  
10 interest. He stated that the project is currently in the design phase and they  
11 have commented on the 50% design. He stated that they plan to have a  
12 public meeting before the 90% stage. He noted that this is a challenging  
13 neighborhood given the lot sizes and topography. He mentioned that there  
14 is no money included in the FY 2025 budget for this project, and they hope  
15 the construction timeframe will be FY 2026-2027. He stated that it is  
16 unknown how many easements they will need, but if they can keep most of  
17 the utilities along the road it should minimize that number.

18 Ms. Palmer asked if the sewer from Bellair would be connected to  
19 Buckingham Circle. Mr. Lynn stated that RWSA has a line called the Morey  
20 Creek Interceptor that runs through the area between Buckingham Circle  
21 and the UVA property, so Buckingham Circle would connect to that line.  
22 Bellair-Liberty Hills would be connected further upstream, so they would both  
23 be connecting to RWSA lines at different locations.

24 Mr. Parcels asked if there was 100% community interest in Bellair-  
25 Liberty Hills. Mr. Lynn replied that there is over 50% interest but nowhere  
26 near 100%. Ms. Palmer asked if the ACSA had received the list of interested  
27 residents in Buckingham Circle from the person that was collecting  
28 information. Mr. Lynn stated that they are still in the process of doing the  
29 survey to send out to the residents.

30 Mr. Lynn stated that the Woodbrook Drainage Basin SSES project  
31 shown on the next slide is the second new project in the CIP. He stated that

**Albemarle County Service Authority Board of Directors**

1 this project is a sewer evaluation survey to identify defects in the sewer  
2 system and sources of inflow and infiltration (I&I). He stated that the survey  
3 consists of manhole inspections, flow metering, smoke testing, and CCTV  
4 inspections. He mentioned that \$400,000 has been included in the FY 2025  
5 budget for this project. He noted that depending on what defects are found,  
6 any leftover money will be used to correct them. He stated that if there are a  
7 lot of issues that need to be addressed, they may have to ask the Board for  
8 additional funding.

9 Mr. Lynn stated that the last sewer project is the Miscellaneous  
10 Sewer Rehabilitation project. He stated that every year, money is included  
11 in the CIP budget to handle sewer issues discovered through the ACSA's  
12 find and fix program. He stated that there are two in-house CCTV crews out  
13 on a regular basis, and this contract allows the ACSA to issue work orders  
14 for any issues they find and take care of them in a timely manner.

15 Mr. Lynn stated that he would now move on to the non-utility/facilities  
16 projects. He stated that the first one is the Pump Stations – Rehabilitation  
17 project. He stated that this is the second year for this rehab project, and the  
18 ACSA Facilities group has done an excellent job of identifying needs over  
19 the next 10-year period. He stated that the needs for FY 2025 amount to  
20 \$205,000. He stated that for FY 2025, they envision a third pump at  
21 Glenmore and either a pump replacement or rebuild at the North Fork  
22 Regional Pump Station, Ashcroft Pump Station No. 3, and Mill Creek Pump  
23 Station.

24 Mr. Lynn moved to the next slide, outlining the Customer Information  
25 System project, also known as CIS. He noted that this project is part of the  
26 ACSA's 5-Year Strategic Plan, under the pillar of customer experience. He  
27 stated that the three main components of this project are the billing system  
28 replacement, website redesign, and phone system replacement. He noted  
29 that there is an RFP out right now for the phone system replacement, with  
30 hopes of receiving those proposals in early May and having a new system

**Albemarle County Service Authority Board of Directors**

1 in place later this year. He added that \$800,000 has been included in the FY  
2 2025 budget, to be split between water and sewer.

3 Mr. Lynn stated that the ESRI Utility Network Implementation is the  
4 next project. He stated that Timmon’s Group has finished the evaluation and  
5 are recommending that the ACSA make the shift towards the utility network.  
6 He mentioned, however, that they have identified some data cleanup that  
7 needs to happen before that conversion. He noted that much of FY 2025 will  
8 be in-house work to prepare for that transition.

