



BOARD OF DIRECTORS' MEETING
January 20, 2022
9:00 A.M.

AGENDA

This meeting is being held pursuant to and in compliance with the Albemarle County Emergency Ordinance No. 20-E (2); An Emergency Ordinance to Ensure Continuity of Government during the Covid-19 Disaster. The ACSA Board of Directors is responsible for receiving public comment. The opportunities for the public to access and participate in the electronic meeting are as follows: Join the meeting virtually through Zoom by visiting our website at www.serviceauthority.org; call in and leave a message prior to the meeting at (434) 977-4511, or email the Board prior to the meeting at board@serviceauthority.org.

9:00 a.m.	1. Call to Order and Establish a Quorum –Statement of the Board Chair
9:05 a.m.	2. Election of Officers – Board Organizational Meeting
9:15 a.m.	3. Recognitions – Jennifer Sulzberger – Service Award
9:20 a.m.	4. Approve Minutes of December 16, 2021
9:25 a.m.	5. Matters from the Public
9:35 a.m.	6. Response to Public Comment
9:40 a.m.	7. Consent Agenda
	a. Monthly Financial Reports
	b. Monthly Capital Improvement Program (CIP) Report
	c. Monthly Maintenance Update
	d. Rivanna Water and Sewer Authority (RWSA) Monthly Update
	e. ACSA Board Policy Future Issues Agenda 2022
	f. CMMS/Cityworks (Work Order System) Update Report
	g. Advanced Metering Infrastructure (AMI) Project Update
	h. ACSA FSA Benefit Plan Amendments – New Plan Administrator
	i. Annual Water Conservation Report
	j. Strategic Plan Update
10:00 a.m.	8. Amendments to the ACSA Rules and Regulations – Backflow Prevention, Exclusion Meters, and Irrigation
10:15 a.m.	9. Imagine a Day Without Water – Student Art Contest Winners
10:25 a.m.	10. Rate Study – Preliminary Recommendations and Update
10:45 a.m.	11. ACSA 2021 Annual Report
11:00 a.m.	12. Items Not on the Agenda
	13. Adjourn

ACSA CHAIR'S TRANSCRIPT FOR OPENING THE JANUARY 20, 2022 MEETING

CALL TO ORDER

STATEMENT OF CHAIR TO OPEN MEETING

I am Gary O'Connell, Secretary-Treasurer for the Board of Directors of the Albemarle County Service Authority.

I would like to call this January 20, 2022 meeting of the Board of Directors to order.

Notwithstanding any provision in our Bylaws to the contrary, as permitted under Va. Code Section 2.2-3708.2(A)(3); Albemarle County's Continuity of Government Ordinance; Albemarle County's and the City of Charlottesville's declaration of a local state of emergency, the catastrophic nature of which makes it impracticable or unsafe to assemble a quorum in a single location; and the Resolution of this body adopted on May 21, 2020, we are holding this meeting by real time electronic means with no Board member physically present at a single, central location. All Board members are participating electronically. This meeting is being held in accordance with Section 6 of the County's Continuity of Government Ordinance. All Board members will identify themselves and state their general physical location by electronic means during the roll call which we will hold next.

This meeting is being recorded and will be uploaded to the County's website.

The public has real time audio-visual access to this meeting over Zoom and real time audio access over telephone, both as provided in the lawfully posted meeting notice. The public is also invited to offer live comment during the meeting's Public Comment period. Comments are limited to three minutes and must be germane to matters on today's agenda. The public is also invited to send questions, comments, and suggestions to the Board through the Albemarle County Service Authority's Executive Director at any time.

ROLL CALL:

_____ : Please state your full name and location.

Mr. Armstrong: Please state your full name and location.

Mr. Tolbert: Please state your full name and location.

Mr. Parcells: Please state your full name and location.

Mr. Moore: Please state your full name and location.

And I am Clarence Roberts, and I am located at _____.

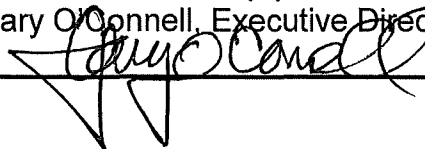

Joining us today electronically are the following Authority staff members:

Gary O'Connell, Pete Gorham, Quin Lunsford, Michael Lynn, Emily Niziolek, April Walker, and Danielle Trent [name any others]

We are also joined electronically by Jim Bowling, counsel to the Authority.

A resolution to implement the procedures outlined in the above-mentioned Continuity of Government Ordinance was adopted by the ACSA Board of Directors at the May 21, 2020 ACSA virtual Board meeting. That resolution (i) approves our conducting this meeting and future meetings electronically consistent with Albemarle County's Continuity of Government Ordinance adopted on April 15, 2020, as amended; [and] (ii) approves our conducting the public comment portion of the meetings required for adoption of budgets and rate settings. I note that the public notice for this meeting was given in conformity with these ordinances and resolution.

AGENDA ITEM EXECUTIVE SUMMARY

AGENDA TITLE: Election of Officers- Annual Meeting	AGENDA DATE: January 20, 2022
STAFF CONTACT(S)/PREPARER: Gary O'Connell, Executive Director 	ACTION:  ATTACHMENTS: Yes

BACKGROUND: Each year in January, at the Annual Meeting, the Board elects officers; a Chair, Vice-Chair, and Secretary-Treasurer. The Executive Director has traditionally served as the Secretary-Treasurer. See attached suggested process for the Election of Officers.

BOARD ACTION REQUESTED: Election of Officers

ATTACHMENTS: By-Laws – Albemarle County Service Authority

Election of Officers at ACSA Annual Meeting

(January each year – 1 year terms)

- Executive Director calls the meeting to order and establishes (notes) a quorum;
- Executive Director opens the floor for nominations for the Office of Chair;
 - Nominations are made;
 - Ask for any other nominations; close the floor for nominations;
 - Ask for a vote for those in favor of _____, or roll-call vote, if more than one nomination;
- Executive Director turns over Chair to the newly elected Chair who handles the nomination of Vice-Chair and Secretary-Treasurer. The Executive Director has traditionally served as the Secretary-Treasurer for the Board.

BY-LAWS

ALBEMARLE COUNTY SERVICE AUTHORITY

ARTICLE I - PREAMBLE

- 1-1. This authority was created on April 16, 1964, by action of the Board of Supervisors of the County of Albemarle, under provisions of Virginia Water and Sewer Authorities Act, Section 15.1-1239 through 15.1-1270, Code of Virginia, 1950, as amended.
- 1-2. The official title of this authority is designated by the aforesaid Board of Supervisors is: "Albemarle County Service Authority".
- 1-3. These bylaws or rules for the transaction of the business of this authority are made pursuant to authority vested in this authority under Section 15.1-1250(b) of the Code of Virginia of 1950 as amended and in accordance with the general provisions of the laws of the Commonwealth of Virginia governing water and sewer authorities as set forth in said 1950 Code in Chapter 28, Title 9, Virginia Water and Sewer Authorities Act.

ARTICLE II - MEMBERS

- 2-1. This authority shall consist of six members, said members to be appointed by the Board of Supervisors pursuant to Section 2-702 of the Albemarle County Code.
- 2-2. All members of this authority are appointed by the Albemarle County Board of Supervisors for terms of four (4) years.
- 2-3. The authority may provide for the payment of expenses of this authority and a reasonable compensation for members of the authority who are not county employees.
- 2-4. Any vacancy in membership will be filled by appointment of the County Board of Supervisors and such appointments will be for the unexpired term only.
- 2-5. Any appointed member may be removed by the Albemarle County Board of Supervisors for inefficiency, neglect of duty, or malfeasance or misfeasance in office.

ARTICLE III - OFFICERS AND THEIR SELECTION

- 3-1. The officers of the Service Authority shall consist of a Chair, a Vice-Chair, a Secretary-Treasurer and an Executive Director. The Secretary-Treasurer and the Executive Director need not be members of the authority.
- 3-2. Nomination of officers shall be made from the floor at the annual meeting held in January of each year. The elections shall take place at the same meeting.
- 3-3. A candidate receiving a majority vote of the entire membership of the Service Authority shall be declared elected. The elected member shall take office immediately and serve for one (1) year, or until a successor takes office.
- 3-4. Vacancies shall be filled by regular election procedures at the next regular meeting.

ARTICLE IV - DUTIES OF OFFICERS

- 4-1. The duties of the Chair are:
 - a. To preside at all meetings.
 - b. To appoint all committees, with the exception of the Executive Committee.
 - c. To rule on procedural questions (subject to a reversal by a 2/3 vote of members present).
 - d. To carry out other duties as assigned by the authority.
- 4-2. The duties of the Vice-Chair are:
 - a. To act in the absence of the Chair.
- 4-3. The duties of the secretary-treasurer are:
 - a. To keep a written record of all business transacted by the authority.
 - b. To notify members of the meetings.
 - c. To keep all official records and reports of the authority.
 - d. To certify all records, and reports of the authority.
 - e. To attend to the correspondence of the authority.
 - f. To keep a record of the minutes of meetings.

ARTICLE V - COMMITTEES

- 5-1. Special Committees: The Chair may appoint such special committees as deemed necessary.

ARTICLE VI - MEETINGS

- 6-1. Regular meetings of the authority shall be held monthly on the third Thursday of the month at 9:00 a.m.
- 6-2. Special meetings shall be called at the request of the Chair or at the request of a majority of the membership. Written notice of meetings shall be given to each member at least two (2) days prior to such meetings.
- 6-3. All regular meetings, records, and accounts shall be open to the public.
- 6-4. A majority (4 of 6) of the membership of the authority shall constitute a quorum. In any meeting where there is otherwise a quorum and any member declares a potential conflict of interest on any matter of business the remaining eligible members shall constitute a quorum for the transaction of that business matter. Approval of any business matter shall require a majority vote of eligible non-abstaining members. Voting may be by roll call, in which case a record shall be kept as part of the minutes.
- 6-5. If a quorum is physically present to conduct a meeting of the Authority's Board of Directors or one of its committees, other members may attend and participate in such meeting from a remote location by telephone or other audio or video means, provided such attendance complies with the provisions of the Virginia Freedom of Information Act, as amended from time to time. A member wishing to attend in this manner shall advise the clerk of the board a reasonable time before start of the meeting, so that the necessary equipment can be put in place.

ARTICLE VII - ORDER OF BUSINESS

- 7-1. The order of business of a regular meeting shall be:
- a. Call to order by the Chair.
 - b. Determination of a quorum.
 - c. Approval of minutes of regular meeting and of executive committee meetings.
 - d. Matters from the public.
 - e. Consent Agenda.
 - f. Matters of business and discussion.
 - g. Matters not listed on the agenda.
 - h. Adjournment.
- 7-2. Parliamentary procedure in authority meetings shall be governed by the adopted rules of order, namely Robert's Rules of Order.

ARTICLE VIII - AMENDMENTS

- 8-1. These rules, excepting Articles I and II, may change by a two-thirds vote of the entire authority after ten days notice has been given them of the projected change.

BY-LAWS ADOPTED:	January 17, 1966
AMENDED:	March 9, 1967
	March 9, 1978
	April 17, 1986
	December 18, 1997
	December 16, 1999
	December 17, 2009
	July 17, 2014
	February 18, 2016
	March 17, 2016
	November 19, 2020

R E S O L U T I O N

WHEREAS, Jennifer Sulzberger served on the Board of Directors of the Albemarle County Service Authority (ACSA) from February 2014 through December 2021, as a representative for all customers but specifically for those customers in the Samuel Miller district of Albemarle County Virginia; and

WHEREAS, she also served as the Vice-Chair on the Board from January 2017 through December 2021, contributing her support and guidance to the staff and Board leadership of the ACSA; and

WHEREAS, during her term on the Board of Directors, many significant events and accomplishments were marked by the ACSA, with the help of her invaluable experience, both educational and professional;

Now therefore, be it resolved by the Board of Directors of the Albemarle County Service Authority that Ms. Jennifer Sulzberger is commended for her dedication, leadership, and commitment to the Board, the staff, and the customers of the Albemarle County Service Authority.

I, Gary B. O'Connell, do hereby certify that the foregoing is a true and exact copy of a resolution adopted by the Board of Directors of the Albemarle County Service Authority in a regularly scheduled meeting on January 20, 2022 by a roll-call vote of ___ to ___ .

Gary B. O'Connell, Secretary-Treasurer

1 The Board of Directors of the Albemarle County Service Authority
2 (ACSA) met virtually in a regular session on December 16, 2021, at 9:00
3 a.m. through Zoom. Mr. Roberts joined the virtual meeting at the
4 Administration and Operations Center at 168 Spotnap Road in
5 Charlottesville, Virginia.

6 **Members Present:** Mr. Richard Armstrong; Mr. Nathan Moore; Mr. John
7 Parcels; Mr. Clarence Roberts, Chair; Ms. Jennifer Sulzberger, Vice-Chair;
8 Mr. Charles Tolbert.

9 **Members Absent:** None.

10 **Staff Present:** Jim Bowling, Pete Gorham, Quin Lunsford, Jeremy Lynn,
11 Michael Lynn, Alex Morrison, Gary O'Connell, Emily Niziolek, Danielle
12 Trent, April Walker, and Deanna Davenport.

13 **Staff Absent:** None.

14 **Public Present:** Mike Derdeyn, Flora Pettit; Leslie Weaber, PFM Asset
15 Management, LLC; Nelson Bush, PFM Asset Management, LLC.

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

18 The Chair called the meeting to order, and a quorum was
19 established. He then read the Board Chair statement declaring an
20 electronic meeting (Attached as Page _____).

21
22 2. Approve Minutes of November 18, 2021

23 The Chair asked if there were any corrections or additions to the
24 minutes of November 18, 2021. Ms. Sulzberger stated that she had four
25 corrections. She stated that the first correction was on page 10 of the
26 Board packet, line 27. She stated that the word "of" should be "on." She
27 stated that the second correction was on page 12, line 29. She noted that
28 the word "budget" is missing after "FY 2021." She stated that the third
29 correction was on page 18, line 25. She stated that the words "are
30 charged" should be deleted so the sentence reads "He noted that this is
31 how the ACSA currently bills single-family residential customers." She

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1 added that the fourth correction was in the next sentence. She stated that
2 the word "us" should be "use." She noted that other than these corrections,
3 the minutes looked good.

4 ***Mr. Parcels moved to approve the minutes of November 18,***
5 ***2021, as amended; seconded by Ms. Sulzberger. All members voted***
6 ***aye.***

7
8 3. Matters from the Public

9 There were no matters from the public.

10
11 4. Response to Public Comment

12 There was no response to public comment.

13
14 5. Consent Agenda

15 ***a. Monthly Financial Reports*** – Mr. Roberts stated that the water and
16 wastewater revenues for FY 2022 are above budgeted expectations by
17 17%, which is good going into the budget process.

18 Mr. Parcels stated that he noticed the arrearages are increasing.
19 He stated that even though the ACSA is receiving the State and Local
20 Fiscal Recovery Funds (SLFRF), they will only cover about 60% of the
21 \$250,000 in arrearages. He mentioned that this is a real concern and
22 asked how the ACSA was going to respond. Mr. Lunsford replied that
23 the ACSA is scheduled to receive a little over \$190,000 in funds that
24 can be applied to eligible arrearages. He mentioned that this will not
25 cover the total amount, but the funding will impact the arrearages
26 significantly. He noted that the customers who will qualify for this
27 additional relief have essentially stopped making payments and have
28 not made a payment for some time. He stated that until the ACSA
29 begins considering disconnection for nonpayment, he does not see
30 that improving. He stated that the ACSA expects to receive the funding
31 in mid-January, which will be applied almost immediately through the

1 next five billing cycles. He mentioned that in conjunction with the
2 funding, he feels it is important that the Board consider a
3 communication to those customers that are receiving relief. He added
4 that, for those customers that are in arrearages and ineligible for
5 funding, the ACSA will also have to consider reinstating disconnection
6 for nonpayment and help customers establish payment plans.

7 Mr. Parcels asked if there were any businesses that went out of
8 business, that are a part of this group. Mr. Lunsford replied that there
9 are some, but the bulk of accounts in arrears are single-family and
10 multi-family.

11 **b. Monthly CIP Report** – Mr. Parcels stated that the CIP summary of the
12 Four-Story Backflow Prevention Device Retrofit project mentions that
13 ACSA staff began attempting to contact some of the nonresponsive
14 customers this week and asked how it went. He stated that it seems to
15 be taking a long time. Mr. Gorham concurred. He stated that the ACSA
16 staff has the revised list of customers and Alex Morrison is working on
17 setting up appointments with them. He stated that the staff will knock
18 on doors, if necessary, but they have been moving forward with
19 contact efforts.

20 Mr. Parcels stated that he also had a question about the Ragged
21 Mountain Phase 1 Water Main Replacement project. He noted that the
22 comments in the project summary state that VDOT has changed their
23 mind and he wanted to know what that meant. Mr. Gorham replied that
24 the ACSA suggested that VDOT install the casing pipe and new water
25 main as part of their box culvert replacement on Morey Creek. He
26 stated that initially they refused, but then seemed interested in doing
27 so. He mentioned, however, that they are now no longer interested in
28 installing the water main and will only install the casing pipe. He stated
29 that the ACSA will now need to come back and install the water main
30 through the casing once VDOT is finished with their work, which will
31 disturb their fresh pavement.

1 Mr. Parcels stated that his next comment was about the Oak
2 Forest Pump Station Abandonment project. He stated that the
3 contractor has run into rock, which is another delay. He also mentioned
4 that the project status shows 70% complete, with a projected
5 completion date of February 2022. He stated that it seems to him that
6 at 70% complete, the project will take longer than February to
7 complete. Mr. Gorham replied that the staff often arrives at that
8 percentage by using the expended funds as an indicator. He
9 mentioned that the bulk of the money has not been expended, but a
10 good chunk of that will be for the demolition of the pump station that
11 happens at the end of the project. He added that the percentage is
12 more based on money expended out of the total budget than it is the
13 amount of sewer main that has been installed.

14 Mr. Parcels stated that he was a bit confused about the difference
15 between the total budget amount of \$1.4 million and the appropriated
16 funds amount of \$2.3 million. He asked if Mr. Gorham could explain
17 what accounted for the difference, as he does not recall it being that
18 much. Mr. Gorham replied that there were a few increases since the
19 initial budget, which was based on an early estimate. He stated that
20 when the bid came in, there was quite an additional expense to deal
21 with boring under Commonwealth Drive. He mentioned that the staff
22 came back to the Board for approval to increase the appropriation. He
23 noted that the budget amount was set a few years ago but has
24 increased due to unexpected additional expenses.

25 Mr. Parcels asked if running into rock was going to add to the
26 project cost. Mr. Gorham replied that in ACSA contracts, there is no
27 rock clause as rock excavation is unclassified. He stated that the
28 ACSA's biggest concern was the boring under Commonwealth and the
29 related issues, but that has since been completed.

30 Mr. Tolbert stated that he had a question about the Barracks West
31 Water Main Replacement project. He stated that the comments in the

1 project summary stated that there are no recorded easements for the
2 existing water mains. He asked if the ACSA needs to get easements
3 for those. Mr. Gorham replied that the Barracks West apartment
4 complex dates to before the ACSA took over the water and sewer
5 outside of the City of Charlottesville limits. He stated that the good
6 news is that the ACSA does not have to vacate an easement, but it will
7 plat and provide a deed of easement for the new lines. He added that
8 there will not be any compensation offered for the easement because
9 the entire system is being replaced.

10 **c. CIP Authorizations –**

11 **d. Monthly Maintenance Update –**

12 **e. Rivanna Water and Sewer Authority (RWSA) Update –**

13 **f. ACSA Board Policy Future Issues Agenda 2021 –**

14 **g. CMMS/Cityworks (Work Order system) Update Report – Ms.**

15 Sulzberger asked how the testing for the BillMaster integration was
16 going, and if there is an idea as to when the customer portals might go
17 live. Mrs. Walker replied that the integration is still being tested within
18 the Finance department. She noted that due to some scheduling
19 issues and staff being out of the office, the testing was pushed back a
20 little. She added that the hope is to go live in early 2022.

21 **h. Advanced Metering Infrastructure (AMI) Project Update –**

22 **i. Holiday Schedule for 2022 –**

23 **j. Board Meeting Schedule for 2022 –**

24 **Mr. Parcells moved to approve the Consent Agenda,**
25 **seconded by Mr. Tolbert. All members voted aye.**

26
27 **6. Budget Guidelines and Schedule for FY 2022-23**

28 Mr. O'Connell stated that Mr. Lunsford would walk the Board
29 through the proposed schedule. He mentioned that it should look like what
30 they have seen in the past.

1 Mr. Lunsford stated that the budget schedule is similar to past
2 years, except for a presentation anticipated in January to give some
3 preliminary results from the rate study that is currently underway. He stated
4 that the ACSA staff is working closely with NewGen to build the rate model
5 and have a presentation prepared for the Board. He stated that in March,
6 the Engineering team will present the proposed CIP budget and the CIP
7 public hearing will be scheduled. He mentioned that in April, the CIP public
8 hearing will be held, and the operating budget will be introduced for the first
9 time along with the preliminary rate schedule. He stated that in June, the
10 staff will request Board approval of the FY 2023 budget.

11 Mr. O'Connell stated that the main driver of the budget will be what
12 the ACSA charges from RWSA will be. He stated that RWSA just submitted
13 their five-year CIP, which shows nearly double digit increases in the debt
14 service. He noted that this will be a significant issue and the rate study will
15 obviously take a closer look at those increases as the ACSA considers
16 long-term financing. He stated that the ACSA is in the midst of a pay study
17 and will hopefully have the results from that by the beginning of February.
18 He mentioned that he suspects that the market has shifted enough that
19 there may be a recommendation for an increase coming out of that study.
20 He added that the employee portion of the pay study has been completed.
21 He stated that he suspects the operating budget within the departments will
22 be similar to previous budgets, as he does not know of any major changes.

23 Mr. Parcels asked if it was too early to consider any of the
24 infrastructure money being available to help. Mr. O'Connell replied that the
25 ACSA is beginning to explore that option. He stated that the money will be
26 administered at the state level and the regulations get worked out at the
27 state level to determine which projects would qualify. He mentioned that
28 RWSA has applied for the County emergency funding for seven of their
29 projects.
30 .
31

7. CARES Act Customer Assistance Status Report

Mr. O'Connell stated that Mr. Lunsford would discuss the CARES Act funding program, as well as discuss the new American Rescue Plan Act (ARPA) funding. He stated that in total, there is almost \$400,000 of federal funding that the ACSA can apply towards customer assistance, which is significant. He added that the Customer Service team has done a remarkable job of working with individual customers, as the first round of funding required individual applications.

Mr. Lunsford stated that he is excited to report the conclusion of the CARES Act program. He stated that the program began last November and December, with the application process and customer outreach effort. He stated that he relied heavily on the Customer Service team with support from the Administration department as well. He mentioned that the outreach consisted of telephone calls, emails, and letters to customers that were in arrears and potentially qualified for assistance. He noted, as Mr. O'Connell mentioned, the CARES Act required that customers attest to having been negatively impacted financially by the pandemic. He noted that this was a difficult hurdle to clear to apply funding to those customer accounts. He stated that 261 customers received assistance with their eligible arrearages, which came out to about \$690 per account. He pointed out that the funding could only be applied to water and sewer charges, thus accrued late fees and penalties were not eligible for relief.

Mr. Roberts asked if the funding was applied to 100% of the customers bill, or just a percentage based on their ability to pay. Mr. Lunsford replied that the funding was applied to 100% of the eligible arrearages. He stated, for example, if a customer had arrearages prior to a certain date, they were not eligible for funding. Mr. Roberts asked who the ACSA was accountable to, in terms of how the funding was spent. Mr. Lunsford replied that the funding flowed through from the federal level to the state level, and the ACSA has reported to the state throughout the process.

1 Mr. Lunsford stated that there is a new grant through the State and
2 Local Fiscal Recovery Fund (SLFRF) Program that uses ARPA funding
3 from the federal government to act similarly to the CARES Act funding. He
4 noted, however, that the way the new program is administered is a bit
5 different. He stated that the ACSA expects to receive about \$195,000 by
6 mid-January. He stated that the funding is a bit delayed because the
7 money must be wired to the County and then passed on to the ACSA. He
8 noted that the County should receive those funds next week but will not be
9 able to appropriate the funds to the ACSA until their January Board of
10 Supervisors meeting.

11 Mr. Lunsford stated that the ARPA program does not require
12 individual customer attestation. He stated that customers with arrearages
13 between March 12, 2020 and August 31, 2021 are eligible for relief through
14 the ARPA funding. He stated that there is some administrative work that
15 must be done, to ensure that the customer arrearages being paid fall
16 between this time frame and adjusting the funding when necessary. He
17 added that, after that, the \$195,000 in funding will be applied to the
18 customer arrearages proportionately. He added that there is more internal
19 work with the ARPA program, but the calculations should be complete
20 before the holidays to begin applying funds in January and February. He
21 noted that the program must be finished by the middle of March.

22 Mr. Parcels asked if there were families that have arrearages but
23 can pay their current bill. Mr. Lunsford replied that he could not speak to
24 that with a great amount of certainty. He stated that there have been some
25 customers that began making payments on their current amounts once
26 they received the CARES Act funding, and some did not. He stated that
27 each customer is in a different situation, and it is difficult to say. Mr.
28 Parcels asked if the ACSA has any way to point these customers in the
29 direction of various organizations that can provide utility assistance. Mr.
30 Lunsford replied that the ACSA has done that in the past, but not currently
31 with these outstanding funding programs and the moratorium on

1 disconnections for nonpayment. Ms. Sulzberger stated that she realizes a
2 lot of time and effort has gone into these programs, and she really
3 appreciates Mr. Lunsford and the ACSA staff for all their hard work.
4

5 8. PFM Investment Report

6 Mr. O'Connell stated that this item is an update for the Board on
7 where the ACSA stands with investments. He stated that there are also a
8 couple of policy issues that the staff wanted to tee up for discussion. He
9 stated that Mr. Lunsford would introduce the ACSA's investment firm, who
10 would walk the Board through the investments they will be making on
11 behalf of the organization.

12 Mr. Lunsford stated that Leslie Weaber and Nelson Bush with PFM
13 Asset Management will be presenting today. He stated that he felt it was a
14 good time to look at the ACSA's portfolio performance since inception and
15 allow the PFM group to explain what they are watching in terms of national
16 economic indicators. He stated that they would also discuss what they are
17 doing on the ACSA's behalf to ensure the organization is following its
18 investment policy and is leveraging its portfolio as much as possible. He
19 noted that there are some redline edits to the ACSA's investment policy for
20 future consideration, but that it did not feel appropriate to ask for any action
21 to be taken on those today. He added that Ms. Weaber and Mr. Bush would
22 explain the thought process related to those edits, and that they would be
23 brought back before the Board for consideration sometime later next year.

24 Mr. Bush stated that he and Ms. Weaber would be providing the
25 Board with an update on the ACSA's investment portfolio. He stated that
26 they have a short Power Point presentation by way of an economic update.
27 He mentioned that last Tuesday, PFM Asset Management transitioned from
28 being a privately held firm to a subsidiary of U.S. Bancorp. He noted,
29 however, that it will still be the same group of people working with the
30 ACSA from the portfolio managers to the investment accountants. He

1 stated that Ms. Weaber would now speak to the Board about the economy
2 and ACSA's investment portfolio.

3 Ms. Weaber stated that she would begin her presentation with an
4 economic update. She stated the Gross Domestic Product (GDP) is
5 essentially the sum of the total of all goods and services that the economy
6 produces and is generally seen as the indicator of economic growth. She
7 noted that in the third quarter of 2021, the GDP came in at an annualized
8 2.1%. She stated that normally, pre-pandemic, 2.1% would be a solid
9 number for GDP. She mentioned that GDP is usually low for developed
10 countries because there is a slow and steady growth over time. She stated,
11 however, that economists were hoping to see a larger number with the
12 expectation that the economy would be bouncing back from the shock of
13 the pandemic. She stated that the slowdown in the third quarter is due to
14 the increase in prices, as well as supply chain issues and the surge of the
15 Covid-19 delta variant. She noted that economists' predictions for next year
16 do show a higher economic growth, the caveat being supply chain issues
17 are fixed, inflation is in check, and Covid cases continue to decrease.

18 Ms. Weaber stated that looking at the job market, the Fed has
19 historically had a dual mandate of keeping prices stable and unemployment
20 low. She stated that lately, the Fed has also been more involved in
21 economic recovery by using their monetary tools to help restore liquidity in
22 the market at the beginning of the pandemic when the markets were
23 rallying. She stated that the Fed also stepped up with their bond buying
24 program, which helps interest rates remain low and spurs borrowing. She
25 stated that there were over 20 million jobs lost due to the pandemic, and
26 the lingering effects of that are still being seen. She noted that businesses
27 are hiring but there is a shortage of workers. She stated that the belief is
28 that some people are not returning to the job market due to fear of the
29 virus, retirement, or simply changing their minds about returning to work.
30 She added that despite this, unemployment is continuing to decline, which
31 is a positive.

1 Mr. Bush stated that he wanted to add a comment about the job
2 market. He noted that the workers who have chosen to leave the workplace
3 or not return are primarily people who are over 55 years old, which is a
4 small portion of the overall U.S. workforce but still about several million
5 people. He stated that the other broad group of people who seem to not
6 have returned to the workforce are younger women. He mentioned that
7 perhaps they have childcare or eldercare responsibilities and left the
8 workforce at the beginning of the pandemic.

9 Ms. Weaber stated that the other piece of the dual federal mandate
10 is keeping prices stable. She stated that historically, the inflation target was
11 2%, which was then changed to an average of 2%. She noted that
12 November's Consumer Price Index (CPI) increased to the highest it has
13 ever been in the past 39 years. She noted that this increase was most
14 predominately seen in the energy and used car sectors. She stated that the
15 CPI is the weighted average of consumer goods and services purchased
16 by households and is one measurement of inflation. She stated that what
17 the Fed is monitoring is core PCE, or personal consumption expenditure.
18 She stated that this indicator removes food and energy prices because they
19 are more volatile and allows the Fed to see more of a trend.

20 Ms. Weaber stated that the Fed mentioned they would be tapering
21 their bond buying program. She stated that they plan to wrap up the
22 tapering by March 2022, instead of the originally anticipated June 2022.
23 She stated that as a result, interest rates could potentially increase. Mr.
24 Bush stated that the Fed, at their September meeting, felt that inflation was
25 transitory. He stated that what they have said in the past few weeks is that
26 they no longer believe this and are attempting to remove their stimulus to
27 the economy.

28 Ms. Weaber stated that the U.S. Treasury yield curve shows the
29 different yields on various U.S. Treasury maturities. She stated that the
30 market has already begun to price interest rates hikes. She stated that the
31 shorter end of the curve, or the yield, has begun to increase, which is

1 normally controlled by the Fed and their policies. She noted that the longer
2 end of the curve, or maturity, generally reflects investor sentiment. Mr.
3 Bush stated that for the ACSA and any anticipated borrowing for its long-
4 term CIP, the current yield curve suggests that short-term rates will rise but
5 not long-term rates.

6 Ms. Weaber stated that she would next look at the ACSA's
7 portfolio. She stated that the portfolio is currently right under \$30 million,
8 and the yield at cost is at 39 basis points. She noted that the yield at
9 market is a bit higher than yield at cost, due to the rising interest rate
10 environment. She mentioned that the securities health within the ACSA's
11 portfolio have a very high credit quality, and the portfolio itself is diversified
12 among U.S. treasuries, federal agencies, municipal bonds, and commercial
13 paper. She noted that a healthy amount of the portfolio allocation is in U.S.
14 treasuries because they are very highly liquid securities.

15 Ms. Weaber stated that in evaluating portfolio performance, PFM
16 looks at total return accounts for both income from the securities and the
17 market value fluctuation. She stated that as there are maturities in the
18 portfolio, the ACSA can take advantage of that and invest at a higher yield.
19 She noted that the core funds plan to be invested over time, and longer-
20 term strategies have historically outperformed short-term strategies.

21 Ms. Weaber stated that PFM has a set of investment policy
22 recommendations for the Board's consideration, as to how the ACSA can
23 potentially enhance yield while focusing on the safety and liquidity of the
24 portfolio. She stated that the current permitted investment sectors are
25 outlined in the presentation, including PFM's recommendations and those
26 that are in the draft investment policy in the Board packet. She noted that
27 the sectors not permitted are in some of PFM's other client portfolios and
28 are also held within the Virginia LGIP.

29 Ms. Weaber stated that PFM's first policy revision consideration
30 would be to update the rating requirement for commercial paper. She noted

1 that in July 2020, House Bill 1567 was passed that allows an additional
2 rating agency to qualify certain securities such as commercial paper.

3 Mr. Parcels asked if he could backtrack a bit to Supranational, one
4 of the investment sectors currently prohibited in the ACSA's investment
5 policy. He asked if these were foreign investments. Ms. Weaber replied that
6 Supranationals are quasi-governmental entities that are issued in U.S.
7 denominations. She stated that they provide financing services to their
8 member countries, with the goal of improving living standards through
9 economic growth. She mentioned that there are about 10 issuers, but only
10 3 permitted issuers in Virginia. She stated that they are the African
11 Development Bank, Asian Development Bank, and the International Bank
12 of Reconstruction and Development. Mr. Parcels asked if PFM was
13 suggesting that the ACSA invest in this sector. Ms. Weaber replied yes, if
14 comfortable doing so. She noted that there is some headline risk because
15 they sound like foreign investments but are issued in U.S. denominations.

16 Mr. Bush stated that the banks Ms. Weaber mentioned are really
17 divisions of The World Bank, which is a quasi-governmental entity. He
18 noted that The World Bank was not created by the United States alone, but
19 rather is the result of joint legislative action by several different countries.
20 He stated that the World Bank borrows in the United States debt market,
21 which tends to be shorter-term in nature. He mentioned that when the
22 World Bank borrows money, it is because they are going to turn around
23 and lend money out for some sort of municipal development project, which
24 is typically not in the United States. He stated that in the marketplace,
25 based on the structure of the securities, the rating agencies rate them AAA
26 and their yields are right around where U.S. Treasury yields are.

27 Ms. Weaber stated that another policy revision consideration for the
28 Board is increasing sector limits for Federal Agency/GSE and municipal
29 obligations. She stated that this will help to further diversify the portfolio
30 without changing any of the issuer limits or credit rating requirements. She
31 stated that the last two revision considerations were permitting

1 Supranationals, which they already discussed, and expanding to high-
2 quality investment sectors with corporate notes and negotiable certificates
3 of deposit. She mentioned that this could potentially enhance the overall
4 yield of the portfolio by taking on that additional credit risk.

5 Mr. Bush stated that the high-quality investment sectors Ms.
6 Weaber mentioned are corporations that are borrowing money whether it
7 be a bank or manufacturing company. He noted that the Code of Virginia
8 limits these corporations to having an AA rating and limits their maximum
9 maturity to five years. He stated that many corporations do not care about
10 their credit rating, thus there are fewer issuers in this sector.

11 Mr. Moore stated that he appreciates PFM making the safety and
12 liquidity of the ACSA funds a priority. He stated that in terms of social
13 responsibility, the County of Albemarle has discussed achieving net zero
14 carbon emissions by 2050 and has several equity goals. He asked how the
15 ACSA's investment portfolio can reflect those priorities as well, particularly
16 the bank-based funds. Mr. Bush replied that currently the ACSA's
17 investment requirements are based on the maturity and credit ratings, but
18 there is the opportunity to establish criteria in a couple of ways. He stated
19 that one of those ways is through SRI, or socially responsible investing. He
20 mentioned that this involves identifying a name or type of entity that the
21 ACSA does not want to invest in. He stated that the other approach would
22 be ESG, or environmental and social governance. He mentioned that PFM
23 uses an ESG rating score provided by Investment Metrics, which is owned
24 by Morning Star. He stated that they give companies a risk based ESG
25 score which is similar to but separate from a credit rating. He added that
26 PFM would be happy to discuss this investment option further if the ACSA
27 is interested.

28 Mr. O'Connell asked if Mr. Bush knew where the County of
29 Albemarle stood with socially responsible investing. Mr. Bush replied that
30 he has reached out to several cities and counties in the Commonwealth of
31 Virginia and is not aware of any entity that has taken steps to implement

1 anything aside from the City of Charlottesville. Mr. Parcels stated that at
2 some point, he would like to have conversations about adopting some
3 socially responsible investments. Mr. Moore, Ms. Sulzberger, and Mr.
4 Armstrong all concurred. Mr. Lunsford stated that he will work on a
5 separate presentation related to that topic and will bring it back before the
6 Boar for further discussion. Mr. O'Connell stated that the staff will likely
7 time that along with the budget and financial policy presentations.

8
9 9. Items Not on the Agenda

10 Mr. O'Connell stated that he had two items he wanted to discuss.
11 He stated that the ACSA's new financial system goes live January 1, 2022.
12 He stated that it will probably be a couple of months before the Board sees
13 any of the financial reports in the Board packet change. He stated that the
14 second thing he wanted to mention was his suggestion to continue with
15 virtual meetings until the pandemic environment changes. He mentioned
16 that Albemarle County still plans to meet virtually going into the new year.
17 He added that his suggestion is that the January 2022 Board meeting be
18 virtual and evaluate on a month-to-month basis from there.

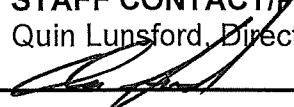
19
20 10. Adjourn

21 ***There being no further business, Mr. Tolbert moved that the***
22 ***meeting be adjourned, seconded by Ms. Sulzberger. All members***
23 ***voted aye.***
24
25
26
27

28 _____
29 Gary B. O'Connell, Secretary-Treasurer
30

ALBEMARLE COUNTY SERVICE AUTHORITY

AGENDA ITEM EXECUTIVE SUMMARY

AGENDA TITLE: Monthly Financial Reports STAFF CONTACT/PREPARER: Quin Lunsford, Director of Finance 	AGENDA DATE: January 20, 2022 ACTION: Informational ATTACHMENTS: Yes
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BACKGROUND: Water and sewer financial reports and check registers for the month of December are attached for your review.

DISCUSSION:

- Water consumption for the month of November decreased 6.8% compared to October. Water consumption for the month of November 2021 compared to November 2020 increased 3.3%.
- RWSA's invoice of \$1,789,319 for the month of November was paid on December 10, 2021.
- Unearned water and sewer connection charges totaled \$1,506,053 at month end.
- System connection charges were above budgeted expectations with \$656,300 recognized in November. Total system connection charges for FY 2022 are less than those in FY 2021 by 13%.
- Water and Wastewater revenues for FY 2022 are above budgeted expectations by 14.5%. Please see the water/wastewater trend analysis included illustrating that when adjustment for expected variations in seasonal consumption, revenues are 8.9% higher than expectations.
- The Authority applied for and has been notified that the Authority will be awarded \$195,358.96 in federal State and Local Fiscal Recovery Funds (SLFRF) through the American Recovery Plan Act (ARPA) for the COVID-19 ARPA SLFRF Municipal Utility Assistance Program. The award will be used to directly assist residential customers of the Authority with arrearages greater than 60 days from the time period between March 12, 2020, and August 31, 2021. We anticipate application of these funds to eligible customer arrearages beginning this month. As can be noted in item 10 of the financial consent agenda, AR aging has deteriorated over the course of the pandemic. Application of the ARPA funds will improve the AR aging but as noted last month, staff anticipates requesting the re-institution of disconnection for non-payment of customer water/sewer bills.
- The Authority successfully deployed its new Enterprise Resource Planning (ERP) or financial system on January 1, 2022. Staff worked over the last year and half to analyze, design, test, and ultimately deploy critical financial modules including payroll/HR, Accounts Payable, general ledger and reporting. Staff will continue to build, test, and deploy additional modules to enhance employee time/record keeping, procurement, contract/project management, etc. Input from all departments was incorporated into the ultimate design but the ERP committee consisting of Theresa Whiting, Jennifer Bryant, Tonya Foster and Deanna Davenport

ALBEMARLE COUNTY SERVICE AUTHORITY**AGENDA ITEM EXECUTIVE SUMMARY**

from the accounting team and Danielle Trent and Emily Roach from the Administration team devoted the better part of 2021 to ensure the project was successful.

BUDGET IMPACT: Informational only.

RECOMMENDATIONS: None

BOARD ACTION REQUESTED: None; informational item only.

ATTACHMENTS:

1. Statement of Net Position
2. Year-to-Date Budget to Actual Comparison/Commentary
3. Investment Summary
4. Capacity/System Development Reserves
5. Connection Charges/ERC Analysis
6. Monthly Water Consumption
7. Water and Sewer Report; Customer Class Report
8. Major Customer Analysis
9. Water/Wastewater Revenue Trend Analysis
10. Aged Receivables Analysis
11. Check Registers

ALBEMARLE COUNTY SERVICE AUTHORITY

STATEMENT OF NET POSITION
December 31, 2021

ASSETS

Cash and cash equivalents	\$ 7,457,348
Accounts receivable	5,162,191
Investments	43,381,898
Capital assets: (net of accumulated depreciation)	174,382,816
Inventory	520,039
Prepays	45,565
Cash and cash equivalents, restricted	<u>379,825</u>
Total assets	<u>231,329,682</u>

DEFERRED OUTFLOWS OF RESOURCES

Combined deferred outflows of resources	<u>1,856,772</u>
---	------------------

LIABILITIES

Accounts payable	2,025,679
Accrued liabilities	491,319
Compensated absences	693,271
Net pension liability	3,659,743
Other post-employment benefits	1,448,953
Unearned connection fees	1,506,053
Long-term debt	<u>5,142,353</u>
Total liabilities	<u>14,967,371</u>

DEFERRED INFLOWS OF RESOURCES

Combined deferred inflows of resources	<u>584,136</u>
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NET POSITION

	<u><u>217,634,947</u></u>
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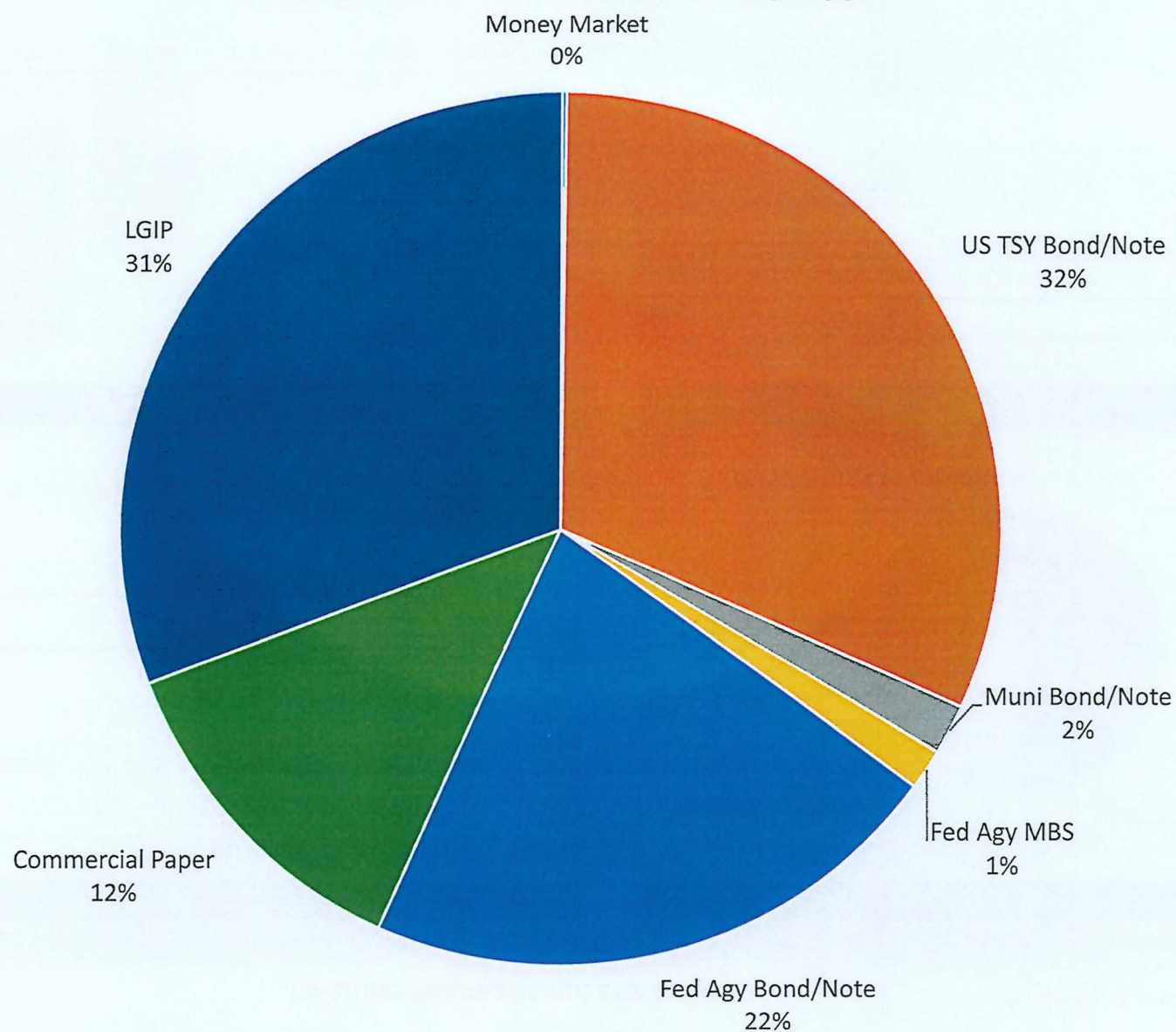
ALBEMARLE COUNTY SERVICE AUTHORITY
For the Six Months Ending Tuesday, December 31, 2021

	Budget FY 2022	Budget Year-to-Date 2022	December Actual Year-to-Date	Actual vs. Budget	Variance Percentage
Revenues					
Water Sales	16,543,400.	8,271,700.	9,588,547.	1,316,847.	15.92%
Sewer Service	14,034,800.	7,017,400.	7,923,416.	906,016.	12.91%
Total operating revenues	30,578,200.	15,289,100.	17,511,963.	2,222,863.	14.54% A
Operating Expenses					
Purchase of bulk water	(12,450,600.)	(6,225,300.)	(6,316,188.)	(90,888.)	1.46% B
Purchase of sewer treatment	(9,685,800.)	(4,842,900.)	(4,681,158.)	161,742.	(3.34%) B
Administration	(1,253,400.)	(626,700.)	(482,650.)	144,050.	(22.99%) C
Finance	(2,243,574.)	(1,121,787.)	(989,706.)	132,081.	(11.77%) C
Information Technology	(1,162,387.)	(581,194.)	(563,788.)	17,406.	(2.99%) C
Engineering	(2,107,300.)	(1,053,650.)	(954,800.)	98,850.	(9.38%) C
Maintenance	(4,018,540.)	(2,009,270.)	(1,557,250.)	452,020.	(22.50%) C
Total operating expenses	(32,921,601.)	(16,460,801.)	(15,545,540.)	915,261.	(5.56%)
Operating gain(loss)	(2,343,401.)	(1,171,701.)	1,966,423.	3,138,124.	(267.83%)
Nonoperating Revenues					
System connection charges	7,000,000.	3,500,000.	4,616,480.	1,116,480.	31.90% D
Investment/Interest Income	200,000.	100,000.	(83,787.)	(183,787.)	(183.79%) E
Rental income	16,000.	8,000.	7,450.	(550.)	(6.88%)
Miscellaneous revenues	455,000.	227,500.	253,624.	26,124.	11.48% F
Federal subsidy, Build America Bonds	87,000.	43,500.	0.	(43,500.)	(100.00%) G
Total nonoperating revenues (expenses)	7,758,000.	3,879,000.	4,793,767.	914,767.	23.58%
Nonoperating Expenses					
Miscellaneous expenses	(304,179.)	(152,090.)	(177,924.)	(25,835.)	16.99% H
Bond interest charges	(274,436.)	(137,218.)	(317,822.)	(180,604.)	131.62% I
Depreciation	0.	0.	(2,053,654.)	(2,053,654.)	0.00% J
Total nonoperating revenues (expenses)	(578,615.)	(289,308.)	(2,549,400.)	(2,260,093.)	781.21%
Capital contributions	0.	0.	1,463,450.	1,463,450.	0.00%
Change in Net Position	4,835,984.	2,417,992.	5,674,240.	3,256,248.	134.67%

**Albemarle County Service Authority
Actual-to-Budget Year to Date Commentary**

- A. Water and sewer revenues exceed budgeted amounts by 14.54%. Consumption through December (gallons) appears reasonable considering the ACSA's normal seasonal consumption pattern and resumption of more normal consumption from compared to periods of more restrictive shutdowns from COVID-19. Further information related to seasonal revenue expectations can be found later in the Board packet.
- B. Expenses related to purchases of bulk water and sewer treatment from the RWSA are lower than budgeted amounts by 0.6%. Monthly billings prepared by the RWSA allocate total water/wastewater flows to the ACSA/City based on the consumption of each for the quarter immediately preceding.
- C. Departmental operating budgets through the current month remain below budgeted expectations for the fiscal year.
- D. System connection charges are higher than the prorated budgeted amount. Connection charges are often difficult to project and can fluctuate from year to year. These charges are dependent upon new customers connecting to the system.
- E. Investment income(loss), which includes both interest income and adjustments to fair market value are recorded in these accounts. Investment earnings are below budgeted expectations.
- F. Miscellaneous revenues consist of multiple lines and include inspection fees, plan review, reconnections/initial bill fees, invoiced water usage, and gains associated with sales of capital assets retired from service.
- G. The federal subsidy related to the 2010 debt issuance of BAB will not be earned in FY 22. These bonds were refunded in August 2021 yielding a net budgetary savings of \$1.2 million.
- H. The budgeted amount includes expected outlays for capital equipment and losses on disposal of capital assets. Equipment is capitalized when placed in service.
- I. Bond interest charges are recorded as incurred.
- J. Depreciation is not a budgeted line item accounting for the variance. Depreciation expense is considered during the annual budgeting process as this expense is utilized to calculate the required contribution to the 3r reserve.

Allocation of Investments by Type



Portfolio Summary and Statistics

For the Month Ending **December 31, 2021**

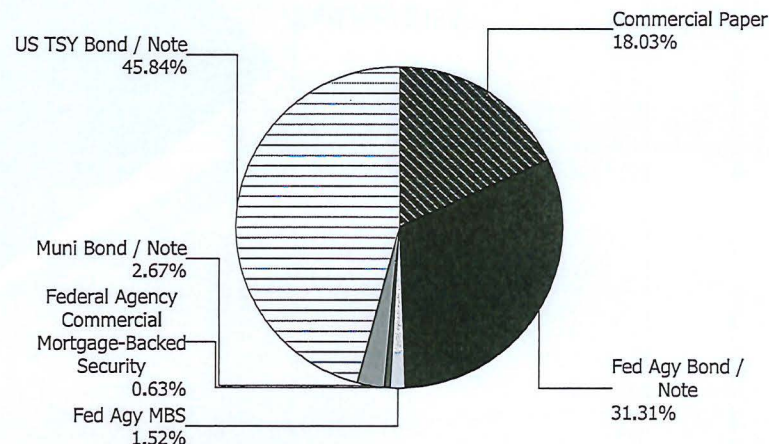
ACSA OPERATING FUNDS - 03100100

Account Summary

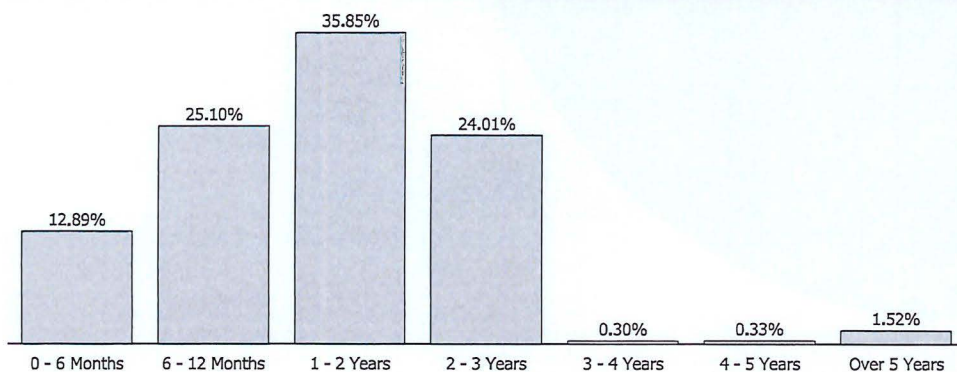
Description	Par Value	Market Value	Percent
U.S. Treasury Bond / Note	13,750,000.00	13,710,230.45	45.84
Municipal Bond / Note	800,000.00	797,347.00	2.67
Federal Agency Mortgage-Backed Security	431,866.87	453,804.84	1.52
Federal Agency Commercial Mortgage-Backed Security	192,164.48	187,619.84	0.63
Federal Agency Bond / Note	9,360,000.00	9,363,476.91	31.31
Commercial Paper	5,400,000.00	5,390,581.20	18.03
Managed Account Sub-Total	29,934,031.35	29,903,060.24	100.00%
Accrued Interest		31,639.84	
Total Portfolio	29,934,031.35	29,934,700.08	

Unsettled Trades **0.00** **0.00**

Sector Allocation



Maturity Distribution



Characteristics

Yield to Maturity at Cost	0.38%
Yield to Maturity at Market	0.58%
Weighted Average Days to Maturity	569

Capacity/System Development Reserves

\$35,000,000
\$30,000,000
\$25,000,000
\$20,000,000
\$15,000,000
\$10,000,000
\$5,000,000
\$0

	1/1/2021	2/1/2021	3/1/2021	4/1/2021	5/1/2021	6/1/2021	7/1/2021	8/1/2021	9/1/2021	10/1/2021	11/1/2021	12/1/2021
RWSA Cap. Chg. Water	7,541,384	7,593,328	7,628,717	7,673,351	8,114,071	8,172,421	8,167,100	8,048,359	8,298,486	8,582,938	8,448,716	8,448,240
RWSA Cap. Chg. WW	6,629,035	6,684,497	6,731,139	6,784,356	7,149,476	7,222,673	7,224,638	7,190,569	7,462,139	7,604,770	7,520,465	7,525,677
ACSA Dev Chg. Water	4,208,595	4,289,855	4,360,163	4,431,534	4,665,502	4,681,437	4,660,328	4,693,209	4,830,148	5,029,349	5,054,132	5,123,465
ACSA Dev Chg. WW	7,792,760	7,901,932	8,010,829	8,131,497	8,457,178	8,534,542	8,487,480	8,549,702	8,807,285	9,106,748	9,150,846	9,263,381
Total	26,171,774	26,469,611	26,730,848	27,020,737	28,386,226	28,611,073	28,539,545	28,481,839	29,398,057	30,323,806	30,174,159	30,360,763

Note: Additions to Capacity/System Development Reserves are from monthly connection charges, reductions to the reserves are from monthly growth related expenses/capital costs.

**Albemarle County Service Authority
Connection Fee Analysis
November 2021**

Area	November 2021 Monthly Connection Fees	November 2020 Monthly Connection Fees	\$ Change	% Change
Crozet	\$ 134,700	\$ 296,340	\$ (161,640)	-55%
Urban	521,600	491,910	29,690	6%
Scottsville	-	-	-	-
Total Connection fees	\$ 656,300	\$ 788,250	\$ (131,950)	-17%

Area	Through November YTD FY 2022 Connection Fees	Through November YTD FY 2021 Connection Fees	\$ Change	% Change
Crozet	\$ 592,680	\$ 1,465,245	\$ (872,565)	-60%
Urban	3,660,110	3,397,915	262,195	8%
Scottsville	-	-	-	-
Total Connection fees	\$ 4,252,790	\$ 4,863,160	\$ (610,370)	-13%

Area	November 2021 ERC's	November 2020 ERC's	Change	% Change
Crozet	10	22	(12)	-55%
Urban	39	37	2	5%
Scottsville	-	-	-	-
Total ERC's	49	59	(10)	-17%

Area	Through November YTD FY 2022 ERC's	Through November YTD FY 2021 ERC's	Change	% Change
Crozet	44	109	(65)	-60%
Urban	272	253	19	8%
Scottsville	-	-	-	-
Total ERC's - YTD	316	362	(46)	-13%

Note: This analysis shows, both in dollars and ERC's, connections by month and YTD for the period under review. As noted above, connection fees are comparable to the prior year. See the "Three Year Connection Fee Comparison" for further discussion related to this change.

**Albemarle County Service Authority
Three Year Connection Fee Comparison
November 2021**

Area	November 2021 ERC's	November 2020 ERC's	November 2019 ERC's
Crozet	10	22	34
Urban	39	37	43
Scottsville	-	-	-
Total ERC's	49	59	77

Through November			
Area	YTD 2022 ERC's	YTD 2021 ERC's	YTD 2020 ERC's
Crozet	44	109	85
Urban	272	253	307
Scottsville	-	-	1
Total ERC's - YTD	316	362	393

Note: The information above presents ERCs by month and YTD for the current and past two fiscal years. As noted in the YTD portion of the analysis, YTD ERCs in Fiscal Year 2022 appear reasonable considering continued development within the ACSA's service area.

Albemarle County Service Authority
Consumption Analysis
Fiscal Year 2022

	FY 2022 Consumption	FY 2021 Consumption		Monthly Precipitation (In.)	
				FY 2022	FY 2021
July	162,247,194	158,247,100	2.53%	2.30	3.94
August	183,549,927	160,498,300	14.36%	4.60	7.90
September	167,986,757	152,817,725	9.93%	5.46	4.90
October	159,438,005	146,675,175	8.70%	5.26	5.90
November	148,641,595	143,888,525	3.30%	1.01	4.84
December		129,490,677	-100.00%		5.70
January		141,920,135	-100.00%		2.37
February		119,808,532	-100.00%		4.51
March		128,124,393	-100.00%		2.13
April		131,020,458	-100.00%		3.24
May		145,813,573	-100.00%		0.81
June		161,128,651	-100.00%		2.80
	821,863,478	1,719,433,244		18.63	49.04
YTD	821,863,478	762,126,825	7.84%	18.63	27.48

Note: Consumption through November 2021 is 7.84% more than the same period in fiscal year 2021. Monthly precipitation figures have been included for comparison purposes. Trends in rainfall can sometimes correlate with trends in consumption however, depending on the intensity, days between rain events, or other factors, this may not always be the case.

Note: Precipitation data obtained from National Oceanic and Atmospheric Administration (NOAA): <https://www.ncdc.noaa.gov/cdo-web/search>.



Water and Sewer Report

(Volumes in Gallons)

November 2021

Billed by Area:	Water	Sewer
Crozet	17,078,200	15,673,500
Scottsville	1,254,000	621,000
Urban	130,282,595	110,916,307
Red Hill	26,800	0
Total	148,641,595	127,210,807

Billing by Sewer Plant:	
AWT	126,589,807
less Glenmore	(3,981,900)
Urban Total	122,607,907
Scottsville	621,000
Total	123,228,907

Number of Installed Meters:	
Urban	23
Crozet	12
Scottsville	0
Total	35

Metered Consumption (billed by invoice):

Urban	727,100
Crozet	700
Scottsville	0
Total	727,800

Unmetered Consumption:	
ACSA Fire Flow Consump	41,871
Flushing-Court Place	400
Total	42,271

Unmetered Leak Consumption:

Pine Ridge Lane	500
Court Place	75
Total	575

Billed Consumption for Selected Customers

	<u>Water</u>	<u>Sewer</u>		<u>Water</u>	<u>Sewer</u>
*Virginia Land Holding	452,000	452,000	Boar's Head Inn	621,100	585,400
Southwood Mobile Homes	1,782,000	3,329,180	Farmington, Inc.	657,200	535,944
Turtle Creek Apts.	1,287,200	1,286,000	Westgate Apts.	1,088,000	1,088,000
Barracks West Apartments	1,464,400	1,464,400	Abbington Crossing	1,677,400	1,677,400
Monroe Health & Rehab.	870,000	870,000	Four Seasons Apts	1,526,000	1,526,000
Sunrise Senior "Colonnades"	877,500	847,100	Ch'ville/Alb Airport	103,300	104,001
ACRJ	1,568,990	1,411,990	State Farm	257,490	78,490
Westminster Canterbury	1,811,270	1,459,270	Hyatt @ Stonefield	373,000	373,000
SEMF Charleston	1,940,400	1,940,400	Doubletree	767,000	767,000
Martha Jefferson Hospital	1,505,252	946,252	Arden Place Apts	520,100	520,100
Crozet Mobile Home Village	280,000	280,000	Hilton Garden Inn	247,000	247,000
Fashion Square Mall	404,000	404,000	Ridgewood Homes	320,000	n/a
County of Albemarle	1,286,363	1,143,363	The Lodge @ Old Trail	229,000	229,000
University of Virginia	1,966,069	1,896,400	Gov't-Defense Complex	605,700	605,700
Wegmans	290,000	290,000	Harris Teeter Stores	148,000	148,000

* Indicates Industrial Discharge Permit Holders

November 2021

WATER

Class Type	Number of Connections by Area			Total
	<u>Urban</u>	<u>Crozet</u>	<u>Scottsville</u>	
Single-Family Residential	15,457	3,620	196	19,273
Multi-Family Residential	538	43	3	584
Commercial (Offices)	203	12	5	220
Commercial (Other)	908	76	52	1,036
Industrial	36	9	3	48
Institutional	171	31	12	214
Total Water Accounts	17,313	3,791	271	21,375
Plus Multiple Units	12,502	748	89	13,339
Total Water Units	29,815	4,539	360	34,714

SEWER

Class Type	Number of Connections by Area			Total
	<u>Urban</u>	<u>Crozet</u>	<u>Scottsville</u>	
Single-Family Residential	13,151	3,341	158	16,650
Multi-Family Residential	507	41	4	552
Commercial (Offices)	187	12	5	204
Commercial (Other)	704	52	42	798
Industrial	15	5	1	21
Institutional	133	24	11	168
Total Sewer Accounts	14,697	3,475	221	18,393
Plus Multiple Units	12,085	745	56	12,886
Total Sewer Units	26,782	4,220	277	31,279

POPULATION SERVED

Population served is the total Single-Family and Multi-Family units using an occupancy of 2.5 residents per unit.

	<u>Urban</u>	<u>Crozet</u>	<u>Scottsville</u>	<u>Total</u>
Total Water Customers	69,898	10,920	713	81,530
Total Sewer Customers	63,090	10,215	535	73,840

Albemarle County Service Authority
Major Customer Analysis
November 2021 and October 2021

	November 2021		October 2021		Increase(Decrease)	Increase(Decrease)
	Water*	Sewer*	Water*	Sewer*	Water Consumption	Sewer Usage
ACRJ	1,568,990	1,411,990	1,469,020	1,318,020	6.81%	7.13%
Old Salem Apts.	1,464,400	1,464,400	1,461,000	1,461,000	0.23%	0.23%
Turtle Creek Apts.	1,287,200	1,286,000	1,298,100	1,297,000	-0.84%	-0.85%
Four Seasons Apts.	1,526,000	1,526,000	1,568,000	1,568,000	-2.68%	-2.68%
Westminster Canterbury	1,811,270	1,459,270	1,868,410	1,477,410	-3.06%	-1.23%
Westgate Apts.	1,088,000	1,088,000	1,143,000	1,143,000	-4.81%	-4.81%
University of Virginia	1,966,069	1,896,400	2,228,601	2,208,500	-11.78%	-14.13%
Southwood Mobile Homes	1,782,000	3,329,180	2,021,000	3,866,380	-11.83%	-13.89%
Abbingdon Crossing	1,677,400	1,677,400	1,967,300	1,967,300	-14.74%	-14.74%
SEMF Charleston	1,940,400	1,940,400	2,410,475	2,410,475	-19.50%	-19.50%
Martha Jefferson Hospital	1,505,252	946,252	1,898,493	995,793	-20.71%	-4.98%
County of Albemarle	1,286,363	1,143,363	1,791,345	1,429,945	-28.19%	-20.04%

Note: Only major customers of the ACSA have been analyzed above. For purposes of this analysis, major customers are those who, on average, consume over one million gallons per month. Variations can occur for a variety of reasons including but not limited to: conscious conservation efforts, expansion, weather, vacancies, etc.

* -- Consumption/usage in gallons.

Albemarle County Service Authority
Major Customer Analysis
November 2021 and November 2020

	November 2021		November 2020		Increase(Decrease)	Increase(Decrease)
	Water*	Sewer*	Water*	Sewer*	Water Consumption	Sewer Usage
County of Albemarle	1,286,363	1,143,363	691,900	636,700	85.92%	79.58%
Westmisnster Canterbury	1,811,270	1,459,270	1,416,000	1,318,000	27.91%	10.72%
SEMF Charleston	1,940,400	1,940,400	1,784,225	1,784,225	8.75%	8.75%
University of Virginia	1,966,069	1,896,400	1,946,700	1,759,100	0.99%	7.81%
Martha Jefferson Hospital	1,505,252	946,252	1,511,200	981,600	-0.39%	-3.60%
Abbingtion Crossing	1,677,400	1,677,400	1,716,300	1,716,300	-2.27%	-2.27%
Southwood Mobile Homes	1,782,000	3,329,180	1,828,000	2,855,211	-2.52%	16.60%
ACRJ	1,568,990	1,411,990	1,617,000	1,533,000	-2.97%	-7.89%
Four Seasons Apts.	1,526,000	1,526,000	1,589,000	1,589,000	-3.96%	-3.96%
Westgate Apts.	1,088,000	1,088,000	1,228,000	1,227,300	-11.40%	-11.35%
Old Salem Apts.	1,464,400	1,464,400	1,970,100	1,970,100	-25.67%	-25.67%
Turtle Creek Apts.	1,287,200	1,286,000	2,149,000	2,148,000	-40.10%	-40.13%

Note: Only major customers of the ACSA have been analyzed above. For purposes of this analysis, major customers are those who, on average, consume over one million gallons per month. Variations can occur for a variety of reasons including but not limited to: conscious conservation efforts, expansion, weather, vacancies, etc.

* -- Consumption/usage in gallons.

Albemarle County Service Authority

Major Customer Analysis

Year-to-date Comparison: Current Year/Prior Year -- November

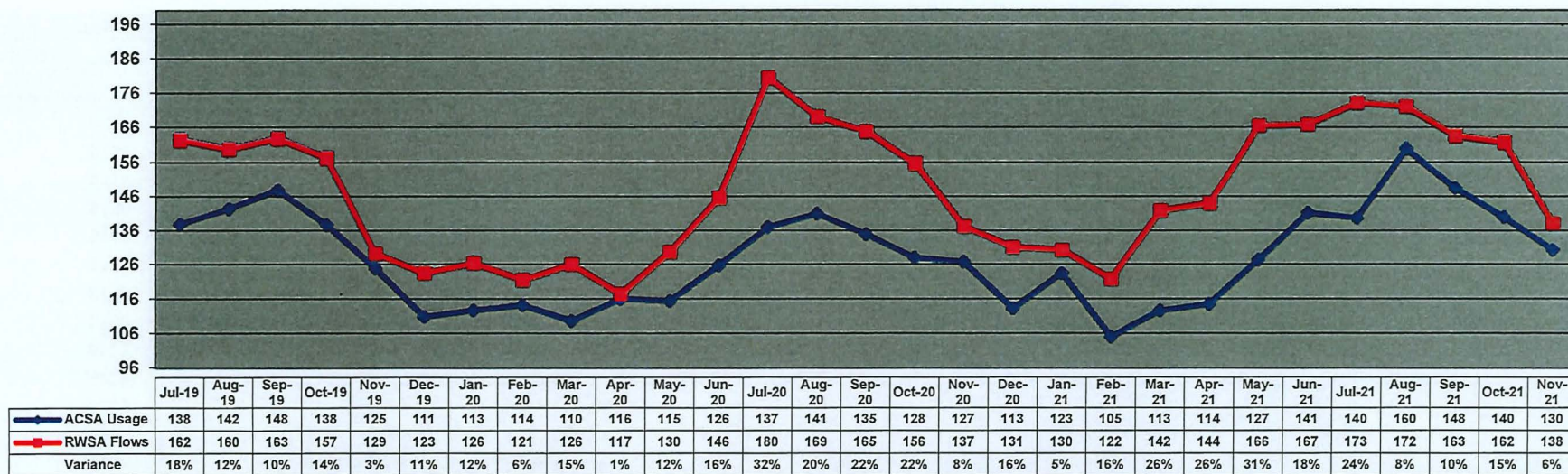
	YTD FY 2022		YTD FY 2021		Increase(Decrease)	Increase(Decrease)
	Water*	Sewer*	Water*	Sewer*	Water Consumption	Sewer Usage
County of Albemarle	8,287,884	6,138,084	6,188,800	4,169,000	33.92%	47.23%
Martha Jefferson Hospital	11,316,363	5,273,763	9,184,300	4,964,500	23.21%	6.23%
Westmisnster Canterbury	9,389,270	7,877,270	8,106,000	7,642,000	15.83%	3.08%
University of Virginia	14,155,950	13,943,593	12,530,600	12,011,100	12.97%	16.09%
SEMF Charleston	11,694,650	11,694,650	10,605,225	10,605,225	10.27%	10.27%
Westgate Apts.	6,208,000	6,199,300	6,169,000	6,156,000	0.63%	0.70%
ACRJ	8,121,810	7,158,810	8,077,000	7,337,000	0.55%	-2.43%
Four Seasons Apts.	7,889,000	7,889,000	7,871,000	7,871,000	0.23%	0.23%
Abbingtion Crossing	8,816,200	8,816,200	9,139,600	9,139,600	-3.54%	-3.54%
Southwood Mobile Homes	9,870,000	19,645,244	10,477,000	14,264,156	-5.79%	37.72%
Old Salem Apts.	7,300,000	7,300,000	8,451,300	8,451,300	-13.62%	-13.62%
Turtle Creek Apts.	6,300,300	6,294,000	8,460,200	8,454,000	-25.53%	-25.55%

Note: Only major customers of the ACSA have been analyzed above. For purposes of this analysis, major customers are those who, on average, consume over one million gallons per month. Variations can occur for a variety of reasons including but not limited to: conscious conservation efforts, expansion, weather, vacancies, etc.

*** -- Consumption/usage in gallons.**

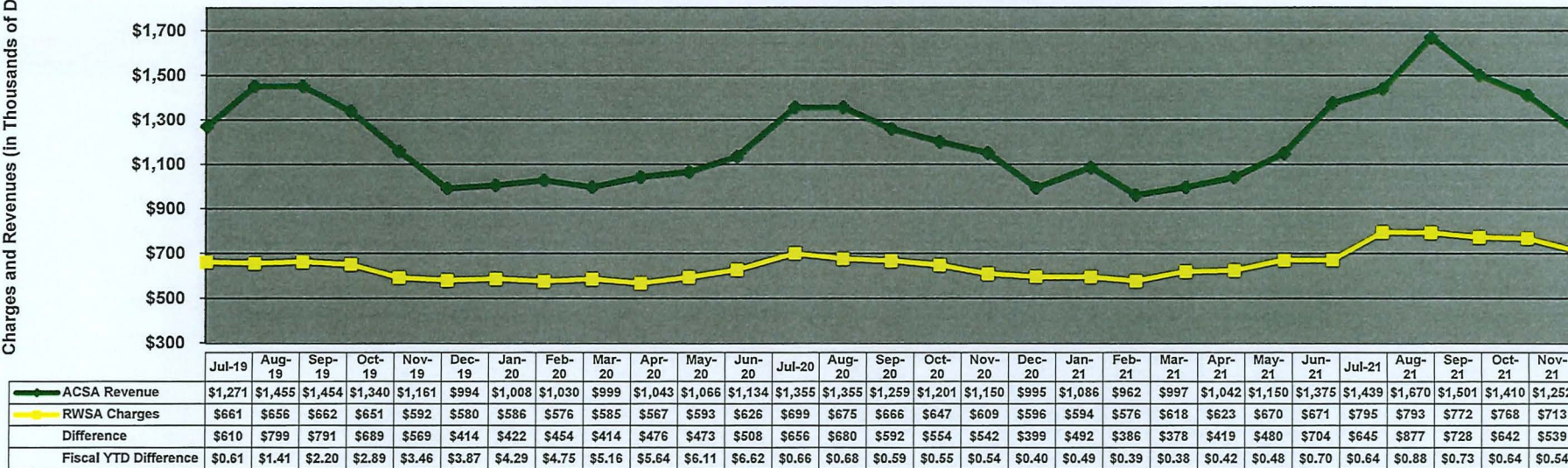
FY 2020, 2021, and 2022 Urban Water Comparison RWSA Flows & ACSA Customer Usage

Flows & Usage (in Millions of Gallons)



FY 2020, 2019, and 2022 Urban Water Comparison RWSA Billed Water Charges & ACSA Billed Water Revenues

Charges and Revenues (in Thousands of Dollars)

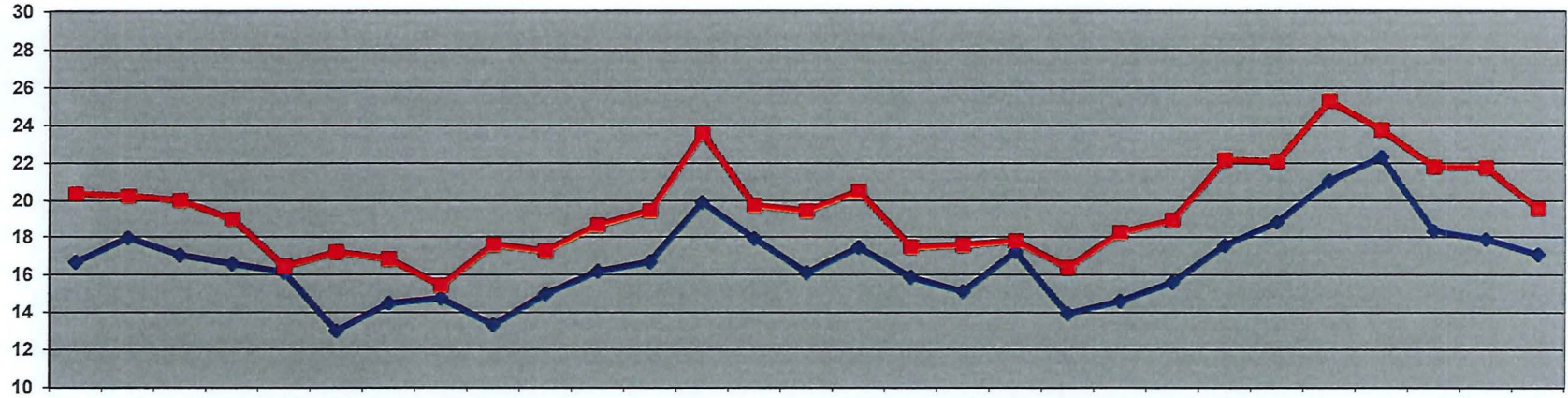


Note: Fiscal YTD Difference (ONLY) in Millions of Dollars

FY 2020, 2021, and 2022 Crozet Water Comparison
RWSA Flows & ACSA Customer Usage

50

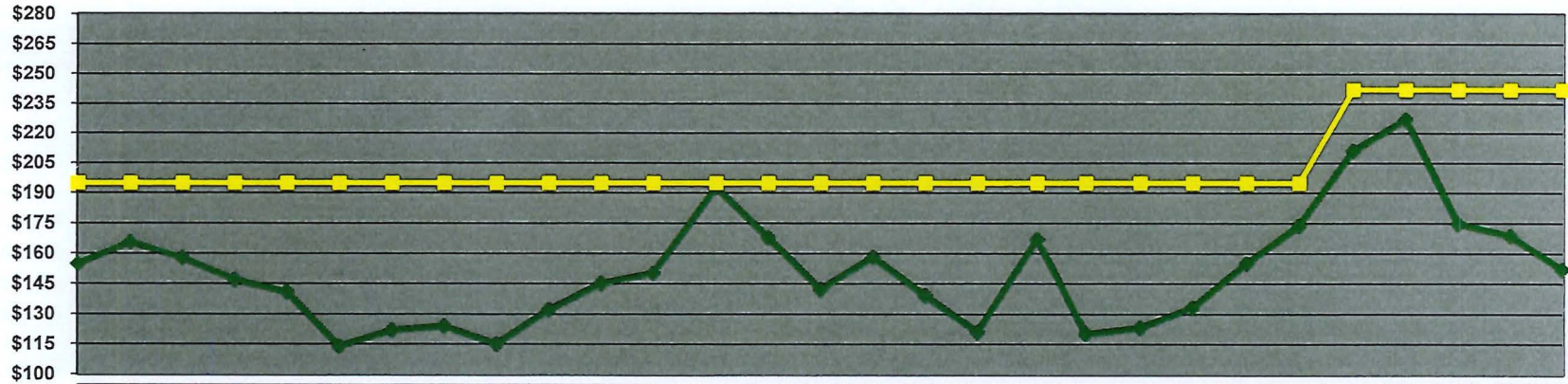
Flows & Usage (in Millions of Gallons)



	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
ACSA Usage	17	18	17	17	16	13	15	15	13	15	16	17	20	18	16	17	16	15	17	14	15	16	18	19	21	22	18	18	17
RWSA Flows	20	20	20	19	16	17	17	15	18	17	19	19	24	20	19	21	17	18	18	16	18	19	22	22	25	24	22	22	20
Variance	22%	13%	17%	14%	2%	32%	16%	4%	32%	15%	15%	17%	18%	10%	21%	18%	10%	16%	3%	17%	25%	21%	26%	18%	20%	6%	19%	22%	15%

FY 2020, 2021, and 2022 Crozet Water Comparison
RWSA Billed Water Charges & ACSA Billed Water Revenues

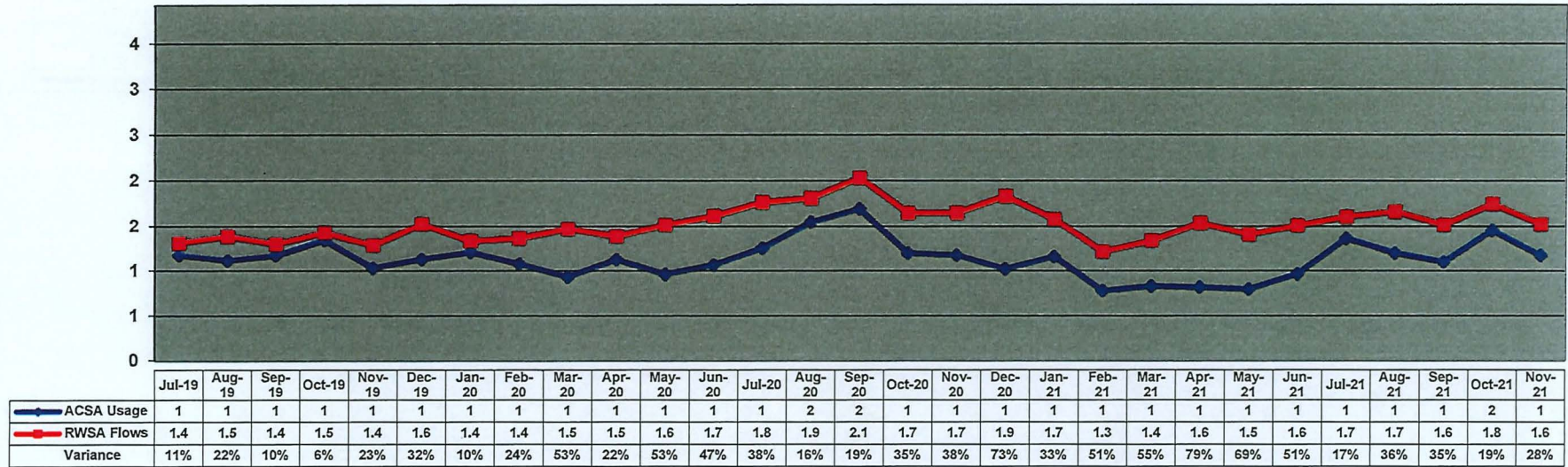
Charges and Revenues (in Thousands of Dollars)



	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
ACSA Revenue	\$155	\$166	\$158	\$147	\$141	\$114	\$122	\$124	\$115	\$132	\$145	\$150	\$193	\$168	\$142	\$158	\$139	\$121	\$167	\$120	\$123	\$133	\$155	\$174	\$211	\$227	\$175	\$169	\$152
RWSA Charges	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$195	\$242	\$242	\$242	\$242	\$242
Difference	(\$40)	(\$29)	(\$37)	(\$48)	(\$54)	(\$81)	(\$73)	(\$71)	(\$80)	(\$63)	(\$50)	(\$45)	(\$2)	(\$27)	(\$53)	(\$37)	(\$56)	(\$74)	(\$28)	(\$75)	(\$72)	(\$62)	(\$40)	(\$21)	(\$31)	(\$15)	(\$67)	(\$73)	(\$90)
Fiscal YTD Difference	-\$0.04	-\$0.07	-\$0.11	-\$0.15	-\$0.21	-\$0.29	-\$0.36	-\$0.43	-\$0.51	-\$0.58	-\$0.63	-\$0.67	\$0.00	-\$0.03	-\$0.05	-\$0.04	-\$0.06	-\$0.07	-\$0.03	-\$0.08	-\$0.07	-\$0.06	-\$0.04	-\$0.02	-\$0.03	-\$0.02	-\$0.07	-\$0.07	-\$0.09

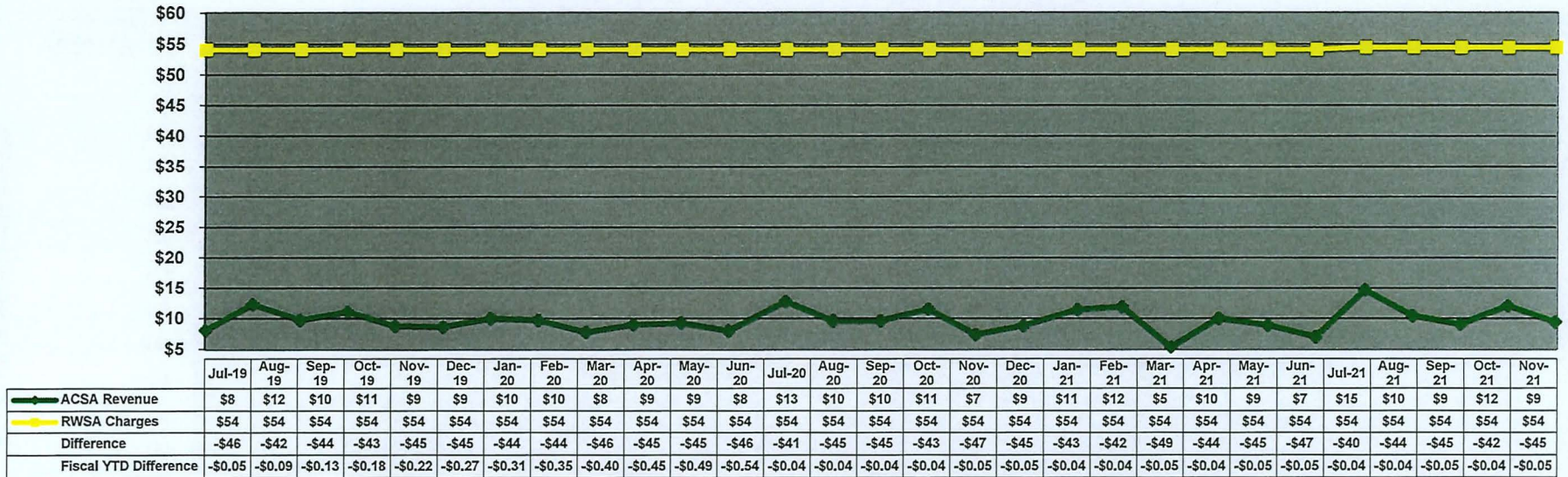
**FY 2020, 2021, and 2022 Scottsville Water Comparison
RWSA Flows & ACSA Customer Usage**

Flows & Usage (in Millions of Gallons)



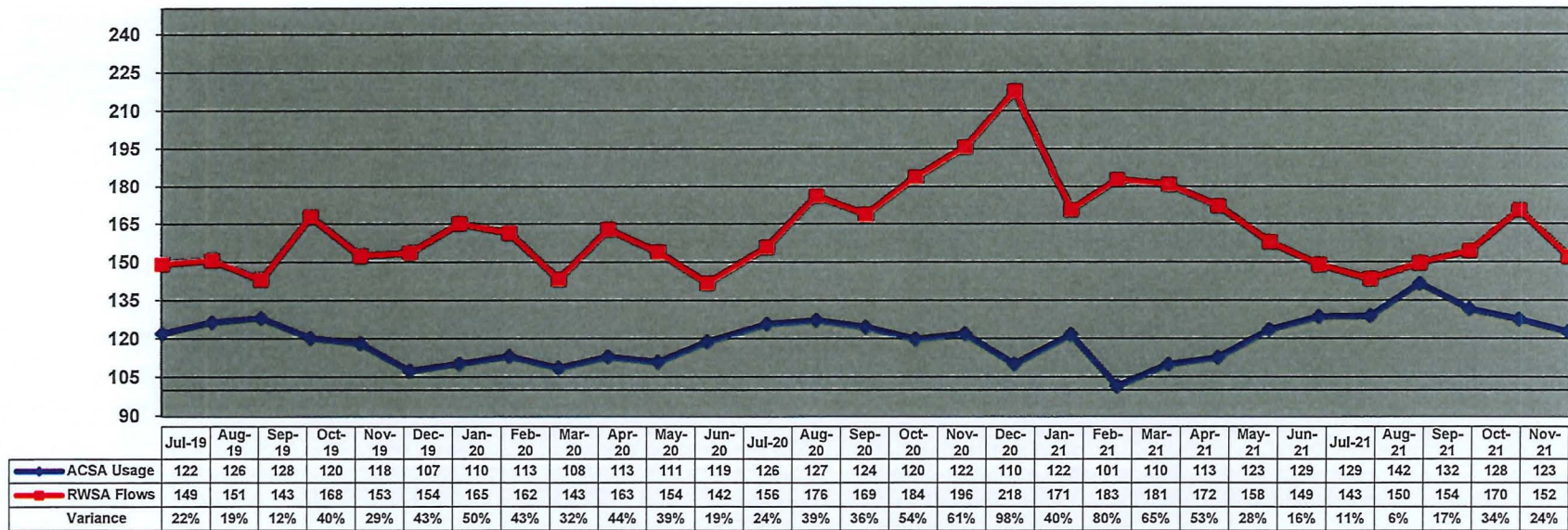
**FY 2020, 2021, and 2022 Scottsville Water Comparison
RWSA Billed Water Charges & ACSA Billed Water Revenues**

Charges and Revenues (in Thousands of Dollars)



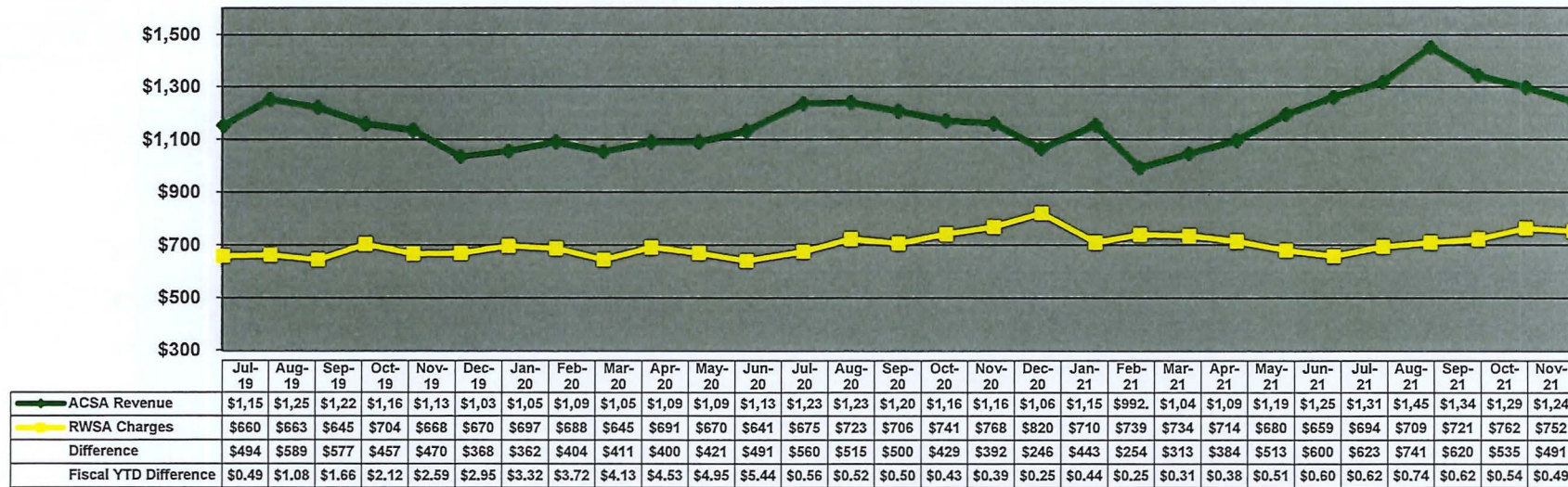
**FY 2020, 2021, and 2022 Urban (including Glenmore) & Crozet Sewer Comparison
ACSA Customer Usage & RWSA Flows**

Usage & Flows (in Millions of Gallons)



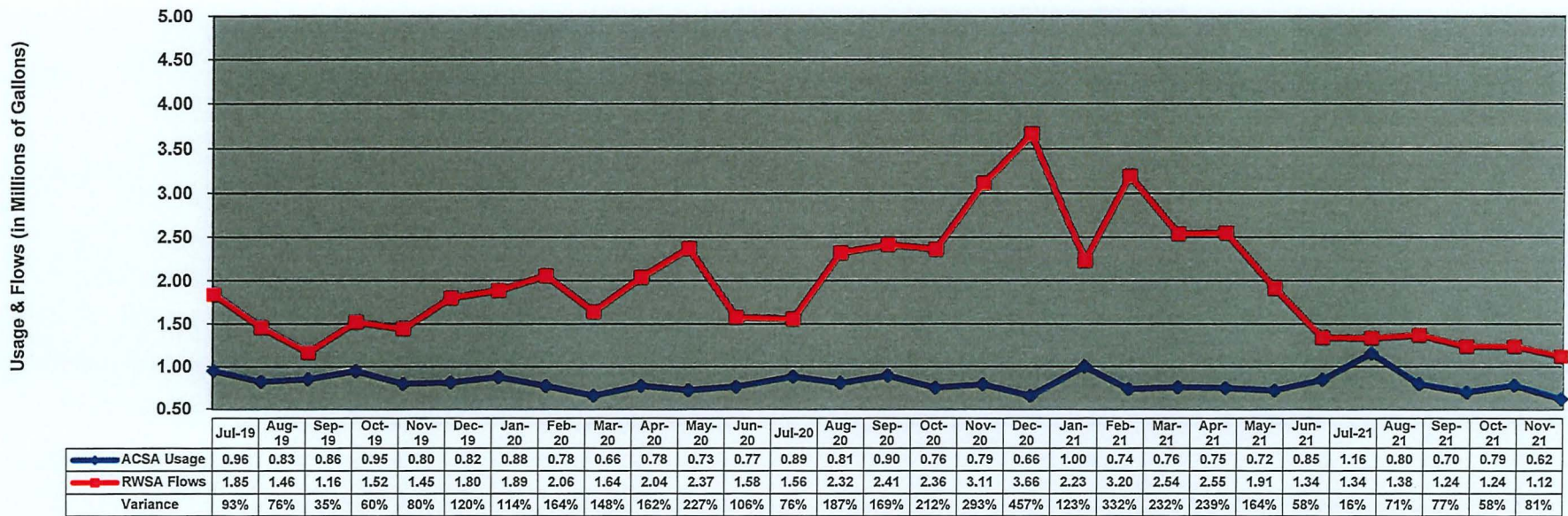
**FY 2020, 2021, and 2022 Urban (including Glenmore) & Crozet Sewer Comparison
ACSA Billed Sewer Usage & RWSA Billed Sewer Charges**

Charges & Revenues (in Thousands of Dollars)

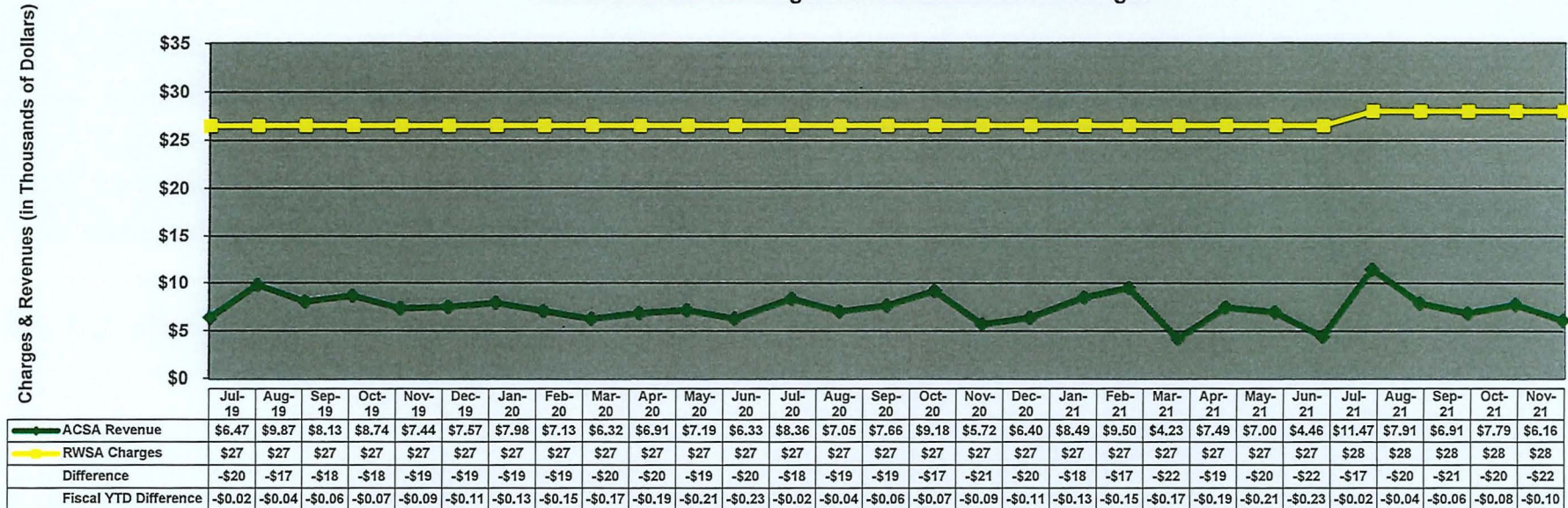


Note: Fiscal YTD Difference (ONLY) in Millions of Dollars

**FY 2020, 2021, and 2022 Scottsville Sewer Comparison
ACSA Customer Usage & RWSA Flows**



**FY 2020, 2021, and 2022 Scottsville Sewer Comparison
ACSA Billed Sewer Usage & RWSA Billed Sewer Charges**



Note: Fiscal YTD Difference (ONLY) in Millions of Dollars

Single-Family Residential Water Usage

(Including irrigation through exclusion, irrigation, and auxiliary meters)

	FY 2020											
	July	August	September	October	November	December	January	February	March	April	May	June
Level 1 (0 - 3,000 gallons)	42,713,300	43,137,333	43,334,400	43,096,780	42,936,430	42,119,430	42,703,630	42,241,370	41,816,500	44,763,900	44,866,800	45,270,400
Level 2 (3,001 - 6,000 gallons)	15,949,700	16,292,100	16,866,900	16,130,400	14,335,400	12,178,000	13,878,000	12,751,500	11,702,100	17,979,400	18,259,500	19,520,800
Level 3 (6,001 - 9,000 gallons)	4,810,200	5,067,100	5,227,300	5,376,600	3,511,800	2,062,800	2,654,300	2,244,300	1,845,500	4,227,900	4,419,500	5,469,300
Level 4 (over 9,000 gallons)	7,075,500	7,794,200	8,297,500	8,434,400	3,764,200	1,254,000	1,733,000	1,154,300	2,152,500	1,849,800	2,662,900	3,968,100
Total	70,548,700	72,290,733	73,726,100	73,038,180	64,547,830	57,614,230	60,968,930	58,391,470	57,516,600	68,821,000	70,208,700	74,228,600

	FY 2021											
	July	August	September	October	November	December	January	February	March	April	May	June
Level 1 (0 - 3,000 gallons)	45,910,300	45,665,700	45,167,300	44,787,100	45,134,400	44,331,500	45,900,400	43,314,333	43,786,600	44,618,100	45,900,923	46,255,313
Level 2 (3,001 - 6,000 gallons)	21,030,200	19,112,200	17,329,000	16,285,100	16,315,200	14,519,300	18,251,700	12,572,600	13,283,000	14,314,500	17,440,134	19,373,374
Level 3 (6,001 - 9,000 gallons)	7,266,400	5,921,900	4,575,900	4,441,300	3,890,700	2,817,300	4,255,500	2,201,100	2,371,500	2,609,300	4,280,004	6,283,886
Level 4 (over 9,000 gallons)	9,237,400	7,302,100	4,762,100	4,978,000	3,886,400	1,744,700	2,307,000	1,477,100	1,583,000	1,631,400	3,370,714	7,573,293
Total	83,444,300	78,001,900	71,834,300	70,491,500	69,226,700	63,412,800	70,714,600	59,565,133	61,024,100	63,173,300	70,991,775	79,485,866