9 Mr. Lynn moved on to the Avon Operations Center, which he noted  
10 is clearly a 5-Year Strategic Plan item under the pillar of business resilience.  
11 He stated that the ACSA will lose its storage space at the Crozet filter plant  
12 as RWSA embarks on its GAC expansion. He mentioned that, unfortunately,  
13 the ACSA received some difficult news a few weeks ago when the bids came  
14 in about \$5 million more than what was anticipated. He stated that rock plays  
15 a big part in that cost, but it is not the only factor. He stated, as Mr. Morrison  
16 mentioned earlier, that they will try to identify some alternative bid items to  
17 do some value engineering. He noted that the FY 2025 budget amount  
18 remains unchanged, but they did add \$5 million as a placeholder in FY 2026.

19 Mr. Lynn stated that the Records Management project is another  
20 strategic initiative. He stated that the ACSA has rooms bursting at the seams  
21 with paper documents and needs a document management solution in place  
22 to scan, file, and easily search for documents. He mentioned that \$50,000  
23 has been included in FY 2025, and that money will be split between water  
24 and sewer.

25 Mr. Lynn stated that the third new project in the CIP is the ACSA  
26 Operations Center Improvements. He stated that the ACSA Facilities group  
27 has identified two projects they would like to embark on in FY 2025. He  
28 stated that one is to address the settlement at the front door of the  
29 Operations Center, and the other is to install a hard deck on the underside  
30 of the truss system in the ACSA Warehouse. He noted that \$50,000 has  
31 been included in the FY 2025 to complete those projects.

**Albemarle County Service Authority Board of Directors**

1 Mr. Lynn stated that last, but certainly not least, is the Developer  
2 Participation project. He stated that if the ACSA identifies pipes it would like  
3 to oversize during the plan review process for system capacity or  
4 redundancy purposes, this gives them the opportunity and resources to do  
5 so. He stated that \$100,000 is included in the budget each year for this  
6 purpose, to be split between water and sewer.

7 Mr. Lynn stated that the next steps in the CIP budget process are  
8 listed on the last slide, and he would now answer any further questions from  
9 the Board.

10 Ms. Palmer stated that she had a comment on an item before the  
11 CIP presentation. She stated that when the ACSA makes the comparison  
12 between its water prices and other localities, she would suggest that Greene  
13 County be included going forward. She stated that it is a small community  
14 but it is growing very fast, and they are talking about a water supply plan.

15 Mr. Armstrong opened the floor for the public hearing on the CIP  
16 presentation. There were no comments from the public and thus, the  
17 public hearing was closed.

18  
19 10. Sediment in the Drinking Water – Power Point Presentation

20 Mr. O’Connell stated that there has been a shift with the sediment  
21 issue since the last time they discussed this with the Board, so he felt it was  
22 important to share an update as well as some history on the issue.

23 Mr. Lynn stated that before he begins his presentation (Attached as  
24 Pages\_\_\_\_\_ ) he wanted to personally thank Tim Brown. He stated that  
25 Mr. Brown has spoken to nearly every one of the impacted customers and  
26 has been dedicated to this issue for the last couple of years, and we all owe  
27 him a debt of gratitude. He noted that the agenda for his presentation  
28 included the initial response, sediment identification, followed by ACSA’s  
29 action steps and the current study.

30 Mr. Lynn stated that in October 2021, the ACSA received its first  
31 documented call in Glenmore. He stated the initial response was to flush the

**Albemarle County Service Authority Board of Directors**

1 lines, the hydrant near the house, and the blow-off at the end of the street  
2 but they were not seeing anything. He stated that a year later in October  
3 2022-February 2023 is when the ACSA began receiving a large number of  
4 calls in Glenmore, but they still do not see any visible sediment when  
5 flushing. He mentioned that at this point, the ACSA embarked on a  
6 unidirectional flushing (UDF) program in Glenmore.

7 Mr. Lynn stated that the next slide showed a couple of photos of the  
8 flushing. He noted that the flushing took place between December 2022-  
9 January 2023, which is not the best time to flush. He mentioned that all of  
10 the flushing was done by in-house maintenance crews and they did a great  
11 job. He stated that freezing temperatures can be a problem when putting that  
12 much water on the roadway. He noted that the middle photo shows some of  
13 what they were seeing during the bag tests. He stated that UDF is  
14 considered a best practice for utilities, as it forces high velocity water to scour  
15 the pipe to get rid of any debris or build-up. He stated that it was a worthwhile  
16 effort, but it did not solve the issue.