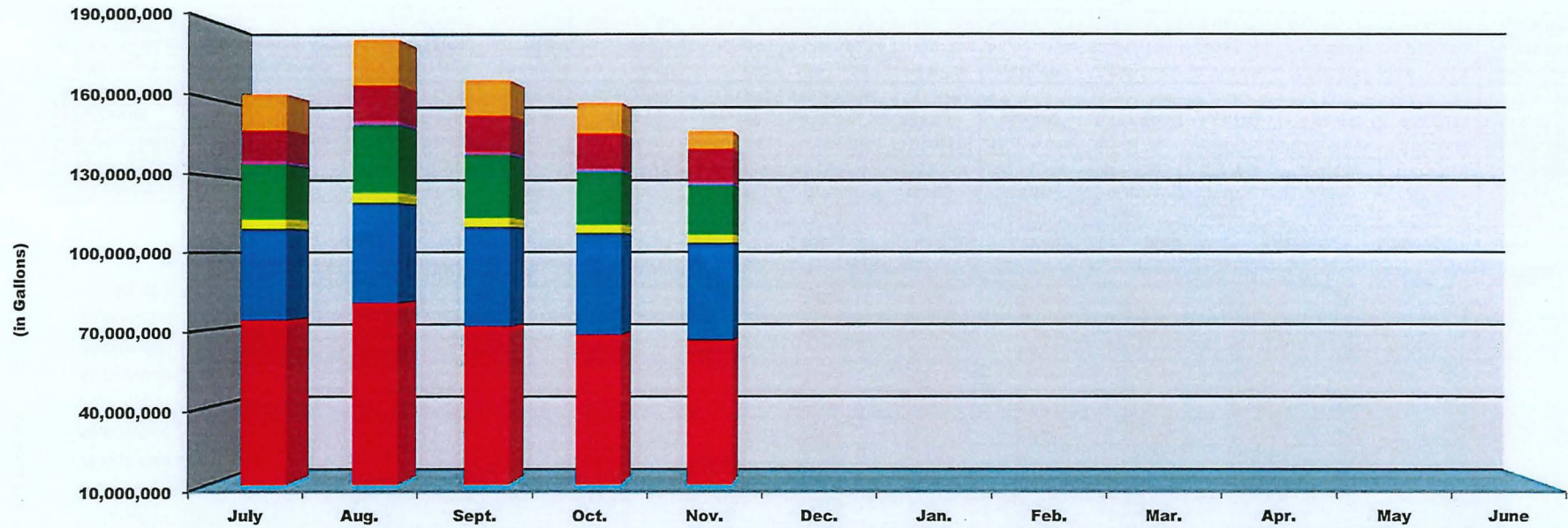
	FY 2022											
	July	August	September	October	November	December	January	February	March	April	May	June
Level 1 (0 - 3,000 gallons)	45,715,768	46,650,649	45,763,766	45,032,204	45,171,862							
Level 2 (3,001 - 6,000 gallons)	18,273,794	20,170,499	17,049,266	15,725,032	15,151,382							
Level 3 (6,001 - 9,000 gallons)	6,123,440	7,439,890	5,100,810	4,617,427	3,808,811							
Level 4 (over 9,000 gallons)	8,544,212	14,373,474	7,815,394	7,173,929	4,280,811							
Total	78,657,214	88,634,512	75,729,236	72,548,592	68,412,866	-	-	-	-	-	-	-

System-Wide Irrigation Water Usage

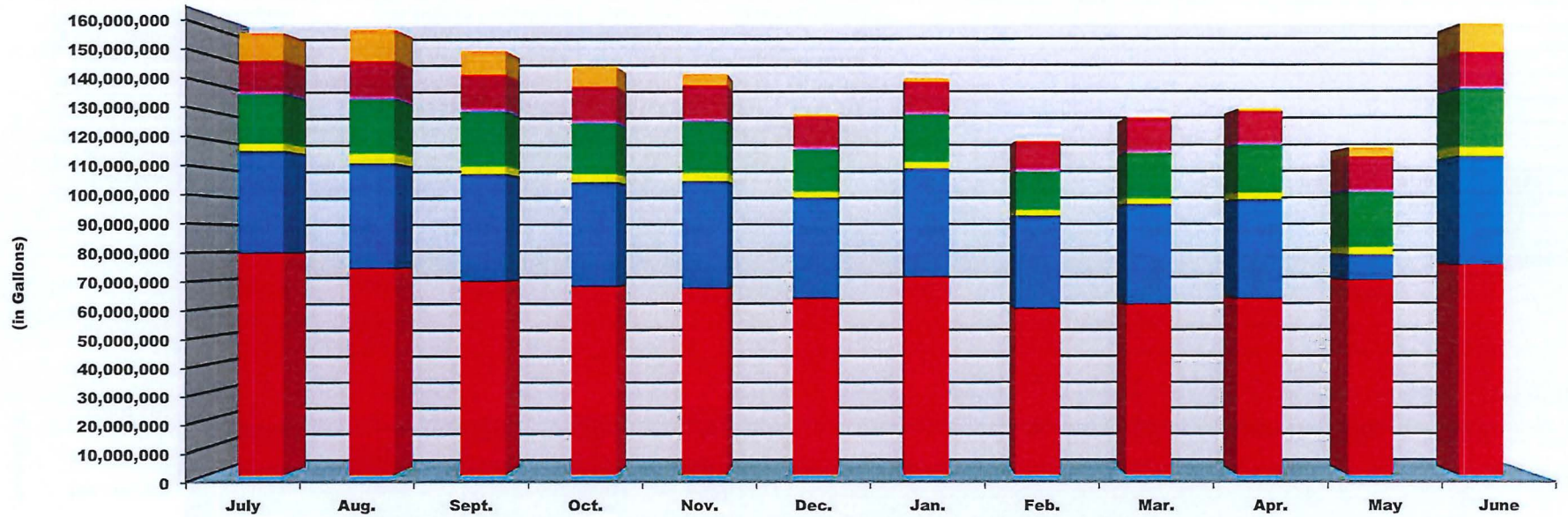
(All usage measured through exclusion, irrigation, and auxiliary meters)

FY 2022	July	August	September	October	November	December	January	February	March	April	May	June
Level 1 (0 - 3,000 gallons)	227,735	245,814	228,478	203,450	155,121							
Level 2 (3,001 - 6,000 gallons)	962,522	1,040,603	904,153	849,482	602,101							
Level 3 (6,001 - 9,000 gallons)	1,134,487	1,351,889	1,085,629	1,060,900	690,400							
Level 4 (over 9,000 gallons)	11,756,763	15,108,350	11,413,176	9,936,698	5,645,695							
Total	14,081,507	17,746,655	13,631,436	12,050,529	7,093,317	-	-	-	-	-	-	-

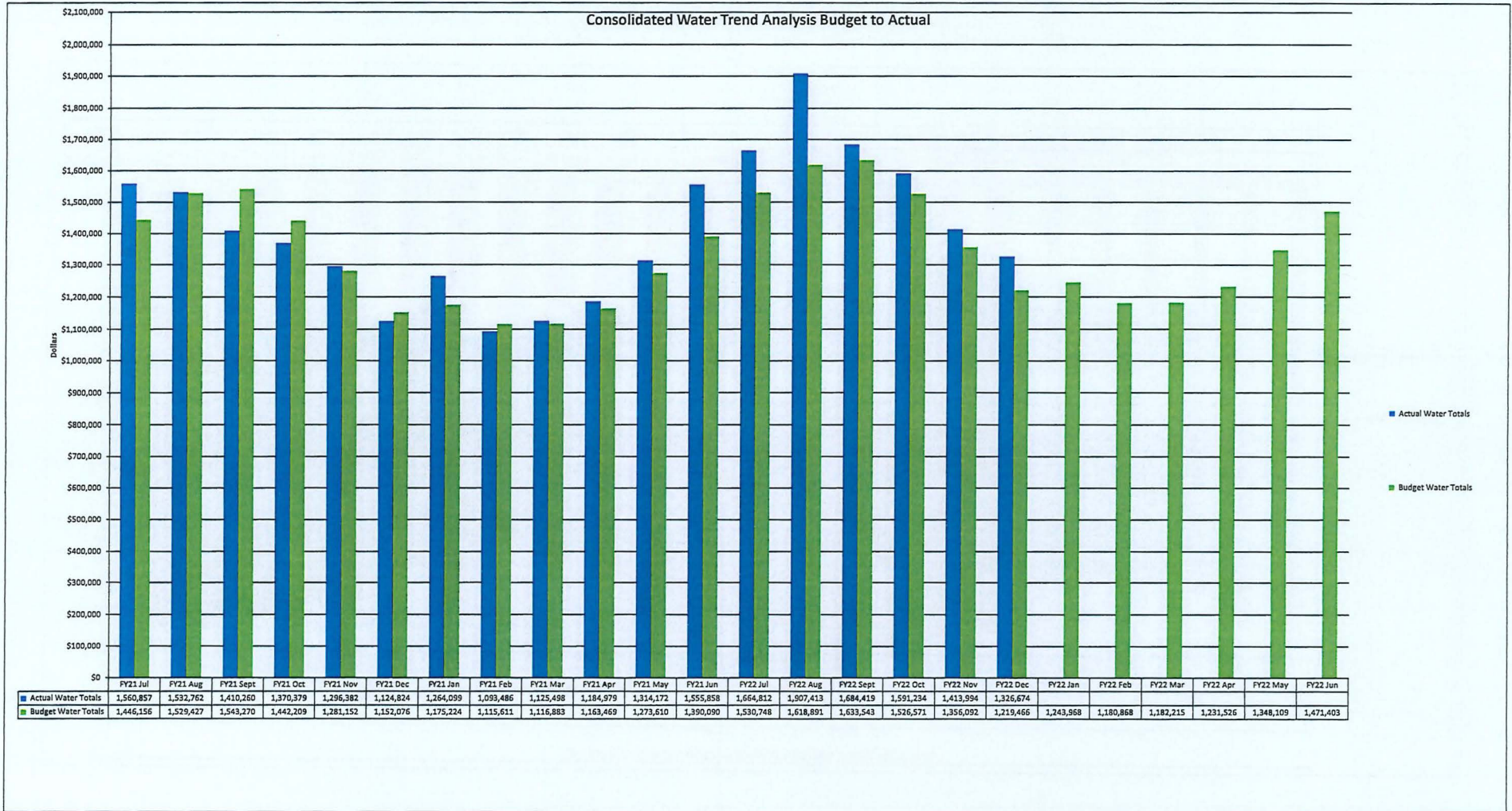
Monthly Water Consumption Fiscal Year 2022



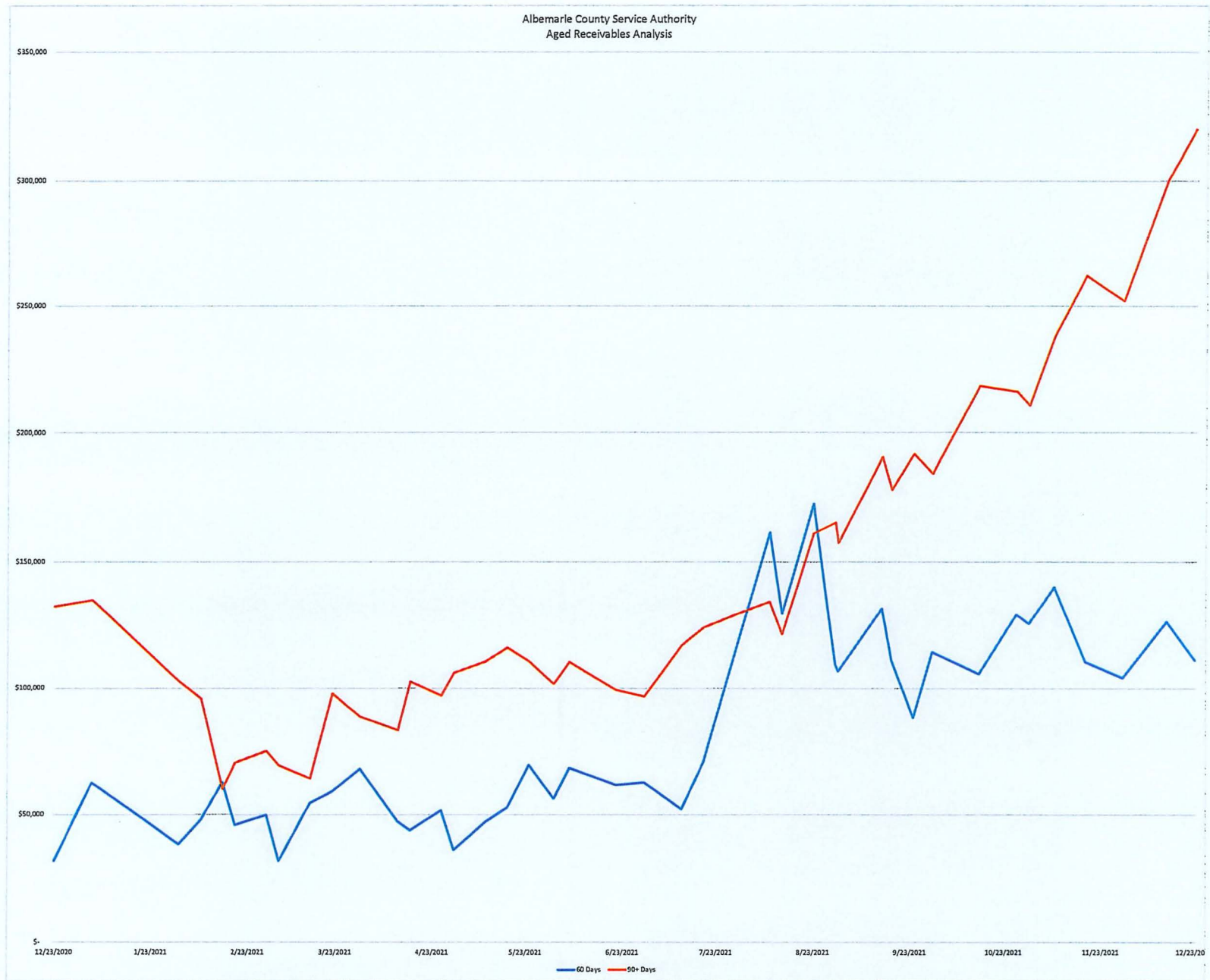
Monthly Water Consumption Fiscal Year 2021



	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
% Irrigation to total	6.43%	7.32%	5.75%	5.06%	2.94%	0.85%	0.99%	0.38%	0.35%	0.69%	2.81%	6.44%
Total Irrigation	10,119,091	11,616,375	8,666,494	7,348,137	4,183,034	1,083,884	1,388,900	448,272	442,048	894,200	3,277,869	10,315,679
Institutional - Domestic Consumption	10,568,409	12,140,425	11,678,506	11,592,763	11,532,166	10,326,116	10,458,000	9,512,728	11,284,152	10,850,000	11,623,430	11,941,286
Industrial	886,300	1,008,000	998,100	964,600	959,200	898,200	866,700	1,017,500	887,700	842,500	942,247	919,754
Comm. (Other) - Domestic Consumption	17,206,900	18,949,400	18,962,000	17,753,400	17,829,600	14,671,800	16,424,700	13,374,600	15,838,400	16,733,200	19,222,088	20,173,174
Offices - Domestic Consumption	2,911,400	3,649,600	3,121,500	3,109,800	3,273,900	2,403,400	2,476,900	2,068,300	2,213,000	2,563,700	2,911,328	3,450,136
MFR - Domestic Consumption	36,132,000	37,252,500	37,977,025	37,009,175	37,967,925	35,675,750	38,491,150	32,947,050	35,512,025	35,090,050	8,922,190	38,394,860
SFR - Domestic Consumption	79,627,400	74,038,200	69,379,800	67,387,100	66,738,600	63,181,700	70,731,000	59,544,933	61,021,500	63,113,371	69,645,238	75,023,673







Albemarle County Service Authority
December 15 & 23, 2021 Checks > \$5,000.00

Payment / Vendor Information	Check	Ck Date	Invoice	Reference	Amount
Rivanna Water & Sewer Authority Water & Sewer consumption for November 2021.	WIRE	12/10/2021		Bulk Water & Sewer Transfer	1,789,318.51
Azteca Systems, LLC Server for AMS.	61943	12/15/2021	INV4532		63,000.00
Dewberry Engineers, Inc.	61956	12/15/2021	2035899 2040353 - M		13,613.00 35,026.00 <u>48,639.00</u>
Engineering services for Barracks West Watermain for services thru 10/29/21 - \$13,613.00. Engineering services for Avon Property Phase 1 Development & Avon Property Phase 2 for services thru 10/29/21 - \$35,026.00.					
Linco, Inc.	61966	12/15/2021	OAKFPSEST#7 FY21SSRWO#5FINAL FY21SSRWO#7EST#1 FY21SSRWO#3EST#5FINA FY21SSRWO#4EST#3FINA FY21SSRWO#6EST#3FINA		132,422.93 4,270.93 1,477.63 9,242.36 8,469.64 <u>10,885.38</u> 166,768.87
Construction - Oak Forest Pump Station for the period of 11/1/2021-11/29/2021 - \$132,422.93. Construction - Sanitary Sewer Replacement - November 2021 - \$4,270.93. Construction - Sanitary Sewer Replacement - November 2021 - \$1,477.63. Construction - Sanitary Sewer Replacement - November 2021 - \$9,242.36. Construction - Sanitary Sewer Replacement - November 2021 - \$8,469.64. Construction - Sanitary Sewer Replacement - November 2021 - \$10,885.38.					
Metra Industries Construction - Hessian Hills Water Main Replacement - October 2021.	61971	12/15/2021	HESSIANHILLSEST#8		421,510.91
NewGen Strategies & Solutions Rate Study Interim Billing	61974	12/15/2021	12276		9,059.03
O'Brien & Gere Engineers, Inc.	61975	12/15/2021	1940009503 1940009988		30,368.75 8,537.00 <u>38,905.75</u>
Engineering services for ACSA Energy Audit for the period of 7/1/21-10/31/21 - \$30,368.75. Engineering services for Briarwood Watermain Replacement for the period of 10/18/21 - 11/19/21 - 8,537.00.					
Provantage, LLC Computers for New IT staff.	61982	12/15/2021	9085764		8,520.00
VRSA	62006	12/15/2021	3859 RENEWAL21-22#3		1,113.00 29,612.00 <u>30,725.00</u>
Workers' Compensation Audit - \$1,113.00. Quarterly Insurance Installment - \$29,612.00.					
Whitman, Requardt & Associates	62008	12/15/2021	046480.025 - 24 046480.024 - 38		3,786.75 1,300.83 <u>5,087.58</u>
Engineering services for Scottsville PH4 Water Main Replacement for the period of 9/26/21 - 10/23/21 - \$3,786.75. Engineering services for ACSA-Main Office HVAC System Replacement for the period of 9/26/21 - 10/23/21 - \$1,300.83.					
BizLibrary Training Software.	62020	12/23/2021	INV-4468		14,600.00
E Source Companies, LLC MI Project - November 2021.	62034	12/23/2021	20882		5,000.00
Ivy Properties, LLC	62043	12/23/2021	LETTER020821		14,100.00

Albemarle County Service Authority
December 15 & 23, 2021 Checks > \$5,000.00

Payment / Vendor Information	Check	Ck Date	Invoice	Reference	Amount
Madison Office Park Pump Station Replacement, Easement.					
Linco, Inc.	62047	12/23/2021	OAKFPSEST#8		28,557.00
			FY21SSRWO#7EST#2FINA		21,959.42
			FY21SSRWO#8EST#1		14,847.00
					<u>65,363.42</u>
Construction - Oak Forest Pump Station for the period of 12/1/2021-12/14/2021 - \$28,557.00.					
Construction - Sanitary Sewer Replacement for the period of 12/1/21 - 12/14/21 - \$21,959.42.					
Construction - Sanitary Sewer Replacement - November 2021 - \$14,847.00.					
O'Brien & Gere Engineers, Inc.	62051	12/23/2021	1940009801		37,657.00
			1940009721		5,332.00
					<u>42,989.00</u>
Engineering services for Northfields Water Main R-75106 for the period of 9/13/21 - 10/31/21 - \$37,657.00.					
Engineering services for Biscuit Run Sewer Replacement for the period of 10/1/21 - 11/9/21 - \$5,332.00.					
Paymentus Corporation	62053	12/23/2021	INV-15-117751		10,194.80
Monthly Charges - Credit/Debit Cards, November 2021.					
S.L. Williamson Co.	62067	12/23/2021	PAVINGEST#1		208,381.55
			88463		269.33
			88474		68.18
					<u>208,719.06</u>
Construction - ACSA Operations Center Paving Project for the period of 11/1/2021-12/10/2021 - \$208,381.55.					
Monthly Asphalt, Items 2 - 3.					
St. John, Bowling, Lawrence & Quagliana, LLP	62071	12/23/2021	2821		9,815.00
Legal services for November 2021.					
Synigent Technologies, Inc.	62072	12/23/2021	ACSA123021SL		5,160.00
Monthly Consulting Services, December 2021.					
UVA Darden School Foundation	62081	12/23/2021	EE100206		8,032.50
Servant Leadership					
Verizon Wireless	62084	12/23/2021	9894077391		9,435.26
Monthly Cellular Service.					
Whitman, Requardt & Associates	62095	12/23/2021	046480.024 - 39		3,443.44
			046480.025 - 25		4,774.88
					<u>8,218.32</u>

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Check number	Check date	Vendor	Payee name	Invoice	Invoice description	Invoice amount	Check amount
61939	12/15/2021	1088	Advance Auto Parts	2710133447476	2710019591	5.59	74.01
				2710133557981	2710019591	65.28	0.00
				2710133658012	2710019591	3.14	0.00
61940	12/15/2021	12261	American Pest Management, Inc.	6731225	433205	113.85	208.15
				6731109	433205	46.00	0.00
				6714923	426575	48.30	0.00
61941	12/15/2021	8982	AmeriCredit Financial Services, Inc. DBA GM Financial	000005032		412.07	412.07
61942	12/15/2021	1118	Aqua Air Laboratories, Inc.	A90540	15	405.00	405.00
61943	12/15/2021	8660	Azteca Systems, LLC	INV4632	C10623	63,000.00	63,000.00
61944	12/15/2021	1089	Bailey Printing, Inc.	121700	1252	377.50	377.50
61945	12/15/2021	1014	Bank of America	NOVEMBER2021BOA	4476 1992 0002 1779	2,282.12	2,282.12
61946	12/15/2021	5119	Central Virginia Electric Cooperative	AMBROSENOV21	322503-001	38.19	38.19
61947	12/15/2021	1148	Cincinnati Insurance Company	000005001		424.06	424.06
61948	12/15/2021	1086	City of Charlottesville	SHOP1221	1048121	16.84	48.74
				AMB1221	1045904	31.90	0.00
61949	12/15/2021	1160	Clear Communication & Electronics, Inc.	124839	C0878	41.00	41.00
61950	12/15/2021	1281	Colonial Auto Center	547819	13227	55.67	55.67
61951	12/15/2021	1259	Comcast	PETERNOV21	8299 60 083 0529566	189.85	189.85
61952	12/15/2021	1258	Comcast Business	134576721	939789269	1,422.71	1,422.71
61953	12/15/2021	1058	County of Albemarle	PAYT120721	VSMP and Initial Plan Application Fees	2,865.20	2,865.20
61954	12/15/2021	1262	Crozet Hardware	212250		11.08	90.24
				212340		79.16	0.00
61955	12/15/2021	1113	Culpeper Auto Parts	679262	438	50.87	50.87
61956	12/15/2021	2503	Dewberry Engineers Inc.	2035899	ACSA Barracks West Watermain, 10/29/21	13,613.00	48,639.00
				2040353-M	Avon Property PH1 Dev. & PH2 Amend., 10/29/21	35,026.00	0.00

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Check number	Check date	Vendor	Payee name	Invoice	Invoice description	Invoice amount	Check amount
61957	12/15/2021	10620	Document Destruction of Virginia, LLC	392468		69.95	69.95
61958	12/15/2021	1019	Dominion Energy Virginia	171NOV21	1810581437	105.31	3,816.97
				AVONOCT21	953467501	181.83	0.00
				WHSENOV21	0005480009	433.57	0.00
				BLDGDEC21	9995400000	2,384.21	0.00
				SANDDEC21	9115297500	147.63	0.00
				STEAMNOV21	8045637876	564.42	0.00
61959	12/15/2021	2275	Electronic Systems, Inc.	IN2011606	CO00-004	210.00	210.00
61960	12/15/2021	1021	Ferguson Enterprises LLC #1300	8685343	509597	37.18	574.53
				8630643	509597	398.00	0.00
				8721085	509597	32.67	0.00
				8722572	509597	53.34	0.00
				8721078	509597	53.34	0.00
61961	12/15/2021	1082	Gingerich Outdoor Power Specialist	63496	1110	159.95	159.95
61962	12/15/2021	13339	Jackson, Patti	PAYT120921	Claim - Speedy Rooter	375.00	375.00
61963	12/15/2021	1194	Jiffy Lube #3347/29 Lube, Inc.	37339576	JLI-76206	44.08	44.08
61964	12/15/2021	1061	LB Water Service, Inc.	3549493	19654	1,328.88	140.00
				3544834	19654	-1,328.88	0.00
				3553192	19654	140.00	0.00
61965	12/15/2021	1280	LD&B Insurance Agency, Inc.	15406	ALBECOU-01	144.15	144.15
61966	12/15/2021	1003	Linco, Inc.	OAKFPSEST#7	Oak Forest Pump Station, 11/1/21-11/29/2021	132,422.93	166,768.87
				FY21SSRWO#5FINAL	FY21 Sanitary Sewer Replacement, November 2021	4,270.93	0.00
				FY21SSRWO#7EST#1	FY21 Sanitary Sewer Replacement, November 2021	1,477.63	0.00

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
				FY21SSRWO#3EST#5FINA	FY21 Sanitary Sewer Replacement, November 2021	9,242.36	0.00
				FY21SSRWO#4EST#3FINA	FY21 Sanitary Sewer Replacement, November 2021	8,469.64	0.00
				FY21SSRWO#6EST#3FINA	FY21 Sanitary Sewer Replacement, November 2021	10,885.38	0.00
61967	12/15/2021	1038	Lowe's Companies, Inc.	NOVEMBER2021LOWES	9900 033064 9	1,998.90	1,998.90
61968	12/15/2021	1036	Mailing Services of Virginia, Inc.	245303	MSV0004	245.60	868.80
				245459	MSV0004	307.20	0.00
				245511	MSV0004	316.00	0.00
61969	12/15/2021	1186	Mansfield Oil Company	SQLCD-724636	29944	866.29	866.29
61970	12/15/2021	1109	Mayer Electric Supply Co., Inc.	29362586	10486739	285.00	285.00
61971	12/15/2021	12350	Metra Industries	HESSIANHILLSEST#8	Hessian Hills Water Main Replacement, October 2021	421,510.91	421,510.91
61972	12/15/2021	1013	Michael Baker International.Inc.	1132690	Ragged Mountain Phase 1 WM Replace, October 2021	4,181.25	4,181.25
61973	12/15/2021	1065	Networks 2000	28578		492.00	492.00
61974	12/15/2021	13307	NewGen Strategies & Solutions	12276	Water & Sewer Rate Analysis, November 2021	9,059.03	9,059.03
61975	12/15/2021	1005	O'Brien & Gere Engineers, Inc.	1940009503	ACSA Energy Audit - 76289, 7/1/21-10/31/21	30,368.75	38,905.75
				1940009988	Briarwood WMR, 10/18/21-11/19/21	8,537.00	0.00
61976	12/15/2021	1189	Office Depot, Inc.	211017658001	55774314	515.97	1,783.61

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Albemarle County Service Authority

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
				212075066001	55774314	899.98	0.00
				212040230001	55774314	107.18	0.00
				210067288001	55774314	11.49	0.00
				211136574001	55774314	199.90	0.00
				211138955001	55774314	49.09	0.00
61977	12/15/2021	1180	Pack 'N' Mail	422057	65	61.63	61.63
61978	12/15/2021	1166	Performance Signs, LLC	23301	1767	72.00	72.00
61979	12/15/2021	11720	PFM Asset Management LLC	SMA-M1021-27149	CC-PRJ-005392	2,981.32	2,981.32
61980	12/15/2021	1260	Pollardwater	0204490	43245	130.84	130.84
61981	12/15/2021	10542	Prism Contractors & Engineers, Inc.	FY21SSRWO#5EST2	FY21 Sanitary Sewer Replacement, November 2021	1,708.67	1,708.67
61982	12/15/2021	7070	Provantage, LLC	9085764	3621193	8,520.00	8,520.00
61983	12/15/2021	4827	Quarles Petroleum Incorporated	57856	900169	1,285.55	2,363.15
				57855	900169	304.97	0.00
				63022	900169	772.63	0.00
61984	12/15/2021	2705	Quarles Petroleum, Inc.	Inv-190973	1512	2,675.93	2,675.93
61985	12/15/2021	7891	RCS Gutters LLC	2334		526.00	526.00
61986	12/15/2021	1159	Republic Services	0410-000733278	3-0410-2010536	257.67	257.67
61987	12/15/2021	1510	Rexel USA Inc.	S132270903.001	38883	53.96	57.19
				s132272099.001	38883	3.23	0.00
61988	12/15/2021	1151	Rivanna Solid Waste Authority	NOVEMBER2021RSWA	70	459.00	459.00
61989	12/15/2021	1016	Rivanna Water & Sewer Authority	INV12732	ACSA	1,412.00	1,412.00
61990	12/15/2021	1140	RSG Landscaping & Lawn Care, Inc.	38362	1435	4,160.80	4,160.80
61991	12/15/2021	1073	Safeware, Inc.	3928017	14276	317.82	317.82
61992	12/15/2021	1250	Southern States	1659068	1000260	249.23	249.23
61993	12/15/2021	1155	Sunbelt Rentals, Inc.	120138660-0001	185585	98.81	98.81
61994	12/15/2021	1116	Super Shoe Stores, Inc.	0119749-IN	03-ALBSERV	152.99	152.99
61995	12/15/2021	1094	The Supply Room Companies, Inc.	4431478-1	5001270	30.36	243.94

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Albemarle County Service Authority

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
				4451719-0	5001270	28.57	0.00
				4440199-0	5001270	153.13	0.00
				4442235-0	5001270	31.88	0.00
61996	12/15/2021	13309	Traffic Safety Supplies, LLC	46452		2,285.00	2,405.00
				46453		120.00	0.00
61997	12/15/2021	1030	Treasurer of Virginia	000004997		430.90	430.90
61998	12/15/2021	1234	Treasurer, City of Charlottesville	PAYT120721	Payroll 12/15/21, Tax Act #15919	603.61	603.61
61999	12/15/2021	10736	U.S. Bank	12981061	291144676	291.67	291.67
62000	12/15/2021	1034	Uni-First	202 1185176	377175	1,018.98	2,675.12
				202 1186269	377175	787.08	0.00
				202 1187390	377175	869.06	0.00
62001	12/15/2021	1102	University Tire & Auto Center, Inc.	2082739	138126	1,855.75	1,855.75
62002	12/15/2021	1032	Verizon Wireless	9893558675	742039768-00001	2,176.95	2,176.95
62003	12/15/2021	1070	Virginia Dept. of Taxation	PAYT120721	Payroll 12/15/21, Case	150.00	150.00
62004	12/15/2021	1062	Virginia Utility Protection Service	11210005	ACSA26	1,468.95	1,468.95
62005	12/15/2021	2607	Virginia Water & Waste Authorities Association	210310	Annual Dues for 2021	3,000.00	3,000.00
62006	12/15/2021	1017	VRSA	3859	P-2020-2021-VRSA-0107-1	1,113.00	30,725.00
				RENEWAL21-22#3	0107	29,612.00	0.00
62007	12/15/2021	1213	W.A. Wells Excavating, LLC	8860		54.00	108.00
				8877		54.00	0.00
62008	12/15/2021	1006	Whitman, Requardt & Associates	046480.025 - 24	ACSA-Scottsville PH 4 WM Replace, 9/26/21-10/23/21	3,786.75	5,087.58
				046480.024 - 38	ACSA-Main Office HVAC System Replace 9/26-10/23/21	1,300.83	0.00

Grand total

850,306.94 850,306.94

Number of invoices and checks

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
WIRE	11/10/2021	1151	Rivanna Water & Sewer Authority	Bulk Water & Sewer Transfer		1,789,318.51	1,789,318.51
Check Register & Wire Total						2,639,625.45	2,639,625.45

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
62009	12/23/2021	1448	ACAC	000005004		312.00	624.00
				000005041		312.00	0.00
62010	12/23/2021	1088	Advance Auto Parts	2710134758417	2710019591	32.81	290.53
				2710134797014	2710019591	46.15	0.00
				2710134858446	2710019591	5.94	0.00
				2710134997150	2710019591	49.47	0.00
				2710135032857	2710019591	26.06	0.00
				2710135032877	2710019591	6.89	0.00
				2710135032861	2710019591	32.90	0.00
				2710135186031	2710019591	10.74	0.00
				2710135132923	2710019591	6.43	0.00
				2710135197267	2710019591	14.70	0.00
				2710135132933	2710019591	36.39	0.00
				2710135186062	2710019591	22.05	0.00
62011	12/23/2021	8982	AmeriCredit Financial Services, Inc. DBA GM	000005070		205.13	205.13
62012	12/23/2021	2761	Anytime Fitness	000005016		20.00	40.00
				000005053		20.00	0.00
62013	12/23/2021	1256	Anytime Fitness	000005002		20.00	40.00
				000005039		20.00	0.00
62014	12/23/2021	7900	Anytime Fitness - Zion VA	000005025		40.00	80.00
				000005063		40.00	0.00
62015	12/23/2021	1092	Appalachian Power	JAMES1121	020-639-757-0-6	11.66	309.22
				SCOTTS1221	020-660-037-0-4	183.44	0.00
				RT7951221	022-942-257-0-7	93.26	0.00
				HARDWARE1121	028-568-402-0-8	20.86	0.00
62016	12/23/2021	1118	Aqua Air Laboratories, Inc.	A91409	15	675.00	675.00
62017	12/23/2021	1282	Augusta Cooperative Farm Bureau	4704561	1006860	37.99	52.99
				4709778	1006860	15.00	0.00
62018	12/23/2021	1226	Baudville, Inc.	3863078	2522795	119.24	119.24

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
62019	12/23/2021	1216	Better Living, Inc.	BMN0001 100843-00	ALB04555	24.00	24.00
62020	12/23/2021	13308	BizLibrary	INV-4468	Biz Library Annual Subscription	14,600.00	14,600.00
62021	12/23/2021	1131	Central Battery Specialist	39553		33.22	33.22
62022	12/23/2021	1516	Charlottesville Regional Chamber	19659756		535.00	535.00
62023	12/23/2021	1251	Charlottesville Sanitary Supply Corp.	668025	2050	16.95	16.95
62024	12/23/2021	6677	Childress Paints	101997		604.80	604.80
62025	12/23/2021	6876	City Electric Supply	CHV/013179	06370095001	16.29	33.48
				CHV/013182	06370095001	17.19	0.00
62026	12/23/2021	1086	City of Charlottesville	AVON1221	1020814	99.74	99.74
62027	12/23/2021	1259	Comcast	DEC21-JAN22	8299 60 083 0531976	405.40	405.40
62028	12/23/2021	1095	Commonwealth Underground, LLC	996812		1,500.00	1,500.00
62029	12/23/2021	11105	Crown Communication LLC	36724748	389092, VA Carol Creek	515.00	515.00
62030	12/23/2021	1076	Data West Corporation	CT1435760	ALB01DW	945.00	945.00
62031	12/23/2021	1214	DexYP	DECEMBER2021DEX	300118889	6.50	6.50
62032	12/23/2021	4533	Division of Unclaimed Property	PAYT122021	Unclaimed Property	212.63	212.63
62033	12/23/2021	1019	Dominion Energy Virginia	RT810DEC21	2396032506	183.88	2,322.19
				WOODJAN22	0093014934	230.99	0.00
				LEGODEC21	0898530852	351.73	0.00
				TREMJAN22	2781936543	338.47	0.00
				PETERJAN22	3827498456	233.73	0.00
				ROLLDEC21	2624300006	52.34	0.00
				SUMMIDEC21	4826584908	301.61	0.00
				ASHOCT21	8330241699	12.26	0.00
				GEORGENOV21	9694377509	196.56	0.00
				OAKDEC21	3694115001	172.08	0.00
				OLDFDEC21	9634630009	231.71	0.00
				FAULCDEC21	9722152502	16.83	0.00

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
62034	12/23/2021	11758	E Source Companies, LLC	20882	0232ALBEMA.03 AMI Program Management	5,000.00	5,000.00
62035	12/23/2021	10685	Ed's Floor Care Services, LLC	1231-21		3,703.33	3,703.33
62036	12/23/2021	1021	Ferguson Enterprises LLC #1300	8725574	509597	685.83	4,678.97
				8084248-1	509597	3,000.00	0.00
				8745586	509597	457.27	0.00
				8756111	509597	406.90	0.00
				8756105	509597	128.97	0.00
62037	12/23/2021	12084	Flora Pettit PC	846505882	25456-001 General Representation	630.00	630.00
62038	12/23/2021	1078	Fortiline Inc	5470591	204661	290.05	290.05
62039	12/23/2021	2482	GASB	INV122021	620874	322.00	322.00
62040	12/23/2021	8103	Guardian - Appleton	000005026		492.66	1,716.51
				000005027		71.95	0.00
				000005028		32.94	0.00
				000005029		208.45	0.00
				PAYT122021	Payroll 12/31/21	37.75	0.00
				000005064		531.64	0.00
				000005065		90.59	0.00
				000005066		32.94	0.00
				000005067		217.59	0.00
62041	12/23/2021	4259	Health Equity	7a16zfm	47612	21.15	21.15
62042	12/23/2021	8472	Herbert Beskin Trustee	000005031		334.50	669.00
				000005069		334.50	0.00
62043	12/23/2021	13337	Ivy Properties, LLC	LETTER020821	Madison Office Park PS Replacement, Easement	14,100.00	14,100.00
62044	12/23/2021	1097	Jim Price Chevrolet	1031428/1	2058	20.00	127.45
				1031317/1	2058	107.45	0.00

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
62045	12/23/2021	13341	King, Raymond	PAYT121021	Toilet Rebate	300.00	300.00
62046	12/23/2021	13343	Lankford, Miles	PAYT121021	Toilet Rebate	300.00	300.00
62047	12/23/2021	1003	Linco, Inc.	OAKFPSEST#8	Oak Forest Pump Station, 12/1/21-12/14/21	28,557.00	65,363.42
				FY21SSRWO#7EST#2FINA	FY21 Sanitary Sewer Replacement, 12/1/21-12/14/21	21,959.42	0.00
				FY21SSRWO#8EST#1	FY21 Sanitary Sewer Replacement, November 2021	14,847.00	0.00
62048	12/23/2021	1036	Mailing Services of Virginia, Inc.	245778	MSV0004	212.00	212.00
62049	12/23/2021	1079	Minnesota Life Insurance Company	000004998		709.00	1,435.17
				PAYT122021	Payroll 12/31/21	17.17	0.00
				000005036		709.00	0.00
62050	12/23/2021	1122	Moore's Electrical & Mechanical Construction, Inc.	515239	0015573	989.53	989.53
62051	12/23/2021	1005	O'Brien & Gere Engineers, Inc.	1940009801	Northfields Water Main R-75106, 9/13/21-10/31/21	37,657.00	42,989.00
				1940009721	Biscuit Run Sewer Replacement, 10/1/21-11/9/21	5,332.00	0.00
62052	12/23/2021	1189	Office Depot, Inc.	210066378001	55774314	55.58	46.81
				213018120001	55774314	107.17	0.00
				213016602001	55774314	56.97	0.00
				212540072001	55774314	-199.90	0.00
				213018121001	55774314	26.99	0.00
62053	12/23/2021	12774	Paymentus Corporation	INV-15-117751	Transaction Fees for November 2021	10,194.80	10,194.80
62054	12/23/2021	8185	Piedmont Family YMCA	000005030		203.85	407.70

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
				000005068		203.85	0.00
62055	12/23/2021	9220	Piedmont Liability Trust	PAYT121621	Toilet Rebate	100.00	100.00
62056	12/23/2021	2704	Planet Technologies, Inc.	I004786	102004	1,640.08	1,640.08
62057	12/23/2021	1260	Pollardwater	WW023411	43245	56.00	56.00
62058	12/23/2021	1099	Priority Elevator	36485	LMB401	145.04	145.04
62059	12/23/2021	10542	Prism Contractors & Engineers, Inc.	FY20SSRPDBWO#5EST#5	FY20 SSR-Pantops	212.32	773.48
				FY21SSRWO#7EST#1	Drainage Basin, November 2021 FY21 Misc. Sanitary Sewer Rehab, November 2021	561.16	0.00
62060	12/23/2021	2705	Quarles Petroleum, Inc.	Inv-191569	1512	3,067.05	3,798.93
				Inv-191568	1512	731.88	0.00
62061	12/23/2021	1042	Rappahannock Electric Cooperative	CAMELOT1221	225316002	165.38	1,200.93
				NFRP0122	225316001	947.25	0.00
				BRIAR0122	225316003	88.30	0.00
62062	12/23/2021	7473	Red Bud Supply	174145	ALBECOSEVA	167.45	167.45
62063	12/23/2021	1110	Ricoh USA, Inc.	5063390803	4718864	275.00	275.00
62064	12/23/2021	13366	Robb Properties, Inc.	PAYT121621	Perm. Easement Compensation	550.00	550.00
62065	12/23/2021	1140	RSG Landscaping & Lawn Care, Inc.	38763	1435	4,160.80	4,160.80
62066	12/23/2021	1130	S.I.S. Paint, Inc.	61313		852.00	702.00
				2311		-852.00	0.00
				61354		702.00	0.00
62067	12/23/2021	1043	S.L. Williamson Co. Inc.	PAVINGEST#1	ACSA Oppertions Center Paving, 11/1/21- 12/10/21	208,381.55	208,719.06
				88463	20	269.33	0.00
				88474	20	68.18	0.00
62068	12/23/2021	2606	Shade Equipment Company, Inc.	309467	100195	111.90	111.90

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
62069	12/23/2021	1257	Snap Fitness	000005003		119.88	239.76
				000005040		119.88	0.00
62070	12/23/2021	1066	Specialty Fasteners of Ch'ville	231786		29.99	29.99
62071	12/23/2021	1026	St. John, Bowling, Lawrence & Quagliana, LLP	2821	JMB18-ACSA	9,815.00	9,815.00
62072	12/23/2021	12635	Synigent Technologies, Inc.	ACSA123021SL	Monthly Consulting for	5,160.00	5,160.00
62073	12/23/2021	6658	The Gym	000005024		32.50	65.00
				000005062		32.50	0.00
62074	12/23/2021	1094	The Supply Room Companies, Inc.	4455404-0	5001270	27.67	27.67
62075	12/23/2021	8862	Timmons Group, Inc.	277858	49266, ACSA - Cityworks Support	450.00	825.00
				274251	49266, ACSA - Cityworks Support	375.00	0.00
62076	12/23/2021	4644	Tokay Software	9019		1,250.00	1,250.00
62077	12/23/2021	1030	Treasurer of Virginia	000005035		430.90	430.90
62078	12/23/2021	7074	Troy's Auto & Diesel, LLC	5919		20.00	20.00
62079	12/23/2021	1468	Tyler Business Forms	66865		286.46	286.46
62080	12/23/2021	1034	Uni-First	202 1188491	377175	784.94	784.94
62081	12/23/2021	5311	UVA Darden School Foundation	EE100206	Servant Leadership-Leading w/Humanity-Jeremy Lynn	8,032.50	8,032.50
62082	12/23/2021	8172	UVA-WorkMed	00012097-00	000850	255.00	255.00
62083	12/23/2021	1161	VA Corp.	DECEMBER21VACORP	04A	480.02	480.02
62084	12/23/2021	1032	Verizon Wireless	9894077391	642395137-00001	9,435.26	9,435.26
62085	12/23/2021	3354	Virginia Association of Governmental Purchasing	RENEWAL22-TF	Tonya Foster	35.00	35.00
62086	12/23/2021	1070	Virginia Dept. of Taxation	PAYT121621	Payroll 12/31/21, Case #23002470900	150.00	150.00
62087	12/23/2021	1012	Virginia Dept. of Transportation	PAYT121321-1	Land Use Permit Renewal	50.00	50.00

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Check number	Check date	Vendor ID	Payee name	Invoice	Invoice description	Invoice amount	Check amount
62088	12/23/2021	1012	Virginia Dept. of Transportation	PAYT121321-2	Land Use Permit Renewal	50.00	50.00
62089	12/23/2021	1012	Virginia Dept. of Transportation	PAYT121321-3	Land Use Permit Renewal	50.00	50.00
62090	12/23/2021	1012	Virginia Dept. of Transportation	PAYT121721	VDOT Land Use Permit Renewal FY22 Sewer Rehab.	100.00	100.00
62091	12/23/2021	1509	Virginia Government Finance Officer's Assoc.	RENEWAL2022QGL	2022 Full Membership for Quinn Lunsford	50.00	50.00
62092	12/23/2021	1119	VoiceLink Communications	673512102021	6735	239.57	239.57
62093	12/23/2021	1213	W.A. Wells Excavating, LLC	8883		54.00	54.00
62094	12/23/2021	8524	WaterPIO, LLC	DECEMBER2021		3,500.00	3,500.00
62095	12/23/2021	1006	Whitman, Requardt & Associates	046480.024 - 39	ACSA-Main Office HVAC System Replace10/24-11/20/21	3,443.44	8,218.32
				046480.025 - 25	ACSA-Scottsville PH4 WM Replace, 10/24/21- 11/20/21	4,774.88	0.00
Grand total						449,821.97	449,821.97
Number of invoices and checks						154	87

AGENDA ITEM EXECUTIVE SUMMARY

AGENDA TITLE: FY 2022 Capital Improvement Program (CIP)	AGENDA DATE: January 20, 2022
STAFF CONTACT(S)/PREPARER: Peter C. Gorham, P.E., Director of Engineering	CONSENT AGENDA: ACTION: ■ INFORMATION: ■ ATTACHMENTS: YES

BACKGROUND: Monthly CIP Memo including a status report on active CIP Projects, changes to the CIP Schedule, the revised CIP Schedule, and a list of Active Private Development Projects.

DISCUSSION:

- Questions about the status of active CIP Projects.
- Schedule changes for seven projects.

BUDGET IMPACT: None.

RECOMMENDATIONS: None.

BOARD ACTION REQUESTED: Approval of the Consent Agenda.

ATTACHMENTS:

- Monthly CIP Report
- List of CIP schedule changes
- Revised CIP Schedule
- List of Active Private Development Projects

Albemarle County Service Authority (ACSA)
Capital Improvement Project Report
January 2022

a) Risk Assessment Improvements Phase 1 (Account Code 1621-100):

Consultant:	Dewberry Engineers, Inc. (Dewberry)
Project Status:	Design
Percent Complete:	90%
Contractor:	Undetermined
Construction Start:	2022
Completion:	2022
Total Budget:	\$1,476,050
Appropriated Funds:	\$518,898

Project Description - After the attacks of September 11, 2001 industry leaders were tasked by the federal government to prioritize requirements for the protection of the nation's critical infrastructure. The Water Sector, encompassing both water and wastewater, was one of the categories identified that were expected to remain resilient and continue operating regardless of emergency events. As part of the on-going preparedness program for the ACSA to remain resilient a Vulnerability Assessment was completed in conjunction with our community partners. All our critical assets were analyzed for risks caused by both natural and human-made hazards, using the AWWA Standard J100: *Risk and Resilience Management of Water and Wastewater Systems*. The result was a report to establish mitigation measures to lower risks and increase resiliency. Some mitigation measures have already been completed with others phased over the next two to three fiscal years based upon priority.

1/12/2022: JRC has begun the installation of the hardware for the pedestrian gates card swipe access. We anticipate this work to be completed the week of January 17, 2022, along with the mounting of the 360 degree security camera to cover the lower level of the Administration building.

b) Energy Audit (Account Code 1625-100):

Consultant:	OBG, A Ramboll Company (Ramboll)
Project Status:	Study
Percent Complete:	85%
Contractor:	Unknown
Construction Start:	N/A
Completion:	June 2022 (Study)
Total Budget:	\$300,000

Appropriated Funds: \$296,000

Project Description - This project will consist of a comprehensive energy audit of the Operations Center and all pump stations. It will evaluate current energy consumption and the factors that drive it, as well as, an analysis of utility rate structures to identify potential cost savings. Surveys will be conducted of all systems, including operation and maintenance procedures to determine where energy conservation can be improved.