17 Mr. Lynn stated that the next slide shows a map of the Glenmore  
18 sediment locations. He stated that the red dots are confirmed sediment  
19 issues through house visits and photographs. He stated that the orange dots  
20 represent the unconfirmed cases, mostly through data obtained from survey  
21 results. He mentioned that in total, there are 41 confirmed cases and 7  
22 unconfirmed. Mr. Parcels asked if they should use green on the map to  
23 represent the homes that have not had any issues. Mr. Lynn stated that there  
24 are 900 homes in Glenmore and only 4-5% of the homes have experienced  
25 the sediment, so the map would be covered in green if they marked the  
26 homes that have not had an issue.

27 Ms. Palmer asked if the homes that have not had an issue reported  
28 as much, or if it was a case of the ACSA has not heard from them. Mr. Lynn  
29 replied that they have not heard from them. He stated that the ACSA has  
30 had extensive communication with the Glenmore HOA, and they feel like

**Albemarle County Service Authority Board of Directors**

1 they have heard from a majority of customers that have experienced this  
2 sediment issue.

3 Mr. Lynn stated that in January 2023, the ACSA was still getting  
4 complaints from customers after the unidirectional flushing efforts. He stated  
5 that RWSA recommended Cornwell Engineering Group. He mentioned that  
6 Cornwell has worked extensively with RWSA and performed their corrosion  
7 control treatment study a number of years ago. He stated that Cornwell also  
8 knows the ACSA's distribution system and has been involved in a lot of the  
9 sampling programs. He noted that they have the ability to test the samples  
10 as well. He then asked Mr. Brown to show the Board a sample of the  
11 sediment.

12 Mr. Tolbert asked if a customer actually saved that sample from their  
13 faucet. Mr. Lynn replied yes. Ms. Palmer asked if the quantity that comes out  
14 of the faucet is the same as the sample. Mr. Brown stated that it varies. He  
15 stated that the consistency can be like wheatgerm or fish food, or it can be  
16 finer grained like sand. He mentioned that they have learned through their  
17 work with Cornwell, that it is a mineral sediment that is not coming into the  
18 homes from ACSA lines in the road. He noted that it is an internal issue that  
19 Mr. Lynn will touch on.

20 Mr. Lynn stated that the sample was tested through x-ray diffraction  
21 and the result showed calcium phosphate, also known as "apatite." He  
22 mentioned that most of what customers were seeing was fluorapatite, which  
23 is comprised of fluoride, calcium, and phosphate. He noted that fluoride is  
24 added to the drinking water, calcium is picked up from cement-lined pipe as  
25 the water travels from the treatment plant to the homes, and phosphate is  
26 part of the corrosion control treatment process. He mentioned that there are  
27 no concerns about consuming the water and it is safe to drink, but it is a pain  
28 in the neck for ACSA customers.

29 Mr. Lynn stated that, as mentioned before, the sediment was not  
30 being seen at the street. He stated that several customers installed whole  
31 house filters on the cold-water line coming into the house, so every bit of

**Albemarle County Service Authority Board of Directors**

1 water that came into the home was passing through a whole house filter and  
2 the filter was not picking up anything. He noted that the customers were still  
3 getting the sediment, and that is when they discovered that most, if not all,  
4 of the sediment was forming in the hot water systems.

5 Mr. Lynn stated that Cornwell posed several observations in April  
6 2023, the first of which was the Glenmore Tank constructed in 2019. He  
7 stated that this issue did not happen until after the tank was built. He stated  
8 that Cornwell also looked at the corrosion control treatment process, which  
9 just changed in 2021 for the Urban system. He noted that, again, none of  
10 these issues happened before that change. He stated that they also looked  
11 at whether the pH and age of the water could be reduced, and asked RWSA  
12 to perform sampling at various points along the way from South Rivanna to  
13 Rio Road, on to Pantops and to the back of Glenmore. He added that  
14 Cornwell also asked the ACSA maintenance crews to conduct some pipe  
15 sampling for testing.

16 Mr. Lynn stated that, at this point, everyone pointed to the Glenmore  
17 Tank as the source of the issue. He stated that the tank was built for  
18 redundancy purposes. He stated that Glenmore sits at the end of a 4.5-mile  
19 pipeline so if there are any issues on that pipeline, there would be an entire  
20 community without water. He mentioned that the tank can provide service  
21 long enough to make any necessary repairs. He noted that the tank was built  
22 with a concrete slab and there was no coating on it, which is typical for a lot  
23 of ACSA's glass-lined tanks. The thought was that perhaps the water was  
24 picking up the calcium from the concrete floor as it was sitting in the tank.  
25 He stated that Cornwell recommended that the ACSA coat the floor of the  
26 tank. He stated that in October 2023, the ACSA had a contractor put an  
27 epoxy coating on the floor of the tank. He noted that it is a 600,000-gallon  
28 tank, so it was not cheap. He stated, however, that they continued to have  
29 the sediment issue even after the tank floor was coated.

30 Mr. Lynn stated that in terms of corrosion control treatment, RWSA  
31 puts a corrosion inhibitor chemical into the system to coat the pipes and

**Albemarle County Service Authority Board of Directors**

1 plumbing fixtures. He stated that it is very effective at reducing lead and other  
2 metals in the drinking water. He stated that RWSA previously used a product  
3 called zinc polyphosphate, but the EPA no longer accepts polyphosphate as  
4 a best practice for corrosion control. He mentioned that after extensive  
5 testing with Cornwell, RWSA decided to switch to monosodium  
6 orthophosphate. He stated that RWSA started out with a blend of the two  
7 products, and used a step approach until they reached an orthophosphate  
8 only treatment process for the entire system.

9 Mr. Lynn stated that with pH and water age, a lower water age equals  
10 a lower pH level. He stated that this is because as water sits in contact with  
11 the cement coating of the ductile iron pipe, the calcium transfers that leads  
12 to increased pH levels. He noted that Glenmore is at the far end of the  
13 system, and probably has the oldest water age in the Urban system. The  
14 thought was that perhaps by reducing the water age, it would reduce the  
15 likelihood that the sediment will form in the hot water system. He stated that  
16 between May and October of 2023, the ACSA flushed 30,000 gpd at the  
17 Glenmore sewer plant. He noted that this, combined with the irrigation usage  
18 in Glenmore, seemed to have a very positive impact. He stated, however,  
19 between October and December 2023, the irrigation demand stopped and  
20 the domestic use went down as well, which is generally the case. He stated  
21 that in order to mimic the summer demand during the winter, the ACSA  
22 increased the flushing and is currently flushing upwards of 90,000 gpd at the  
23 sewer plant.

24 Mr. Parcels asked how many days out of the period is the ACSA  
25 flushing 90,000 gallons. Mr. Lynn replied every day. Mr. Parcels asked how  
26 that water is being paid for. Mr. Lynn stated that is part of what the ACSA  
27 pays RWSA monthly. Mr. Brown stated that the ACSA knows this is not the  
28 sustainability image that it wants to project to its customers. He stated that it  
29 has bought the ACSA some time to do some more work with Cornwell.

30 Ms. Palmer asked how we can be sure this issue stems from the  
31 ACSA, given how separate it is. She stated that it could be something

**Albemarle County Service Authority Board of Directors**

1 specific in the plumbing of these houses. Mr. Lynn stated that he would  
2 speak to that in just a moment, and hopefully answer Ms. Palmer's question.

3 Mr. Lynn stated that one of Cornwell's recommendations was to  
4 extract a couple of sections of ductile iron pipe, to see if the pipe was losing  
5 its cementitious coating. He stated that they took a section from the front of  
6 the neighborhood and one from the back, and both were found to be in great  
7 shape. Mr. Parcels asked what material the cementitious coating is made  
8 of. Mr. Brown stated that it is cement and inside of that is a final epoxy or  
9 other material. Mr. Parcels asked if this is a standard coating for all ductile  
10 iron pipe throughout the system. Mr. Lynn replied yes, this is a standard  
11 coating in all recent ductile iron pipe. He mentioned that there are some  
12 unlined cast iron pipes in the system.