10/12/2021: A meeting was held with Ramboll on October 1, 2021 to have a preliminary discussion about the current fleet data reviewed thus far. ACSA staff will schedule an internal meeting to address the questions raised by Ramboll about our fleet. WRA has been asked to review the potential for an interconnection between the two wet wells at the Camelot Sewer Pump Station.

c) Avon Street Maintenance Yard (Account Code 1622-100):

Consultant:	Dewberry Engineers, Inc. (Dewberry)
Project Status:	Design
Percent Complete:	60%
Contractor:	Undetermined
Construction Start:	2023
Completion:	2024
Total Budget:	\$4,315,000
Appropriated Funds:	\$634,312

Project Description - As part of the Operations Center Expansion Study our consultant reviewed all properties owned by the ACSA that could be utilized as we grow. The Avon Street property has long been held as a future location to build additional facilities in a central location, as needed. The current Maintenance Yard at our Operations Center is becoming overcrowded with equipment and materials, causing us to locate some equipment and larger materials in the former ACSA Maintenance Yard at the Crozet Water Treatment Plant, which we lease from RWSA. This project will begin to develop the Avon Street property into a much larger vehicle and materials storage facility, including a training area for our equipment operators.

12/7/2021: The initial site plan and the Virginia Stormwater Management Plan (VSMP) have been submitted to the County for their review. ACSA staff have asked the County about how the drainage down the Avon Street entrance road on our property will connect to the stormwater improvements that will be a part of their Avon Street Sidewalk Project.

d) HVAC System Upgrade (Account Code 1619-100):

Consultant:	Whitman, Requardt & Associates, Inc. (WRA)
Project Status:	Construction
Percent Complete:	95%
Contractor:	eTEC Mechanical Corporation (eTEC)
Construction Start:	February 2019
Completion:	January 2022
Total Budget:	\$1,378,000
Appropriated Funds:	\$1,034,297

Project Description - During recent years it has become apparent that the HVAC system serving the Administration Building is in need of replacement. This evaluation will review the existing HVAC system and recommend solutions and alternatives. HVAC efficiency and life cycle cost analysis will be performed as part of the evaluation.

1/12/2022: The final day of Functional Testing was completed in mid-December 2021 and the controls programming contractor continues to address all the punch list items identified. When all items are addressed ACSA staff will virtually retest the sections of the HVAC System to verify the work, in preparation for the final Commissioning Report.

e) Four-Story Backflow Prevention Device Retrofit (Account Code 1765-100):

Consultant:	ACSA Engineering Department
Project Status:	Design
Percent Complete:	60%
Contractor:	Undetermined
Construction Start:	2022
Completion:	2022
Total Budget:	\$348,000
Appropriated Funds:	\$353,000

Project Description - In late 2018 ACSA staff became aware of four-story residential structures being constructed without proper backflow prevention devices. Section 8 of the ACSA Rules and Regulations details the ACSA Backflow Prevention Program. This program is in accordance with 12VAC5-590-570 through 12VAC5-590-630 of the Virginia Waterworks Regulations. The Containment Policy in 12VAC5-590-610 outlines the requirement for a backflow prevention (BFP) device on the domestic water service line to high rise structures, defined as four (4) or more stories.

12/7/2021: ACSA staff are scheduling meetings with the unresponsive and partially responsive customers during the first two weeks of December 2021.

f) Scottsville Phase 4 Water Main Replacement (Account Code 1758-100):

Consultant:	Whitman, Requardt & Associates, Inc. (WRA)
Project Status:	Design
Percent Complete:	50%
Contractor:	Undetermined
Construction Start:	2022
Completion:	2023
Total Budget:	\$4,369,900
Appropriated Funds:	\$346,000

Project Description - This project continues our systematic program to replace undersized and deteriorating asbestos-cement and cast iron water mains throughout our water systems. The design will begin in FY 2019 and carry over into FY 2020. Construction is not anticipated to occur until FY 2022 and FY 2023.

1/12/2022: WRA continues to work on the revisions to the 50% design documents. The number of geotechnical bores and test holes has increased and ACSA staff will bring an additional proposal to the Board for appropriation at a future meeting.

g) Crozet Phase 4 Water Main Replacement (Account Code 1756-100):

Consultant:	Michael Baker International, Inc. (Baker)
Project Status:	Design
Percent Complete:	100%
Contractor:	Undetermined
Construction Start:	2022
Completion:	2023
Total Budget:	\$5,432,700
Appropriated Funds:	\$520,911

Project Description - Our Strategic Plan calls for the eventual replacement of all asbestos-cement and PVC (pre-1990) water mains in our system, as they are older and made of a weaker material than the current industry norm. This project continues our systematic program to replace the aging and undersized asbestos-cement and PVC water mains in the Crozet Water System. This is the fourth of five phases that have been defined to carry out these improvements.

1/12/2022: The VMRC has granted approval of our Joint Permit Application. To date 12 of 20 easements have been acquired.

h) Ragged Mountain Phase 1 Water Main Replacement (Account Code 1760-100):

Consultant:	Dewberry Engineers, Inc. (Dewberry)
Project Status:	Design
Percent Complete:	90%
Contractor:	Undetermined
Construction Start:	2022
Completion:	2022
Total Budget:	\$696,000
Appropriated Funds:	\$124,975

Project Description - This project will replace the oldest active water main remaining in our system, which was part of the water main that served customers out Reservoir Road. This cast iron pipe is over 90 years old and is severely tuberculated, which greatly reduces the flow capacity in this section.

12/7/2021: VDOT has changed their mind about including the installation of our new water main through the casing pipe as part of their project. The ACSA will contribute funds to the VDOT project for the installation of our casing pipe when they replace the box culvert on Morey Creek. When their project is complete we will proceed with our water main replacement.

i) Jefferson Village Water Main Replacement (Account Code 1747-100):

Consultant:	Dewberry Engineers, Inc. (Dewberry)
Project Status:	Design
Percent Complete:	100%
Contractor:	Undetermined
Construction Start:	2022
Completion:	2022
Total Budget:	\$2,451,000
Appropriated Funds:	\$191,190

Project Description - This project addresses the goal in our Strategic Plan for the eventual replacement of all asbestos-cement water mains in our system. The existing water mains are approximately 49 years old and have reached the end of their useful life. As a former well system that was connected to public water, many of the mains are also undersized.

1/12/2022: ACSA staff will be advertising for construction bids near the end of January 2022 with the anticipation of requesting the Board's authorization to award at their meeting in March.

j) Northfields Water Main Replacement (Account Code 1764-100):

Consultant:	O'Brien & Gere Engineers, Inc. (OBG)
Project Status:	Design
Percent Complete:	50%
Contractor:	Undetermined
Construction Start:	2023
Completion:	2027
Total Budget:	\$8,130,000
Appropriated Funds:	\$583,497

Project Description - This project addresses the goal in our Strategic Plan for the eventual replacement of all asbestos-cement water mains in our system. The existing water mains are approximately 54 years old and have reached the end of their useful life. As a former well system that was connected to public water, most of the mains are also undersized.

1/12/2022: The additional surveying for the sewer main design is anticipated to begin the week of January 17, 2022.

k) Hessian Hills Water Main Replacement (Account Code 1753-100):

Consultant:	Michael Baker International, Inc. (Baker)
Project Status:	Construction
Percent Complete:	80%
Contractor:	Metra Industries, Inc. (Metra)
Construction Start:	April 2021
Completion:	April 2022
Total Budget:	\$5,070,000
Appropriated Funds:	\$5,107,562

Project Description - The water mains in the Hessian Hills area are of a similar age and material as the water mains in the Barterbrook Phase 2 Project, plus they are in the same general area. By extension we are assuming their condition is similar with respect to tuberculation and they are also undersized throughout most of the subdivision. This project follows our Strategic Plan goal to replace aging and undersized water mains throughout our system. It will also eliminate a small amount of PVC main installed in the early 1980's.

1/12/2022: The 12-inch water main along Georgetown Road from Barracks Road to Inglewood Drive has been placed into service. All

water services within the Hessian Hills Subdivision have been switched over to the new water mains. Most of the new water main along Ricky Road has been installed by Metra and they are currently preparing more streets in the neighborhood for the next round of pavement restoration. ACSA staff is working to schedule a meeting with the City, RWSA, and Metra to discuss the remaining connections to their existing water mains.



l) Briarwood Water Main Replacement (Account Code 1766-100):

Consultant:	OBG, A Ramboll Company (Ramboll)
Project Status:	Design
Percent Complete:	25%
Contractor:	Undetermined
Construction Start:	2025
Completion:	2026
Total Budget:	\$2,650,000
Appropriated Funds:	\$210,822

Project Description - Our Strategic Plan calls for the eventual replacement of PVC (pre-1990) water mains in our system, as they are older and made of weaker material than the current industry norm. This project will replace the PVC water mains that have been in service since the early 1980's. The design phase has been initiated and will carry over into FY 2022. Construction is expected to take place in FY 2025 and FY 2026.

11/9/2021: ACSA staff has requested additional surveying of the Dickerson Road corridor between Austin Drive (Briarwood entrance) and Lonicera Way (North Pines entrance) be added to the design phase tasks. This will allow us to abandon another 375 feet of older PVC water main as part of this project. There will also be some additional surveying at the Austin Drive and Blue Jay Way intersection to aid in the design of the reconnections to the existing water mains on Oriole Court and Blue Jay Way.

m) Barracks West Water Main Replacement (Account Code 1796-100):

Consultant:	Dewberry Engineers, Inc. (Dewberry)
Project Status:	Design
Percent Complete:	20%
Contractor:	Undetermined
Construction Start:	2024
Completion:	2025
Total Budget:	\$2,728,100
Appropriated Funds:	\$209,335

Project Description - This project will replace the undersized and aging cast iron and galvanized water mains that were installed in the late 1960's. These water mains are original to the Old Salem Apartments development, now called Barracks West. This project follows our Strategic Plan goal to replace aging and undersized water mains

throughout our system and will provide for an opportunity to improve fire protection to these multi-family apartments.

1/12/2022: A title search of the property has been ordered by Mr. Bowling's office to confirm the lack of an easement for the existing water mains.

n) Broadway Street Water Main Replacement (Account Code 1768-100):

Consultant:	Whitman, Requardt & Associates, Inc.
Project Status:	Design
Percent Complete:	50%
Contractor:	Undetermined
Construction Start:	2023
Completion:	2023
Total Budget:	\$1,043,800
Appropriated Funds:	\$99,820

Project Description - This project will replace the ductile iron water main that was installed in the early 1970's and has been found to be in deteriorating condition based on recent excavations. With the redevelopment of the Woolen Mills Factory and Albemarle County's increased attention on economic revitalization of this corridor, replacement of this water main is crucial in transforming this area.

12/7/2021: The 50% design documents have been forwarded to the City and RWSA for their input since their water mains are impacted by this project. Any comments they have will be combined with ours and returned to WRA.

o) Pantops Drainage Basin Rehabilitation (Account Code 1824-199):

Consultant:	O'Brien & Gere Engineers, Inc. (OBG)
Project Status:	Construction
Percent Complete:	95%
Contractor:	Prism Contractors & Engineers, Inc. (Prism) & Linco, Inc. (Linco)
Construction Start:	March 2021
Completion:	February 2022
Total Budget:	\$400,700
Appropriated Funds:	\$515,056

Project Description - The wastewater flow metering in 2015 for the update of the RWSA sewer interceptor model has shown the Pantops Area is experiencing peak wet weather flows due to infiltration and inflow (I/I). This project will continue our efforts to maintain the integrity of our

wastewater collection system by reducing I/I. The sanitary sewer evaluation survey (SSES) will include the ACSA collection system east of the South Fork Rivanna River and north of I-64, including the Peter Jefferson Place Pump Station. The sanitary sewer evaluation survey (SSES) will consist of manhole inspections, sewer flow monitoring, smoke testing, night flow isolation and measurement, flooded dye testing and CCTV of sewer mains.

1/12/2022: Prism is planning to re-mobilize the week of January 17, 2022 to finish the manhole rehabilitation on this project so we can close it out.

p) Hollymead Drainage Basin SSES (Account Code 1825-100):

Consultant:	O'Brien & Gere Engineers, Inc. (OBG)
Project Status:	Construction
Percent Complete:	5%
Contractor:	Prism Contractors & Engineers, Inc. (Prism) & Linco, Inc. (Linco)
Construction Start:	October 2021
Completion:	June 2022
Total Budget:	\$454,700
Appropriated Funds:	\$472,786

Project Description - ACSA staff has identified other large drainage basins to be evaluated for infiltration and inflow (I/I) to continue our efforts to maintain the integrity of our wastewater collection system. The study area includes the oldest portions of the Hollymead Subdivision, as well as, the offsite portion of the sewer main that serves the westernmost area of Forest Lakes South. The Forest Lakes Offsite Sewer will be the primary collector for the upcoming extensive Brookhill development and the evaluation of this trunk main will provide an excellent baseline of pipe integrity in advance of the future construction activities around this sewer.

1/12/2022: Prism is planning to re-mobilize the week of January 17, 2022 to begin their share of the rehabilitation work on this project.

q) Airport Trunk Sewer Upgrade (Account Code 1828-100):

Consultant:	Michael Baker International, Inc. (Baker)
Project Status:	Design
Percent Complete:	90%
Contractor:	Undetermined
Construction Start:	2024
Completion:	2025
Total Budget:	\$5,793,800

Appropriated Funds: \$363,467

Project Description - With the continued growth in the Hollymead Town Center area, the existing sewer collector serving the airport and the area west of Route 29 is in need of upgrading to handle full build-out. The existing sewer was originally sized to serve the light industrial zoning designated for that area at the time of construction. The increased density specified in the County Comprehensive Plan for the same drainage basin will exceed the capacity of the existing sewer. A study of the drainage basin was completed in 2016 with the recommendation the sewer main be increased in size by replacing it in place.

1/12/2022: A second round of offer letters are expected to be mailed out in the next couple of weeks for the first batch of easement documents that have been completed. ACSA staff continues to meet with customers to discuss individual easements, as needed.

r) Biscuit Run Sewer Replacement (Account Code 1830-100):

Consultant:	OBG, A Ramboll Company (Ramboll)
Project Status:	Design
Percent Complete:	80%
Contractor:	Linco, Inc. (Linco)
Construction Start:	2022
Completion:	2022
Total Budget:	\$479,600
Appropriated Funds:	\$84,916

Project Description - During a routine inspection the ACSA's Maintenance Department discovered an existing gravity main and manhole along an intermittent stream that drains into Biscuit Run had been exposed due to runoff. This project will replace the sewer segment that crosses the stream with ductile iron pipe and will reinforce the stream bank where the sewer manhole is exposed.

1/12/2022: The Joint Permit Application (JPA) has been sent to the Commonwealth of Virginia representative to get their signature prior to submitting it to the VMRC for approval.

s) FY 2021 Miscellaneous Sewer Repair/Replacement (Account Code 1903-100):

Consultant:	OBG, A Ramboll Company (Ramboll)
Project Status:	Construction
Percent Complete:	100%
Contractor:	Linco, Inc. (Linco)

Construction Start:	October 2020
Completion:	December 2021
Total Budget:	\$200,000
Appropriated Funds:	\$200,000

Project Description - This project continues our annual “find and fix” program of sanitary sewer rehabilitation to reduce I&I in our system. The ACSA made the decision to split our miscellaneous rehabilitation Contract Documents into separate contracts: one for repair and replacement work, and the other for trenchless pipe rehabilitation plus internal manhole rehabilitation. This contract will be utilized to make point repairs and undertake pipe replacement, which requires excavation work, to correct problems in our system found with systematic CCTV inspection by ACSA crews. It will also be used to complete rehabilitation recommendations generated from the SSES’s of larger drainage basins.

1/12/2022: The sewer main replacement at the end of Redington Lane under Work Order No. 7 has been completed, which finishes this work order. The final payment has been processed therefore this project is complete.

t) FY 2021 Miscellaneous Sewer Rehabilitation (Account Code 1904-100):

Consultant:	OBG, A Ramboll Company (Ramboll)
Project Status:	Construction
Percent Complete:	75%
Contractor:	Prism Contractors & Engineers, Inc. (Prism)
Construction Start:	October 2020
Completion:	February 2022
Total Budget:	\$200,000
Appropriated Funds:	\$200,000

Project Description - This project continues our annual “find and fix” program of sanitary sewer rehabilitation to reduce I&I in our system. The ACSA made the decision to split our miscellaneous rehabilitation Contract Documents into separate contracts: one for repair and replacement work, and the other for trenchless pipe rehabilitation plus internal manhole rehabilitation. This contract will be utilized to perform trenchless rehabilitation, including sewer lining, segmental lining, top hats, internal point repairs and manhole rehabilitation that doesn’t require excavation work, to correct problems in our system found with systematic CCTV inspection by ACSA crews. It will also be used to complete rehabilitation recommendations generated from the SSES’s of larger drainage basins.

12/7/2021: The relining of the sewer main at the Barracks Road and Georgetown Road intersection has been completed under Work Order No. 5, which only leaves the relining of a sewer main in Riverrun to finish this work order.

u) FY 2022 Miscellaneous Sewer Repair/Replacement (Account Code 1905-100):

Consultant:	OBG, A Ramboll Company (Ramboll)
Project Status:	Construction
Percent Complete:	0%
Contractor:	Linco, Inc. (Linco)
Construction Start:	December 2021
Completion:	October 2022
Total Budget:	\$200,000
Appropriated Funds:	\$200,000

Project Description - This project continues our annual “find and fix” program of sanitary sewer rehabilitation to reduce I&I in our system. The ACSA made the decision to split our miscellaneous rehabilitation Contract Documents into separate contracts: one for repair and replacement work, and the other for trenchless pipe rehabilitation plus internal manhole rehabilitation. This contract will be utilized to make point repairs and undertake pipe replacement, which requires excavation work, to correct problems in our system found with systematic CCTV inspection by ACSA crews. It will also be used to complete rehabilitation recommendations generated from the SSES’s of larger drainage basins.

1/12/2022: Linco had renewed their annual contract with some adjustments to unit pricing in accordance with the specifications.

v) FY 2022 Miscellaneous Sewer Rehabilitation (Account Code 1906-100):

Consultant:	OBG, A Ramboll Company (Ramboll)
Project Status:	Construction
Percent Complete:	Underway
Contractor:	Prism Contractors & Engineers, Inc. (Prism)
Construction Start:	October 2021
Completion:	October 2022
Total Budget:	\$200,000
Appropriated Funds:	\$200,000

Project Description - This project continues our annual “find and fix” program of sanitary sewer rehabilitation to reduce I&I in our system. The

ACSA made the decision to split our miscellaneous rehabilitation Contract Documents into separate contracts: one for repair and replacement work, and the other for trenchless pipe rehabilitation plus internal manhole rehabilitation. This contract will be utilized to perform trenchless rehabilitation, including sewer lining, segmental lining, top hats, internal point repairs and manhole rehabilitation that doesn't require excavation work, to correct problems in our system found with systematic CCTV inspection by ACSA crews. It will also be used to complete rehabilitation recommendations generated from the SSES's of larger drainage basins.

11/9/2021: Work Order No. 1 has been issued for the rehabilitation of 10 manholes at various locations throughout our sanitary sewer system. To date 8 of the 10 manholes have been completed.

w) Oak Forest Pump Station Abandonment (Account Code 1807-100):

Consultant:	O'Brien & Gere Engineers, Inc. (OBG)
Project Status:	Construction
Percent Complete:	70%
Contractor:	Linco, Inc. (Linco)
Construction Start:	July 2020
Completion:	February 2022
Total Budget:	\$1,410,800
Appropriated Funds:	\$2,391,752

Project Description - This wastewater pump station was constructed 35 years ago by private development and the original equipment is wearing down. The building and wet well are also undersized and deteriorating. With the development of the Stonefield Area between Route 29 and Commonwealth Drive ACSA staff has identified a sewer main extension project that could eliminate this aging pump station and avoid an expensive upgrade.

12/7/2021: Only a section of fence remains to be replaced on the Costco side of the project to complete restoration there. The sewer main installation upstream of the bore casing continues with another 305 feet installed to a point within 50 feet of the pump station. Rock has been encountered at this location so progress has slowed.



x) Bellair – Liberty Hills Sewer (Account Code 1829-100):

Consultant:	Michael Baker International, Inc. (Baker)
Project Status:	Design
Percent Complete:	0%
Contractor:	Undetermined
Construction Start:	2024
Completion:	2025
Total Budget:	\$2,049,715
Appropriated Funds:	\$380,295

Project Description - Over the past several years, there has been an uptick in residents of the Bellair Subdivision seeking to connect to public sanitary sewer service since most residents are currently served by private septic fields. In an effort to gauge community interest for such a project, ACSA staff mailed out a survey to the residents seeking feedback on their interest. Based on initial feedback received, a majority of the property owners are interested in connecting to public sewer if it was made available.

1/12/2022: The additional field surveying required to pick up more details of the existing conditions in parts of the subdivision is anticipated to be completed by mid-February 2022.

y) Madison Park Pump Station Upgrade (Account Code 1735-100):

Consultant:	Whitman, Requardt & Associates, Inc. (WRA)
Project Status:	Design
Percent Complete:	100%
Contractor:	Undetermined
Construction Start:	2022
Completion:	2022
Total Budget:	\$1,125,000
Appropriated Funds:	\$393,831

Project Description - This wastewater pump station was constructed 33 years ago by private development and the original equipment is wearing down. In addition the building is undersized creating difficulty in performing routine maintenance and making it impossible to install the control panels necessary to include this pump station in our new SCADA System. A study to evaluate the best option for upgrading this pump station will be performed, followed by design and construction.

1/12/2022: Comments on the 100% design documents have been returned to WRA to prepare the final bidding documents. ACSA staff is currently working out the optimum bidding schedule based upon other active projects and availability of personnel.

z) Sewer Pump Station Comminutors (Account Code 1827-100):

Consultant:	Whitman, Requardt & Associates, Inc. (WRA)
Project Status:	Construction
Percent Complete:	0%
Contractor:	East Coast Utility Contractors, Ltd. (ECUC)
Construction Start:	2022
Completion:	2022
Total Budget:	\$731,300
Appropriated Funds:	\$616,193

Project Description - Three sewer pump stations: Glenmore, Georgetown Green, and Crozet have all been experiencing higher than normal amounts of solid debris that have been causing undue wear and tear on our pumps, reducing their effective life. They have also been subjected to clogging from the fibrous cloth wipes that are marketed as flushable but do not break down in the sanitary sewer collection system. Maintenance identified the need to install comminutors (aka grinders) in the wet wells or just upstream of them, to eliminate these solids that are adversely impacting our pumps.

1/12/2022: The preconstruction conference was held on January 11, 2022 with WRA and East Coast Utility Contractors (ECUC) to discuss details related to construction. ECUC will schedule site visits with ACSA staff within the next couple of weeks to obtain detailed measurements for the equipment and verify existing conditions to finalize the equipment submittals. The Notice to Proceed is expected to be set once the lead times for delivery of materials and equipment are established.

aa) Lewis Hill – West Leigh Water Connection (Account Code 1754-100):

Consultant:	ACSA Engineering Department
Project Status:	Design
Percent Complete:	95%
Contractor:	ACSA Maintenance Department
Construction Start:	2022
Completion:	2022
Total Budget:	\$80,900
Appropriated Funds:	\$7,125

Project Description - The existing PVC water main that serves as the primary connection between West Leigh Subdivision and Lewis Hill Subdivision is at risk for failure due to the encroachment of a nearby stream. The water main has been taken out of service to avoid a catastrophic failure and the resulting large volume of lost water. This project re-establishes the connection from West Leigh by taking advantage of the recent water main replacement along Sheffield Road with an 8" diameter pipe.

6/8/2021: The HOA is currently reluctant to confirm the alignment or grant an easement. ACSA staff will wait a couple of months and resume negotiations with the HOA.

bb) Huntington Village Water Connection (Account Code 1770-100):

Consultant:	ACSA Engineering Department
Project Status:	Design
Percent Complete:	0%
Contractor:	ACSA Maintenance Department
Construction Start:	2022
Completion:	2022
Total Budget:	\$60,700
Appropriated Funds:	\$3,533

Project Description - The existing water main that serves as the only feed into Huntington Village off Old Ivy Road is at risk of failure due to an

existing rock retaining wall that was constructed overtop of the water main. This project provides a second water connection into Huntington Village which is comprised of approximately 135 residential customers. It is anticipated all the work will be coordinated in-house by Maintenance Department personnel.

1/12/2022: The AutoCAD files for the base mapping have been received from Draper Aden Associates, which will allow ACSA staff to begin work on the construction drawings.

cc) Briarwood Pump Station Generator (Account Code 1767-100):

Consultant:	ACSA Engineering Department
Project Status:	Construction
Percent Complete:	50%
Contractor:	ACSA Maintenance Department
Construction Start:	October 2021
Completion:	April 2022
Total Budget:	\$54,100
Appropriated Funds:	\$54,100

Project Description - This wastewater pump station was constructed in 1995 by private development and didn't include a permanent generator. In an effort to reduce risk and increase resiliency at the station, Maintenance identified the need to install a generator at this site to avoid deployment of one of our portable generators.

1/12/2022: ACSA Maintenance staff have met with a fence contractor to review the fence modifications recommended by our Risk Assessment evaluation. The contractor has received the materials and the work is expected to begin in early February 2022.

dd) Exclusion Meters Replacement (Account Code 1759-100):

Consultant:	ACSA Engineering Department
Project Status:	Construction
Percent Complete:	20%
Contractor:	ACSA Maintenance Department
Construction Start:	September 2019
Completion:	2024
Total Budget:	\$1,237,500
Appropriated Funds:	\$247,500

Project Description - In the mid 1990's with the development of Glenmore, many new customers installed irrigation systems for their properties and wanted to have their sewer bills reduced by the amount of

water that was diverted to irrigate their properties. Private meters were installed behind their ACSA meter to record this volume and it was "excluded" from the calculation of their sewer charges and these became known as exclusion meters. On January 1, 2006 the ACSA Rules and Regulations were modified to no longer allow exclusion meters and required that all future irrigation meters would be tapped separately off our water mains, to be owned and controlled by the ACSA. At that time the existing exclusion meters were grandfathered and allowed to stay in place unless the irrigation system was voluntarily abandoned. This project is a multi-year replacement program by our in-house CIP Crew to install dedicated, ACSA owned irrigation meters that will eliminate all remaining exclusion meters in our system.

1/12/2022: In Group Six 7 of 18 exclusion meters having been replaced to date. There are currently 394 exclusion meters remaining in our system.

ee) Redfields Pump Station Abandonment (Account Code 1823-100):

Consultant:	ACSA Engineering Department
Project Status:	Construction
Percent Complete:	99%
Contractor:	Linco, Inc. (Linco)
Construction Start:	February 2020
Completion:	August 2020
Total Budget:	\$59,800
Appropriated Funds:	\$86,785

Project Description - This wastewater pump station was constructed 23 years ago by private development and the parcel is too small to add an emergency standby generator. The Maintenance Department must rely on a portable pump to operate this station during power outages. With the development of Wintergreen Farm Subdivision, ACSA staff saw an opportunity for a sewer main extension that could eliminate this pump station. Now that the sewer main extension is in place the timing is perfect for abandoning this wastewater pump station. The work will be completed using our new Miscellaneous Sewer Rehabilitation contract to bypass the pump station with a gravity main and have Maintenance handle the building decommissioning and demolition.

4/5/2021: ACSA staff will obtain two additional estimates for the pavement work so we can move forward with completing this project without Linco having to return for a small pavement patch.

ff) Sewer Force Main Condition Assessment (Account Code 1826-100):

Consultant:	ACSA Engineering Department
Project Status:	Study
Percent Complete:	99%
Contractor:	Pure Technologies (Pure)
Construction Start:	N/A
Completion:	March 2020 (Study)
Total Budget:	\$149,468
Appropriated Funds:	\$228,745

Project Description - This project will address the ACSA's Strategic Plan to complete condition assessments on all sanitary sewer force mains at pump stations within the ACSA wastewater system. This project will utilize SmartBall and transient pressure monitoring technology to determine any problem areas that require correction or further detailed investigation.

4/5/2021: ACSA staff are researching the possibility of shortening the Woodbrook Pump Station sewer force main to connect into a closer manhole, thereby eliminating a portion of the force main that requires replacement. A portion of this force main has developed a loss of wall thickness from exposure to a gas pocket, which could eventually lead to pipe failure.

gg) SCADA System Phase 3 (Account Code 1605-100):

Consultant:	Whitman, Requardt & Associates, Inc. (WRA)
Project Status:	Design
Percent Complete:	100%
Contractor:	Undetermined
Construction Start:	2022
Completion:	2022
Total Budget:	\$943,115
Appropriated Funds:	\$324,472

Project Description - The ACSA Utility System has over 40 critical assets that include water and wastewater pump stations, water storage tanks and master PRV stations. They are considered critical because malfunctions or failures at any of the assets could have a drastic effect on our utility system and our customers. These assets are currently monitored by site visits of assigned Maintenance personnel. This project will create a Supervisory Control and Data Acquisition (SCADA) System that will allow ACSA employees to remotely monitor the operations of these critical assets from the main office building. It will also allow personnel to change the operational settings of some pump stations from the main office

building. Using alarms, we will be able to more quickly evaluate problems and prevent some failures before they happen. The project will be completed in three phases over a three year period.

1/12/2022: The new electric service has been installed by Dominion Energy at the Glenmore PRV Vault. The purchase and installation of new pressure reducing valves is anticipated to occur in early spring of 2022.

hh) Ashcroft Pump Stations #2 and #3 Capacity Improvement (Account Code 1879-100):

Consultant:	Whitman, Requardt & Associates, Inc. (WRA)
Project Status:	Construction
Percent Complete:	100%
Contractor:	Fielders Choice Enterprises, Inc. (FCE)
Construction Start:	October 2018
Completion:	February 2021
Total Budget:	\$1,043,121
Appropriated Funds:	\$1,229,163

Project Description - In order to meet current domestic demand, fire flow requirements and future development in Ashcroft, the pumps in stations #2 and #3 will need to be upgraded. This project will evaluate all the alternatives for increasing the pumping capacity within the limits of space and available electrical service.

12/7/2021: The wiring plan to correct the radio communication system override of Pump Station #3 during a fire flow event has been received and is currently under review by IT staff.

PCG/dmg
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Albemarle County Service Authority (ACSA)

CIP Schedule Revisions
January 2021

1. The study phase of the Energy Audit Project has been extended to June 2022.
2. The design phase of the Scottsville Phase 4 Water Main Replacement Project has been extended to June 2022.
3. The construction phase of the Jefferson Village Water Main Replacement Project has been extended to June 2022.
4. The design phase of the Northfields Water Main Replacement Project has been extended to June 2022.
5. The construction phase of the Pantops Drainage Basin Rehabilitation Project has been extended to February 2022.
6. The construction phase of the Hollymead Drainage Basin Rehabilitation Project has been extended to June 2022.
7. The construction phase of the FY 2021 Miscellaneous Sewer Rehabilitation Project has been extended to February 2022.


Albemarle County Service Authority (ACSA)
Active Private Development Projects
January 2022

- a. Airport Road Sheetz (Rio): Water main extension to serve a Sheetz, located at the corner of Airport Road and Route 29.
- b. Albemarle Business Campus – Block 5 (Scottsville): Water and sewer main extension to serve a storage facility and retail spaces between Old Lynchburg Road and Wahoo Way.
- c. Ashcroft Phase 2 Sections 6 & 7 (Rivanna): Water main extension to serve 14 residences. The project is located at the upper end of Summit Ridge Trail.
- d. Avon Park Phase 2 (Scottsville): Water and sewer main extension to serve 28 residential units. This project is located along the southern end of Hathaway Street.
- e. Beaver Creek – Medical Office Building (Jack Jouett): Water main extension to serve the proposed medical office building to be located on the 2246 and 2248 Ivy Road parcel.
- f. Berkmar Drive Apartments (Rio): Water and sewer main extensions to serve 10 apartment buildings, totaling 261 units. The project is located along Berkmar Drive, south of the Forest Springs Mobile Home Park.
- g. Boys and Girls Club – Drivers Ed Site (Jack Jouett): Water main extension to serve a new Boys and Girls Club. The project is located south east of Jack Jouett Middle School.
- h. Brookhill Blocks 9-11 (Rivanna): Water and sewer main extension to serve 85 single family homes in the Brookhill subdivision, located east of Stella Lane between Ashwood Boulevard and Archer Avenue.
- i. Farmington Country Club – Phase 1 (Jack Jouett): Water main extension to provide fire protection to the future Farmington Country Club expansion. An existing cottage will be replaced with 3 new cottages, totaling 12 units. This project is located at the intersection of Farmington Drive and Tennis Road.
- j. Flow Automotive – 1300 Richmond Road (Rivanna): Water main extension to provide water service and fire protection to a new/renovated car dealership. This project is located along Richmond Road, across from People Place.
- k. Foothill Crossing Phase 6 West (White Hall): Water and sewer main extensions to serve 35 residential units, located at the end of Indigo Road behind Crozet Park.
- l. Georgetown Hydraulic (Jack Jouett): Water main extension to serve a commercial office building at the intersection of Georgetown Road and Hydraulic Road.

- m. Hollymead Town Center Hotel (Rio): Water main extension and sewer relocation to serve an 81 room hotel near the intersection of Seminole Trail and Timberwood Blvd.
- n. Ivy Road Sidewalk Project (Jack Jouett): Replacement of 1,000 LF of water main to facilitate the installation of a sidewalk and associated storm water infrastructure. This project is located along Ivy Road, between Still fired Lane and Colonnade Drive.
- o. Jarmans Gap Development (White Hall): Water and sewer main extensions to serve 5 residential units, located along the southern side of Jarmans Gap Road west of Millstream Drive.
- p. MJH Presidio Apartments (Rivanna): Water and sewer main extensions to serve 250 multi-family residential units along Peter Jefferson Parkway across from the Martha Jefferson Hospital.
- q. Polo Grounds Road Improvements – Phase 2 (Rivanna): Water main extension along sections of Polo Grounds Road to serve eastern blocks of the Brookhill Subdivision. This project is located east of Route 29, along Polo Grounds Road.
- r. Proffit Road Townhomes South (Rivanna): Water and sewer main extension to serve 31 town home units. This project is located along Proffit Road, south of Martha Jefferson Outpatient Care Center.
- s. Rivanna Village Phase 2 (Scottsville): Water and sewer main extensions to serve 178 residential units. This project is located east of the Glenmore Ground Storage Tank and Rivanna Village Phase 1.
- t. Southwood Redevelopment - Village 1 (Scottsville): Water and sewer main extensions to serve 49 residential units and future commercial blocks. This project is located east of Old Lynchburg Road and south of I-64.
- u. Spring Hill Village (Scottsville): Water and sewer main extensions to serve 100 residential units. This project is located between Avon Street Extended and Route 20 South, across from Avon Park.

AGENDA ITEM EXECUTIVE SUMMARY

CONSENT AGENDA

AGENDA TITLE: ACSA Winter Weather Preparedness	AGENDA DATE: January 20, 2022
STAFF CONTACT(S)/PREPARER: Mike Lynn, Operations Manager 	ACTION: Informational
	ATTACHMENTS: Yes

BACKGROUND: Will it snow this year or not? Regardless of the answer we always prepare for bad weather just in case.

DISCUSSION: Our facilities group under the direction of Billy Defibaugh goes through our annual ritual of preparing for potential winter weather. Beginning around the first of October we make sure we have enough ice melt to get us through the winter.

We usually have some left over from the previous winter and we restock as needed. The snow blower is checked over and made sure it is ready to go along with the two trucks equipped for snowplows. One of those trucks has a spreader for putting down ice melt. We also keep and maintain snow chains for each of our large dump trucks. The chains are kept in good working order and labeled as to which truck they fit.

These along with the backhoes allows one of our 9 five-person snow crews to report to work two hours before the office is scheduled to open. We prioritize the upper and lower parking lots first along with the entrances. As additional maintenance staff reports to work, we put them on sidewalks and the maintenance yard clearing the snow.

It doesn't happen very often but sometimes we get back-to-back snows that require us to haul snow over to Darden Towe Park where we have a designated place to dump the snow.

We also rely on weather reports from the local news outlets; the Weather Channel and Dominion Energy for the most up-to-date information. As part of our operational readiness guidelines at least one of our large dump trucks will have snow chains installed and is kept inside at night with an equipment trailer and backhoe ready to go.

BOARD ACTION REQUESTED: None

ATTACHMENTS: Predictable Cold Weather Addendum

Predictable Cold Weather Addendum:

1. Extreme Cold Weather and Winter Storms issues to prepare for:
 - Pipe breaks throughout the distribution system.
 - Frozen meters and /or service lines.
 - Loss of power and communication lines.
 - Reduced work force due to icy road conditions or debris from downed tree limbs.
 - Road conditions that make access to valves difficult.
 - Work zone hazards from ice causing slippery surfaces for employees and vehicles.
 - Protecting employees from exposure and frostbite issues.
2. Preparation for Extreme Cold Weather and Winter Storms:
 - October all vehicles and equipment will be serviced and prepared for winter weather. Flush radiators and replace antifreeze if not sure of age or condition. Antifreeze should be at the optimum freeze point.
 - Check belts and hoses.
 - Check Batteries (Age and Strength)
 - Check and replace wiper blades as needed.
 - Make sure washer fluid is suitable for optimum freeze point.
 - Tires should be replaced if the vehicle operation will be compromised during a snow event.
 - Chains for trucks inspected and crews will spend time training newer employees on the proper way to install chains. Units #26, #29, #30, #32, #33, #36, #37.
 - Make sure vehicles are equipped with ice scrapers.
 - Fuel additive anti-gel when filling up diesel vehicles and equipment that are stored outside.
 - Check air driers on trucks if equipped and make sure they work and change filters as needed.
 - Check tire pressure weekly to prevent underinflation due to cold weather.
 - Welding trailer will be serviced and checked.
 - Air compressors will be serviced and checked.
 - Tailgate talks and handouts to staff about prevention & first-aid for frostbite
3. Facilities Preparation:
 - Generators serviced and prepped for winter operations.
 - Portable generators and pumps moved to predetermined locations.
(Scottsville WPS, Redfields SPS, Oak Forest SPS)
 - Consider adding fuel additive anti-gel to diesel powered generators.

THIS DOCUMENT IS EXEMPT FROM PUBLIC DISCLOSURE DEFINED UNDER CH. 37 OF TITLE 2, OF THE COMMONWEALTH OF VIRGINIA'S FREEDOM OF INFORMATION ACT (FOIA) 2.2-3705.2

- Check batteries (Age and Strength)
- Ice melt and abrasives stockpiled.
- Snow plows and salt spreader serviced and readied.
- Identify and mark curbs and other assets that could be damaged or cause damage during snow plowing operations.
- Service snow blower and prep for winter weather.

4. Staffing:

- Operations Supervisors and Manager should drive assigned vehicle to and from work if possible, during predicted weather events. (I am flexible with this if the employee must drive their personal vehicle due to transporting family members.)
- The decision to put additional staff on call during predicted weather events is up to the discretion of the Operations Manager, Operation Supervisors or Facilities Supervisor. Forecasts and conditions will be taken into consideration.
- Should road conditions and weather conditions warrant; authorization to suspend emergency responses will be determined by the Executive Director or his/her designee.

Hurricane and Tropical Storm Addendum:


1. Hurricane Issues to Prepare for:

- Pipe breaks due to washouts, uprooted trees, etc., which could result in sewage spills or low water pressure.
- Loss of power and communication lines.
- Sewer overflows.
- Restricted access to facilities and collection and distribution assets due to debris and flood waters.

2. Preparation for Hurricane and Tropical Storm Events:

- Position

AGENDA ITEM EXECUTIVE SUMMARY

<p>AGENDA TITLE: Rivanna Water & Sewer Authority (RWSA) Monthly Update</p> <p>STAFF CONTACT(S)/PREPARER: Gary O'Connell, Executive Director </p>	<p>AGENDA DATE: January 20, 2022</p> <p>CONSENT AGENDA: Informational</p> <p>ATTACHMENTS: Yes</p>
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BACKGROUND: This report continues the monthly updates on the Rivanna Water & Sewer Authority (RWSA) projects and Board meetings. Below are some updates on RWSA projects and issues, including updates from the December 14th RWSA Board Meeting and other communications.

RWSA Board Meeting and other Updates and Approvals at the December 14th Board Meeting:

- Drinking Water Supply – Our reservoirs are full, with the exception of Ragged Mountain Reservoir (94%) to which RWSA's transferring water daily from Sugar Hollow Reservoir which is 96% full. Statewide, precipitation and stream flows are somewhat below normal. RWSA continues to monitor stream and reservoir conditions locally.
- Beaver Creek Intake/Pump Station – Location has been determined following a public meeting. Engineering consultant selected for the project and approved at RWSA Board meeting (see attached item for more detail).
- FY 2023-2027 Capital Improvement Program – RWSA has completed an initial draft of the proposed 5-year CIP totaling \$203.6 million. A meeting is scheduled with the Board's Subcommittee (City and ACSA) in January to review the plan.
- Federal Funding Opportunities – Preparation of engineering plans and specifications continue for this 24-30" finished water distribution pipe to be completed along a 5-mile alignment through the City generally following: Stadium Road, Piedmont Avenue, Price Avenue, Lewis Street (to railroad), Jefferson Park Avenue, Cleveland Avenue, Cherry Avenue, Elliot Avenue, 6th Street S.E, Avon Street (to railroad), E. Water Street, 10th Street N.E. and/or 11th Street N.E., and E. High Street to Long Street. This major drinking water pipe is needed to strengthen the urban drinking water system in the City and the County. Information about this project and the route studies has been added to RWSA's web page, and a review of the alternate routes considered will be included this month. The proposed route for the pipe will be presented to the RWSA Board in January.
- South Rivanna to Ragged Mountain Reservoir Water Pipe – Easements and agreements (VDOT) have been obtained from all parties along the route except

ALBEMARLE COUNTY SERVICE AUTHORITY

AGENDA ITEM EXECUTIVE SUMMARY

from one private owner on Barracks Road and from UVA Foundation for two properties, as shown by the attached map. Preparation of engineering plans and specifications continue for a 0.25-mile section of this 36" raw water pipe from Birdwood to Old Garth Road to be constructed in 2022-2023 (see attached map showing the status of the easements).

- RWSA Dam (Safety) Projects – At the RWSA Board meeting, an update occurred on the status of a number of dam safety related improvements that have been completed or planned in the next several years:
 - Recently completed: Sugar Hollow Dam Rubber Crest Gate Replacement (completed fall 2021); South Rivanna Dam Mud Gate Repairs, Grouting Repairs, and Safety Improvements (completed summer 2021); Ivy MUC Irrigation Pond Dam Alterations (completed fall 2021).
 - Planning or Design Phase: Beaver Creek Dam Spillway Upgrades – Planning and Environmental Assessment Study (Federal Natural Resource and Conservation Service funded); South Rivanna Dam Hydropower Decommissioning (2022 construction).
 - Regular, ongoing inspections; emergency action planning and maintenance programs occurs to identify any issues that need repair. This assures reliable reservoir supply, even in the midst of seasonal storms and climate change that could damage the dams.
- North Albemarle Urban Service Area and New Development – RWSA and ACSA have recently been approached about water and sewer availability for major projects envisioned in the northern urban utility systems along Route 29. This includes growth areas such as the UVAF North Fork Research Park, National Ground Intelligence Center, and the Airport, as well as other residential and commercial districts envisioned within Albemarle's "Places29" Master Plan. RWSA, ACSA and the City have a plan to systematically improve drinking water infrastructure to serve these areas, as well as areas of the City including UVA, in a strategic and affordable manner over the next 10-15 years. See the attached schedule of future water system planned improvements in this area. Sewer infrastructure improvements are also planned for the 2050-2060 timeframe. Future projects with significant utility demands in these areas will need to coordinate with our infrastructure plans and schedules.

RWSA Capital Project Updates:

- South Rivanna and Observatory Water Treatment Plant Renovations

Design Engineer:	Short Elliot Hendrickson, Inc. (SEH)
Construction Contractor:	English Construction Company
Construction Start:	May 2020
Percent Completion:	50%
Completion Date:	March 2023

AGENDA ITEM EXECUTIVE SUMMARY

Base Construction Contract:	\$37,223,349.89
Approved Capital Budget:	\$43,000,000

Current Status:

Work continues on the South Rivanna Water Treatment Plant with construction of the filter building expansion and the Alum and Fluoride Chemical Storage Building, and Administration Building sedimentation basin improvements and the replacement of high service pumps and VFDs. Work at the Observatory Water Treatment Plant includes foundation work associated with the new chemical storage building, coordination with Dominion Power and UVA on a new electrical service, and expansion of the filter building and installation of the new backwash pumps.

History:

The Observatory project will consider the design and costs for upgrading the plant systems to achieve a consistent 7 MGD plant capacity, as well as consider the costs involved with upgrading the plant to 10 or 12 MGD capacity. Much of the Observatory Water Treatment Plant is original to the 1953 construction.

At the South Rivanna Water Treatment Plant significant needs were identified and assembled into a single project. The projects herein include: expansion and have been of the coagulant storage facilities; installation of additional filters to meet firm capacity needs; the addition of a second variable frequency drive at the Raw Water Pump Station; the relocation of the electrical gear from a sub-terrain location at the Sludge Pumping Station; a new building onsite for additional office, lab, control room and storage space; improvements to storm sewers to accept allowable WTP discharges; and the construction of a new metal building to cover the existing liquid lime feed piping and tanks. The scope of this project will not increase plant treatment capacity, which is at 12 MGD.

- **Crozet Flow Equalization Tank**

Design Engineer:	Schnabel Engineering
Construction Start:	September 2020
Percent Complete:	65%
Expected Completion Date:	November 2022
Base Contract	\$4,406,300
Total Capital Project Budget:	\$5,400,000

Current Status:

The concrete dome roof, installation of prestressed wire and the initial gunite layers for the walls have been completed. Electrical work and installation of new pumps in the pump station have begun. Leakage testing of the tank is currently underway.

ALBEMARLE COUNTY SERVICE AUTHORITY

AGENDA ITEM EXECUTIVE SUMMARY

History:

A 2016 update to the 2006 wastewater model was completed which evaluated the I&I (Infiltration and Inflow) reduction goals previously established and future capital project needs. Based on the results of that study, it was determined that the Crozet Interceptor system and namely the existing Crozet Pump Stations (1 through 4) have adequate capacity to handle the 2015 peak wet weather flow from the Crozet service area during a two-year storm. However, as projected growth in the Crozet service area occurs, peak wet weather flows in the area under the storm conditions established in the updated model will begin to exceed the firm capacities of the pump stations by 2025.

A flow equalization tank is under construction which would also provide a significant benefit to the maintenance of the Crozet Pumping Station system which currently lacks system storage necessary to allow adequate time to perform repairs on the pumps and the associated force mains while the system is down.

- **Airport Road Water Pump Station and Piping**

Contractor:	Anderson Construction
Bidding:	
Construction Start:	December 2021
Percent Complete:	0%
Completion Date:	December 2023
Base Contract:	\$8,520,312.50
Budget:	\$10,000,000

Current Status:

Construction contract has been signed. There is currently a 5-6 month lead time for ductile iron pipe, fittings, and some pump station materials, so the contractor will begin work on submittals; so mobilization to the site may not be until spring 2022.

History:

The Route 29 Pipeline and Pump Station Master Plan was developed in 2007 and originally envisioned as a multi-faceted project that reliably connected the North and South Rivanna pressure bands; reduced excessive operating pressures, and developed a new Airport pressure zone to serve the highest elevations near the Airport and Hollymead Town Center. The master plan update was completed in June of 2018 to reflect the changes in the system and demands since 2007.

- **Ragged Mountain Reservoir to Observatory Water Treatment Plant Raw Water Line and Raw Water Pump Station**

Design Engineer:	Michael Baker International (Baker)
Project Start:	August 2018

AGENDA ITEM EXECUTIVE SUMMARY

Project Status:	Design (7%) and Easement Acquisition in Progress
Construction Start:	2023
Completion:	2027
Current Project Estimate:	\$29,375,000

Current Status:

Preparation of engineering plans and specifications is underway. Survey work along portions of the water main alignment is underway. Kimley-Horn and RWSA participated in a workshop on October 25th in which the boundary and operational conditions associated with the pump station were discussed. Kimley-Horn continues to assist staff with preparing documents for easement negotiations. Easement negotiations with one private owner, UVA, the UVA Foundation, and the Virginia Department of Forestry continue.

History:

Raw water is currently transferred from the Ragged Mountain Reservoir (RMR) to the Observatory Water Treatment Plant by way of two 18-inch cast iron raw water lines, which have been in service for more than 110 and 70 years, respectively. The proposed water line will be able to reliably transfer water to the expanded Observatory Plant, which, upon construction, will have the capacity to treat 10 million gallons per day (mgd). The new single water line is expected to be constructed of 36-inch ductile iron and will be approximately 14,000 feet in length.

The RMR to Observatory WTP raw water pump station is planned to replace the existing Stadium Road and Royal Pump Stations, which have exceeded their design lives or will require significant upgrades with the Observatory WTP expansion. The pump station will pump up to 10 million gallons per day (mgd) of raw water to the Observatory WTP. Integration of the new pump station with the planned South Rivanna Reservoir (SRR) to RMR Pipeline is being planned in the interest of improved operational and cost efficiencies and emergency redundancy. An integrated pump station would also include the capacity to transfer up to 16 mgd of raw water from RMR back to the SRR WTP.

- **South Rivanna Reservoir to Ragged Mountain Reservoir Raw Water Line-Birdwood to Old Garth Road**

Design Engineer:	Kimley-Horn
Project Start:	June 2021
Project Status:	65% Design
Construction Start:	Summer 2022
Completion:	2023
Current Project Estimate:	\$1,980,000

ALBEMARLE COUNTY SERVICE AUTHORITY**AGENDA ITEM EXECUTIVE SUMMARY**Current Status:

One remaining easement is under negotiation with UVA Foundation. Sixty percent design drawings have been completed. Construction is scheduled to begin during the summer of 2022.

History:

This project is the continuation of the SRR to RMR 36" raw water pipeline built on the Birdwood Golf Course. Design efforts were authorized in June 2021 with construction anticipated in summer 2022.

- **Beaver Creek Dam and Pump Station and Piping Improvements**

Design Engineer:	Schnabel Engineering (Dam)
Design Engineer:	Hazen and Sawyer (Pump Station)
Project Start:	February 2018
Project Status:	67% NRCS Planning Process
Construction Start:	2024
Completion:	2026
Budget:	\$30,870,000

Current Status:

RWSA staff is moving forward with development of a Joint Permit Application and supporting documents for submission to DEQ in early 2022.

History:

RWSA operates the Beaver Creek dam and reservoir as the sole raw water supply for the Crozet area. In 2011, an analysis of the Dam Breach inundation areas and changes to Virginia Department of Conservation and Recreation (DCR) *Impounding Structures Regulations* prompted a change in hazard classification of the dam from significant to high hazard. This change in hazard classification requires that the capacity of the spillway be increased, and the dam be replaced. This CIP project includes investigation, preliminary design, public outreach, permitting, easement acquisition, final design, and construction of the anticipated modifications. Work for this project includes a new relocated raw water pump station and intake. A federal grant totaling \$341,000 was secured from the National Rural Conservation Service to cover the costs of an Environmental Assessment for the dam modifications. Staff will continue to pursue federal funding in the later phases of the project to cover a portion (70%) of final design and construction costs.

AGENDA ITEM EXECUTIVE SUMMARY

- **South Fork Rivanna River Crossing**

Design Engineer:	Michael Baker International (Baker)
Project Start:	November 2020
Project Status:	30% Design
Construction Start:	Winter 2023
Completion:	Spring 2024
Budget:	\$5,850,000

Current Status:

Baker has recommended a water line route that will cross the river parallel to the west side of the Berkmar Bridge and follow Rio Mills Road until it intersects the new 24" water line in Route 29. Based on the recommended alignment and potential regulatory requirements, the schedule for completion has been adjusted to account for a full JPA review and approval process.

History:

RWSA has previously identified through master planning that a 24-inch water main will be needed from the South Rivanna Water Treatment Plant (SRWTP) to Hollymead Town Center to meet future water demands. Two segments of this water main were constructed as part of the VDOT Rt. 29 Solutions projects, including approximately 10,000 LF of 24-inch water main along Rt. 29 and 600 LF of 24-inch water main along the new Berkmar Drive Extension, behind the Kohl's department store. To complete the connection between the SRWTP and the new 24-inch water main in Rt. 29, there is a need to construct a new river crossing at the South Fork Rivanna River. Acquisition of right-of-way will be required at the river crossing.

- **South Fork Rivanna Reservoir to Ragged Mtn. Reservoir Water Line Right-of-Way**

Design Engineer:	Michael Baker International (Baker)
Project Start:	October 2017
Project Status:	Easement Acquisition Underway
Completion Date:	2021
Total Capital Project Budget:	\$2,295,000
<u>Current Status:</u>	

Progress continues in RWSA efforts to acquire 8 miles of easements and agreements (with VDOT) for this 36" water line. Easements from one private owner to be completed over the next month. Discussions continue on remaining easements with the UVA Foundation.

ALBEMARLE COUNTY SERVICE AUTHORITY

AGENDA ITEM EXECUTIVE SUMMARY

History:

The approved 50-year Community Water Supply Plan includes the future construction of a raw water line from the South Fork Rivanna Reservoir to the Ragged Mountain Reservoir. This water line will replace the existing Upper Sugar Hollow Pipeline along an alternative alignment to increase raw water transfer capacity in the Urban Water System. This project includes a routing study, preliminary design, and preparation of easement documents, as well as acquisition of water line easements along the approved route.

- **Urban Finished Water Infrastructure Master Plan**

Design Engineer:	Michael Baker International (Baker)
Project Start:	November 2018
Project Status:	97% complete
Completion:	September 2021
Total Capital Project Budget:	\$253,000

Current Status:

A review meeting with the City and ACSA was held in early November, and comments are being incorporated into the final master plan.

History:

As identified in the 2017 RWSA Strategic Plan, the Authority has a goal to plan, deliver and maintain dependable infrastructure in a financially responsible manner. RWSA staff has identified asset master planning as a priority strategy to improve overall system development. Many previously identified projects in the urban finished water treatment and distribution system are in preliminary engineering design, or construction. As such, RWSA staff has identified a need to develop a current and ongoing finished water master plan.

- **Upper Schenks Branch Interceptor, Phase II**

Design Engineer:	Frazier Engineering, P.A.
Project Start:	July 2021
Project Status:	Design
Construction Start:	TBD
Completion:	TBD
Current Project Estimate:	\$4,725,000

Current Status

A revised draft alignment of the sewer line being installed within easements and out of the roadway have been completed and are being shared with the City of Charlottesville and Albemarle County for review.

AGENDA ITEM EXECUTIVE SUMMARY

- **SRR to RMR Pipeline – Pretreatment Pilot Study**

Design Engineer:	SEH
Project Start:	August 2020
Project Status:	100% (Phase 1) 45% (Phase 2)
Completion:	July 2022
Budget:	\$22,969 (Phase 1) \$98,629 (Phase 2)

Current Status:

Phase 1, analysis of existing water quality and seasonal weather data, has been completed. SEH and staff have finalized the memo for this portion of the study. Phase 2 of the study has begun and includes detailed reservoir water quality modeling performed by DiNatale Water Consultants. DiNatale is working through scenarios utilizing a desktop model, in order to begin analyzing the potential water quality impacts associated with various transfer rates, along with other factors such as withdrawal depth, discharge depth, etc.

- **Central Water Line Project – Routing Study**

Design Engineer:	Michael Baker International (Baker)
Project Start:	July 2021
Project Status:	30% Design
Construction Start:	January 2024
Completion:	June 2026
Budget:	\$25,000,000

Current Status:

RWSA is sending notification letters to property owners adjacent to the planned pipe alignment about survey work which will be conducted over the winter months. A meeting was held with UVA to review potential CWL routes across its property for connection to our 24" Observatory Water Line. A new CWL project informational webpage will be added to our website this month.

History:

Route alignment determination, hydraulic modeling, and preliminary design were underway in 2017. Due to the complicated nature of our finished water systems, it was decided at the August 2018 Board meeting that a more comprehensive approach was warranted and we should complete the Finished Water Master Plan prior to moving forward with final design and construction of the Central Water Line (formerly referred to as the Avon to Pantops Water Main). The focus of this project was on the southern half of the urban area water system which is currently served predominantly by the Avon

ALBEMARLE COUNTY SERVICE AUTHORITY**AGENDA ITEM EXECUTIVE SUMMARY**

Street and Pantops water storage tanks. The Avon Street tank is hydraulically well connected to the Observatory Water Treatment Plant, while the Pantops tank is well connected to the South Rivanna Water Treatment Plant. The hydraulic connectivity between the two tanks, however, is less than desired, creating operational challenges and reduced system flexibility. In 1987, the City and ACSA developed the Southern Loop Agreement which laid out two key phases (with the first being built at the time). The 1987 Agreement and planning efforts were a starting point for this current project. An engineering contract has been negotiated and was approved by the Board of Directors in July 2017. Recent efforts and modeling for the Urban Finished Water Infrastructure Master Plan have determined that a central water line corridor through the City is the best option to hydraulically connect the Observatory Water Treatment Plant to the Pantops area.

MEMORANDUM

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

**FROM: JENNIFER A. WHITAKER, DIRECTOR OF ENGINEERING AND
MAINTENANCE**

REVIEWED BY: BILL MAWYER, EXECUTIVE DIRECTOR

**SUBJECT: BEAVER CREEK RAW WATER PUMP STATION AND INTAKE –
SUBSURFACE INVESTIGATION – HAZEN AND SAWYER**

DATE: DECEMBER 14, 2021

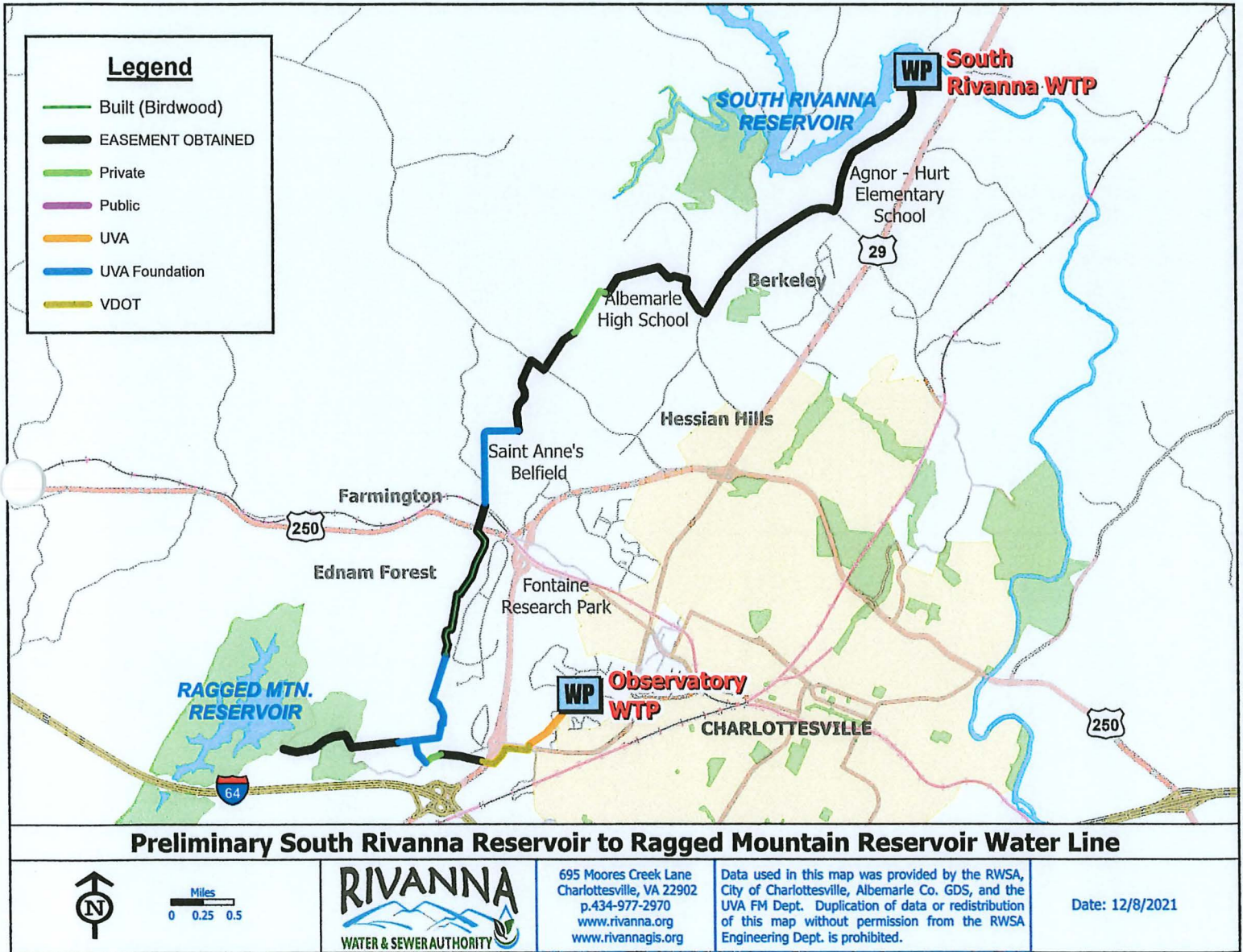
Staff have worked with our Term Contract consultant engineer, Hazen and Sawyer, to develop a scope and fee for subsurface geotechnical and geophysical investigations of the planned raw water pump station and intake site, and the proposed raw water transmission main route to the Crozet Water Treatment Plant. Fair and reasonable compensation for these services was negotiated for a total fee not to exceed \$277,177.

Background


The existing Raw Water Pump Station and Intake facility at the Beaver Creek Reservoir was constructed in 1964 and is located at the foot of the Beaver Creek Dam. Obligatory dam safety spillway upgrades necessitate moving the pump station away from its current location downstream of the dam. Additionally, the Drinking Water Infrastructure Plan for the Crozet water service area recommends installation of a new Raw Water Pump Station and Intake to provide adequate raw water pumping capacity to serve the growing Crozet community for the next 50 years. The new pump station will be constructed adjacent to the dam on property owned by Albemarle County on the south side of the Beaver Creek Reservoir. The reservoir has historically had “excluded” status in the Virginia Department of Environmental Quality (DEQ) Virginia Water Protection (VWP) permit classification system. With increasing demands requiring a larger water withdrawal, and with planning for spillway improvements to the Beaver Creek Dam underway, RWSA will need to obtain a DEQ VWP permit for this reservoir. Geotechnical and geophysical work at the new pump station and intake site will assist Hazen in developing the necessary supporting documentation for the VWP Joint Permit Application (JPA).

Board Action Requested:

Authorize the Executive Director to execute a work authorization with Hazen and Sawyer for subsurface geotechnical and geophysical investigations for the Beaver Creek Dam Raw Water Pump Station and Intake Project for an amount not to exceed \$277,177, and any amendments needed to complete the tasks identified above, not to exceed 25% of the original Work Authorization amount, provided the resulting total value is within the Board approved total CIP project budget.



Northern Area Finished Water Supply Improvements Plan



	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
IMPROVEMENTS REQUIRED FOR NRWTP DECOMMISSIONING		ARPS CONSTRUCTION		\$10M									
IMPROVEMENTS FOR ARPS/NORTH RIVANNA ZONE RELIABILITY			2ND SR RIVER CROSSING		\$5.9M	2ND NR RIVER CROSSING		\$5.7M					
IMPROVEMENTS FOR URBAN ZONE RELIABILITY	OBWTP/SRWTP IMPROVEMENTS			CENTRAL WATER LINE				\$43M & \$31M					
IMPROVEMENTS FOR LONG-TERM SYSTEM RELIABILITY				RMR TO OBWTP RWPS				\$30M					
								SRR TO RMR TRANSFER SYSTEM					\$80M
ANTICIPATED NRWTP DECOMMISSIONING				NRWTP DECOMMISSIONING		\$2.5M							
DEMAND DRIVEN IMPROVEMENTS*								ADDITIONAL PUMPING AND TANK STORAGE					\$5M

ACSA Board Future Policy Issues Agendas 2021-2022

Regular 3rd Thursday Monthly Meetings	Feb. '22	March '22	April '22	May '22	June '22	July '22	Aug. '22	Sept. '22	Oct. '22	Pending Issues
	February 17th	March 17th	April 21st	May 19th	June 16th	July 21st	August 18th	September 15th	October 20th	Water Supply Plan Project Status Reports Water Treatment Plants RWSA CIP
	Recognitions	Recognitions	Recognitions	Recognitions	Recognitions	Recognitions	Recognitions	Recognitions	Recognitions	
	Monthly Financial and CIP Reports	Monthly Financial and CIP Reports	Monthly Financial and CIP Reports	Monthly Financial and CIP Reports	Monthly Financial and CIP Reports	Monthly Financial and CIP Reports	Monthly Financial and CIP Reports	Monthly Financial and CIP Reports	Monthly Financial and CIP Reports	
	Capital Project Authorizations	Capital Project Authorizations	Capital Project Authorizations	Capital Project Authorizations	Capital Project Authorizations	Capital Project Authorizations	Capital Project Authorizations	Capital Project Authorizations	Capital Project Authorizations	Annual Water Quality Reports (May)
	New Human Resources and Financial System-ERP Presentation and Update	Presentation Proposed Capital Improvements Program; set Public Hearing	Proposed Fiscal Year 2022-23 Capital Improvements Program (CIP) Presentation	National Drinking Water Week	Public Hearing on Budget, Rates and CIP	Strategic Plan Update	Operational Presentation-ARC GIS; Satellite Imaging; Drone Use	Resolution-Imagine a Day Without Water	Operational Presentation	Board Organizational Meeting each January
	Cyber Security Assessment Report Update	Investment Policy	Public Hearing on Proposed FY '23 Capital Improvements Program (CIP)	FY '23 Budget and Rates Workshop	Adoption of Budget, Rates, CIP and Rules and Regulations Amendments		Year-End Appropriations			Water Audit and Energy Audit
	Operational - Easement Clearing	City Works - Online Customer Request (Demo)	Proposed FY '23 Budget and Rates Overview Presentation		Amendment to the Personnel Management Plan (salary schedule and edits)					Strategic Plan Updates January and July
	AMI Customer Video & Project Status Report		Resolution Scheduling Budget and Rates Public Hearing for June 16, 2022							Annual Water Conservation Report - January
	Urban Finished Water Infrastructure Study-RWSA Central Water Line		GFOA Distinguished Budget Award (Recognition)							National Drinking Water Week-May
	Disconnection Policy		Final Rate Study Recommendations							Federal/State Water Quality Regulations
			Long-Term Financial Plan							Investments Report December
										Operational Presentations
										ACSA Customer Communications
										Federal Infrastructure Grant Funds
		Executive Director Annual Performance Review							Executive Director Mid-Year Performance Review	

AGENDA ITEM EXECUTIVE SUMMARY

AGENDA TITLE: CMMS Update Report	AGENDA DATE: January 20, 2022
STAFF CONTACT(S)/PREPARER: April Walker, Acting Manager of I.T. Justin Ray, GIS Coordinator	ACTION: Informational
	ATTACHMENTS: No

BACKGROUND: This report provides monthly updates on the status of the Computerized Maintenance Management System (CMMS) project.

Project Description: The Computerized Maintenance Management System (CMMS) has been a strategic goal since 2014. The need for this ACSA-wide software solution was identified due to a lack of centralized work order management and Geographic Information System (GIS) integration. The software solution will allow for the creation of work orders, a customer web portal, service requests, inventory management, asset inspections, and asset management.

1/20/22: The majority of the Cityworks project has gone live and is in use across the ACSA. The customer facing portal will go live when the BillMaster integration goes live. The BillMaster integration for meter workflows is being tested between Finance staff and the billing software vendor.

BOARD ACTION REQUESTED: None

ALBEMARLE COUNTY SERVICE AUTHORITY

AGENDA ITEM EXECUTIVE SUMMARY

AGENDA TITLE: Advanced Metering Infrastructure (AMI) Monthly Update STAFF CONTACT/PREPARER: Quin Lunsford, Director of Finance	AGENDA DATE: January 20, 2022 ACTION: Informational ATTACHMENTS: No
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BACKGROUND: The ACSA Board authorized staff at its October 2019 meeting to execute agreements related to the AMI project. Monthly status updates are provided below:

DISCUSSION: Authority staff continues to work closely with the selected vendor (Core & Main/Sensus) and the project management consultant (Esource). Notable accomplishments since the last update include:

- Staff continues to coordinate with the vendor for final build-out of the antenna system and is coordinating with our contracted meter installer to deploy meters/radio units for meters larger than 1". These larger meters often require multiple installers and take longer to complete the upgrade. Completing these in advance of full deployment will help expedite installations once the bulk of the new hardware is available.
- The meters that were deployed in Phase 1 of the project were tested for the first time by a significant snow event the week of January 3rd. Staff was pleased with system performance as readings were continuously obtained even when covered with significant snowpack.
- The COVID pandemic continues to disrupt global supply chains related to the manufacture of the meters we will use in our deployment. We have been receiving weekly updates from our vendor, but uncertainty remains as to when the meter manufacturers will again be able to fulfill our meter order. We remain tentatively scheduled for full-deployment in calendar year 2022.

BUDGET IMPACT: Informational only.

RECOMMENDATIONS: None

BOARD ACTION REQUESTED: None; informational item only.

ATTACHMENTS: None

AGENDA ITEM EXECUTIVE SUMMARY

AGENDA TITLE: Update to Cafeteria Plan Documents	AGENDA DATE: January 20, 2022
STAFF CONTACT(S)/PREPARER: Emily Roach, Human Resource & Administration Manager <i>ER</i>	ACTION: <input type="checkbox"/>
	ATTACHMENTS: YES

BACKGROUND: As part of the ACSA's benefits package, employees have the option of enrolling in a Flexible Spending Account (FSA) and Health Savings Account (HSA) for reimbursement on eligible medical and dependent care expenses. In an effort to better serve employees, the ACSA has contracted with Flexible Benefits Administrators (FBA) for the upcoming plan year. Benefits from this provider include:

- Consolidating all services with FBA would guarantee the participants have one card, one portal, and one app, for their FSA and HSA.
- Bill Pay feature on FBA portal & mobile app where participants can pay the provider directly or pay themselves back for an out-of-pocket expense.
- Dedicated COBRA Account Manager, FSA Account Manager, HSA Coordinator to serve as the ACSA's day-to-day contact, service accounts, and assist participants.

Included with the change in FSA plan administration is an update to the ACSA Cafeteria Plan document. This document will continue to be updated by on an annual basis, according to IRS codes and guidelines.

RECOMMENDATION: Approve the updated ACSA Cafeteria Plan document.

BOARD ACTION REQUESTED: Approve resolution amending the ACSA Cafeteria Plan document

ATTACHMENTS:

- Updated ACSA Cafeteria Plan document
- Summary Plan Description
- Resolution amending ACSA Cafeteria Plan

**ALBEMARLE COUNTY SERVICE AUTHORITY
FLEXIBLE BENEFIT PLAN**

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**ALBEMARLE COUNTY SERVICE AUTHORITY
FLEXIBLE BENEFIT PLAN**

INTRODUCTION

The Employer has amended this Plan effective January 1, 2022, to recognize the contribution made to the Employer by its Employees. Its purpose is to reward them by providing benefits for those Employees who shall qualify hereunder and their Dependents and beneficiaries. The concept of this Plan is to allow Employees to choose among different types of benefits based on their own particular goals, desires and needs. This Plan is a restatement of a Plan which was originally effective on September 1, 2016. The Plan shall be known as Albemarle County Service Authority Flexible Benefit Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

**ARTICLE I
DEFINITIONS**

1.1 **"Administrator"** means the Employer unless another person or entity has been designated by the Employer pursuant to Section 9.1 to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

1.2 **"Affiliated Employer"** means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).

1.3 **"Benefit" or "Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.

1.4 **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under Section 4.1. Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.

1.5 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.6 **"Compensation"** means the amounts received by the Participant from the Employer during a Plan Year.

1.7 **"Dependent"** means any individual who qualifies as a dependent under the self-funded plan for purposes of that plan or under Code Section 152 (as modified by Code Section 105(b)).

"Dependent" shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Contract, or under the Health Flexible Spending Account or as allowed by reason of the Affordable Care Act.

For purposes of the Health Flexible Spending Account, a Participant's "Child" includes his/her natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. A Participant's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Employee or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Employee of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

1.8 **"Effective Date"** means September 1, 2016.

1.9 **"Election Period"** means the period immediately preceding the beginning of each Plan Year established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.

1.10 **"Eligible Employee"** means any Employee who has satisfied the provisions of Section 2.1.

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the

Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

However, any Employee who is a "part-time" Employee shall not be eligible to participate in this Plan. A "part-time" Employee is any Employee who works, or is expected to work on a regular basis, less than 30 hours a week and is designated as a part-time Employee on the Employer's personnel records.

1.11 **"Employee"** means any person who is employed by the Employer. The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

1.12 **"Employer"** means Albemarle County Service Authority and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. In addition, where appropriate, the term Employer shall include any Participating, Affiliated or Adopting Employer.

1.13 **"Employer Contribution"** means the contributions made by the Employer pursuant to Section 3.1 to enable a Participant to purchase Benefits. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V and as set forth in Section 3.1.

1.14 **"Grace Period"** means, with respect to any Plan Year, the time period ending on the fifteenth day of the third calendar month after the end of such Plan Year, during which Employment-Related Dependent Care Expenses incurred by a Participant will be deemed to have been incurred during such Plan Year.

1.15 **"Insurance Contract"** means any contract issued by an Insurer underwriting a Benefit.

1.16 **"Insurer"** means any insurance company that underwrites a Benefit under this Plan or, with respect to any self-funded benefits, the Employer.

1.17 **"Key Employee"** means an Employee described in Code Section 416(i)(1) and the Treasury regulations thereunder.

1.18 **"Participant"** means any Eligible Employee who elects to become a Participant pursuant to Section 2.3 and has not for any reason become ineligible to participate further in the Plan.

1.19 **"Plan"** means this instrument, including all amendments thereto.

1.20 **"Plan Year"** means the 12-month period beginning January 1 and ending December 31. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.21 **"Premium Expenses" or "Premiums"** mean the Participant's cost for the self-funded Benefits described in Section 4.1.

1.22 **"Premium Expense Reimbursement Account"** means the account established for a Participant pursuant to this Plan to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Premiums of the Participant may be paid or reimbursed. If more than one type of insured or self-funded Benefit is elected, sub-accounts shall be established for each type of insured or self-funded Benefit.

1.23 **"Salary Redirection"** means the contributions made by the Employer on behalf of Participants pursuant to Section 3.2. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

1.24 **"Salary Redirection Agreement"** means an agreement between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

1.25 **"Spouse"** means spouse as determined under Federal law.

ARTICLE II PARTICIPATION

2.1 ELIGIBILITY

Any Eligible Employee shall be eligible to participate hereunder as of his date of employment (or the Effective Date of the Plan, if later). However, any Eligible Employee who was a Participant in the Plan on the effective date of this amendment shall continue to be eligible to participate in the Plan.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the date on which he satisfies the requirements of Section 2.1.

2.3 APPLICATION TO PARTICIPATE

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate in a manner set forth by the Administrator. The election shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his Benefit elections pursuant to Section 5.4 hereof.

An Eligible Employee shall also be required to complete a Salary Redirection Agreement during the Election Period for the Plan Year during which he wishes to participate in this Plan. Any such Salary Redirection Agreement shall be effective for the first pay period beginning on or after the Employee's effective date of participation pursuant to Section 2.2.

2.4 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (a) **Termination of employment.** The Participant's termination of employment, subject to the provisions of Section 2.6;
- (b) **Change in employment status.** The end of the Plan Year during which the Participant became a limited Participant because of a change in employment status pursuant to Section 2.5;
- (c) **Death.** The Participant's death, subject to the provisions of Section 2.7; or
- (d) **Termination of the plan.** The termination of this Plan, subject to the provisions of Section 10.2.

2.5 CHANGE OF EMPLOYMENT STATUS

If a Participant ceases to be eligible to participate because of a change in employment status or classification (other than through termination of employment), the Participant shall become a limited Participant in this Plan for the remainder of the Plan Year in which such change of employment status occurs. As a limited Participant, no further Salary Redirection may be made on behalf of the Participant, and, except as otherwise provided herein, all further Benefit elections shall cease, subject to the limited Participant's right to continue coverage under any Insurance Contracts. However, any balances in the limited Participant's Dependent Care Flexible Spending Account may be used during such Plan Year to reimburse the limited Participant for any allowable Employment-Related Dependent Care incurred during the Plan Year. Subject to the provisions of Section 2.6, if the limited Participant later becomes an Eligible Employee, then the limited Participant may again become a full Participant in this Plan, provided he otherwise satisfies the participation requirements set forth in this Article II as if he were a new Employee and made an election in accordance with Section 5.1.

2.6 TERMINATION OF EMPLOYMENT

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Benefit Options provided under Section 4.1 shall be governed in accordance with the following:

- (a) **Insurance Benefit.** With regard to Benefits provided under Section 4.1, the Participant's participation in the Plan shall cease, subject to the Participant's right to continue coverage under any Insurance Contract or self-funded benefit for which premiums have already been paid.
- (b) **Dependent Care FSA.** With regard to the Dependent Care Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for employment related Dependent Care Expense reimbursements for claims incurred up to the date of termination and submitted within 30 days after termination, based on the level of the Participant's Dependent Care Flexible Spending Account as of the date of termination.
- (c) **COBRA applicability.** With regard to the Health Flexible Spending Account, the Participant may submit claims for expenses that were incurred during the portion of the Plan Year before the end of the period for which payments to the Health Flexible Spending Account have already been made. Thereafter, the health benefits under this Plan including the Health Flexible Spending Account shall be applied and administered consistent with such further rights a Participant and his Dependents may be entitled to pursuant to Code Section 4980B and Section 11.13 of the Plan.

2.7 DEATH

If a Participant dies, his participation in the Plan shall cease. However, such Participant's spouse or Dependents may submit claims for expenses or benefits for the remainder of the Plan Year or until the Cafeteria Plan Benefit Dollars allocated to each specific benefit are exhausted. In no event may reimbursements be paid to someone who is not a spouse or Dependent. If the Plan is subject to the provisions of Code Section 4980B, then those provisions and related regulations shall apply for purposes of the Health Flexible Spending Account.

ARTICLE III CONTRIBUTIONS TO THE PLAN

3.1 EMPLOYER CONTRIBUTION

The Employer shall make available to each Participant an Employer Contribution to the Participant's Health Savings Account equal to \$1,956 per Participant each Plan Year. Each Participant's Employer Contribution shall be converted to Cafeteria Plan Benefit Dollars and be available to purchase Benefits hereunder. The Employer's Contribution shall be made on a pro rata basis for each pay period of the Participant. If a Participant fails to make any election of Benefit Option, there shall be no Employer Contribution (i.e., the Employer Contribution shall not be available in cash).

3.2 SALARY REDIRECTION

If a Participant's Employer Contribution is not sufficient to cover the cost of Benefits or Premium Expenses he elects pursuant to Section 4.1, his Compensation will be reduced in an amount equal to the difference between the cost of Benefits he elected and the amount of Employer Contribution available to him. Such reduction shall be his Salary Redirection, which the Employer will use on his behalf, together with his Employer Contribution, to pay for the Benefits he elected. The amount of such Salary Redirection shall be specified in the Salary Redirection Agreement and shall be applicable for a Plan Year. Notwithstanding the above, for new Participants, the Salary Redirection Agreement shall only be applicable from the first day of the pay period following the Employee's entry date up to and including the last day of the Plan Year. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article IV.

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

3.3 APPLICATION OF CONTRIBUTIONS

As soon as reasonably practical after each payroll period, the Employer shall apply the Employer Contribution and Salary Redirection to provide the Benefits elected by the affected Participants. Any contribution made or withheld for the Health Flexible Spending Account or Dependent Care Flexible Spending Account shall be credited to such fund or account. Amounts designated for the Participant's Premium Expense Reimbursement Account shall likewise be credited to such account for the purpose of paying Premium Expenses.

3.4 PERIODIC CONTRIBUTIONS

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Flexible Spending Account, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year.

ARTICLE IV BENEFITS

4.1 BENEFIT OPTIONS

Each Participant may elect any one or more of the following optional Benefits:

- (1) Health Flexible Spending Account
- (2) Dependent Care Flexible Spending Account
- (3) Insurance Premium Payment Plan

- (i) Health Insurance Benefit
- (ii) Dental Insurance Benefit
- (iii) Vision Insurance Benefit
- (4) Health Savings Account Benefit

4.2 HEALTH FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Health Flexible Spending Account option, in which case Article VI shall apply.

4.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Dependent Care Flexible Spending Account option, in which case Article VII shall apply.

4.4 HEALTH INSURANCE BENEFIT

(a) **Coverage for Participant and Dependents.** Each Participant may elect to be covered under a health Contract for the Participant, his or her Spouse, and his or her Dependents.

(b) **Employer selects contracts.** The Employer may select suitable health Contracts for use in providing this health insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such health Contract shall be determined therefrom, and such Contract shall be incorporated herein by reference.

4.5 DENTAL INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's dental Insurance Contract. In addition, the Participant may elect either individual or family coverage under such Insurance Contract.

(b) **Employer selects contracts.** The Employer may select suitable dental Insurance Contracts for use in providing this dental insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such dental Insurance Contract shall be determined therefrom, and such dental Insurance Contract shall be incorporated herein by reference.

4.6 VISION INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's vision Insurance Contract. In addition, the Participant may elect either individual or family coverage.

(b) **Employer selects contracts.** The Employer may select suitable vision Insurance Contracts for use in providing this vision insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such vision Insurance Contract shall be determined therefrom, and such vision Insurance Contract shall be incorporated herein by reference.

4.7 HEALTH SAVINGS ACCOUNT BENEFIT

Each Participant may elect to have a portion of his Employer Contributions and Salary Redirections contributed to a Health Savings Account, as defined in Code Section 223. The amounts contributed shall be subject to the terms of the Health Savings Account as established.

4.8 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.

(b) **25% concentration test.** It is the intent of this Plan not to provide qualified benefits as defined under Code Section 125 to Key Employees in amounts that exceed 25% of the aggregate of such Benefits provided for all Eligible Employees

under the Plan. For purposes of the preceding sentence, qualified benefits shall not include benefits which (without regard to this paragraph) are includible in gross income.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to Key Employees or a group of employees in whose favor discrimination may not occur in violation of Code Section 125, it may, but shall not be required to, reject any election or reduce contributions or non-taxable Benefits in order to assure compliance with the Code and regulations. Any act taken by the Administrator shall be carried out in a uniform and nondiscriminatory manner. With respect to any affected Participant who has had Benefits reduced pursuant to this Section, the reduction shall be made proportionately among Health Flexible Spending Account Benefits and Dependent Care Flexible Spending Account Benefits, and once all these Benefits are expended, proportionately among self-funded Benefits. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

ARTICLE V PARTICIPANT ELECTIONS

5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 on the first day of, or during, a Plan Year may elect to participate in this Plan for all or the remainder of such Plan Year, provided he elects to do so on or before his effective date of participation pursuant to Section 2.2.

5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect, on an election of benefits form to be provided by the Administrator, which Benefit options he wishes to select. Any such election shall be effective for any Benefit expenses incurred during the Plan Year which follows the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

- (a) A Participant or Employee who failed to initially elect to participate may elect different or new Benefits under the Plan during the Election Period;
- (b) A Participant may terminate his participation in the Plan by notifying the Administrator in writing during the Election Period that he does not want to participate in the Plan for the next Plan Year;
- (c) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in Section 5.4.

5.3 FAILURE TO ELECT

With regard to Benefits available under the Plan for which no Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized or made for the subsequent Plan Year for such Benefits.

With regard to Benefits available under the Plan for which Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have made the same Benefit elections as are then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such Benefit options.

5.4 CHANGE IN STATUS

- (a) **Change in status defined.** Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. Notwithstanding anything herein to the contrary, if the rules and regulations conflict, then such rules and regulations shall control.

In general, a change in election is not consistent if the change in status is the Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent ceasing to satisfy the eligibility requirements for coverage, and the Participant's election under the Plan is to cancel accident or health insurance coverage for any individual other than the one involved in such event. In addition, if the Participant, Spouse or Dependent gains or loses eligibility for coverage, then a Participant's election under the Plan to cease or decrease coverage for that individual under the Plan corresponds with that change in status only if coverage for that individual becomes applicable or is increased under the family member plan.

Regardless of the consistency requirement, if the individual, the individual's Spouse, or Dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the

individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator. For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

- (1) **Legal Marital Status:** events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;
- (2) **Number of Dependents:** Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;
- (3) **Employment Status:** Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
- (4) **Dependent satisfies or ceases to satisfy the eligibility requirements:** An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and
- (5) **Residency:** A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

For the Dependent Care Flexible Spending Account, a Dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) shall also qualify as a change in status.

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and guidance thereunder, shall qualify as a change in status.

(b) **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for group health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

(c) **Qualified Medical Support Order.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) ("order") resulting from a divorce, legal separation, annulment, or change in legal custody which requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):

- (1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or
- (2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan and such coverage is actually provided.

(d) **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel or reduce accident or health coverage for the Participant or the Participant's Spouse or Dependent if the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

(e) **Cost increase or decrease.** If the cost of a Benefit provided under the Plan increases or decreases during a Plan Year, then the Plan shall automatically increase or decrease, as the case may be, the Salary Redirections of all affected Participants for such Benefit. Alternatively, if the cost of a benefit package option increases significantly, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their elections and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage, or drop coverage prospectively if there is no benefit package option with similar coverage.

A cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Plan, whether resulting from an action taken by the Participants or an action taken by the Employer.

(f) **Loss of coverage.** If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage, or drop coverage prospectively if no similar coverage is offered.

(g) **Addition of a new benefit.** If, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.

(h) **Loss of coverage under certain other plans.** A Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.

(i) **Change of coverage due to change under certain other plans.** A Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of a Spouse's, former Spouse's or Dependent's employer if (1) the cafeteria plan or other benefits plan of the Spouse's, former Spouse's or Dependent's employer permits its participants to make a change; or (2) the cafeteria plan permits participants to make an election for a period of coverage that is different from the period of coverage under the cafeteria plan of a Spouse's, former Spouse's or Dependent's employer.

(j) **Change in dependent care provider.** A Participant may make a prospective election change that is on account of and corresponds with a change by the Participant in the dependent care provider. The availability of dependent care services from a new childcare provider is similar to a new benefit package option becoming available. A cost change is allowable in the Dependent Care Flexible Spending Account only if the cost change is imposed by a dependent care provider who is not related to the Participant, as defined in Code Section 152(a)(1) through (8).

(k) **Health FSA cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Health Flexible Spending Account as a result of a cost or coverage change under any health insurance benefits.

(l) **Health Savings Account changes.** With regard to the Health Savings Account Benefit specified in Section 4.7, a Participant who has elected to make elective contributions under such arrangement may modify or revoke the election prospectively, provided such change is consistent with Code Section 223 and the Treasury regulations thereunder.

(m) **Changes due to reduction in hours or enrollment in an Exchange Plan.** A Participant may prospectively revoke coverage under the group health plan (that is not a health Flexible Spending Account) which provides minimum essential coverage (as defined in Code §5000A(f)(1)) provided the following conditions are met:

Conditions for revocation due to reduction in hours of service:

(1) The Participant has been reasonably expected to average at least 30 hours of service per week and there is a change in that Participant's status so that the Participant will reasonably be expected to average less than 30 hours of service per week after the change, even if that reduction does not result in the Participant ceasing to be eligible under the group health plan; and

(2) The revocation of coverage under the group health plan corresponds to the intended enrollment of the Participant, and any related individuals who cease coverage due to the revocation, in another plan that provides minimum essential coverage with the new coverage effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.

The Administrator may rely on the reasonable representation of the Participant who is reasonably expected to have an average of less than 30 hours of service per week for future periods that the Participant and related individuals have enrolled or intend to enroll in another plan that provides minimum essential coverage for new coverage that is effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.

Conditions for revocation due to enrollment in a Qualified Health Plan:

(1) The Participant is eligible for a Special Enrollment Period to enroll in a Qualified Health Plan through a Marketplace (federal or state exchange) pursuant to guidance issued by the Department of Health and Human Services and any other applicable guidance, or the Participant seeks to enroll in a Qualified Health Plan through a Marketplace during the Marketplace's annual open enrollment period; and

- (2) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the Participant and any related individuals who cease coverage due to the revocation in a Qualified Health Plan through a Marketplace for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

The Administrator may rely on the reasonable representation of a Participant who has an enrollment opportunity for a Qualified Health Plan through a Marketplace that the Participant and related individuals have enrolled or intend to enroll in a Qualified Health Plan for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

ARTICLE VI HEALTH FLEXIBLE SPENDING ACCOUNT

6.1 ESTABLISHMENT OF PLAN

This Health Flexible Spending Account is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Health Flexible Spending Account may submit claims for the reimbursement of Medical Expenses. All amounts reimbursed shall be periodically paid from amounts allocated to the Health Flexible Spending Account. Periodic payments reimbursing Participants from the Health Flexible Spending Account shall in no event occur less frequently than monthly. There is an additional "limited FSA" designed to coordinate with a Health Savings Account and high deductible health plan.

6.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan, the terms below have the following meaning:

(a) **"Health Flexible Spending Account"** means the account established for Participants pursuant to this Plan to which part of their Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents may be reimbursed.

(b) **"Highly Compensated Participant"** means, for the purposes of this Article and determining discrimination under Code Section 105(h), a participant who is:

- (1) one of the 5 highest paid officers;
- (2) a shareholder who owns (or is considered to own applying the rules of Code Section 318) more than 10 percent in value of the stock of the Employer; or
- (3) among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).

(c) **"Medical Expenses"** means any expense for medical care within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, and not otherwise used by the Participant as a deduction in determining his tax liability under the Code. "Medical Expenses" can be incurred by the Participant, his or her Spouse and his or her Dependents. "Incurred" means, with regard to Medical Expenses, when the Participant is provided with the medical care that gives rise to the Medical Expense and not when the Participant is formally billed or charged for, or pays for, the medical care.

A Participant who contributes to a Health Savings Account may only be reimbursed for medical expenses that are considered to be for dental, vision or preventive care expenses as allowed under Code Section 223.

A Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's Spouse or individual policies maintained by the Participant or his Spouse or Dependent.

A Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).

(d) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Flexible Spending Account.

6.3 FORFEITURES

The amount in the Health Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 6.7 hereof, excluding any carryover) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason, subject to Section 8.2.

6.4 LIMITATION ON ALLOCATIONS

(a) Notwithstanding any provision contained in this Health Flexible Spending Account to the contrary, the maximum amount of salary reductions that may be allocated to the Health Flexible Spending Account by a Participant in or on account of any Plan Year is the statutory amount under Code Section 125(i)(2), as adjusted for increases in the cost of living. The cost of living adjustment in effect for a calendar year applies to any Plan Year beginning with or within such calendar year. The dollar increase in effect on January 1 of any calendar year shall be effective for the Plan Year beginning with or within such calendar year. For any short Plan Year, the limit shall be an amount equal to the limit for the calendar year in which the Plan Year begins multiplied by the ratio obtained by dividing the number of full months in the short Plan Year by twelve (12).

(b) **Participation in Other Plans.** All employers that are treated as a single employer under Code Sections 414(b), (c), or (m), relating to controlled groups and affiliated service groups, are treated as a single employer for purposes of the statutory limit. If a Participant participates in multiple cafeteria plans offering health flexible spending accounts maintained by members of a controlled group or affiliated service group, the Participant's total Health Flexible Spending Account contributions under all of the cafeteria plans are limited to the statutory limit (as adjusted). However, a Participant employed by two or more employers that are not members of the same controlled group may elect up to the statutory limit (as adjusted) under each Employer's Health Flexible Spending Account.

(c) **Carryover.** A Participant in the Health Flexible Spending Account may roll over up to \$550 of unused amounts in the Health Flexible Spending Account remaining at the end of one Plan Year to the immediately following Plan Year. These amounts can be used during the following Plan Year for expenses incurred in that Plan Year. Amounts carried over do not affect the maximum amount of salary redirection contributions for the Plan Year to which they are carried over. Unused amounts are those remaining after expenses have been reimbursed during the runout period. These amounts may not be cashed out or converted to any other taxable or nontaxable benefit. Amounts in excess of \$550 will be forfeited. The Plan is allowed, but not required, to treat claims as being paid first from the current year amounts, then from the carryover amounts.

6.5 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Health Flexible Spending Account not to discriminate in violation of the Code and the Treasury regulations thereunder.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination under this Health Flexible Spending Account, it may, but shall not be required to, reject any elections or reduce contributions or Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Health Flexible Spending Account by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 that elected to contribute the highest amount to the fund for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section or the Code are satisfied, or until the amount designated for the fund equals the amount designated for the fund by the next member of the group in whose favor discrimination may not occur pursuant to Code Section 105 who has elected the second highest contribution to the Health Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section or the Code are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

6.6 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Health Flexible Spending Account. The enrollment under the Cafeteria Plan shall constitute enrollment under this Health Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

6.7 HEALTH FLEXIBLE SPENDING ACCOUNT CLAIMS

(a) **Expenses must be incurred during Plan Year.** All Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents during the Plan Year shall be reimbursed during the Plan Year subject to Section 2.6, even though the submission of such a claim occurs after his participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year. Medical Expenses are treated as having been incurred when the Participant is provided with the medical care that gives rise to the medical expenses, not when the Participant is formally billed or charged for, or pays for the medical care.

(b) **Reimbursement available throughout Plan Year.** The Administrator shall direct the reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Flexible Spending Account for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars which have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan covering the Participant and/or his Spouse or Dependents.

(c) **Payments.** Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or

reimbursement shall be made to the Administrator on an acceptable form within a reasonable time of incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under any other health plan coverage and, if reimbursed from the Health Flexible Spending Account, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.

(d) **Claims for reimbursement.** Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those Medical Expense claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 30 days after termination of employment.

6.8 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Medical Expenses, subject to the following terms:

(a) **Card only for medical expenses.** Each Participant issued a card shall certify that such card shall only be used for Medical Expenses. The Participant shall also certify that any Medical Expense paid with the card has not already been reimbursed by any other plan covering health benefits and that the Participant will not seek reimbursement from any other plan covering health benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Health Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Health Flexible Spending Account.

(c) **Maximum dollar amount available.** The dollar amount of coverage available on the card shall be the amount elected by the Participant for the Plan Year. The maximum dollar amount of coverage available shall be the maximum amount for the Plan Year as set forth in Section 6.4.

(d) **Only available for use with certain service providers.** The cards shall only be accepted by such merchants and service providers as have been approved by the Administrator following IRS guidelines.

(e) **Card use.** The cards shall only be used for Medical Expense purchases at these providers, including, but not limited to, the following:

- (1) Co-payments for doctor and other medical care;
- (2) Purchase of drugs prescribed by a health care provider, including, if permitted by the Administrator, over-the-counter medications as allowed under IRS regulations;
- (3) Purchase of medical items such as eyeglasses, syringes, crutches, etc.

(f) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(g) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as a Medical Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

- (1) Repayment of the improper amount by the Participant;
- (2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;
- (3) Claims substitution or offset of future claims until the amount is repaid; and
- (4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

**ARTICLE VII
DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT**

7.1 ESTABLISHMENT OF ACCOUNT

This Dependent Care Flexible Spending Account is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants who elect to participate in this program may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed shall be paid from amounts allocated to the Participant's Dependent Care Flexible Spending Account.

7.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan the terms below shall have the following meaning:

(a) **"Dependent Care Flexible Spending Account"** means the account established for a Participant pursuant to this Article to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Employment-Related Dependent Care Expenses of the Participant may be reimbursed for the care of the Qualifying Dependents of Participants.

(b) **"Earned Income"** means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.

(c) **"Employment-Related Dependent Care Expenses"** means the amounts paid for expenses of a Participant for those services which if paid by the Participant would be considered employment related expenses under Code Section 21(b)(2). Generally, they shall include expenses for household services and for the care of a Qualifying Dependent, to the extent that such expenses are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Qualifying Dependents with respect to such Participant. Employment-Related Dependent Care Expenses are treated as having been incurred when the Participant's Qualifying Dependents are provided with the dependent care that gives rise to the Employment-Related Dependent Care Expenses, not when the Participant is formally billed or charged for, or pays for the dependent care. The determination of whether an amount qualifies as an Employment-Related Dependent Care Expense shall be made subject to the following rules:

(1) If such amounts are paid for expenses incurred outside the Participant's household, they shall constitute Employment-Related Dependent Care Expenses only if incurred for a Qualifying Dependent as defined in Section 7.2(d)(1) (or deemed to be, as described in Section 7.2(d)(1) pursuant to Section 7.2(d)(3)), or for a Qualifying Dependent as defined in Section 7.2(d)(2) (or deemed to be, as described in Section 7.2(d)(2) pursuant to Section 7.2(d)(3)) who regularly spends at least 8 hours per day in the Participant's household;

(2) If the expense is incurred outside the Participant's home at a facility that provides care for a fee, payment, or grant for more than 6 individuals who do not regularly reside at the facility, the facility must comply with all applicable state and local laws and regulations, including licensing requirements, if any; and

(3) Employment-Related Dependent Care Expenses of a Participant shall not include amounts paid or incurred to a child of such Participant who is under the age of 19 or to an individual who is a Dependent of such Participant or such Participant's Spouse.