13 Mr. Lynn stated that the issue started to flare up again around  
14 December 2023. Mr. O'Connell stated that he wanted to provide some  
15 context to that. He stated that the ACSA was receiving phone calls from  
16 customers that were extremely upset. He mentioned that washing machines  
17 and hot water heaters were getting jammed up, and people were having to  
18 file insurance claims. Mr. Lynn stated that he wanted to credit Emily Roach,  
19 as she has worked with the ACSA's insurance company on a lot of the claims  
20 and guided customers through that process.

21 Mr. Lynn stated that leading up to the public meeting with Glenmore  
22 and other community partners, the VDH reached out to some resources they  
23 have to try and help with the issue. He stated that they contacted an EPA  
24 research engineer that has experience with corrosion control, and he very  
25 quickly honed in on the fact that the zinc had been removed from the  
26 corrosion control chemical. He stated that this particular engineer's opinion  
27 was that removing the zinc was the issue. He stated that this led RWSA to  
28 reengage Cornwell before making a corrosion control treatment change that  
29 would impact the entire system.

30 Mr. Lynn stated that the entire Glenmore community was surveyed,  
31 with about a 30% participation rate. He noted that a lot of people that were

**Albemarle County Service Authority Board of Directors**

1 not experiencing the sediment did say they were not having an issue. He  
2 stated that Cornwell suggested that the ACSA perform in-home testing on  
3 both the cold and hot water, in a group of homes. He mentioned that Mr.  
4 Brown worked his magic, and the ACSA miraculously developed a testing  
5 schedule of Tuesdays and Thursdays. He stated that ACSA and RWSA staff  
6 are currently sampling eight homes every week, for four weeks. He noted  
7 that the eight homes are split into different categories of seeing the sediment  
8 with recirculation systems, not seeing the sediment with recirculation  
9 systems, etc. He mentioned that recirculation pumps on hot water systems  
10 seemed to be a big factor with those customers that are experiencing the  
11 issue. He added that they are currently in week two of in-home sampling. He  
12 noted that Cornwell is also looking at water age analysis for Glenmore, and  
13 RWSA has installed pH probes to continuously monitor the pH on the hot  
14 and cold water at the Glenmore sewer plant.

15 Mr. Parcels asked about filtering the hot water supply. Mr. Brown  
16 stated that the only commonality between the hot water heaters in these  
17 homes is that they generate heat. He noted that they are all different types  
18 and brands. He noted that the pathway to get water upstairs to a master bath  
19 in these homes is a long one, thus the recirculation pumps in the homes.

20 Mr. Lynn stated that Cornwell is conducting bench testing with the  
21 monosodium orthophosphate, sealed and unsealed, as well as three  
22 unsealed with varying levels of zinc orthophosphate. He stated that they  
23 anticipate testing to be completed around June-July, at which time they will  
24 have a better idea as to if this is the solution.

25 Mr. Lynn stated that the week of the Glenmore community meeting  
26 in December, the ACSA heard from a customer in Farmington with a similar  
27 sediment issue. He stated that since then, they have spoken to four  
28 Farmington customers, one Inglecress customer, and one customer in West  
29 Leigh. He stated that the samples have been sent off to Cornwell and the  
30 EPA for testing, so he cannot say with 100% certainty that it is the apatite

**Albemarle County Service Authority Board of Directors**

1 but it appears to be. Ms. Palmer and Mr. Tolbert asked if they have  
2 recirculation pumps as well. Mr. Lynn replied that he believes all of them do.

3 Mr. Lynn stated that if water age and pH are a big factor with the  
4 sediment issue, then it is no surprise that it is occurring at the other end of  
5 the system. He stated that Glenmore is to the east, and this is the far reach  
6 of our system on the western side. Mr. Tolbert asked if Farmington is that far  
7 out in the system. Mr. Lynn stated that West Leigh and Owensville Road are  
8 further. He noted the teal line on the map which represents RWSA's  
9 transmission main and stated that most of the customers are to the south of  
10 that, one to the north, and the Owensville Road area to the west.

11 Mr. Tolbert stated that he wonders if there are similarities between  
12 the customers in Glenmore and those in Farmington. Mr. Lynn stated that  
13 ACSA staff showed a Farmington customer a picture of the sediment, and  
14 they had already seen it because their friend in Glenmore showed it to them.

15 Mr. Lynn showed a picture of the back of a washing machine that  
16 belongs to a Farmington customer. He stated that he thinks this is the worst  
17 case of the sediment issue that he has seen thus far. Mr. O'Connell added  
18 that the amount of sediment burned up the motor in the machine.