(d) **"Qualifying Dependent"** means, for Dependent Care Flexible Spending Account purposes,

(1) a Participant's Dependent (as defined in Code Section 152(a)(1)) who has not attained age 13;

(2) a Dependent or the Spouse of a Participant who is physically or mentally incapable of caring for himself or herself and has the same principal place of abode as the Participant for more than one-half of such taxable year; or

(3) a child that is deemed to be a Qualifying Dependent described in paragraph (1) or (2) above, whichever is appropriate, pursuant to Code Section 21(e)(5).

(e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Dependent Care Flexible Spending Account.

7.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

The Administrator shall establish a Dependent Care Flexible Spending Account for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Dependent Care Flexible Spending Account benefits.

7.4 INCREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be increased each pay period by the portion of Cafeteria Plan Benefit Dollars that he has elected to apply toward his Dependent Care Flexible Spending Account pursuant to elections made under Article V hereof.

7.5 DECREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of a Participant pursuant to Section 7.12 hereof.

7.6 ALLOWABLE DEPENDENT CARE REIMBURSEMENT

Subject to limitations contained in Section 7.9 of this Program, and to the extent of the amount contained in the Participant's Dependent Care Flexible Spending Account, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which he is a Participant.

7.7 ANNUAL STATEMENT OF BENEFITS

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under Section 7.6 during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year. This statement is set forth on the Participant's Form W-2.

7.8 FORFEITURES

The amount in a Participant's Dependent Care Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 7.12 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason.

7.9 LIMITATION ON PAYMENTS

(a) **Code limits.** Notwithstanding any provision contained in this Article to the contrary, amounts paid from a Participant's Dependent Care Flexible Spending Account in or on account of any taxable year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or \$5,000 (\$2,500 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

7.10 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Dependent Care Flexible Spending Account that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination may not occur under Code Section 129(d).

(b) **25% test for shareholders.** It is the intent of this Dependent Care Flexible Spending Account that not more than 25 percent of the amounts paid by the Employer for dependent care assistance during the Plan Year will be provided for the class of individuals who are shareholders or owners (or their Spouses or Dependents), each of whom (on any day of the Plan Year) owns more than 5 percent of the stock or of the capital or profits interest in the Employer.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 129 it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Dependent Care Flexible Spending Account by the affected Participant that elected to contribute the highest amount to such account for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section are satisfied, or until the amount designated for the account equals the amount designated for the account of the affected Participant who has elected the second highest contribution to the Dependent Care Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

7.11 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Dependent Care Flexible Spending Account. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Dependent Care Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

7.12 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CLAIMS

The Administrator shall direct the payment of all such Dependent Care claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an independent third party as proof that the expense has been incurred during the Plan Year including the Grace Period and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit a statement which may contain some or all of the following information:

- (a) The Dependent or Dependents for whom the services were performed;
- (b) The nature of the services performed for the Participant, the cost of which he wishes reimbursement;
- (c) The relationship, if any, of the person performing the services to the Participant;
- (d) If the services are being performed by a child of the Participant, the age of the child;
- (e) A statement as to where the services were performed;
- (f) If any of the services were performed outside the home, a statement as to whether the Dependent for whom such services were performed spends at least 8 hours a day in the Participant's household;
- (g) If the services were being performed in a day care center, a statement:
 - (1) that the day care center complies with all applicable laws and regulations of the state of residence,
 - (2) that the day care center provides care for more than 6 individuals (other than individuals residing at the center), and
 - (3) of the amount of fee paid to the provider.
- (h) If the Participant is married, a statement containing the following:
 - (1) the Spouse's salary or wages if he or she is employed, or
 - (2) if the Participant's Spouse is not employed, that
 - (i) he or she is incapacitated, or
 - (ii) he or she is a full-time student attending an educational institution and the months during the year which he or she attended such institution.
- (i) **Grace Period.** Notwithstanding anything in this Section to the contrary, Employment-Related Dependent Care Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.
- (j) **Claims for reimbursement.** If a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for reimbursement must be submitted within 30 days after termination of employment.

7.13 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Employment-Related Dependent Care Expenses, subject to the following terms:

- (a) **Card only for dependent care expenses.** Each Participant issued a card shall certify that such card shall only be used for Employment-Related Dependent Care Expenses. The Participant shall also certify that any Employment-Related Dependent Care Expense paid with the card has not already been reimbursed by any other plan covering dependent care benefits and that the Participant will not seek reimbursement from any other plan covering dependent care benefits.
- (b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Dependent Care Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Dependent Care Flexible Spending Account.

(c) **Only available for use with certain service providers.** The cards shall only be accepted by such service providers as have been approved by the Administrator. The cards shall only be used for Employment-Related Dependent Care Expenses from these providers.

(d) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(e) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as an Employment-Related Dependent Care Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

- (1) Repayment of the improper amount by the Participant;
- (2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;
- (3) Claims substitution or offset of future claims until the amount is repaid; and
- (4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

ARTICLE VIII BENEFITS AND RIGHTS

8.1 CLAIM FOR BENEFITS

(a) **Insurance claims.** Any claim for Benefits underwritten by the self-funded plan shall be made to the Employer. If the Employer denies any claim, the Participant or beneficiary shall follow the Employer's claims review procedure.

(b) **Dependent Care Flexible Spending Account or Health Flexible Spending Account claims.** Any claim for Dependent Care Flexible Spending Account or Health Flexible Spending Account Benefits shall be made to the Administrator. For the Health Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 30 days after termination of employment. For the Dependent Care Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for reimbursement must be submitted within 30 days after termination of employment. If the Administrator denies a claim, the Administrator may provide notice to the Participant or beneficiary, in writing, within 90 days after the claim is filed unless special circumstances require an extension of time for processing the claim. The notice of a denial of a claim shall be written in a manner calculated to be understood by the claimant and shall set forth:

- (1) specific references to the pertinent Plan provisions on which the denial is based;
- (2) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such information is necessary; and
- (3) an explanation of the Plan's claim procedure.

(c) **Appeal.** Within 60 days after receipt of the above material, the claimant shall have a reasonable opportunity to appeal the claim denial to the Administrator for a full and fair review. The claimant or his duly authorized representative may:

- (1) request a review upon written notice to the Administrator;
- (2) review pertinent documents; and
- (3) submit issues and comments in writing.

(d) **Review of appeal.** A decision on the review by the Administrator will be made not later than 60 days after receipt of a request for review, unless special circumstances require an extension of time for processing (such as the need to hold a hearing), in which event a decision should be rendered as soon as possible, but in no event later than 120 days after such receipt. The decision of the Administrator shall be written and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, with specific references to the pertinent Plan provisions on which the decision is based.

(e) **Forfeitures.** Any balance remaining in the Participant's Health Flexible Spending Account (excluding any carryover) or Dependent Care Flexible Spending Account as of the end of the time for claims reimbursement for each Plan Year and Grace Period (if applicable) shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to Section 6.3 or Section 7.8, whichever is applicable, unless the Participant had made a claim for such Plan Year, in writing, which has been denied or is pending; in which event the amount of the claim shall be held in his account until the claim appeal procedures set forth above have been satisfied or the claim is paid. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus.

8.2 APPLICATION OF BENEFIT PLAN SURPLUS

Any forfeited amounts credited to the benefit plan surplus by virtue of the failure of a Participant to incur a qualified expense or seek reimbursement in a timely manner may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan (excepting any carryover); nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus shall be used to defray any administrative costs and experience losses or used to provide additional benefits under the Plan. No amounts attributable to the Health Savings Account shall be subject to the benefit plan surplus.

ARTICLE IX ADMINISTRATION

9.1 PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

If the Employer elects, the Employer shall appoint one or more Administrators. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. An Administrator may resign by delivering a resignation in writing (or such other form as acceptable to both parties) to the Employer or be removed by the Employer by delivery of notice of removal (in writing or such other form as acceptable to both parties), to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

- (a) To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;
- (d) To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;
- (e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;
- (f) To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;
- (g) To review and settle all claims against the Plan, to approve reimbursement requests, and to authorize the payment of benefits if the Administrator determines such shall be paid if the Administrator decides in its discretion that the

applicant is entitled to them. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;

(h) To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

9.2 EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

9.3 PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

9.4 INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

9.5 INDEMNIFICATION OF ADMINISTRATOR

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE X AMENDMENT OR TERMINATION OF PLAN

10.1 AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

10.2 TERMINATION

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Contract shall be paid in accordance with the terms of the Contract.

No further additions shall be made to the Health Flexible Spending Account or Dependent Care Flexible Spending Account, but all payments from such fund shall continue to be made according to the elections in effect until 90 days after the termination date of the Plan. Any amounts remaining in any such fund or account as of the end of such period shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.

ARTICLE XI MISCELLANEOUS

11.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 11.11.

11.2 GENDER, NUMBER AND TENSE

Wherever any words are used herein in one gender, they shall be construed as though they were also used in all genders in all cases where they would so apply; whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply; and whenever any words are used herein in the past or present tense, they shall be construed as though they were also used in the other form in all cases where they would so apply.

11.3 WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

11.4 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

11.5 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

11.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

11.7 NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

11.8 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

11.9 FUNDING

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11.10 GOVERNING LAW

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the Commonwealth of Virginia.

11.11 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

11.12 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

11.13 CONTINUATION OF COVERAGE (COBRA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan subject to the continuation coverage requirement of Code Section 4980B becomes unavailable, each Participant will be entitled to continuation coverage as prescribed in Code Section 4980B, and related regulations. This Section shall only apply if the Employer employs at least twenty (20) employees on more than 50% of its typical business days in the previous calendar year.

11.14 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

11.15 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

11.16 UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

11.17 COMPLIANCE WITH HIPAA PRIVACY STANDARDS

(a) **Application.** If any benefits under this Cafeteria Plan are subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.

(b) **Disclosure of PHI.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this Section are met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including genetic information and information about treatment or payment for treatment.

(c) **PHI disclosed for administrative purposes.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill Plan responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care. Protected Health Information that consists of genetic information will not be used or disclosed for underwriting purposes.

(d) **PHI disclosed to certain workforce members.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are designated and authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Employer's workforce" shall refer to all employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.

(1) An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.

(2) In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the Plan's privacy official. The privacy official shall take appropriate action, including:

- (i) investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;
- (ii) appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;
- (iii) mitigation of any harm caused by the breach, to the extent practicable; and
- (iv) documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

- (e) **Certification.** The Employer must provide certification to the Plan that it agrees to:
 - (1) Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;
 - (2) Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
 - (3) Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;
 - (4) Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
 - (5) Make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;
 - (6) Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
 - (7) Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;
 - (8) Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;
 - (9) If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
 - (10) Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

11.18 COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"):

- (a) **Implementation.** The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.
- (b) **Agents or subcontractors shall meet security standards.** The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.
- (c) **Employer shall ensure security standards.** The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in Section 11.17.

11.19 MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Mental Health Parity and Addiction Equity Act.

11.20 GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Genetic Information Nondiscrimination Act.

11.21 WOMEN'S HEALTH AND CANCER RIGHTS ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Women's Health and Cancer Rights Act of 1998.

11.22 NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Newborns' and Mothers' Health Protection Act.

IN WITNESS WHEREOF, this Plan document is hereby executed this _____ day of _____.

Albemarle County Service Authority

By _____
EMPLOYER

ADOPTING RESOLUTION

The undersigned authorized representative of Albemarle County Service Authority (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on _____, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Cafeteria Plan including a Health Flexible Spending Account and Dependent Care Flexible Spending Account effective January 1, 2022, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of Albemarle County Service Authority Flexible Benefit Plan as amended and restated, and the Summary Plan Description approved and adopted in the foregoing resolutions.

Date: _____

Signed: _____

[print name/title]

ADOPTING RESOLUTION

The undersigned authorized representative of Albemarle County Service Authority (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on _____, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Cafeteria Plan including a Health Flexible Spending Account and Dependent Care Flexible Spending Account effective January 1, 2022, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of Albemarle County Service Authority Flexible Benefit Plan as amended and restated, and the Summary Plan Description approved and adopted in the foregoing resolutions.

Date: _____

Signed: _____

[print name/title]

**ALBEMARLE COUNTY SERVICE AUTHORITY
FLEXIBLE BENEFIT PLAN
SUMMARY PLAN DESCRIPTION**

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XI SUMMARY

**ALBEMARLE COUNTY SERVICE AUTHORITY
FLEXIBLE BENEFIT PLAN**

INTRODUCTION

We have amended the "Flexible Benefits Plan" that we previously established for you and other eligible employees. Under this Plan, you will be able to choose among certain benefits that we make available. The benefits that you may choose are outlined in this Summary Plan Description. We will also tell you about other important information concerning the amended Plan, such as the rules you must satisfy before you can join and the laws that protect your rights.

One of the most important features of our Plan is that the benefits being offered are generally ones that you are already paying for, but normally with money that has first been subject to income and Social Security taxes. Under our Plan, these same expenses will be paid for with a portion of your pay before Federal and State income or Social Security taxes are withheld. This means that you will pay less tax and have more money to spend and save.

Read this Summary Plan Description carefully so that you understand the provisions of our amended Plan and the benefits you will receive. This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. Also, if there is a conflict between an insurance contract and either the Plan document or this Summary Plan Description, the insurance contract will control. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

This SPD describes the current provisions of the Plan which are designed to comply with applicable legal requirements. The Plan is subject to federal laws, such as the Internal Revenue Code and other federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or other federal agencies. We may also amend or terminate this Plan. If the provisions of the Plan that are described in this SPD change, we will notify you.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this SPD does not answer all of your questions, please contact the Administrator (or other plan representative). The name and address of the Administrator can be found in the Article of this SPD entitled "General Information About the Plan."

**I
ELIGIBILITY**

1. When can I become a participant in the Plan?

Before you become a Plan member (referred to in this Summary Plan Description as a "Participant"), there are certain rules which you must satisfy. First, you must meet the eligibility requirements and be an active employee. After that, the next step is to actually join the Plan on the "entry date" that we have established for all employees. The "entry date" is defined in Question 3 below. You will also be required to complete certain application forms before you can enroll in the Plan.

2. What are the eligibility requirements for our Plan?

You will be eligible to join the Plan as of your date of hire with us. Of course, if you were already a participant before this amendment, you will remain a participant.

3. When is my entry date?

You can join the Plan on the day you meet the eligibility requirements.

4. Are there any employees who are not eligible?

Yes, there are certain employees who are not eligible to join the Plan. They are:

-- Employees who are part-time. A part-time employee is someone who works, or is expected to work, less than 30 hours a week.

5. What must I do to enroll in the Plan?

Before you can join the Plan, you must complete an application to participate in the Plan. The application includes your personal choices for each of the benefits which are being offered under the Plan. You must also authorize us to set some of your earnings aside in order to pay for a portion of the benefits you have elected.

II OPERATION

1. How does this Plan operate?

Before the start of each Plan Year, you will be able to elect to have some of your upcoming pay contributed to the Plan. These amounts will be used to pay for the benefits you have chosen. The portion of your pay that is paid to the Plan is not subject to Federal income or Social Security taxes. In other words, this allows you to use tax-free dollars to pay for certain kinds of benefits and expenses which you normally pay for with out-of-pocket, taxable dollars. Also, we will make additional Employer contributions to the Plan that you may use to increase the amounts used to pay benefits. However, if you receive a reimbursement for an expense under the Plan, you cannot claim a Federal income tax credit or deduction on your return. (See the Article entitled "General Information About Our Plan" for the definition of "Plan Year.")

III CONTRIBUTIONS

1. How much of my pay may the Employer redirect?

Each year, you may elect to have us contribute on your behalf enough of your compensation to pay for the benefits that you elect under the Plan after application of the Employer Contribution. These amounts will be deducted from your pay over the course of the year.

2. How much will the Employer contribute each year?

We will contribute an amount equal to \$\$1,956 for you each year. This contribution can be used for the Health Savings Account and will be made on a pro rata basis during the year. If you elect not to participate, the Employer will not contribute to the Plan on your behalf.

3. What happens to contributions made to the Plan?

Before each Plan Year begins, you will select the benefits you want and how much of the contributions should go toward each benefit. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year. Later, they will be used to pay for the expenses as they arise during the Plan Year.

4. When must I decide which accounts I want to use?

You are required by Federal law to decide before the Plan Year begins, during the election period (defined below). You must decide two things. First, which benefits you want and, second, how much should go toward each benefit.

5. When is the election period for our Plan?

You will make your initial election on or before your entry date. (You should review Section I on Eligibility to better understand the eligibility requirements and entry date.) Then, for each following Plan Year, the election period is established by the Administrator and applied uniformly to all Participants. It will normally be a period of time prior to the beginning of each Plan Year. The Administrator will inform you each year about the election period. (See the Article entitled "General Information About Our Plan" for the definition of Plan Year.)

6. May I change my elections during the Plan Year?

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections. You are permitted to change elections if you have a "change in status" and you make an election change that is consistent with the change in status. Currently, Federal law considers the following events to be a change in status:

- Marriage, divorce, death of a spouse, legal separation or annulment;
- Change in the number of dependents, including birth, adoption, placement for adoption, or death of a dependent;
- Any of the following events for you, your spouse or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, a change in worksite, or any other change in employment status that affects eligibility for benefits;
- One of your dependents satisfies or ceases to satisfy the requirements for coverage due to change in age, student status, or any similar circumstance; and
- A change in the place of residence of you, your spouse or dependent that would lead to a change in status, such as moving out of a coverage area for insurance.

In addition, if you are participating in the Dependent Care Flexible Spending Account, then there is a change in status if your dependent no longer meets the qualifications to be eligible for dependent care.

However, with respect to the Health Savings Account, you may modify or revoke your elections without having to have a change in status.

There are detailed rules on when a change in election is deemed to be consistent with a change in status. In addition, there are laws that give you rights to change health coverage for you, your spouse, or your dependents. If you change coverage due to rights you have under the law, then you can make a corresponding change in your elections under the Plan. If any of these conditions apply to you, you should contact the Administrator.

If the cost of a benefit provided under the Plan increases or decreases during a Plan Year, then we will automatically increase or decrease, as the case may be, your salary redirection election. If the cost increases significantly, you will be permitted to either make corresponding changes in your payments or revoke your election and obtain coverage under another benefit package option with similar coverage, or revoke your election entirely.

If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, then you may revoke your elections and elect to receive on a prospective basis coverage under another plan with similar coverage. In addition, if we add a new coverage option or eliminate an existing option, you may elect the newly-added option (or elect another option if an option has been eliminated) and make corresponding election changes to other options providing similar coverage. If you are not a Participant, you may elect to join the Plan. There are also certain situations when you may be able to change your elections on account of a change under the plan of your spouse's, former spouse's or dependent's employer.

These rules on change due to cost or coverage do not apply to the Health Flexible Spending Account, and you may not change your election to the Health Flexible Spending Account if you make a change due to cost or coverage for insurance or if you decide to participate in the Health Savings Account.

You may not change your election under the Dependent Care Flexible Spending Account if the cost change is imposed by a dependent care provider who is your relative.

You may revoke your coverage under the employer's group health plan outside of our open enrollment period, if your employment status changes from working at least 30 hours per week to less than 30 hours. This is regardless of whether the reduction in hours has resulted in loss of eligibility. You must show intent to enroll in another health plan.

You may also revoke your coverage under our Employer sponsored group health plan if you are eligible to obtain coverage through the health exchanges.

7. May I make new elections in future Plan Years?

Yes, you may. For each new Plan Year, you may change the elections that you previously made. You may also choose not to participate in the Plan for the upcoming Plan Year. If you do not make new elections during the election period before a new Plan Year begins, we will assume you want your elections for insured or self-funded benefits only to remain the same and you will not be considered a Participant for the non-insured benefit options under the Plan for the upcoming Plan Year.

IV BENEFITS

1. Health Flexible Spending Account

The Health Flexible Spending Account enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code which are not covered by our medical plan and save taxes at the same time. The Health Flexible Spending Account allows you to be reimbursed by the Employer for expenses incurred by you and your dependents.

However, if you participate in a HSA, you can only be reimbursed by the Employer for out-of-pocket dental, vision or preventive care expenses incurred by you and your dependents.

If you are a HSA participant, drug costs, including insulin, may be reimbursed if they are considered for dental, vision or preventive care expenses.

You may not be reimbursed for the cost of other health care coverage maintained outside of the Plan, or for long-term care expenses. A list of covered expenses is available from the Administrator.

For 2021, the most you can contribute is \$2,750. After 2021, the dollar limit may increase for cost of living adjustments. In addition, you will be eligible to carryover amounts left in your Health Flexible Spending Account, up to \$550. This means that amounts you do not use during a Plan Year can be carried over to the next Plan Year and used for expenses incurred in the next Plan Year.

In order to be reimbursed for a health care expense, you must submit to the Administrator an itemized bill from the service provider. We will also provide you with a debit or credit card to use to pay for medical expenses. The Administrator will provide you with further details. Amounts reimbursed from the Plan may not be claimed as a deduction on your personal income tax return. Reimbursement from

the fund shall be paid at least once a month. Expenses under this Plan are treated as being "incurred" when you are provided with the care that gives rise to the expenses, not when you are formally billed or charged, or you pay for the medical care.

You may be reimbursed for expenses for any child until the end of the calendar year in which the child reaches age 26. A child is a natural child, stepchild, foster child, adopted child, or a child placed with you for adoption. If a child gains or regains eligibility due to these new rules, that qualifies as a change in status to change coverage.

Newborns' and Mothers' Health Protection Act: Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Women's Health and Cancer Rights Act: This plan, as required by the Women's Health and Cancer Rights Act of 1998, will reimburse up to plan limits for benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Contact your Plan Administrator for more information.

2. Dependent Care Flexible Spending Account

The Dependent Care Flexible Spending Account enables you to pay for out-of-pocket, work-related dependent day-care cost with pre-tax dollars. If you are married, you can use the account if you and your spouse both work or, in some situations, if your spouse goes to school full-time. Single employees can also use the account.

An eligible dependent is someone for whom you can claim expenses on Federal Income Tax Form 2441 "Credit for Child and Dependent Care Expenses." Children must be under age 13. Other dependents must be physically or mentally unable to care for themselves. Dependent Care arrangements which qualify include:

- (a) A Dependent (Day) Care Center, provided that if care is provided by the facility for more than six individuals, the facility complies with applicable state and local laws;
- (b) An Educational Institution for pre-school children. For older children, only expenses for non-school care are eligible; and
- (c) An "Individual" who provides care inside or outside your home: The "Individual" may not be a child of yours under age 19 or anyone you claim as a dependent for Federal tax purposes.

You should make sure that the dependent care expenses you are currently paying for qualify under our Plan. We will also provide you with a debit or credit card to use to pay for dependent care expenses. The Administrator will provide you with further details.

The law places limits on the amount of money that can be paid to you in a calendar year from your Dependent Care Flexible Spending Account. Generally, your reimbursements may not exceed the lesser of: (a) \$5,000 (if you are married filing a joint return or you are head of a household) or \$2,500 (if you are married filing separate returns); (b) your taxable compensation; (c) your spouse's actual or deemed earned income (a spouse who is a full time student or incapable of caring for himself/herself has a monthly earned income of \$250 for one dependent or \$500 for two or more dependents).

Also, in order to have the reimbursements made to you from this account be excludable from your income, you must provide a statement from the service provider including the name, address, and in most cases, the taxpayer identification number of the service provider on your tax form for the year, as well as the amount of such expense as proof that the expense has been incurred. In addition, Federal tax laws permit a tax credit for certain dependent care expenses you may be paying for even if you are not a Participant in this Plan. You may save more money if you take advantage of this tax credit rather than using the Dependent Care Flexible Spending Account under our Plan. Ask your tax adviser which is better for you.

3. Premium Expense Account

A Premium Expense Account allows you to use tax-free dollars to pay for certain premium expenses under various insurance programs that we offer you. These premium expenses include:

- Health care premiums under our self-funded medical plan.
- Dental insurance premiums.
- Vision insurance premiums.

Under our Plan, we will establish sub-accounts for you for each different type of coverage that is available. Also, certain limits on the amount of coverage may apply.

The Administrator may terminate or modify Plan benefits at any time, subject to the provisions of any contracts providing benefits described above. Also, your coverage will end when you leave employment, are no longer eligible under the terms of any coverage, or when coverage terminates.

Any benefits to be provided by insurance will be provided only after (1) you have provided the Administrator the necessary information to apply for insurance, and (2) the insurance is in effect for you.

If you cover your children up to age 26 under your insurance, you can pay for that coverage through the Plan.

4. May I direct Plan contributions to my Health Savings Account?

Yes. Any monies that you do not apply toward available benefits can be contributed to your Health Savings Account, which enables you to pay for expenses which are not covered by our medical plan and save taxes at the same time. Please see your Plan Administrator for further details.

V BENEFIT PAYMENTS

1. When will I receive payments from my accounts?

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. The Administrator will provide you with acceptable forms for submitting these requests for reimbursement. If the request qualifies as a benefit or expense that the Plan has agreed to pay, you will receive a reimbursement payment soon thereafter. Remember, these reimbursements which are made from the Plan are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes. The provisions of the insurance contracts will control what benefits will be paid and when. You will only be reimbursed from the Dependent Care Flexible Spending Account to the extent that there are sufficient funds in the Account to cover your request.

2. What happens if I don't spend all Plan contributions during the Plan Year?

If you have not spent all the amounts in your Dependent Care Flexible Spending Account by the end of the Plan Year, you may continue to incur claims for expenses during the "Grace Period." The "Grace Period" extends 2 1/2 months after the end of the Plan Year, during which time you can continue to incur claims and use up all amounts remaining in your Dependent Care Flexible Spending Account.

Any monies left at the end of the Plan Year and the Grace Period will be forfeited, except for amounts contributed to your Health Savings Account. Obviously, qualifying expenses that you incur late in the Plan Year or during the Grace Period for which you seek reimbursement after the end of such Plan Year and Grace Period will be paid first before any amount is forfeited. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. Because it is possible that you might forfeit amounts in the Plan if you do not fully use the contributions that have been made, it is important that you decide how much to place in each account carefully and conservatively. Remember, you must decide which benefits you want to contribute to and how much to place in each account before the Plan Year begins. You want to be as certain as you can that the amount you decide to place in each account will be used up entirely.

3. Family and Medical Leave Act (FMLA)

If you take leave under the Family and Medical Leave Act, you may revoke or change your existing elections for health insurance and the Health Flexible Spending Account. If your coverage in these benefits terminates, due to your revocation of the benefit while on leave or due to your non-payment of contributions, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return. For the Health Flexible Spending Account, you may continue your coverage or you may revoke your coverage and resume it when you return. You can resume your coverage at its original level and make payments for the time that you are on leave. For example, if you elect \$1,200 for the year and are out on leave for 3 months, then return and elect to resume your coverage at that level, your remaining payments will be increased to cover the difference - from \$100 per month to \$150 per month. Alternatively your maximum amount will be reduced proportionately for the time that you were gone. For example, if you elect \$1,200 for the year and are out on leave for 3 months, your amount will be reduced to \$900. The expenses you incur during the time you are not in the Health Flexible Spending Account are not reimbursable.

If you continue your coverage during your unpaid leave, you may pre-pay for the coverage, you may pay for your coverage on an after-tax basis while you are on leave, or you and your Employer may arrange a schedule for you to "catch up" your payments when you return.

4. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, you may have special rights to health care coverage under your Health Flexible Spending Account under the Uniformed Services Employment and Reemployment Rights Act of 1994. These rights can include extended health care coverage. If you may be affected by this law, ask your Administrator for further details.

5. What happens if I terminate employment?

If you terminate employment during the Plan Year, your right to benefits will be determined in the following manner:

- (a) You will remain covered by insurance, but only for the period for which premiums have been paid prior to your termination of employment.
- (b) You will still be able to request reimbursement for qualifying dependent care expenses incurred prior to your date of termination from the balance remaining in your dependent care account at the time of termination of employment. However, no further salary redirection and contributions will be made on your behalf after you terminate. You must submit claims within 30 days after termination.
- (c) Your Health Savings Account amounts will remain yours even after your termination of employment.
- (d) For health benefit coverage and Health Flexible Spending Account coverage on termination of employment, please see the Article entitled "Continuation Coverage Rights Under COBRA." Upon your termination of employment, your participation in the Health Flexible Spending Account will cease, and no further salary redirection and contributions will be contributed on your behalf. However, you will be able to submit claims for health care expenses that were incurred before the end of the period for which payments to the Health Flexible Spending Account have already been made. Your further participation will be governed by "Continuation Coverage Rights Under COBRA."

6. Will my Social Security benefits be affected?

Your Social Security benefits may be slightly reduced because when you receive tax-free benefits under our Plan, it reduces the amount of contributions that you make to the Federal Social Security system as well as our contribution to Social Security on your behalf.

VI

HIGHLY COMPENSATED AND KEY EMPLOYEES

1. Do limitations apply to highly compensated employees?

Under the Internal Revenue Code, highly compensated employees and key employees generally are Participants who are officers, shareholders or highly paid. You will be notified by the Administrator each Plan Year whether you are a highly compensated employee or a key employee.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Federal tax laws state that a plan will be considered to unfairly favor the key employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under our Plan.

Plan experience will dictate whether contribution limitations on highly compensated employees or key employees will apply. You will be notified of these limitations if you are affected.

VII

PLAN ACCOUNTING

1. Periodic Statements

The Administrator will provide you with a statement of your account periodically during the Plan Year that shows your account balance. It is important to read these statements carefully so you understand the balance remaining to pay for a benefit. Remember, you want to spend all the money you have designated for a particular benefit by the end of the Plan Year.

VIII

GENERAL INFORMATION ABOUT OUR PLAN

This Section contains certain general information which you may need to know about the Plan.

1. General Plan Information

Albemarle County Service Authority Flexible Benefit Plan is the name of the Plan.

Your Employer has assigned Plan Number 501 to your Plan.

The provisions of your amended Plan become effective on January 1, 2022. Your Plan was originally effective on September 1, 2016.

Your Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1 and ends on December 31.

2. Employer Information

Your Employer's name, address, and identification number are:

Albemarle County Service Authority
168 Spotnap Road
Charlottesville, Virginia 22911
54-0792605

3. Plan Administrator Information

The name, address and business telephone number of your Plan's Administrator are:

Albemarle County Service Authority
168 Spotnap Road
Charlottesville, Virginia 22911
(434) 977-4511

The Administrator keeps the records for the Plan and is responsible for the administration of the Plan. The Administrator will also answer any questions you may have about our Plan. You may contact the Administrator for any further information about the Plan.

4. Service of Legal Process

The name and address of the Plan's agent for service of legal process are:

Albemarle County Service Authority
168 Spotnap Road
Charlottesville, Virginia 22911

5. Type of Administration

The type of Administration is Employer Administration.

6. Claims Submission

Claims for expenses should be submitted to:

Flexible Benefit Administrators, Inc.
Post Office Drawer 8188
Virginia Beach, VA 23450

IX ADDITIONAL PLAN INFORMATION

1. Claims Process

You should submit all reimbursement claims during the Plan Year. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. However, if you terminate employment during the Plan Year, you must submit your Health Flexible Spending Account claims within 30 days after your termination of employment. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. However, if you terminate employment during the Plan Year, you must submit your Dependent Care Flexible Spending Account claims within 30 days after your termination of employment. Any claims submitted after that time will not be considered.

Claims that are insured or self-funded will be handled in accordance with procedures contained in the insurance policies or contracts. All other general requests should be directed to the Administrator of our Plan. If a dependent care or medical expense claim under the Plan is denied in whole or in part, you or your beneficiary will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure. Within 60 days after denial, you or your beneficiary may submit a written request for reconsideration of the denial to the Administrator.

Any such request should be accompanied by documents or records in support of your appeal. You or your beneficiary may review pertinent documents and submit issues and comments in writing. The Administrator will review the claim and provide, within 60 days, a written response to the appeal. (This period may be extended an additional 60 days under certain circumstances.) In this response, the Administrator will explain the reason for the decision, with specific reference to the provisions of the Plan on which the decision is based. The Administrator has the exclusive right to interpret the appropriate plan provisions. Decisions of the Administrator are conclusive and binding.

X CONTINUATION COVERAGE RIGHTS UNDER COBRA

Under federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), certain employees and their families covered under health benefits under this Plan will be entitled to the opportunity to elect a temporary extension of health coverage (called "COBRA continuation coverage") where coverage under the Plan would otherwise end. This notice is intended to inform Plan Participants and beneficiaries, in summary fashion, of their rights and obligations under the continuation coverage provisions of COBRA, as amended and reflected in final and proposed regulations published by the Department of the Treasury. This notice is intended to reflect the law and does not grant or take away any rights under the law.

The Plan Administrator or its designee is responsible for administering COBRA continuation coverage. Complete instructions on COBRA, as well as election forms and other information, will be provided by the Plan Administrator or its designee to Plan Participants who become Qualified Beneficiaries under COBRA. While the Plan itself is not a group health plan, it does provide health benefits. Whenever "Plan" is used in this section, it means any of the health benefits under this Plan including the Health Flexible Spending Account.

1. What is COBRA continuation coverage?

COBRA continuation coverage is the temporary extension of group health plan coverage that must be offered to certain Plan Participants and their eligible family members (called "Qualified Beneficiaries") at group rates. The right to COBRA continuation coverage is triggered by the occurrence of a life event that results in the loss of coverage under the terms of the Plan (the "Qualifying Event"). The coverage must be identical to the coverage that the Qualified Beneficiary had immediately before the Qualifying Event, or if the coverage has been changed, the coverage must be identical to the coverage provided to similarly situated active employees who have not experienced a Qualifying Event (in other words, similarly situated non-COBRA beneficiaries).

There may be other options available when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

2. Who can become a Qualified Beneficiary?

In general, a Qualified Beneficiary can be:

- (a) Any individual who, on the day before a Qualifying Event, is covered under a Plan by virtue of being on that day either a covered Employee, the Spouse of a covered Employee, or a Dependent child of a covered Employee. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.
- (b) Any child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, and any individual who is covered by the Plan as an alternate recipient under a qualified medical support order. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

The term "covered Employee" includes any individual who is provided coverage under the Plan due to his or her performance of services for the employer sponsoring the Plan. However, this provision does not establish eligibility of these individuals. Eligibility for Plan coverage shall be determined in accordance with Plan Eligibility provisions.

An individual is not a Qualified Beneficiary if the individual's status as a covered Employee is attributable to a period in which the individual was a nonresident alien who received from the individual's Employer no earned income that constituted income from sources within the United States. If, on account of the preceding reason, an individual is not a Qualified Beneficiary, then a Spouse or Dependent child of the individual will also not be considered a Qualified Beneficiary by virtue of the relationship to the individual. A domestic partner is not a Qualified Beneficiary.

Each Qualified Beneficiary (including a child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage) must be offered the opportunity to make an independent election to receive COBRA continuation coverage.

3. What is a Qualifying Event?

A Qualifying Event is any of the following if the Plan provided that the Plan participant would lose coverage (i.e., cease to be covered under the same terms and conditions as in effect immediately before the Qualifying Event) in the absence of COBRA continuation coverage:

- (a) The death of a covered Employee.

- (b) The termination (other than by reason of the Employee's gross misconduct), or reduction of hours, of a covered Employee's employment.
- (c) The divorce or legal separation of a covered Employee from the Employee's Spouse. If the Employee reduces or eliminates the Employee's Spouse's Plan coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a Qualifying Event even though the Spouse's coverage was reduced or eliminated before the divorce or legal separation.
- (d) A covered Employee's enrollment in any part of the Medicare program.
- (e) A Dependent child's ceasing to satisfy the Plan's requirements for a Dependent child (for example, attainment of the maximum age for dependency under the Plan).

If the Qualifying Event causes the covered Employee, or the covered Spouse or a Dependent child of the covered Employee, to cease to be covered under the Plan under the same terms and conditions as in effect immediately before the Qualifying Event, the persons losing such coverage become Qualified Beneficiaries under COBRA if all the other conditions of COBRA are also met. For example, any increase in contribution that must be paid by a covered Employee, or the Spouse, or a Dependent child of the covered Employee, for coverage under the Plan that results from the occurrence of one of the events listed above is a loss of coverage.

The taking of leave under the Family and Medical Leave Act of 1993, as amended ("FMLA") does not constitute a Qualifying Event. A Qualifying Event will occur, however, if an Employee does not return to employment at the end of the FMLA leave and all other COBRA continuation coverage conditions are present. If a Qualifying Event occurs, it occurs on the last day of FMLA leave and the applicable maximum coverage period is measured from this date (unless coverage is lost at a later date and the Plan provides for the extension of the required periods, in which case the maximum coverage date is measured from the date when the coverage is lost.) Note that the covered Employee and family members will be entitled to COBRA continuation coverage even if they failed to pay the employee portion of premiums for coverage under the Plan during the FMLA leave.

4. What factors should be considered when determining to elect COBRA continuation coverage?

When considering options for health coverage, Qualified Beneficiaries should consider:

- **Premiums:** This plan can charge up to 102% of total plan premiums for COBRA coverage. Other options, like coverage on a spouse's plan or through the Marketplace, may be less expensive. Qualified Beneficiaries have special enrollment rights under federal law (HIPAA). They have the right to request special enrollment in another group health plan for which they are otherwise eligible (such as a plan sponsored by a spouse's employer) within 30 days after Plan coverage ends due to one of the Qualifying Events listed above.
- **Provider Networks:** If a Qualified Beneficiary is currently getting care or treatment for a condition, a change in health coverage may affect access to a particular health care provider. You may want to check to see if your current health care providers participate in a network in considering options for health coverage.
- **Drug Formularies:** For Qualified Beneficiaries taking medication, a change in health coverage may affect costs for medication – and in some cases, the medication may not be covered by another plan. Qualified beneficiaries should check to see if current medications are listed in drug formularies for other health coverage.
- **Severance payments:** If COBRA rights arise because the Employee has lost his job and there is a severance package available from the employer, the former employer may have offered to pay some or all of the Employee's COBRA payments for a period of time. This can affect the timing of coverage available in the Marketplace. In this scenario, the Employee may want to contact the Department of Labor at 1-866-444-3272 to discuss options.
- **Medicare Eligibility:** You should be aware of how COBRA coverage coordinates with Medicare eligibility. If you are eligible for Medicare at the time of the Qualifying Event, or if you will become eligible soon after the Qualifying Event, you should know that you have 8 months to enroll in Medicare after your employment –related health coverage ends. Electing COBRA coverage does not extend this 8-month period. For more information, see [medicare.gov/sign-up-change-plan](https://www.medicare.gov/sign-up-change-plan).
- **Service Areas:** If benefits under the Plan are limited to specific service or coverage areas, benefits may not be available to a Qualified Beneficiary who moves out of the area.
- **Other Cost-Sharing:** In addition to premiums or contributions for health coverage, the Plan requires participants to pay copayments, deductibles, coinsurance, or other amounts as benefits are used. Qualified beneficiaries should check to see what the cost-sharing requirements are for other health coverage options. For example, one option may have much lower monthly premiums, but a much higher deductible and higher copayments.

Are there other coverage options besides COBRA Continuation Coverage? Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for Qualified Beneficiaries through the Health Insurance Marketplace, Medicaid, or other

group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

5. What is the procedure for obtaining COBRA continuation coverage?

The Plan has conditioned the availability of COBRA continuation coverage upon the timely election of such coverage. An election is timely if it is made during the election period.

6. What is the election period and how long must it last?

The election period is the time period within which the Qualified Beneficiary must elect COBRA continuation coverage under the Plan. The election period must begin no later than the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event and ends 60 days after the later of the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event or the date notice is provided to the Qualified Beneficiary of her or his right to elect COBRA continuation coverage. If coverage is not elected within the 60 day period, all rights to elect COBRA continuation coverage are forfeited.

Note: If a covered Employee who has been terminated or experienced a reduction of hours qualifies for a trade readjustment allowance or alternative trade adjustment assistance under a federal law called the Trade Act of 2002, as extended by the Trade Preferences Extension Act of 2015, and the employee and his or her covered dependents have not elected COBRA coverage within the normal election period, a second opportunity to elect COBRA coverage will be made available for themselves and certain family members, but only within a limited period of 60 days or less and only during the six months immediately after their group health plan coverage ended. Any person who qualifies or thinks that he or she and/or his or her family members may qualify for assistance under this special provision should contact the Plan Administrator or its designee for further information about the special second election period. If continuation coverage is elected under this extension, it will not become effective prior to the beginning of this special second election period.

7. Is a covered Employee or Qualified Beneficiary responsible for informing the Plan Administrator of the occurrence of a Qualifying Event?

The Plan will offer COBRA continuation coverage to Qualified Beneficiaries only after the Plan Administrator or its designee has been timely notified that a Qualifying Event has occurred. The Employer (if the Employer is not the Plan Administrator) will notify the Plan Administrator or its designee of the Qualifying Event within 30 days following the date coverage ends when the Qualifying Event is:

- (a) the end of employment or reduction of hours of employment,
- (b) death of the employee,
- (c) commencement of a proceeding in bankruptcy with respect to the Employer, or
- (d) entitlement of the employee to any part of Medicare.

IMPORTANT:

For the other Qualifying Events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you or someone on your behalf must notify the Plan Administrator or its designee in writing within 60 days after the Qualifying Event occurs, using the procedures specified below. If these procedures are not followed or if the notice is not provided in writing to the Plan Administrator or its designee during the 60-day notice period, any spouse or dependent child who loses coverage will not be offered the option to elect continuation coverage. You must send this notice to the Plan Administrator or its designee.

NOTICE PROCEDURES:

Any notice that you provide must be in writing. Oral notice, including notice by telephone, is not acceptable. You must mail, fax or hand-deliver your notice to the person, department or firm listed below, at the following address:

Albemarle County Service Authority
168 Spotnap Road
Charlottesville, Virginia 22911

If mailed, your notice must be postmarked no later than the last day of the required notice period. Any notice you provide must state:

- the name of the plan or plans under which you lost or are losing coverage,
- the name and address of the employee covered under the plan,
- the name(s) and address(es) of the Qualified Beneficiary(ies), and
- the Qualifying Event and the date it happened.

If the Qualifying Event is a divorce or legal separation, your notice must include a copy of the divorce decree or the legal separation agreement.

Be aware that there are other notice requirements in other contexts, for example, in order to qualify for a disability extension.

Once the Plan Administrator or its designee receives *timely notice* that a Qualifying Event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each Qualified Beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage for their spouses, and parents may elect COBRA continuation coverage on behalf of their children. For each Qualified Beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date that plan coverage would otherwise have been lost. If you or your spouse or dependent children do not elect continuation coverage within the 60-day election period described above, the right to elect continuation coverage will be lost.

8. Is a waiver before the end of the election period effective to end a Qualified Beneficiary's election rights?

If, during the election period, a Qualified Beneficiary waives COBRA continuation coverage, the waiver can be revoked at any time before the end of the election period. Revocation of the waiver is an election of COBRA continuation coverage. However, if a waiver is later revoked, coverage need not be provided retroactively (that is, from the date of the loss of coverage until the waiver is revoked). Waivers and revocations of waivers are considered made on the date they are sent to the Plan Administrator or its designee, as applicable.

9. Is COBRA coverage available if a Qualified Beneficiary has other group health plan coverage or Medicare?

Qualified Beneficiaries who are entitled to elect COBRA continuation coverage may do so even if they are covered under another group health plan or are entitled to Medicare benefits on or before the date on which COBRA is elected. However, a Qualified Beneficiary's COBRA coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare or becomes covered under other group health plan coverage.

10. When may a Qualified Beneficiary's COBRA continuation coverage be terminated?

During the election period, a Qualified Beneficiary may waive COBRA continuation coverage. Except for an interruption of coverage in connection with a waiver, COBRA continuation coverage that has been elected for a Qualified Beneficiary must extend for at least the period beginning on the date of the Qualifying Event and ending not before the earliest of the following dates:

- (a) The last day of the applicable maximum coverage period.
- (b) The first day for which Timely Payment is not made to the Plan with respect to the Qualified Beneficiary.
- (c) The date upon which the Employer ceases to provide any group health plan (including a successor plan) to any employee.
- (d) The date, after the date of the election, that the Qualified Beneficiary first becomes entitled to Medicare (either part A or part B, whichever occurs earlier).
- (e) In the case of a Qualified Beneficiary entitled to a disability extension, the later of:
 - (1) (i) 29 months after the date of the Qualifying Event, or (ii) the first day of the month that is more than 30 days after the date of a final determination under Title II or XVI of the Social Security Act that the disabled Qualified Beneficiary whose disability resulted in the Qualified Beneficiary's entitlement to the disability extension is no longer disabled, whichever is earlier; or
 - (2) the end of the maximum coverage period that applies to the Qualified Beneficiary without regard to the disability extension.

The Plan can terminate for cause the coverage of a Qualified Beneficiary on the same basis that the Plan terminates for cause the coverage of similarly situated non-COBRA beneficiaries, for example, for the submission of a fraudulent claim.

In the case of an individual who is not a Qualified Beneficiary and who is receiving coverage under the Plan solely because of the individual's relationship to a Qualified Beneficiary, if the Plan's obligation to make COBRA continuation coverage available to the Qualified Beneficiary ceases, the Plan is not obligated to make coverage available to the individual who is not a Qualified Beneficiary.

11. What are the maximum coverage periods for COBRA continuation coverage?

The maximum coverage periods are based on the type of the Qualifying Event and the status of the Qualified Beneficiary, as shown below.

- (a) In the case of a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period ends 18 months after the Qualifying Event if there is not a disability extension and 29 months after the Qualifying Event if there is a disability extension.

(b) In the case of a covered Employee's enrollment in the Medicare program before experiencing a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period for Qualified Beneficiaries ends on the later of:

- (1) 36 months after the date the covered Employee becomes enrolled in the Medicare program. This extension does not apply to the covered Employee; or
- (2) 18 months (or 29 months, if there is a disability extension) after the date of the covered Employee's termination of employment or reduction of hours of employment.

(c) In the case of a Qualified Beneficiary who is a child born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, the maximum coverage period is the maximum coverage period applicable to the Qualifying Event giving rise to the period of COBRA continuation coverage during which the child was born or placed for adoption.

(d) In the case of any other Qualifying Event than that described above, the maximum coverage period ends 36 months after the Qualifying Event.

12. Under what circumstances can the maximum coverage period be expanded?

If a Qualifying Event that gives rise to an 18-month or 29-month maximum coverage period is followed, within that 18- or 29-month period, by a second Qualifying Event that gives rise to a 36-months maximum coverage period, the original period is expanded to 36 months, but only for individuals who are Qualified Beneficiaries at the time of and with respect to both Qualifying Events. In no circumstance can the COBRA maximum coverage period be expanded to more than 36 months after the date of the first Qualifying Event. The Plan Administrator must be notified of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

13. How does a Qualified Beneficiary become entitled to a disability extension?

A disability extension will be granted if an individual (whether or not the covered Employee) who is a Qualified Beneficiary in connection with the Qualifying Event that is a termination or reduction of hours of a covered Employee's employment, is determined under Title II or XVI of the Social Security Act to have been disabled at any time during the first 60 days of COBRA continuation coverage. To qualify for the disability extension, the Qualified Beneficiary must also provide the Plan Administrator with notice of the disability determination on a date that is both within 60 days after the date of the determination and before the end of the original 18-month maximum coverage. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

14. Does the Plan require payment for COBRA continuation coverage?

For any period of COBRA continuation coverage under the Plan, Qualified Beneficiaries who elect COBRA continuation coverage may be required to pay up to 102% of the applicable premium and up to 150% of the applicable premium for any expanded period of COBRA continuation coverage covering a disabled Qualified Beneficiary due to a disability extension. Your Plan Administrator will inform you of the cost. The Plan will terminate a Qualified Beneficiary's COBRA continuation coverage as of the first day of any period for which timely payment is not made.

15. Must the Plan allow payment for COBRA continuation coverage to be made in monthly installments?

Yes. The Plan is also permitted to allow for payment at other intervals.

16. What is Timely Payment for COBRA continuation coverage?

Timely Payment means a payment made no later than 30 days after the first day of the coverage period. Payment that is made to the Plan by a later date is also considered Timely Payment if either under the terms of the Plan, covered Employees or Qualified Beneficiaries are allowed until that later date to pay for their coverage for the period or under the terms of an arrangement between the Employer and the entity that provides Plan benefits on the Employer's behalf, the Employer is allowed until that later date to pay for coverage of similarly situated non-COBRA beneficiaries for the period.

Notwithstanding the above paragraph, the Plan does not require payment for any period of COBRA continuation coverage for a Qualified Beneficiary earlier than 45 days after the date on which the election of COBRA continuation coverage is made for that Qualified Beneficiary. Payment is considered made on the date on which it is postmarked to the Plan.

If Timely Payment is made to the Plan in an amount that is not significantly less than the amount the Plan requires to be paid for a period of coverage, then the amount paid will be deemed to satisfy the Plan's requirement for the amount to be paid, unless the Plan notifies the Qualified Beneficiary of the amount of the deficiency and grants a reasonable period of time for payment of the deficiency to be made. A "reasonable period of time" is 30 days after the notice is provided. A shortfall in a Timely Payment is not significant if it is no greater than the lesser of \$50 or 10% of the required amount.

17. Must a Qualified Beneficiary be given the right to enroll in a conversion health plan at the end of the maximum coverage period for COBRA continuation coverage?

If a Qualified Beneficiary's COBRA continuation coverage under a group health plan ends as a result of the expiration of the applicable maximum coverage period, the Plan will, during the 180-day period that ends on that expiration date, provide the Qualified Beneficiary with the option of enrolling under a conversion health plan if such an option is otherwise generally available to similarly situated non-COBRA beneficiaries under the Plan. If such a conversion option is not otherwise generally available, it need not be made available to Qualified Beneficiaries.

18. How is my participation in the Health Flexible Spending Account affected?

You can elect to continue your participation in the Health Flexible Spending Account for the remainder of the Plan Year, subject to the following conditions. You may only continue to participate in the Health Flexible Spending Account if you have elected to contribute more money including any carryover amounts than you have taken out in claims. For example, if you elected to contribute an annual amount of \$500 and, at the time you terminate employment, you have contributed \$300 but only claimed \$150, you may elect to continue coverage under the Health Flexible Spending Account. If you elect to continue coverage, then you would be able to continue to receive your health reimbursements up to the \$500. However, you must continue to pay for the coverage, just as the money has been taken out of your paycheck, but on an after-tax basis. The Plan can also charge you an extra amount (as explained above for other health benefits) to provide this benefit.

IF YOU HAVE QUESTIONS

If you have questions about your COBRA continuation coverage, you should contact the Plan Administrator or its designee. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at www.dol.gov/ebsa.

KEEP YOUR PLAN ADMINISTRATOR INFORMED OF ADDRESS CHANGES

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or its designee.

**XI
SUMMARY**

The money you earn is important to you and your family. You need it to pay your bills, enjoy recreational activities and save for the future. Our flexible benefits plan will help you keep more of the money you earn by lowering the amount of taxes you pay. The Plan is the result of our continuing efforts to find ways to help you get the most for your earnings.

If you have any questions, please contact the Administrator.

AGENDA ITEM EXECUTIVE SUMMARY

AGENDA TITLE: ACSA Conservation Program & Activity Report for FY 2021	AGENDA DATE: January 20, 2022
STAFF CONTACT(S)/PREPARER: Emily Roach, Human Resource & Administration Manager ER	ACTION: Informational
	ATTACHMENTS: YES

BACKGROUND: The Albemarle County Service Authority (ACSA) supports and encourages water conservation through several different initiatives, some annual and some ongoing. The Administration Department is responsible for overseeing the Water Conservation Program and, in conjunction with Albemarle County, the City of Charlottesville and RWSA, the ACSA continues the effort to help ensure the availability of water for future generations.

The conservation events that the ACSA participates in on an annual basis were undoubtedly affected by the COVID-19 pandemic. The Rivanna RiverFest, after being cancelled last year, resumed this year with activities being spread out in space and time. The festivities took place May 1-9th and included a river race on the Rivanna, water quality monitoring demonstrations, and a tour of various Stormwater Management projects.

Despite the challenges presented by the pandemic, the ACSA still saw a similar level of participation in its ongoing conservation programs as prior years, such as the Toilet Rebate and Rain Barrel Rebate programs. Attached is a summary of some of the major water conservation programs and initiatives that the ACSA participated in during the 2021 fiscal year.

BOARD ACTION REQUESTED: None.

ATTACHMENTS: ACSA Water Conservation & Activity Report for FY 2021

Water Conservation Programs

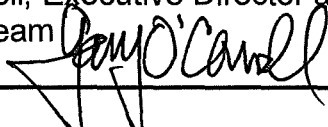
<p>Low Flow Toilet Rebate Program</p>	<p>An ongoing successful program and one of the ACSA's oldest initiatives. With toilets accounting for 35% of residential water use, customers can receive up to \$100 per toilet (maximum of three for residential customers) when they replace an older, water-guzzling toilet with a new low-flow (1.6 gallons per flush or less) toilet.</p> <p>FY 2021: 141 TOILETS REPLACED \$14,100.00 ISSUED IN REBATES</p>
<p>Rain Barrel Program</p>	<p>Rainwater harvesting is an old concept in which a rain barrel or other device collects and stores rainwater from rooftops to be used for non-drinking purposes later. Run-off from an average roof can fill a 55-gallon rain barrel from just a ¼ inch rainfall. ACSA customers are eligible for rebates up to \$30 per rain barrel they purchase (maximum of two).</p> <p>FY 2021: 16 RAIN BARRELS INSTALLED \$480 ISSUED IN REBATES</p>
<p>Carwash Certification</p>	<p>As a joint venture with the City of Charlottesville, the Albemarle County Service Authority's Carwash Certification Program (CCP) aims to promote and recognize water efficiency in local businesses. To achieve certification, each carwash facility must meet certain criteria, particularly regarding the maximum amount of potable water used for each type of wash offered. For the facilities served by the ACSA, certification is also a requirement to remain in operation during any future drought restrictions.</p> <p>CURRENTLY <u>6 OUT OF THE 9</u> CARWASHES IN ALBEMARLE COUNTY PARTICIPATE IN THE CERTIFICATION PROGRAM</p>

Public Awareness Events

Rivanna RiverFest	<p>Started in 2019 as a community celebration of the Rivanna River, this annual festival is hosted by multiple groups (Rivanna Conservation Alliance, Rivanna River Company, City of Charlottesville, Albemarle County, Rivanna Water and Sewer Authority, Albemarle County Service Authority, The Nature Conservancy, and the Lewis & Clark Exploratory Center). In 2020, like so many other things, the RiverFest had to be cancelled. Even though things are still not quite back to normal, the festival was held this year, spread out in space and time, and included a range of activities such as canoe and kayak racing, a bird walk, and tours of storm water management projects.</p>
Imagine a Day Without Water	<p>A national campaign to educate communities about the value of water and the need for investment in its sustainability. Annually the ACSA, in partnership with the City of Charlottesville and RWSA, participates in various events such as the kick-off celebration and an art contest open to all City and County students grade K-12. In FY 2021, there were 224 artwork entries, which is almost double from last year. Due to the COVID-19 pandemic, there was no kick-off event or awards ceremony as in past years, and traditional as well as digital submissions were accepted.</p>
Conservation Table in ACSA Lobby	<p>As part of an ongoing effort to promote conservation to our customers daily, the ACSA has a conservation table on display in the lobby of the Operations Center. The table is maintained and replenished by the Administration team and includes items such as shower timers, toilet tank bags, aerators, and low-flow shower heads. There are also conservation-themed fun items for children such as coloring books and stickers. As of now, the Operations Center remains closed to the public due to the COVID-19 pandemic. However, conservation materials are still made available to customers upon request.</p>

AGENDA ITEM EXECUTIVE SUMMARY

CONSENT AGENDA

AGENDA TITLE: 2020-2022 ACSA Strategic Plan - Update	AGENDA DATE: January 20, 2022
STAFF CONTACT(S)/PREPARER: Gary O'Connell, Executive Director and Leadership Team 	ACTION: Informational
	ATTACHMENTS: Yes

BACKGROUND: The Board in July 2019 approved a new Strategic Plan for a three-year period through the end of 2022. We are well underway with the major items in the plan. A couple of the items are major projects for the ACSA: AMI, CMMS, and the ERP new financial system.

Most strategic plan processes stop to take a look at upcoming strategic issues and identify any strategic future oriented "gaps" that need to be addressed. The two main "gap" strategic areas addressed over the three-year period were the AMI project (advanced metering infrastructure) - customer water use data and leak notifications, and the CMMS/Cityworks project (computerized maintenance management system) – service requests, work orders, inventory and asset management. Both are major, multi-year efforts to successfully implement.

Strategic Plan areas are updated by using the green/yellow/red format to show status of items for which an update to the implementation plan is attached:

1. AMI – (advanced metering infrastructure) a detailed implementation plan has been developed; first phase testing of software and communications underway; second phase in the spring 2021 with 490 AMI meters installed and operational; next 500 meters early 2022; final 19,500 mid 2022.
2. CMMS/CityWorks – (computerized maintenance management system) A go live on the work order and inventory systems completed in October 2020; Billmaster implementation in process; customer portal for service requests is the final project.

Other areas to either complete or implement:

3. Succession Plan – Plan has been implemented with continuing mentoring initiatives with staff; COVID period has slowed this initiative down; part of annual evaluations.
4. Best Practices Review – Schedule virtual best practices utility visits; several visits held to review the AMI systems; COVID delayed actual field visits; HR Review; IT Assessment and Review; Safety Review and Inspection.

ALBEMARLE COUNTY SERVICE AUTHORITY**AGENDA ITEM EXECUTIVE SUMMARY****CONSENT AGENDA**

5. Emergency Response Plan – Completion of the Emergency Plan, presentation to the Board; training and checklists; EPA certification completed; tabletop emergency exercises.
6. Implemented New Financial System – Successful go live on Munis system January 1, 2022.
7. Implement IT Risk Assessment – In depth Cybersecurity Assessment fall 2021; implementation underway.
8. Operations Center Expansion Plan – Planning approvals underway to lead to construction; parking lot completed; interior renovations completed; Avon site plan under design with County Planning approvals; CIP project.
9. Managing/Utilizing Data – Explore strategic implementation plan to best manage for upcoming available data: GIS, Financial/ERP, SCADA, CMMS, AMI, Modeling, etc. Data Warehouse proposal FY '23 Budget.
10. Annual Water Audit – Initial Crozet and Scottsville Water Audits completed.
11. Energy Audit; CIP project; project underway for implementation.
12. Business Continuity Plan – Expanding on the emergency plan with a formal plan for business operations in times of crisis; during COVID we actually implemented “Business Continuity”, responsive and timely future project.
13. Annual “Market Rate” Recommendations for the annual budget to stay competitive within the local job market, and to reflect on the cost of living in the Albemarle area; proposals for FY '23 Budget; policy budget consideration and planning.
14. Review Pay Plan Study with recommendations of the ACSA Pay Plan for competitiveness and internal equity; study underway, delayed by COVID in 2021; completing early 2022 for proposal in FY '23 Budget.

The next update will occur in July 2022. In late 2022-23, we will need to update and look forward to a 2023-2025 ACSA Strategic Plan.

BOARD ACTION REQUESTED: Informational.

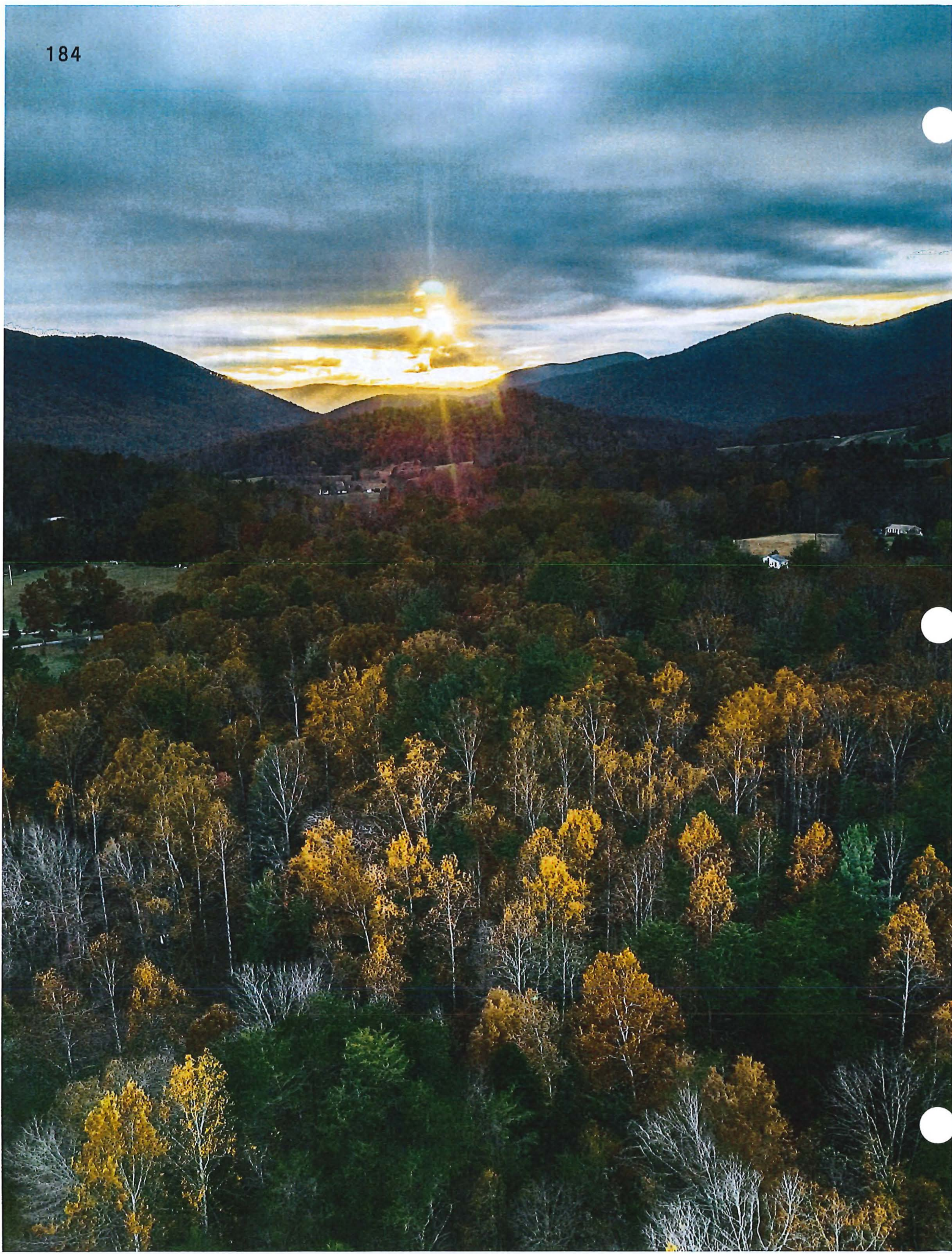
ATTACHMENTS:

- 2020-22 Strategic Plan;
- ACSA Strategic Planning List of Goals, Strategies and Implementation Tasks 2020-22; updated January 20, 2022.

2020 – 2022 Strategic Plan

**Serve & Conserve Today.
Sustain Tomorrow.
Protect Our Resources Forever.**

www.serviceauthority.org



Chair's Message



Clarence W. Roberts
Chair of the Board,
Albemarle County
Service Authority

The Albemarle County Service Authority (ACSA) is emerging into a period that offers vast opportunities and enormous challenges that will be difficult to navigate without careful planning and a clear vision for the future.

That vision is encapsulated in this 2020-2022 Strategic Plan, which will guide us into the future. The ACSA's Board of Directors and Management Team collaborated to assess key industry trends and gaps in service to identify the critical factors important to ACSA's long-term success.

We have a strong course of action with clear goals and objectives. The detailed steps for implementation and monitoring will guide ACSA's progress for years to come.

I look forward to working with the Board and our Management Team to ensure ACSA reaches its full potential on behalf of our customers.

Executive Director's Message



Gary O'Connell
Executive Director,
Albemarle County
Service Authority

It has been a great pleasure to work with the Board of Directors and ACSA staff to examine our organizational goals and set a strategic direction that will ensure we remain accountable to our customers and meet the challenges that lie ahead, which range from meeting federal mandates to repairing our aging infrastructure and replacing a maturing, knowledgeable workforce. One goal has never changed: providing safe, clean, reliable Albemarle water.

This 2020-2022 Strategic Plan is a blueprint for excellence in customer service, technology, and environmental sustainability. The services we provide are vital to every person, business, and community in Albemarle County. We will use this plan as a clear roadmap for efficient and effective performance; financial responsibility; outreach and leadership; and high-quality water.

We look forward to the actions we will take, and the impacts we will have, in making sure that every dollar invested in us by our customers goes farther, as we improve our services to them and the rest of our community.

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The Albemarle County Service Authority (ACSA) distributes treated water and collects sewage for treatment, while maintaining, expanding, and replacing the infrastructure within the service area. We were created by the County Board of Supervisors in 1964 with the Crozet community as its sole customer.

In the 1960s the South Rivanna Dam was constructed and several subdivisions were developed throughout the County, such as Carrsbrook, Woodbrook, Westmoreland, Northfields, Berkeley, Hessian Hills, Montvue, Colthurst, Flordon and West Leigh.

Who We Are

In the late 1960s and early 1970s, these systems were acquired by the County for the ACSA, and the County purchased water from the City of Charlottesville supply to provide all these areas with public water, and eliminate their well systems. In 1973, the Rivanna Water and Sewer Authority (RWSA) was formed and became the wholesale provider of water and wastewater treatment for the City and ACSA.

The ACSA, now more than 50 years later, provides water distribution and wastewater collection services to more than 20,000 customers. The community enjoys water drawn from a protected watershed contained almost entirely within the County's borders.

We maintain close to 350 miles of water lines and nearly 300 miles of sewer mains, including those serving the urban areas of Albemarle County, and nearby communities of Scottsville and Crozet.



Our Vision

Serve and conserve today, sustain tomorrow, and protect our resources forever.

Our Mission

With pride and dedication, we serve our customers by providing clean, safe, and reliable water, exemplary wastewater services, and fire protection infrastructure.

Together with our community partners, we maintain and improve our infrastructure in a timely, cooperative, and financially responsible manner.

Our Values


The ACSA is committed to providing the highest quality customer service that:

A – ALIGNS to our values of honesty, trust, integrity, mutual respect, open communication, and employee empowerment.

C – COMMITS to our community through responsiveness and collaboration. We actively promote conservation and environmental stewardship.

S – STRIVES for professional excellence by maintaining consistent and fair policies across the organization, and encouraging pride and dedication to ensure a healthy working environment.

A – ASPIRES to practice strategic foresight and fiscal responsibility while embracing innovation.



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2020 – 2022 Strategic Plan: Our Planning Process



With the successful completion of the Albemarle County Service Authority's 2013-2018 Strategic Plan, the leadership of the ACSA set their sights on proposing and implementing a new, three-year Strategic Plan for 2020 through 2022. The plan is specifically focused on major projects that will move us forward and lay the groundwork for a successful decade and beyond.

Most strategic plan processes review a utility's strategic issues and identify gaps so they can be addressed. For the ACSA, we have identified such areas that we believe can be attended to within the three-year timespan of the plan, and advance us forward for the future. They are our Advanced Metering Infrastructure - AMI for short - and a new Computerized Maintenance Management System, or CMMS.

Before we discuss these initiatives in greater detail, we at the ACSA wanted to detail how we came to determine that these two projects, along with several other topics to tackle, which would serve as the heart of our plan.

The ACSA developed our 2020-2022 Strategic Plan using the following utility best practices to help identify gaps in our services:

UTILITY BENCHMARKING:

The ACSA was one of 129 nationwide utility participants in the 2017 American Water Works Association's (AWWA) Utility Benchmarking Program. AWWA leads the water industry as the largest nonprofit scientific and educational association in the world. It is dedicated to helping its more than 4,000 utility members with the management and treatment of their water and wastewater.



Our Planning Process

The utility benchmarking program provided the ACSA with a holistic view of the organization. We are proud to tell you we ranked high in strategic planning and strategic plan implementation; long-term financial planning; risk management (emergency planning); governing body transparency and accountability; drought response/water shortage contingency plan; source water protection plan; and leadership effectiveness.

Some areas for improvement were found and they included our current CMMS platform and our customer involvement program, both of which are addressed in the AMI and CMMS projects.

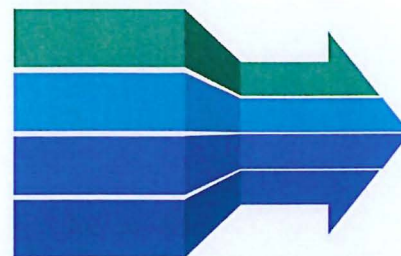
EFFECTIVE UTILITY MANAGEMENT (EUM):

The ACSA staff used the Effective Utility Management (EUM) ranking process to look at current management areas and rank criteria for current or expected challenges. EUM is a nationally recognized strategic planning tool used by U.S. EPA, AWWA, the Water Environment Federation and other top water organizations to use as an organizational self-assessment.

EUM focuses on ten key management dimensions, including 1) water resource and supply adequacy; 2) water quality – clean and safe water; (3) customer satisfaction; (4) community sustainability and economic development; (5) employee and leadership development; (6) financial viability; (7) operational optimization; (8) infrastructure stability; (9) operational resiliency – vulnerability assessment; and (10) community and customer stakeholder understanding and support.

BEST PRACTICES REVIEW PANEL:

Three experienced utility managers from outside of the ACSA spent two days reviewing the utility. The panel highly rated the ACSA in a number of management areas. They identified two areas for the ACSA to strategically address: Advanced Metering Infrastructure and Computerized Maintenance Management.



Our Planning Process

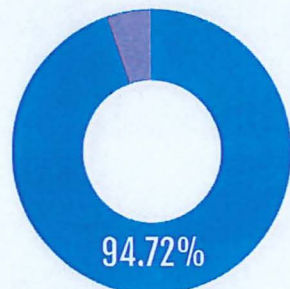
ACSA CUSTOMER SURVEY:

ACSA staff developed a survey for our customers to gain their feedback and input to inform our strategic planning process. Nearly 1,200 customers responded and we are pleased to report the results showed a high level of customer satisfaction. When it came to overall satisfaction with the ACSA, 94.72% of our customers approved of how we conduct ourselves.

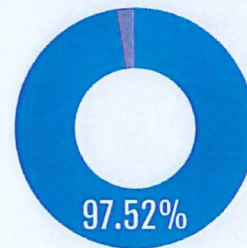
There is always more to improve and our customers did express a strong desire to receive water leak notifications, as well as wanting a new customer portal to manage their accounts. These asks are components of the AMI project.



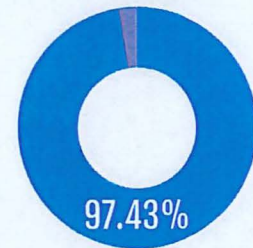
2019 Customer Survey Results (% Satisfied)



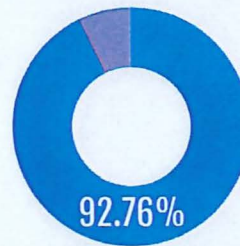
Overall Satisfaction



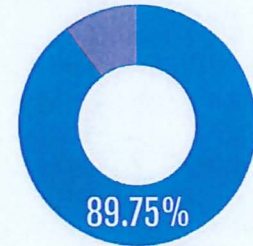
Customer Service Satisfaction



Water Information



Water Quality



Water Rates

EMPLOYEE INPUT:

To inform the 2020-2022 Strategic Plan from the employee point-of-view, the ACSA used an extensive employee survey and a series of staff meetings to gain their knowledgeable feedback.

The results mirrored the AWWA's findings. While our employees rated the utility high in a number of areas, they honestly expressed concerns in the areas of AMI and CMMS. We also reviewed the ACSA's present Vision and Values statements.





2020 – 2022 Strategic Plan:
Major Initiatives

Major Initiatives

Advanced Metering Infrastructure (AMI)

The first of the ACSA's two major projects under the 2020-2022 Strategic Plan is the implementation of advanced metering infrastructure (AMI) throughout our water system.

Advanced metering infrastructure (AMI) is an integrated system of technologically advanced water meters, communications networks, and data management systems that enables enhanced two-way communication between utilities and their customers. This upgrades the customer experience, supports green initiatives, adds efficiencies, and provides strategic information for utility decision-making.

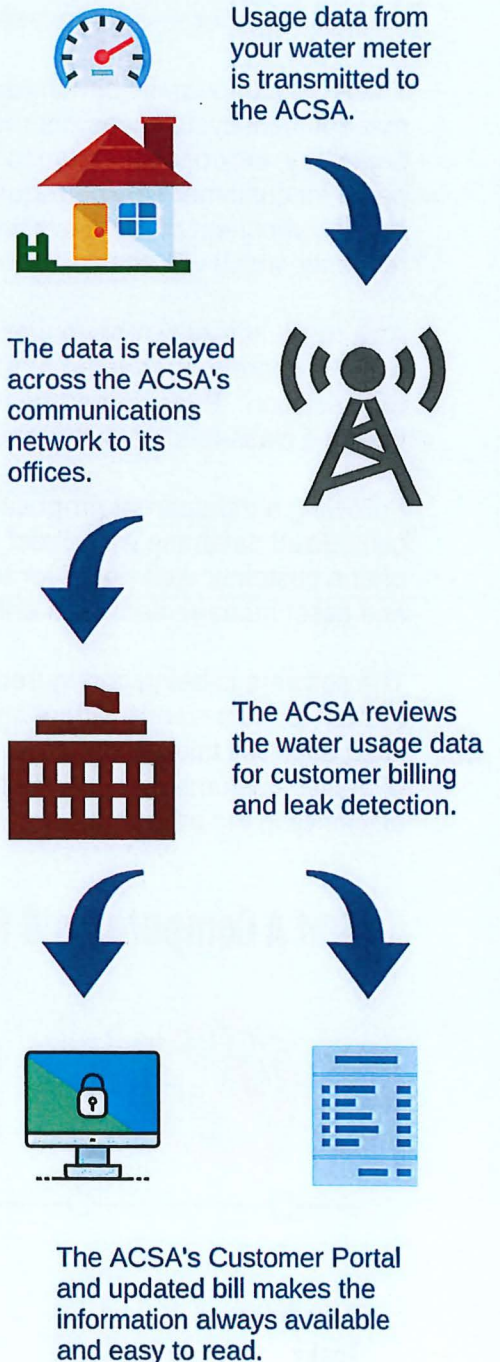
With AMI, customers can gain 24/7 access to their water usage through a web portal accessible through their computer or smartphone and choose to receive text or email alerts about leaks or unusual usage. AMI also improves communication between customers and billing staff; both can look at the same real-time data while discussing accounts.

A major benefit of implementing AMI is the reduction of water wastage. Customers are provided with a more accurate picture of their water use, enabling them to adjust it as desired. Both the ACSA and our customers can check their usage more often, allowing leaks to be found in minutes, enabling repairs to take place before volumes of water are wasted and large bills are received.

The ACSA gains a major operational advantage with AMI: the increased ability to monitor water usage remotely without the expense of sending meter readers into the field, saving energy costs and reducing employee risk. To properly evaluate our enlistment of AMI, the ACSA conducted a feasibility study to ensure an investment in AMI would provide us with our desired outcomes. The report detailed how AMI would positively impact: customer service; the availability and usability of information; engineering and revenue analytics; automation and systems integration; and the billing process.

Following the feasibility report, the ACSA's Board approved a recommended approach and deployment timeline in line with the Strategic Plan. The process will enable the ACSA to fully maximize its use of the new technology.

How AMI Works



Major Initiatives

Computerized Maintenance Management System (CMMS)

Computerized Maintenance Management Systems (CMMS) enable utilities to schedule, track, and monitor maintenance activities to provide cost, inventory, personnel, and reporting history. It will improve the overall efficiency of utility operations and will apply the latest technologies toward streamlining operational processes.

The ACSA, through its benchmarking work with AWWA, determined that its current maintenance management system was not meeting the long-term needs of the utility. Its reliance on manual data entry, lack of connection to our Geographic Information System (GIS), and lack of a web portal for customer service requests impose a time-consuming and inefficient system on our staff. A key component of the new CMMS will be its near-real-time updating of customer service requests, which will enable us to better track their progress through to the completion of the work.

As a result, the ACSA began moving towards the acquisition of a successful CMMS solution. The ACSA's board appropriated funds to enable staff to move forward with the procurement of a utility-wide solution. Every department from within the ACSA was represented on a team focused on finding a class-leading software solution and enabling its proper implementation.

Following a transparent proposal process, Cityworks was selected because it provides a centralized database with direct integration with the ACSA's GIS system. The new system will offer a customer web portal for the 24/7 creation of customer service requests; improved inventory and asset management; and enhanced tracking of work orders and asset inspections.

The software is being configured to help seamlessly transfer our business processes from the old system to the new one, adapting them to take full advantage of the new CMMS system. The integration will take place under the 2020-2022 Strategic Plan. The end result of this effort? Improved customer service. Improved tracking and usage of the ACSA's assets. Improved efficiency in the performance of our duties.

What A Computerized Maintenance Management System (CMMS) Does:



Additional Areas of Focus

The 2019-2022 Strategic Plan will not just direct attention to the AMI and CMMS projects, but it will also aim to address multiple goals that will set the utility on a positive course for the future.

Among the added areas of focus under the plan are the following:

Succession Planning: Utilities across the country are facing the impacts of an aging workforce and loss of institutional knowledge. The ACSA will continue its succession planning efforts, using mentoring and professional development initiatives to prepare the ACSA for future waves of managerial retirement.

Best Practice Inclusion: The ACSA will continue striving to learn from the best in the water utility business, scheduling best practices utility visits to engage with leaders from other jurisdictions.

Emergency Response Plan: Under the America's Water Infrastructure Act, the ACSA will complete training and checklists and our emergency preparedness to avoid water disruptions to our customers, building on our goal to be a highly reliable water provider. We will also incorporate a formal business continuity plan for operations in times of crisis, adding to system reliability.

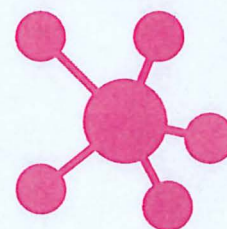
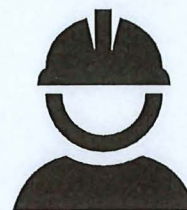
Improved Data Management and Utilization: The ACSA will explore the creation of a strategic implementation plan to best manage for upcoming data: GIS, Financial, SCADA, CMMS, AMI, and System Modeling. We'll also implement an updated financial system.

Implementation of IT Risk Assessment: The ACSA is taking a proactive approach to cybersecurity, implementing measures to further protect our computer/IT assets and data.

Facility Master Planning: A long-term plan to ensure the ACSA can and will grow to meet the operational requirements to provide high-quality customer service.

Water and Energy Audits: The ACSA will incorporate utility best practices to reduce water loss using tools to identify water leaks throughout our system. The first audit is scheduled for 2020 and is expected to be carried out on an annual basis. The ACSA will also research and establish an energy efficiency initiative.

Employee Pay Plans: The ACSA, in addition to its succession planning, will conduct annual, "market rate" recommendations to stay competitive as an employer in our area. We will emphasize competitiveness and internal equity in an effort to keep top performers working on behalf of our customers to provide the best service possible.



The ACSA So Far

20,252 Customer Accounts

75,373 Residents Served

1.7 BILLION Gallons Sold (2019)

50.4 Square Miles Covered

353 Miles of Water Mains

298 Miles of Sewer Mains

2,747 Fire Hydrants

10,250 Valves Maintained

9,153 Sewer Manholes

21 Pumping Stations

8 Water Tanks

ACSA Board & Staff

Board of Directors

Chair: Clarence Roberts, Rivanna District
Vice Chair: Jennifer Sulzberger, Samuel Miller District
 Richard Armstrong, Scottsville District
 Bill Kittrell, White Hall District
 Kimberly Swanson, Rio District
 Charles Tolbert, Jack Jouett District

Legal Counsel: James M. Bowling, IV
Executive Director: Gary O'Connell



Staff



Albemarle County Service Authority

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ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

Strategy	Implementation Task	Completion Status	Metric	Task Leader & Staff	Project Completion Status
1. AMI – Advanced Metering	a. Present a final recommendation for ACSA Board approval to execute a contract for AMI deployment	Board approved contract; final contract being signed, and project scheduling being finalized.	Executed contract.	Quin Lunsford	✓
	b. Develop and execute an “Alpha” Proof of Concept (POC) phase; first phase.	First phase of project. Equipment on order; software and communications testing complete early fall. Two collectors (antennas) and 13 endpoints (meters) installed and tested, POC to be finalized in January 2021.	Successful installation and training of a limited number of collectors, repeaters, and endpoints in a controlled environment; the AMI headend software; and the integration of meter data from the AMI headend to the meter data management system (MDMS). The intent of this phase is to prove out basic network connectivity and system functionality.	Quin Lunsford	✓
	c. Develop and execute a “Beta” POC phase; second phase.	490 meters; successfully deployed April 2021.	Successful installation and testing of all collectors/repeaters and backhaul infrastructure, field deployment of Beta endpoints, and the balance of system interfaces representing basic functionality, including integration with the ACSA’s billing system.	Quin Lunsford	✓
	d. Develop and execute Full Deployment; third phase.	Next phase of approximately 500 meters/communication devices to be deployed in spring 2022; final phase for the remaining 19,500 installation in mid-2022; global chip shortage delays in meter delivery	Successful installation of remaining meters and endpoints.	Quin Lunsford	●
	e. Develop and deploy a comprehensive customer communication program outlining enhanced functionality the AMI system provides.	In development for each phase; initial MyWater program announcement in July 2020 customer newsletter. “Frequently Asked Questions (FAQ)” for deployment prepared and finalized. Letters and postcards developed and finalized. Provided to customers in first phase and awaiting full deployment for future mailing. Door hangers developed and finalized for post installation communication.	Communication with our customers via mailer, electronic, and by other means as appropriate outlining: the Customer Portal, leak identification, and enhanced payment options.	Quin Lunsford	●
	f. Design a training program for field and office staff to support hardware and software associated with the project.	Hands on workshop for ACSA meter technicians held in November 2020. Additional meetings/trainings completed January 2021 and May 2021. Comprehensive Business Process Review ongoing to ensure we leverage information, staff to the extent possible.	All staff is able to execute job responsibilities at a high level.	Quin Lunsford	●

Adopted: July 18, 2019
Updated January 20, 2022
Page 1


ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

<i>Strategy</i>	<i>Implementation Task</i>	<i>Completion Status</i>	<i>Metric</i>	<i>Task Leader</i>	<i>Project Completion Status</i>
2. CityWorks/CMMS	a. CityWorks Initial Install	Completed installation.	CityWorks software installed on servers.	April Walker and Justin Ray	✓
	b. Develop System Design	Completed system design and configuration plan on June 11, 2019.	Completion of System Design & Configuration Plan.	April Walker and Justin Ray	✓
	c. System Implementation	Workflow development and system implementation complete except for the Billmaster integration. Final testing by Finance staff on the Billmaster integration is underway.	Work orders, service request, integrations, and reports developed and configured.	April Walker and Justin Ray	●
	d. Staff Training	Staff has been trained on everything. Additional training will occur with the Billmaster integration go-live.	Staff trained on how to use CityWorks.	April Walker and Justin Ray	✓
	e. System Acceptance & Go-Live	The majority of the Cityworks project has gone live and is in use across the ACSA. The Billmaster integration for meter workflows is still underway	System configuration accepted and staff begins to use the system daily.	April Walker and Justin Ray	●
	f. Customer Online Service Requests	The customer facing portal will go live when the Billmaster integration goes live.		April Walker and Justin Ray	●
	g. Review and improve annually	Management Reports have been completed and additional reports are created as requested. Dashboards will be developed in 2022.	List of improvements to implement.	April Walker and Justin Ray	✓

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

Strategy	Implementation Task	Completion Status	Metric	Task Leader	Project Completion Status
3. Succession Plans	a. Review current Succession Plan and make edits as needed.	Annual, ongoing activity.	Receive feedback from staff on current plan.	Emily Niziolek	<div></div>
	b. Identify potential retirement schedule and impact on ACSA.		Review list of retirement schedule.	Emily Niziolek	<div></div>
	c. Develop and retain target position talent pool.		Develop and train talent pool.	Emily Niziolek	<div></div>
	d. Review Succession Plan annually.	Delayed by COVID; reviewed with June evaluations.	Ensure the ACSA is utilizing the Succession Plan.	Emily Niziolek	<div></div>

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

<i>Strategy</i>	<i>Implementation Task</i>	<i>Completion Status</i>	<i>Metric</i>	<i>Task Leader</i>	<i>Project Completion Status</i>
4. Best Practices Review	a. Visits to other utilities	AMI visits to two utilities; Best Practices visits summer 2021, to identify teams to visit; delayed by COVID. AMI visits postponed until we advance further with the project. Berkeley Group HR Review; HR Review completed. IT Review and Assessment summer 2021; Data Management virtual tours with Santa Rosa, California and Opelika, Alabama. Virginia Occupational Safety and Health (VOSH) mock inspection conducted May 26, 2021. Mock Inspection and take away items completed.		Lead Team	

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

Strategy	Implementation Task	Completion Status	Metric	Task Leader	Project Completion Status
5. Emergency Response Plan	a. Review Emergency Response Plan (ERP) and make edits as needed.	This a continual process.	Review and make edits	Michael Lynn	✓
	b. Tabletop exercises (internal).	A tabletop exercise was conducted on November 2, 2021, with a second tabletop exercise to occur in early 2022.	Plan at least two exercises per year.	Michael Lynn	●
	c. Tabletop exercises with City, RWSA and Emergency Manager.	A tabletop exercise was planned with Maribel Street, VDEM and Blue Ridge Health District, but was cancelled due to COVID.	Plan at least one exercise per year.	Michael Lynn and Engineering	●
	d. Checklists training.	Have conducted three checklist training exercises since October.	Try to do one checklist per month starting fall 2021.	Michael Lynn	●
	e. Develop a tank and facilities weekly inspection form.	An inspection form has been completed and placed on SharePoint.	Stations weekly and tanks monthly security checklists.	Billy Defibaugh	●
	f. AWIA Certification.	Vulnerability Assessment (VA) Certification by December 31, 2020; Emergency Response Plan (ERP) Certification by June 30, 2021.	Completed VA 12/1/20; ERP 5/1/21.	Gary O'Connell	✓

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

<i>Strategy</i>	<i>Implementation Task</i>	<i>Completion Status</i>	<i>Metric</i>	<i>Task Leader</i>	<i>Project Completion Status</i>
6. Implement New Financial System	a. Procure consulting services related to an ERP system replacement.	Scope of services developed; contract to procure services completed.	Executed contract with GFOA consultants.	Quin Lunsford	✓
	b. ERP consulting engagement to analyze business process, provide business case recommendations, develop RFP for ERP solution, support in selecting the most highly rated ERP, and contract negotiations.	Next steps in the ERP process scheduled to be developed by late summer.	Develop a map of all business processes and begin discussions related to improvement opportunities.	Quin Lunsford	✓
		Business Process Review completed.	Conduct an analysis to benchmark existing processes against recognized public sector best practices and develop process recommendations for improvement.	Quin Lunsford	✓
		Future Business Process review with system needs development.	Identify potential changes to the business processes identified above based on best practices ERP functionality and how these features are best utilized in other public sector organizations.	Quin Lunsford	✓
		Scope of RFP (Request for Proposals) developed and RFP advertised. Highest rated proposals evaluated by ACSA committee and interviewed.	Prepare an overall procurement strategy to define the scope of the software RFP and a specific plan for moving forward into the procurement process.	Quin Lunsford	✓
		Selection of highest rated proposer completed in early 2021 for final selection and contracting.	System selection and contract negotiations with selected vendor, resulting in an executed contract for full ERP.	Quin Lunsford	✓
	c. Install and begin implementation.	FY 2021, ongoing. Completed 12/31/21.	Operable system installed, with multiple testing environments to ensure agreed upon functionality.	Quin Lunsford	✓
	d. Complete system implementation and integration with other ACSA information systems (billing, CMMS, etc.).	Complete by early 2022. Live 1/1/22.	Reliable operation of newly implemented system with verifiable information output.	Quin Lunsford	●






ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

Strategy	Implementation Task	Completion Status	Metric	Task Leader	Project Completion Status
7. Implement IT Risk Assessment Action Plan	a. Network Redundancy	Report to Board December 19, 2019; action plan being implemented; completed.	All major network components have redundancy and a formalized replacement plan.	April Walker	✓
	b. Physical Access Security Improvements	Completed.	Physical access policies created, and additional physical security measures implemented.	April Walker	✓
	c. Secure Data Access	Completed.	Formal vendor access policies and procedures created.	April Walker	✓
	d. Phone System Redundancy	Completed.	Failover phone system implemented and tested.	April Walker	✓
	e. IT Security Assessment Update/Review	Revisit all aspects of ACSA Cybersecurity including third-party vendors and RWSA.	Recommendations and implementation.	April Walker	●







ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

Strategy	Implementation Task	Completion Status	Metric	Task Leader	Project Completion Status
8. Operations Center Expansion Plan	a. Develop a Master Plan for Operations Center Expansion with Term Contract Consultant.	Completed.	Final Master Plan Report is complete.	Pete Gorham and Alex Morrison	✓
	b. Design and construct Phase 1 of the Operations Center Expansion Plan.	Completed.	Construction of Operations Center Expansion Phase 1 is complete.	Pete Gorham and Alex Morrison	✓
	c. Design and construct the Avon Street Maintenance Yard.	Initial site plan has been submitted to Albemarle County. Estimated construction completion FY 2024.	Construction of Avon Street Maintenance Yard Phase 1 is complete.	Pete Gorham and Alex Morrison	●

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

Strategy	Implementation Task	Completion Status	Metric	Task Leader	Project Completion Status
9. Managing and Utilizing Data	a. Identify critical data and information.	Future project; post AMI/CMMS/Financial System completion; IT consultant will assist in developing a data management strategy and security compliance.	Detailed list of critical data and information.	Quin Lunsford and April Walker	
	b. Develop comprehensive understanding of how data and information is collected.		Detailed recovery strategies for all critical business processes documented.	Quin Lunsford and April Walker	
	c. Develop Business Continuity Plan (BCP)	Part of the Emergency Response Plan.	Business Continuity Plan (BCP) created.	Quin Lunsford and April Walker	
	d. Test and train.		Training/testing exercises developed and performed.	Quin Lunsford and April Walker	
	e. Develop recovery strategies for recovering critical business processes.		Identify and implement.	Quin Lunsford and April Walker	

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

Strategy	Implementation Task	Completion Status	Metric	Task Leader	Project Completion Status
10. Water Audit - Annual	a. Conduct Water Audit of Crozet Water System when 12 full months of data is available for the finished water meter at the RWSA Crozet Water Pump Station.	Completed.	Initial Water Audit of Crozet Water System is completed.	Jeremy Lynn	
	b. Conduct Water Audit of Urban Water System when 12 full months of data is available for the RWSA Wholesale Water Meters.	Offer from the City to meet with their consultant that is tasked with conducting their water audit. Potential for a coordinated effort given our interconnections. Wholesale metering should help to assign non-revenue water to each entity. Meeting postponed due to COVID-19. This tasks status remains unchanged until we can meet with the City and their consultant.	Initial Water Audit of Urban Water System is completed.	Jeremy Lynn	
	c. Conduct Water Audit of Scottsville Water System when 12 full months of data is available.	Completed.	Initial Water Audit of Scottsville Water System is completed.	Jeremy Lynn	
	d. Establish Water Audit working group with representation from multiple departments to identify sources of non-revenue water (NRW) and quantify real losses and apparent losses.	Water Audit Working Group is meeting every other month with two meetings held to date. Members are discussing methods for improving the accuracy of tracking NRW and identifying other sources of Apparent Losses that could be tagged as "authorized" so we can account for them in the Water Balance Sheets.	Working group is formed with representatives from Engineering , Maintenance, Finance and IT. A Water Balance Sheet is completed for each Water Audit. Develop cost-effective NRW reduction strategies.	Pete Gorham	
	e. Obtain validation per AWWA standards for Water Audits of each water system.	This task may no longer apply, as I do not believe AWWA validates utility water audits anymore.	Water Audits are validated for Crozet, Scottsville, and Urban Water Systems.	Pete Gorham	
	f. Conduct annual Water Audit for each water system.	Both the Crozet and Scottsville Water Systems can be scheduled for annual water audits.	Annual Water Audit schedule is maintained for each water system.	Jeremy Lynn	

Project Completion Status:



Not Started



Behind Schedule or an Upcoming Project



In Progress







Completed or Continuing Strategies

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

Strategy	Implementation Task	Completion Status	Metric	Task Leader	Project Completion Status
11. Energy Audit	a. Issue a RFP to one of our Term Contract Consultants to conduct facility-wide Energy Audit.	Completed.	Proposal is approved and funding is appropriated.	Alex Morrison and Pete Gorham	✓
	b. Energy Audit is conducted for the Operations Center and all pump stations to evaluate current energy consumption and identify how systems or procedures might be altered to improve energy conservation.	The additional task of investigating the impact of an electric vehicle fleet was added to Ramboll's audit. Draft report is anticipated April 2022.	Final Report with recommendations is received and approved.	Alex Morrison and Pete Gorham	●
	c. Develop scope of work and preliminary cost estimate for each CIP project identified by final Energy Audit Report.	Preliminary discussions held with Ramboll about some energy conservation measures. Awaiting final approved report to identify future CIP projects.	All projects recommended are added to the CIP.	Alex Morrison and Pete Gorham	●
	d. Issue RFP for the design of each CIP project recommended.		Project design is completed for each CIP project and is ready to bid.	Alex Morrison and Pete Gorham	●
	e. Construct and institute all energy conservation measures for Operations Center and pump stations.		Construction and implementation of all energy conservation measures is complete.	Alex Morrison and Pete Gorham	●

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

<i>Strategy</i>	<i>Implementation Task</i>	<i>Completion Status</i>	<i>Metric</i>	<i>Task Leader</i>	<i>Project Completion Status</i>
12. Business Continuity Plan	a. Identify critical business processes.	COVID Response Plan quickly implemented in early stages of pandemic.	Detailed list of critical business processes created.	Quin Lunsford and April Walker	
	b. Develop recovery strategies for recovering critical business processes.	IT consultant will assist in developing a Business Recovery Plan post deployment of AMI/CMMS and ERP.	Detailed recovery strategies created for all critical business processes documented.	Quin Lunsford and April Walker	
	c. Develop Business Continuity Plan (BCP)		Business Continuity Plan created.	Quin Lunsford and April Walker	
	d. Test and Train		Training/testing exercises developed and performed.	Quin Lunsford and April Walker	

Project Completion Status:



Not Started



Behind Schedule or an Upcoming Project






In Progress









Completed or Continuing Strategies

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

Strategy	Implementation Task	Completion Status	Metric	Task Leader	Project Completion Status
13. Annual Market Rate Recommendations	a. Develop formal policy on annual market rate adjustment.	Market Rate adjustment proposed and approved in FY 22 Budget; new Pay Plan Study will address a future proposal. Update from Salary Study expected by the end of January 2022.	Conduct an analysis to identify best practice factors on market adjustments.	Emily Niziolek	
	b. Present policy to Board for approval.		Final policy shared with Board.	Emily Niziolek	
	c. Review and have Board approve annually.		Board approval every June with Budget.	Emily Niziolek	

ACSA Strategic Planning
List of Goals, Strategies, and Implementation Tasks
2020-2022

<i>Strategy</i>	<i>Implementation Task</i>	<i>Completion Status</i>	<i>Metric</i>	<i>Task Leader</i>	<i>Project Completion Status</i>
14. Review Pay Plan and Personnel Management Plan – Study with recommendations	a. Review all ACSA job descriptions and update as needed.	Completed. All ACSA job descriptions have been reviewed and updated.	Review and update.	Emily Niziolek	
	b. Procure consulting services related to Compensation and Classification Plan.	Propose in FY 2022 Budget, scope for work; delayed by COVID related budget reductions.	Executed contract with consultant .	Emily Niziolek	
	c. Consultant to review current Compensation Plan and provide recommendations.	Schedule to be developed. Compensation Study underway; expected to have recommendations for FY 23 Budget.	Final report with recommendations.	Emily Niziolek	
	d. Implement consultant recommendations.	Recommendations planned to be part of FY 23 Budget.	Review changes with Employees and Board.	Emily Niziolek	
	e. Update Personnel Management Plan	Completed.	Board approved June 17, 2021.	Emily Niziolek	
	f. Employee Handbook	Develop draft for review by October 1, 2022.	Finalize to employees.	Emily Niziolek	

AGENDA ITEM EXECUTIVE SUMMARY

AGENDA TITLE: Revision of Sections 8, 13, 16, 17 and 19 of the ACSA Rules and Regulations

STAFF CONTACT(S)/PREPARER:
Peter C. Gorham, P.E., Director of Engineering

AGENDA DATE: January 20, 2022

ACTION: ☐ **INFORMATION:** ☐

ATTACHMENTS: YES

BACKGROUND: Over the last several months ACSA staff identified several sections of the ACSA Rules and Regulations that required some modification to align them with our current operating procedures. Staff also recognized the need to address some minor policy changes to assist staff in the management of the Hydrant Meter Program and the Exclusion Meter Abandonment CIP project. Additionally, Section 8 – Cross-Connection Control and Backflow Prevention, and Section 9 – Fats, Oils and Grease govern two complex programs that deserved a thorough review that had not been undertaken since their addition to the Rules and Regulation several years ago.