19 Mr. Lynn stated that in terms of a solution, they still do not have an  
20 answer. Mr. Parcels asked if the customers that did not use a recirculation  
21 pump, had sediment in their hot water heater filters. Mr. Lynn stated that  
22 those customers would be less likely to have sediment than those that have  
23 the recirculation, because the water is passing through one time and being  
24 used.

25 Ms. Palmer stated that she is struggling to understand how the ACSA  
26 is responsible for the issue. She stated that if these customers have a  
27 lifestyle that requires a recirculation pump as opposed to putting a heater  
28 under their sink, why is the ACSA responsible for that. Mr. Lynn stated that  
29 the ACSA wants to ensure that it is not something we have caused. Ms.  
30 Palmer asked if they had not already done that. Mr. Lynn replied that they  
31 have not finished the study yet. He noted that it was not happening in 2015

**Albemarle County Service Authority Board of Directors**

1 or 2020, so they want to make sure they are not contributing to the issue.  
2 Mr. O’Connell noted that these homes have been in the ACSA system for a  
3 long time. Mr. Brown added that the recirculation pump is not a new add-on,  
4 so the question is what has changed. He stated that he only knows of one  
5 home with a confirmed sediment issue that does not use recirculation. He  
6 added, however, that there are hundreds of homes in Glenmore that use  
7 recirculation but have not had the sediment issue. Ms. Palmer stated that it  
8 seems to her that there is something individual about the homes having the  
9 issues. Mr. Lynn stated that the in-home sampling will help to figure out what  
10 that might be.

11  
12 11. Items Not on the Agenda

13 Mr. O’Connell stated that he had two quick items to mention. He  
14 stated that the Annual Quality Report went out. He stated that there is a large  
15 section about PFAS standards in the report, and there will be a presentation  
16 next month about the report. He mentioned that there 400,000 or more tests  
17 annually to say we have safe, clean drinking water for ACSA customers.

18 Mr. O’Connell stated that he also wanted to point out some of the  
19 positive comments on X (formerly known as Twitter) about the 60<sup>th</sup>  
20 anniversary rap played earlier in the meeting. He stated that the song will be  
21 promoted a variety of ways, including social media. Ms. Palmer asked to be  
22 notified when it is posted because she would like to share it as well.

23 Mr. Armstrong stated that he wanted to announce that the ACSA  
24 Board is holding a closed meeting solely for the purpose of interviewing  
25 candidates for the position of Chief Executive Officer, i.e., Executive  
26 Director, which will be held at the ACSA’s offices within 15 days from today.

27  
28 12. Executive Session – Personnel Matter

29 Ms. Trent read a Resolution to enter Executive Session  
30 pursuant to Virginia Code §2.2-3711 A (1) to discuss a personnel matter  
31 (Attached as Page\_\_\_\_\_).

**Albemarle County Service Authority Board of Directors**

1            ***Mr. Parcels moved to approve the Resolution as presented***  
2            ***to the Board; seconded by Ms. Palmer. The Chair asked for a roll-call***  
3            ***vote: Mr. Parcels, aye; Ms. Palmer, aye; Mr. Tolbert, aye; Mr.***  
4            ***Armstrong, aye; Mr. Roberts, aye; Ms. Swanson, aye.***

5            The Board of Directors came back into regular session. Ms. Trent  
6            read into record a Resolution stating that only matters so previously stated  
7            and exempted from open discussion in regular session were discussed in  
8            Executive Session (Attached as Page \_\_\_\_\_).

9            ***Ms. Palmer moved to approve the Resolution as presented***  
10           ***to the Board, seconded by Mr. Parcels. The Chair asked for a roll-***  
11           ***call vote: Mr. Parcels, aye; Ms. Palmer, aye; Mr. Tolbert, aye; Mr.***  
12           ***Roberts, aye; Mr. Armstrong, aye; Ms. Swanson, aye.***

13  
14           13.    Adjourn

15           ***There being no further business, Mr. Armstrong moved that the***  
16           ***meeting be adjourned. All members voted aye.***

17  
18  
19  
20  
21           \_\_\_\_\_  
                 Gary B. O'Connell, Secretary-Treasurer