Most of the edits to the Rules and Regulations concern housekeeping to maintain consistent language and improve the flow, as well as the meaning of the text. The individual sections are listed below with a summary of the changes to be incorporated:

Section 8 - Cross-Connection Control and Backflow Prevention

- Replace the term “device” with “assembly” to conform with standard industry language that states assemblies are testable and devices are not.
- Reduce the amount of long, repetitive phrases.
- Remove references to “moderate” hazards as the industry only delineates between low or high hazards.
- Incorporate language recognizing the Department of Professional and Occupational Regulation (DPOR) as the sole certification allowed for any backflow prevention assembly testers within the Commonwealth of Virginia. This has been our practice for the last several years.
- Establish a formal review of the Cross-Connection Control and Backflow Prevention Program every five (5) years.
- Added an explanation of why the reference to an “irrigation exclusion meter” remains in this section of the Rules and Regulations when the ACSA has established a program to convert these privately owned meters to ACSA owned auxiliary meters or abandon them in circumstances where the irrigation system is longer utilized.

ALBEMARLE COUNTY SERVICE AUTHORITY**AGENDA ITEM EXECUTIVE SUMMARY****Section 13 – Miscellaneous Service Charges**

- Added the confiscation of a hydrant meter to the list of actions that will incur a Meter Tampering Fee.

Section 16 – Emergency Water Restrictions

- Added an explanation of why the reference to an “irrigation exclusion meter” remains in this section of the Rules and Regulations when the ACSA has established a program to convert these privately owned meters to ACSA owned auxiliary meters or abandon them in circumstances where the irrigation system is longer utilized.

Section 17 – Irrigation Systems

- Defines irrigation exclusion meters and describes the ACSA program to convert these privately owned meters to auxiliary meters or abandon them for customers who no longer desire to maintain an irrigation system.
- Establishes the policy that upon notification in writing to customers who do not allow the conversion or abandonment of their irrigation exclusion meters, the ACSA will suspend adjustments to their wastewater volume charge on their monthly bill.
- Provided a separate sub-paragraph entitled *Violations* as it covers all violations, not just those related to rain sensors.

Section 19 – Fats, Oils and Grease

- Adds clarification to the list of potential exemptions to obtaining a FOG permit and installation/maintenance of FOG reduction devices.
- Includes grease interceptors made of polyethylene or polypropylene as acceptable FOG reduction devices along with the associated production standards.
- Expands the certification of labs to test wastewater to include those with a national accreditation.
- Removes the financial responsibility for wastewater testing from the Food Service Establishment (FSE).

DISCUSSION:

- Brings the ACSA into conformance with the accepted industry language recognized by the national American Backflow Prevention Association (ABPA).
- Aligns the language of the Rules and Regulations governing our Cross-Connection Control and Backflow Prevention Program with our established practices developed over the years.
- Allows the ACSA to recover the cost of confiscating and tracking down the lessee and provides incentive to users of hydrant meters to adhere to the requirements of the Hydrant Meter Agreement.

AGENDA ITEM EXECUTIVE SUMMARY

- Allows the enforcement of restrictions during a Drought/Water Emergency Warning for irrigation exclusion meters that may still exist in our water system due to a refusal of the customer to allow the conversion to an auxiliary meter or abandonment.
- Acknowledges the long-standing irrigation exclusion meter policy allowed by the ACSA and describes the program created to eliminate them to ensure more direct control by the ACSA of the use of public water for irrigation in the declaration of a Drought/Water Emergency Warning.
- Provides an incentive to customers to allow the conversion or abandonment of irrigation exclusion meters.
- Aligns the language of the Rules and Regulations governing FOG with our established practices developed over the years.

BUDGET IMPACT: None.

RECOMMENDATIONS: Approve changes to Sections 8, 13, 16, 17, and 19 of the ACSA Rules and Regulations to facilitate the ACSA staff's daily responsibility to safeguard our water system and protect our wastewater collection system.

BOARD ACTION REQUESTED: Pass a resolution amending Section 8 – Cross-Connection Control and Backflow Prevention, Section 13 – Miscellaneous Service Charges, Section 16 – Emergency Water Restrictions, Section 17 – Irrigation Systems, and Section 19 – Fats, Oils and Grease, of the Rules & Regulations.

ATTACHMENTS:

- Resolution amending the Rules & Regulations to adopt the changes to Section 8 - Cross-Connection Control and Backflow Prevention, Section 13 – Miscellaneous Service Charges, Section 16 – Emergency Water Restrictions, Section 17 – Irrigation Systems, and Section 19 – Fats, Oils and Grease.

BE IT RESOLVED by the Board of Directors of the Albemarle County Service Authority that the Rules and Regulations are to be amended and re-enacted, effective July 1, 2015 as follows:

SECTION 8 – CROSS-CONNECTION CONTROL AND BACKFLOW PREVENTION [Revised 10/15/2009, 03/17/2011, 5/16/2013, 7/11/15]

8-01. INTRODUCTION.

Protection of the quality of drinking water that the Albemarle County Service Authority (ACSA) provides to each of its customers is of paramount importance. Contamination or pollution of the water can potentially result from the physical connection that exists between the ACSA potable water distribution system and the private water supply system of each of its customers. Further, various cross-connections within customers' private systems are possible due to the numerous uses of the potable water. As a result of this potential contamination, and due to the common physical forces of backpressure and **back siphonage**, intense focus on the prevention of cross-connections and backflow is critical to maintain water quality.

8-02. PURPOSE.

This Section is adopted for the following purposes:

1. To comply with the requirements of Part II, Article 4 (Section 12 VAC 5-590-580 through Section 12 VAC 5-590-630) of the Commonwealth of Virginia, Department of Health (VDH), *Waterworks Regulations*.
2. To protect the ACSA potable water distribution system from the possibility of contamination or pollution by (a) preventing, eliminating, or controlling cross-connections, actual or potential, that exist within the private water supply system(s) of each customer, and (b) isolating within each customer's private water supply system(s) all such contaminants or pollutants that could potentially enter the public system by backflow.
3. To provide for a systematic program of cross-connection and backflow prevention to safeguard the quality of the ACSA potable water distribution system.

8-03. APPLICABILITY.

With the understanding that the physical connection between the ACSA potable water distribution system and the private water supply system of each customer serves as a potential source of contamination or pollution, the provisions of this Section are applicable to every ACSA water customer.

Mandatory installation and testing of an approved backflow prevention **device assembly (hereinafter referred to as "assembly")** on the domestic water supply are required of all customers in the billing classifications of Industrial, Institutional, Commercial/Other, and Commercial/Office. Mandatory installation and testing of an ~~approved backflow prevention device assembly~~ on the domestic water supply may be required of a customer in the Residential classification if the ACSA has knowledge of certain activities, practices, or internal plumbing arrangements that could present a hazard to the ACSA potable water distribution system.

Mandatory installation and testing of an ~~approved backflow prevention device assembly~~ on an irrigation system or a fire suppression system are required of all customers in all billing categories that maintain such a system(s).

8-04. ACSA ADMINISTRATION.

In accordance with 12 VAC 5-590-600.B-4 A. of the *Waterworks Regulations*, at least one ACSA employee shall be designated as responsible for the inspection of the waterworks for cross-connection and backflow prevention. Ultimate responsibility shall be held, and certain decisions in the program shall be made, by the Executive Director. Additionally, the ACSA shall review the cross-connection control program and this written plan every five (5) years and update as necessary.

8-05. PROGRAM RESPONSIBILITIES.

An effective cross-connection and backflow prevention program requires the cooperation of not only the ACSA and its water supply customers, but also the Rivanna Water and Sewer Authority (RWSA), the Albemarle County building officials, the certified backflow prevention ~~device assembly~~ testers (hereinafter referred to as "tester(s)"), and the Virginia Department of Health (VDH). Each of these individuals or groups has certain responsibilities in the program; some of these are listed below and will be discussed throughout the Section.

8-06. RESPONSIBILITIES OF THE RWSA.

The RWSA is responsible for the construction, maintenance, and operation of the North Rivanna, South Rivanna, Observatory, Crozet, Red Hill, and Scottsville water treatment plants, and related appurtenances, and for the delivery of potable water from these plants to the ACSA distribution systems.

8-07. RESPONSIBILITIES OF THE ACSA.

1. The ACSA shall solely manage the cross-connection and backflow prevention program in accordance with the Commonwealth of Virginia, Department of Health, *Waterworks Regulations*.
2. The ACSA shall have full responsibility for maintaining the quality of the water delivered to our Urban Area, Crozet, Red Hill, and Scottsville waterworks distribution systems, ending at the service connection of each customer.
3. The ACSA shall provide continuing evaluation and identification of all cross-connection and backflow hazards having the potential to impair the quality of water delivered to its customers. This shall include assessments of each residential and non-residential customer's private water supply system, and a determination of the degree of hazard, if any, to the waterworks.
4. To facilitate the assessment of each residential and non-residential customer's private water supply system, the ACSA Cross-Connection and Backflow Prevention Program shall maintain an accurate and up-to-date inventory of the ACSA water customers.
5. Assessments of residential and non-residential customers' private water supply systems may be accomplished through questionnaires, surveys, voluntary inspections by owners, telephone or electronic communications, discussions with ~~certified backflow prevention~~ testers knowledgeable of a residence or facility, or by on-site ACSA inspections and interviews.
6. The ACSA shall require the installation, maintenance, and testing of an ~~approved backflow prevention device assembly~~ on the domestic water supply system of each customer in the following classifications of water service: Industrial, Institutional, Commercial/Other, and Commercial/Office (i.e., all non-residential customers).
7. The ACSA may require the installation, maintenance, and testing of an ~~approved backflow prevention device assembly~~ on the domestic water supply system of a customer in the Residential classification if there is known to exist certain activities, practices, or internal plumbing arrangements that could present a hazard to the ACSA potable water distribution system.
8. The ACSA shall require the installation, maintenance, and testing of an ~~approved backflow prevention device assembly~~ on any irrigation system of a customer, regardless of classification, who maintains such a system where water is supplied by the ACSA.
9. The ACSA shall require the installation, maintenance, and testing of an ~~approved backflow prevention device assembly~~ on a fire suppression system of any customer, regardless of classification, who maintains such a system.
10. The ACSA shall have the right to request inspection of the private water supply system on the premises of a customer in the classifications listed in ~~8-07.7~~ 8-07.6, as frequently as may be necessary to ~~insure~~ ensure the safety of the ACSA potable water system.
11. The ACSA shall have the right to request inspection of the private water supply system on the premises of a Residential customer with a required backflow prevention device on a domestic or fire suppression system, as frequently as may be necessary to ~~insure~~ ensure the safety of the ACSA potable water distribution system.
12. The ACSA shall have the right to request inspection of the private water supply system on the premises of a Residential customer with a required backflow prevention device on an irrigation system, as

frequently as may be necessary to ~~insure~~ ensure the safety of the ACSA potable water distribution system. Entry to a residence, garage, or other building on the premises shall be necessary only if a portion of the irrigation system or the ~~backflow-prevention-device assembly~~ is located in these structures.

13. The ACSA shall have the right to request inspection of the private water supply system on the premises of a Residential customer if sufficient evidence exists that the safety of the ACSA potable water distribution system may be compromised.

14. In accordance with 12 VAC 5-590-550 ~~N.B.~~ of the *Waterworks Regulations*, the ACSA shall maintain all records of facility inspections, questionnaires, location of ~~backflow-prevention-devices assemblies~~, and the testing and maintenance of each ~~device assembly~~ for a period of at least ten (10) years.

15. The ACSA shall maintain, and make available ~~upon request~~, a list of ~~certified-backflow-prevention device~~ testers.

16. The ACSA shall provide general and specific information to all water customers, especially those who have installed an ~~an backflow-prevention-device assembly~~, or who have been asked to do so. Such consultation shall include the requirements for certain ~~backflow-prevention-devices assemblies~~, options the customer may have, and may require a visit to the residence or facility ~~in-order~~ to provide the most thorough and accurate information.

17. The ACSA shall develop and maintain an educational program for its residential and non-residential water supply customers so that they have a basic understanding of cross-connections, and the potential dangers of backflow to the potable water distribution system.

18. The ACSA shall strongly recommend the installation of hose bib vacuum breakers on the outside faucets of residences and commercial facilities where the device is not an integral part of the hose bib.

19. ~~In accordance with the recommendation of 12 VAC 5-590-600.B.5. of the Waterworks Regulations,~~ The ACSA may discontinue water service to its customers if the pressure in the distribution system drops below ~~40~~ 20 psi for any reason.

20. Should there occur a backflow event in which contamination or pollution is known to have been introduced into the potable water distribution system, the ACSA shall take prompt corrective action to confine or eliminate the contamination or pollution and shall immediately notify the VDH.

8-08. RESPONSIBILITIES OF A WATER CUSTOMER.

1. No water supply customer shall knowingly establish a cross-connection between the ACSA potable water supply and a supplementary water supply that could potentially be a source of contamination or pollution.

2. The owner or designated agent (hereinafter referred to as "owner") of a facility provided potable water by the ACSA in the classifications of Industrial, Institutional, Commercial/Other, and Commercial/Office shall be responsible for the installation of an ~~an backflow-prevention-device assembly~~ on the domestic water supply. Installation shall occur within ~~one (1)-year~~ three (3) months of notification by the ACSA. However, if the ACSA determines that a high degree of hazard exists at the facility, installation shall occur within thirty (30) days of notification.

3. The owner of a facility or residence provided potable water by the ACSA, and who maintains an irrigation system, regardless of classification, shall be responsible for the proper installation of an ~~approved-backflow prevention-device assembly~~. Installation shall occur with initial construction of the irrigation system, or within thirty (30) days of notification by the ACSA.

4. The owner of a facility or residence provided potable water by the ACSA and who maintains a fire suppression system, regardless of classification, shall be responsible for the installation of an ~~approved backflow-prevention-device assembly~~. Installation shall occur with initial construction of the fire suppression system, or within thirty (30) days of notification by the ACSA.

5. The owner of a facility or residence with an ~~an backflow-prevention-device assembly~~ shall maintain the ~~device assembly~~ in good working order, and shall make no arrangements or modifications for the purpose of by-passing or defeating such an ~~device assembly~~.

6. The owner of a facility or residence with an ~~approved-backflow-prevention-device assembly~~ shall provide for an inspection of, and an operational test to be performed on, such ~~device assembly~~. Inspection and testing shall occur at least annually, and the expense shall be borne by the owner. Inspection and testing shall be performed by a ~~backflow-prevention-device~~ tester who maintains current certification with the ACSA Commonwealth of Virginia.

7. The owner of a facility or residence with an ~~an backflow-prevention-device assembly~~ on an irrigation system shall be required to provide for an inspection of, and an operational test to be performed on, such ~~device assembly~~ at system start-up in the spring, regardless of planned usage of the water.

8. The annual inspection and testing of an ~~an backflow-prevention-device assembly~~ associated with an irrigation system shall also include inspection and testing of the system's rain sensor, as required in Section 17-02.C of these *Rules and Regulations*.

9. The owner of a facility or residence with an ~~an backflow-prevention-device assembly~~ shall ultimately be responsible that all test results, inspection reports, maintenance records, and disconnection service documents be provided to the ACSA within ten (10) calendar days of the completion of such work.

10. The owner of a facility or residence with an ~~an backflow-prevention-device assembly~~ shall ultimately be responsible for scheduling the on-going annual inspection and testing of any such ~~device assembly~~.

11. The owner of a facility with an ~~an backflow-prevention-device assembly~~ shall notify the ACSA when the nature of the use of the property changes, so as to assess the acceptability of the existing ~~device assembly~~.

12. Should a backflow event occur, the customer shall immediately notify the ACSA, and take steps to confine the contamination or pollution.

8-09. RESPONSIBILITIES OF A CERTIFIED BACKFLOW PREVENTION ~~DEVICE ASSEMBLY~~ TESTER.

1. A ~~certified-backflow-prevention-device~~ tester shall maintain ~~their~~ certification to the standards set herein ~~in-order~~ to submit a backflow test report that is acceptable to the ACSA, and to remain on a list of certified testers.

2. A ~~certified-backflow-prevention-device~~ tester shall provide all records of inspection and testing to the ACSA within ten (10) calendar days of the completion of such work.

3. In the event of the failure of an ~~an backflow-prevention-device assembly~~, a ~~certified-backflow-prevention-device~~ tester shall repair or replace the ~~device assembly~~ in accordance with the degree of hazard associated with the facility, as described in Section 08-15.14.

4. A ~~certified-backflow-prevention-device~~ tester who services and tests irrigation systems, both residential and non-residential, shall perform the annual test on the ~~backflow-device assembly~~ at system start-up in the spring. Additionally, this service shall also include inspection and testing of the system's rain sensor, as required in Section 17-02.C of these *Rules and Regulations*.

5. A ~~certified-backflow-prevention-device~~ tester shall tag all indoor devices upon testing. At a minimum, the tag shall provide the name of the tester, the company and its contact information, and the date the test was performed.

6. A ~~certified-backflow-prevention-device~~ tester, regardless of the system serviced, is strongly encouraged to establish a schedule with ~~their~~ customers, and to notify them in advance when the annual test is due. With this arrangement, the customer, the ~~certified~~ tester, and the ACSA ~~will shall~~ all benefit.

8-10. CROSS-CONNECTIONS PROHIBITED.

The ACSA potable water distribution system shall be designed, installed, and maintained in such a manner as to prevent contamination or pollution, originating from non-potable liquids, solids, or gases, from being introduced into the potable water distribution system through cross-connections or any other piping connections to the system.

Cross-connections within the private water supply system of an ACSA customer, in which the ACSA potable water provided to the customer may potentially be contaminated or polluted by a connection to a supplementary water supply, or by process water, used water, or any other source of non-potable water or water of questionable quality, are strictly forbidden. Complete physical separation of the ACSA potable water from any other supply of water must be accomplished with an approved air gap, or by other appropriate means, as determined solely by the ACSA.

8-11. BACKFLOW PREVENTION WITHIN THE ACSA WATER SYSTEM.

The ACSA potable water distribution system shall be protected against backflow by installing and maintaining approved Reduced Pressure Zone backflow prevention ~~devices assemblies~~ (RPZs) at all

locations where **back siphonage** or backpressure within the system may occur. This includes, but is not limited to, all wells, pump stations, and maintenance facilities.

8-12. BACKFLOW PREVENTION AT CUSTOMER SERVICE CONNECTIONS (CONTAINMENT).

The ACSA potable water distribution system shall be protected against backflow at the service connections of all customers listed in Section 8-07. ~~7-10 6-9~~. This includes all of the specific facilities listed in 12 VAC 5 590-610 of the *Waterworks Regulations*, plus all **other industrial, institutional, and** commercial facilities. It also includes residences where there is reasonable concern for a potential cross-connection or backflow hazard.

8-13. INSTALLATION OF BACKFLOW PREVENTION DEVICES **ASSEMBLIES**.

1. **Backflow-prevention-devices Assemblies** shall be installed, maintained, and tested by the owner of the facility or residence, at the owner's expense.
2. **All-backflow-prevention-devices Assemblies** shall be approved by the University of Southern California Foundation for Cross-Connection Control and Hydraulic Research, or by the American Society of Sanitary Engineers.
3. **All-backflow-prevention-devices Assemblies** shall be installed in accordance with the manufacturer's instructions and the Uniform Statewide Plumbing Code.
4. **All-backflow-prevention-devices Assemblies** shall be installed so that they are accessible for inspection, testing, and repair.
5. **Backflow-prevention-devices Assemblies** for containment shall be installed on the customer's premises as part of the customer's private water supply system. The location of the **device assembly** shall be determined by the system(s) being protected. In all cases, the **device assembly** shall be positioned upstream from any unprotected branch of the plumbing. Installation of an **n device assembly** at a location downstream from the service connection does not eliminate the customer's responsibility to protect the ACSA potable water distribution system from contamination or pollution between the service connection and the **device assembly**.
6. **All-backflow-prevention-devices Assemblies** shall be protected from freezing.
7. To the best of the owner's ability, ~~all-backflow-prevention-devices assemblies~~ shall be protected from vandalism.
8. RPZs shall not be installed in underground vaults or pits and shall be installed so as to be protected from flooding. Further, RPZs that are installed within a building shall be provided with the means to convey the discharge of water to a suitable drain.
9. There shall be a provision for thermal expansion when an **n backflow-prevention-device assembly** is installed on a system that uses hot water.
10. For an air gap installation, the physical separation must be accomplished with an approved air gap, and all piping between the customer's supply line and the receiving vessel shall be entirely visible.
11. No customer shall modify, bypass, or remove an **n backflow-prevention-device assembly** without the notification and approval of the ACSA.

8-14. REQUIRED/ACCEPTABLE BACKFLOW PREVENTION DEVICES **ASSEMBLIES**.

The type of **backflow-prevention-device assembly** that is required or acceptable is based upon the existing or potential degree of hazard_{7,2} ~~and whether backflow can occur by backsiphonage only, or by backsiphonage or backpressure.~~

Customer Water Supply System	RPZ Required	RPZ Acceptable	DC Acceptable
Domestic, Residential (Low or Moderate Hazard) ^{1,2}		X	X
Domestic, Residential (High Hazard) ^{1,2}	X		
Domestic, Non-Residential (Low or Moderate Hazard)		X ³	X
Domestic, Non-Residential (High Hazard)	X		
Fire Suppression, Residential or Non-Residential	X ⁴	X	X
Irrigation, Residential or Non-Residential	X ^{5,6}		

RPZ – Reduced Pressure Zone Assembly
DC – Double Check Valve Assembly

¹ ~~an device assembly~~ is needed only where certain activities, practices, or internal plumbing arrangements are known to exist

² includes buildings four (4) or more stories in height, per 12 VAC 5-590-610.E of the VDH *Waterworks Regulations*

³ recommended

⁴ if the system contains any of the following: storage; booster pump; foam or other fire retardant; anti-freeze, or ~~an~~ other chemical additive

⁵ considered high hazard due to the potential for biological and/or chemical contamination

⁶ a yard hydrant constructed with an approved air gap to prevent drain water from reaching the service line shall not require additional backflow protection; see Section 08-18.

8-15. MAINTENANCE AND TESTING OF BACKFLOW PREVENTION DEVICES ASSEMBLIES.

1. The testing of an ~~approved backflow prevention device assembly~~ shall be conducted only by a ~~technician an individual~~ who is certified by the ACSA Commonwealth of Virginia (see Section 8-16).

2. An ~~backflow prevention device assembly~~ shall be tested upon installation. For service to a new facility, this shall be prior to the delivery of water to the customer.

~~3. For a new facility served by newly installed ACSA water lines, a device on a domestic or irrigation system shall be tested after thirty (30) days of service due to the possibility of debris in the water lines and the resultant fouling of the device.~~

~~34. All backflow prevention devices Assemblies~~ shall be tested annually thereafter.

~~45. For the testing of RPZs, the pressure drop across check valve #1 shall be a minimum of 5.0 psi, and the pressure relief valve shall open at a minimum of 2.0 psi, and there shall be a minimum differential of 3.0 psi between check valve #1 and the relief valve opening pressure.~~

~~56. For the testing of double check valve assemblies DCs~~, both check valve #1 and check valve #2 shall close at a minimum drop of 1.0 psi.

~~67. All indoor devices assemblies~~ shall be tagged upon testing. At a minimum, the tag shall provide the name of the ~~certified~~ tester, the company and its contact information, and the date the test was performed.

~~78. The testing of backflow prevention devices assemblies~~ shall be documented on the test report form provided by the ACSA; the submittal of other forms may be rejected.

~~89. Incomplete test forms reports~~, or ~~forms reports~~ that have not been signed, shall be rejected.

~~940. In all instances, the person who signs a backflow prevention device test report shall be responsible for the accuracy of the report.~~

~~1044. Test forms reports~~ shall be submitted to the ACSA within ten (10) calendar days of testing.

~~1142. While forms test reports~~ may be submitted by the ~~certified~~ tester, the owner of the ~~backflow prevention device(s) assembly(ies)~~ is ultimately responsible for their test report delivery to the ACSA.

~~1243. A certified backflow prevention device tester~~ shall not modify the design, material, or operational characteristics of an ~~backflow prevention device assembly~~ during maintenance or testing, and shall use only original manufacturer replacement parts.

~~1344. During the testing, maintenance, or replacement of an backflow prevention device assembly~~ on a domestic or irrigation system, a ~~certified~~ tester shall not bypass the ~~device assembly~~. Where a continuous water supply is critical to a customer, two (2) ~~backflow prevention devices assemblies~~, each sized to handle the temporary water flow during the period of testing or repair, shall be installed in parallel.

~~1445. In the event of the failure of an backflow prevention device assembly~~, a ~~certified~~ tester shall repair or replace the ~~device assembly~~ in accordance with the degree of hazard. Repairs on a system considered to be a high hazard shall be completed within seven (7) calendar days, and the ACSA shall be immediately notified upon failure. Repairs on a low ~~or moderate~~ hazard system shall occur within thirty (30) calendar days.

~~1546. The backflow prevention devices assemblies~~ on the domestic supply of high hazard facilities that have been out of operation for three (3) months or more shall be tested before water service is resumed. For all other facilities, testing shall occur with six (6) or more months of not being in operation.

1617. If water service to a facility has been terminated for non-compliance of testing requirements, the backflow-prevention-device assembly shall be repaired or replaced, if necessary, and then tested, prior to the resumption of water service.

1718. Falsification of records by the owner of an backflow-prevention-device assembly or by a certified backflow-prevention-device tester is a violation of this Section. Further, falsification by a certified tester shall result in the loss-of-ACSA-certification refusal of the ACSA to accept reports from the tester for at least one (1) year.

1819. The ACSA reserves the right, at its own expense, to verify the test results of a backflow-prevention device tester at any time.

1920. Backflow-prevention-devices Assemblies on irrigation systems shall be tested upon system start-up in the spring.

8-16. CERTIFICATION OF BACKFLOW PREVENTION DEVICE ASSEMBLY TESTERS.

~~In order for a backflow prevention device tester to acquire or maintain ACSA certification status, the following criteria must be met:~~

- ~~1. The tester shall either (a) hold current certification status for a Backflow Prevention Device Worker from the Commonwealth of Virginia, Department of Professional and Occupational Regulation (DPOR), or (b) have received a certificate of completion for a 40-hour cross-connection control course and have a minimum of two (2) years of experience, or (c) have received a certificate of completion for the 16-hour cross-connection control course offered jointly by the Virginia Department of Health, Office of Drinking Water, and the Advanced Operator Short Schools, and have a minimum of four (4) years of experience.~~
- ~~2. For items (b) and (c) above, a certificate of course completion shall be obtained every five (5) years.~~
- ~~3. The tester shall submit to the ACSA a current copy of their DPOR certification or course certificate of completion.~~
- ~~4. Test equipment shall be properly maintained and calibrated annually by an agency acceptable to the ACSA, and the calibration reports shall be submitted annually to the ACSA.~~
- ~~5. The ACSA certification status of a tester, or the company the tester represents, may be suspended or revoked for improper testing, falsification of records, or other improper or unethical behavior.~~

~~Effective July 1, 2014, the ACSA shall receive backflow test reports only from testers who hold one of the following:~~

- ~~(a) A valid Backflow Prevention Device Worker certification issued by the Department of Professional and Occupational Regulation (DPOR), Commonwealth of Virginia;~~
- ~~(b) A valid Backflow Prevention Assembly Tester certification issued by the American Backflow Prevention Association (ABPA);~~
- ~~(c) A valid Backflow Prevention Assembly Tester certification issued by the American Society of Sanitary Engineering (ASSE).~~

~~The individual who performs the backflow test shall hold the certification; it is not sufficient that a certified tester sign the backflow report for a non-certified individual who performs the test.~~

~~Individual names and certification numbers issued by DPOR, ABPA and ASSE shall be verified upon receipt of any test report. Reports received after this date from individuals not holding one of the above certifications shall be rejected.~~

1. The ACSA shall receive reports only from testers who hold a valid Backflow Prevention Device Worker certification issued by the Commonwealth of Virginia, Department of Professional and Occupational Regulation (DPOR).
2. The tester shall submit to the ACSA a current copy of the DPOR certification.

3. The individual who performs the backflow test shall hold the certification. It is not sufficient that a certified tester signs the report for a non-certified individual who performs the test.
4. Test equipment shall be properly maintained and calibrated annually by an individual or company acceptable to the ACSA, and the calibration reports shall be submitted annually to the ACSA.
5. The ACSA shall refuse to accept reports for at least one (1) year from testers known to conduct improper testing, falsify records, or be involved in other improper or unethical behavior.

8-17. BACKFLOW PREVENTION FOR ISOLATION.

In its efforts to protect the quality of the potable water distribution system, the ACSA is primarily responsible for a policy and program that confines any potential contamination and pollution within the facility in which they may arise (containment). This approach effectively prevents contamination and pollution from entering the ACSA potable water distribution system.

The internal isolation of potential contamination and pollution within a facility is a secondary concern of the ACSA. However, since backflow prevention within a facility is an important safeguard to the health of its occupants, the ACSA strongly encourages the installation of internal backflow assemblies, and shall assist in tracking such internal devices assemblies, if requested by the owner of the facility. Records of the annual testing of internal devices assemblies shall be maintained in the ACSA database.

For a facility at which containment is provided with an RPZ, it shall be the ultimate responsibility of the facility owner to survey assess the internal plumbing and make the decision decide on backflow devices assemblies to provide isolation of the various water uses within the facility. The ACSA may recommend the installation of internal assemblies based upon surveys and shall consult with the owner or a representative of the facility if our input is requested.

It is important to note that the use of the term "facility" in this instance includes all of the individual stores of a "strip mall" that are served by a master water meter. The isolation of the activities of each business is strongly encouraged. Further, the ACSA recommends that an RPZ device be installed within each unit since the nature of the business activities may change over time.

8-18. YARD HYDRANTS.

Yard hydrants that are installed on a customer's private water supply system, whether residential or non-residential, are recognized as a potential source of contamination and, as such, shall require backflow protection. Consistent with underground irrigation systems, this shall be accomplished with an RPZ. However, yard hydrants that are constructed with an approved backflow prevention device air-gap to prevent drain water from reaching the service line shall not require additional backflow protection. A yard hydrant that is part of an existing irrigation system protected by an RPZ shall not require additional backflow protection.

8-19. COMMERCIAL WATER HAULERS. [Revised 7/1/15]

Commercial water haulers who draw from an approved ACSA water hydrant shall use vehicles with all of the following features:

1. The fill pipe is permanently affixed to the storage container, the vehicle, or the trailer.
2. There is a flow control valve on the fill pipe that is accessible from ground level.
3. There exists an approved air gap between the end of the fill line and the opening of the tank. The air gap between the end of the fill line and the opening of the tank shall not be less than twice the diameter of the fill line. For instance, if the diameter of the fill line is four (4) inches, the air gap must be a minimum of eight (8) inches.

Additionally, all water hauling vehicles shall be inspected annually by the ACSA before being issued a hydrant meter for the year. One copy of the inspection report shall be maintained by the ACSA. The original document shall be kept in the inspected vehicle and shall be available upon request by the ACSA.

8-20. ENFORCEMENT.

The following enforcement plan is designed to provide fair, consistent, and equitable action for violations of the policies of this Section.

1. Notice of Non-Compliance.

The ACSA shall issue a written Notice of Non-Compliance to a customer who is determined to be in violation of any provision of this Section. The notice shall state the specific violation(s), provide information on the required steps to be taken to ~~be in compliance~~ comply with the provision, and include a timetable for compliance. A Notice of Non-Compliance for a particular incident shall be provided on one (1) occasion. This includes notification of the need for an ~~an backflow prevention device~~ assembly test. If corrective action has not been provided to the satisfaction of the ACSA within the stated time frame, a Notice of Violation shall then be issued.

Primary reasons for the issuance of a Notice of Non-Compliance include, but are not limited to the:

- a. Failure to correct, to the full satisfaction of the ACSA, a cross-connection identified on a customer water supply system.
- b. Failure to install an ~~approved backflow prevention device~~ assembly in a proper manner by an assigned date.
- c. Removal or by-pass of an ~~an required backflow prevention device~~ assembly without the approval of the ACSA.
- d. Failure to provide a passing test report for an ~~an backflow prevention device~~ assembly by the required date.

If the ACSA determines that a violation occurring on a customer's private water supply system has created or contributed to the existence of an imminent hazard, such as the discovery of an unprotected cross-connection with a supplementary water supply, a Notice of Non-Compliance shall be by-passed, and a Notice of Violation (NOV) shall immediately be issued.

2. Notice of Violation.

The ACSA shall issue a written NOV for the failure to provide the corrective action required by a Notice of Non-Compliance. The NOV shall be delivered by certified mail, shall repeat the specific violation(s), provide information on the required steps to be taken, and list the date(s) by which all corrective action must be completed. The NOV shall also state the charge to be imposed if the violation is not satisfied. An NOV related to the failure of a customer to provide a passing test report of an ~~an backflow prevention device~~ assembly shall allow the customer ten (10) business days to submit such a report.

8-21. VIOLATION CHARGES. ~~[Revised 7/1/15]~~

The failure to provide corrective action required by an NOV shall result in the issuance of the following charges:

1. The failure of a customer to respond satisfactorily to an NOV, when the issue is the need to correct a cross-connection that has been identified on the customer water supply system, and which is determined to be a potential high hazard situation, shall result in a charge. See Appendix B.
2. The failure of a customer to respond satisfactorily to an NOV, when the issue is the need to correct a cross-connection that has been identified on the customer water supply system, and which is determined to be a potential low ~~to moderate~~ hazard, shall result in a charge. See Appendix B.
3. The failure of a customer to respond satisfactorily to an NOV, when the issue is the need to install

- an approved backflow prevention device assembly in a potential high hazard situation, shall result in a charge. See Appendix B.
4. The failure of a customer to respond satisfactorily to an NOV, when the issue is the need to install an approved backflow prevention device assembly in a potential low ~~to moderate~~ hazard situation, shall result in a charge. See Appendix B.
 5. The failure of a customer to respond satisfactorily to an NOV, when the issue is the removal or bypass of a required backflow prevention device assembly in a potential high hazard situation, shall result in a charge. See Appendix B.
 6. The failure of a customer to respond satisfactorily to an NOV, when the issue is the removal or bypass of a required backflow prevention device assembly in a potential low ~~to moderate~~ hazard situation, shall result in a charge. See Appendix B.
 7. The failure of a customer to respond satisfactorily to an NOV, when the issue is the need to provide a passing test report for an backflow prevention device assembly in a potential high hazard situation, shall result in a charge. See Appendix B.
 8. The failure of a customer to respond satisfactorily to an NOV, when the issue is the need to provide a passing test report for an backflow prevention device assembly in a potential low ~~to moderate~~ hazard situation, shall result in a charge. See Appendix B.

8-22. WATER TERMINATION.

The ACSA shall terminate water service to a residence or facility for the failure of a customer to pay a charge incurred relative to a Notice of Violation, or for failure to correct the violation. New water service shall continue to be denied to a customer in this situation. Water termination shall relate to the system involved in the violation in the following manner:

System Protected by Backflow Device	Water Service Termination
Domestic	Domestic Supply
Fire Suppression	Domestic Supply
Irrigation – Auxiliary Meter	Irrigation Supply
Irrigation – Exclusion Meter ¹	Domestic Supply

¹ although the ACSA has established a program to convert or abandon all irrigation exclusion meters they are referenced here for those customers who have refused to allow the ACSA to convert their irrigation exclusion meter to an auxiliary meter or abandon it altogether

Normal ACSA re-connection charges shall apply for a customer to resume water service. The Executive Director reserves the right to terminate water service to a customer at any time in the process described in Sections 8-20 and 8-21 if the potential risk to the ACSA potable water supply warrants such action.

8-23. APPEAL PROCESS.

A customer shall have the right to appeal a violation charge listed in Section 8-21 according to the following procedure:

1. A written intent to appeal shall be delivered to the office of the Executive Director no later than five (5) business days following receipt of the charge levied.
2. The failure to file an intent to appeal within such time limit shall be deemed a waiver of the right to appeal.
3. Upon receipt of the appeal, the Executive Director shall render a decision within fifteen (15) calendar days.
4. The possible termination of water service shall be postponed until a decision is rendered.
5. The decision shall be sent by certified mail to the appellant.

SECTION 13 - MISCELLANEOUS SERVICE CHARGES

13-01. GENERAL.

In addition to the rates and fees identified in Section 12 above, the following service charges will be assessed. Non-payment of any charge may result in suspension or termination of service.

13-02. ACCOUNT CHARGE.

A charge to defray bookkeeping and clerical costs will be added to the first water and/or sewer bill for new and transferred accounts. [Revised 2/1/05] See Appendix B.

13-03. DELINQUENT CUT OFF/ON FEE. [Revised 7/1/15]

Should any customer not pay a bill for fees and charges for water and/or sewer service provided by the Authority by the date specified in Section 14-03.2, that customer shall be deemed in default, and the Authority shall cause the water to be shut off from any or all premises then being supplied with water for that customer. The water shall not be turned on again at any such premises for that customer until all arrearages and charges of such customer are paid. [Amended 3/19/87, 2/1/05, 07/01/11] See Appendix B.

13-04. RECONNECTION FEE. [Revised 7/1/15]

1. All owners, or their authorized agents, after confirming that their premises have been vacated, shall promptly notify the Authority in writing to cut off the supply of water there from; and upon such notification in writing from the owner, agent or tenant, the Authority shall cut off the water from such premises, and at the same time record the reading of the meter. The service may be kept intact by written application of the owner to the Authority agreeing, during vacancy, to pay the service charges.

2. In case of disconnection of service, reconnection fees shall be made and collected when application is made to restore service: [Revised 2/1/05, Amended 07/01/11] See Appendix B.

13-05. SPECIAL SERVICE FEE. [Revised 7/1/15]

The customer may be charged a fee if they require any of the following: a) a meter to be turned off due to an emergency (leak on customer side), b) a return trip, after the initial attempt, to turn a meter on, c) a return trip, after the initial attempt, to install a meter, d) a trip to inspect a meter box or setter for proper specifications or, e) any service request where the issue is on the customer side of the meter. [Revised 3/19/87, 2/1/05, Amended 07/01/11, 8/21/14] See Appendix B.

13-06. METER SIZE CHANGE FEE.

1. All water meters shall be of such size and type as may be determined by the Authority, and any person applying for a meter of a size in excess of that designated shall pay the difference in water service connection, system development and Buck Mountain surcharge costs between such excess size and the size designated. [Revised 3/15/84]

2. Any person requesting a change in meter from a larger to a smaller size shall be charged the actual cost of that work by the Authority. [Amended 7/1/93]

13-07. EXCEPTIONAL PAYMENT PROCESSING FEE. [Revised 7/1/15]

1. A charge, payable by cash only, will be assessed for any check or electronic transfer in payment of an Authority bill which is returned for insufficient funds, an invalid account number, stopped/frozen/hold/"refer to maker" payment or drawn on a closed account. If such payment was presented in order to avoid termination of service for non-payment, or to have services restored after such termination, services will be terminated and this charge, as well as any others due, must be paid in cash before service will be restored. [Revised 2/17/94, 2/1/05, Amended 08/18/11] See Appendix B.

2. A charge will be assessed for the processing of payments in forms not commonly accepted by the Authority. (Commonly accepted forms of payment include cash, check, money order, or other Authority-sponsored forms of electronic payment.) [Added 08/18/11] See Appendix B.

13-08. TESTING FEE.

The actual cost incurred for testing water lines to determine the efficacy of disinfection will be charged to the Contractor. [Revised 6/20/85]

13-09. DELINQUENT PAYMENT PENALTY AND INTEREST. [Revised 7/1/15]

1. Any regular water and/or sewer service bill not paid in full by the due date for that account will be charged a delinquent penalty on the outstanding balance. [Added 7/1/01, Amended 08/18/11.] See Appendix B.

2. Any regular water and/or sewer service bill not paid in full by the due date for that account will also be assessed a late payment charge on the outstanding balance. [Added 6/30/87; Amended 7/1/01, 08/18/11] See Appendix B.

13-10. METER RE-READ FEE. [Revised 7/1/15]

Any customer requesting a meter to be reread after July 1, 1989 will be assessed a charge unless the previous reading of the meter is determined by the Authority to have been incorrect. [Added 6/29/89; Revised 2/1/05, Amended 07/01/11] See Appendix B.

13-11. PLAN REVIEW FEE. [Revised 7/1/15]

To defray, in part, the cost of review of plans for new water and/or wastewater facilities to be dedicated to the Albemarle County Service Authority including review of as-built plans. Charges will be assessed at an hourly rate, and will be billed upon completion of plan review. Final approval of plans will be contingent upon receipt of payment of these fees. As-built plan review time will be billed at an hourly rate for Engineer review, and at an hourly rate for Inspector review. [Amended 7/01/02, 07/01/11] See Appendix B.

13-12. INSPECTION FEE. [Revised 7/1/15]

To defray, in part, the cost of inspecting the construction of water and/or wastewater facilities to be dedicated to the Albemarle County Service Authority. Fees are payable prior to start of construction for all projects for which plans were submitted and approved after July 1, 1989. See Appendix B for fees.

13-13. FAILURE TO REPORT FIRE HYDRANT METER READING. [Revised 7/1/15]

Every permitted user of a fire hydrant meter failing to report the meter reading by the date specified in the permit issued for the meter shall be assessed a charge. [Added 2/1/05] See Appendix B.

13-14. IRRIGATION SYSTEM APPLICATION PROCESSING FEES. [Revised 7/1/15]

1. Fees shall be charged to defray the cost of irrigation system plan review and meter sizing and cost estimate preparation when applicable. [Amended 07/01/11] See Appendix B.

13-15. METER TAMPERING FEE. [Added 7/1/15]

Any person who either tampers with the meter assigned to the property or who installs any type of device at the connection other than the assigned meter will be subject to an unauthorized use charge. This shall also include unauthorized hydrant connection where the use of an assigned hydrant meter has been bypassed. **or failure to comply with any condition of the Hydrant Meter Agreement that results in the confiscation of an assigned hydrant meter.** See Appendix B.

16-01. GENERAL.

The ACSA shall in drought or water emergency conditions initiate certain actions to restrict the use of water in any or all of its service areas.

16-02. DROUGHT/WATER EMERGENCY CONDITIONS.

A. Drought/Water Emergency Watch Stage

Whenever the Rivanna Water and Sewer Authority (RWSA) determines that the water supply in any of the service areas is threatened by drought conditions or a water emergency, the RWSA shall declare a Drought Watch. During a Drought Watch, the ACSA shall request that each customer initiate voluntary water restrictions and encourage that the watering of outside shrubbery, trees, lawns, grass, plants, home vegetable gardens, or any other vegetation be conducted only between the hours of 9:00 p.m. and 10:00 a.m., and only as necessary to preserve plant life.

B. Drought/Water Emergency Warning Stage

Whenever the Board of Directors determines that the water supply in any of the service areas is threatened by drought conditions or a water emergency, and where restrictions on water use are necessary to preserve an available supply of water, the Board of Directors shall request a declaration of emergency by the Board of Supervisors. Upon the declaration of emergency by the Board of Supervisors, the Board of Directors shall declare a Drought/Water Emergency Warning and the following restrictions will apply:

1. The washing of automobiles, trucks, trailers or any other type of mobile equipment shall only be performed in a licensed certified vehicle wash facility, or by a licensed commercial mobile-washing company with written approval from the ACSA.
2. The washing of sidewalks, streets, driveways, parking lots, service station aprons, or other outdoor surfaces shall be prohibited, except where mandated by federal, state or local law. The washing of exterior buildings shall be prohibited, except when performed by a licensed commercial power-washing company with written approval from the ACSA.
3.
 - a. The watering of outside established trees, plants, shrubs, and home gardens shall only be conducted manually between the hours of 9:00 p.m. and 10:00 a.m., using a non-leaking hose with an automatic shut-off nozzle, and only as necessary to preserve plant life. The use of outside, automatic irrigation systems, including in-ground systems, hoses, and oscillating sprinklers, shall be prohibited for all established lawns, trees, plants, shrubs, and home gardens. This limitation shall not apply to athletic fields and courts which may be watered only between the hours of 9:00 p.m. and 10:00 a.m., and only as necessary to preserve plant life.
 - b. Newly seeded lawns and plantings shall be installed by a licensed contractor and shall have a 45-day establishment period from the date of installation. Sodded lawns shall be installed by a licensed contractor, shall have a 20-day establishment period and shall use no more than ½ inch of water over the sodded area daily. Irrigation of newly installed plantings, and seeded and sodded lawns shall be conducted only between the hours of 9:00 p.m. and 10:00 a.m. Prior to installing the new plantings and lawns by a licensed contractor, the customer shall provide the following to the ACSA:
 1. A written estimate of the amount of water to be used during the establishment period.
 2. A dated receipt from the licensed contractor noting the anticipated date of installation.
 3. The irrigation method to be used.

Upon receipt of the above stated items, the ACSA shall issue a written notification of approval. Failure to provide required information or initiating installation prior to receipt of written approval shall be deemed a violation.

- c. Testing and servicing of outside, automatic irrigation systems may be completed during a Drought Warning, only if the contract to install the system is dated prior to the declaration of the Drought Watch, and a copy is provided to the ACSA.

- d. The use of water through an irrigation exclusion meter shall be prohibited. (Although the ACSA has established a program to convert or abandon all irrigation exclusion meters they are referenced here for those customers who have refused to allow the ACSA to convert their irrigation exclusion meter to an auxiliary meter or abandon it altogether.)
4. The operation of any ornamental fountain or other structure with a similar use of water shall be prohibited.
5. The filling and topping of swimming or wading pools requiring more than five (5) gallons of water, shall require written approval from the ACSA. Approval shall only be considered for those swimming or wading pools contracted to be installed prior to the declaration of the Drought Watch. A copy of the contract shall be provided to the ACSA.
6. The serving of drinking water in restaurants shall be prohibited, except upon the customer's request.
7. The use of water from fire hydrants for any purposes other than fire suppression shall be prohibited, unless otherwise specifically approved by the Executive Director.
8. The operation of any water-cooled comfort air-conditioning, which does not have water-conserving equipment in operation.
9. All commercial lodging establishments shall adopt a policy which limits the daily changing of washable linens and towels, and communicate that policy to their employees and guests.

C. Drought/Water Emergency Stage

Whenever the Board of Directors determines that the water supply in any of the service areas is threatened by drought conditions or a water emergency, the Board of Supervisors has declared an emergency, and where more restrictions than previously enacted on water use are necessary to preserve an available supply of water, the Board of Directors shall declare a Drought/Water Emergency and the following additional restrictions will apply:

1. All water leaks on customers' piping shall be repaired within three (3) business days after notification by the ACSA.
2. All outdoor watering is prohibited.
3. All businesses, institutions and governmental entities shall develop and implement a written plan that will reduce the business's or entity's current use of water by twenty percent (20%). Usage shall be based on the customer's average monthly use for the twelve (12) month period prior to declaration of the Drought/Water Emergency Stage. The Executive Director shall establish a monthly usage benchmark for all businesses without a twelve (12) month billing history. This plan shall be submitted to ACSA within fourteen (14) calendar days of notification of the Drought/Water Emergency Stage.
4. All businesses, institutions and governmental entities shall prominently display, at their entrance and in each restroom and shower, signs indicating the current water emergency.
5. Emergency water rates designed to drive down water use shall be enacted. [See Appendix B for rates in effect.]
6. All exemptions previously granted under Drought/Water Emergency Warning Stage restrictions are cancelled. Customers previously granted exemptions may reapply for exemption.
7. In order to preserve water supply availability for all customers, Drought/Water Emergency Warning Stage and Drought/Water Emergency Stage restrictions shall also apply to customers served by the Scottsville and Crozet water systems.

16-03. OTHER ACTIONS.

Should water restrictions taken pursuant to Section 16.02 prove inadequate to preserve sufficient supplies of water for the citizens of the County, the ACSA may also restrict or discontinue the supply of water to any industrial or commercial activity which uses water beyond sanitary and drinking needs of its employees and invitees, and declare a moratorium on new water connections to buildings issued a building permit after the date of declaration of emergency, and restrict water use to basic human needs only.

16-04. SUDDEN CATASTROPHIC EVENTS.

The Executive Director or Board of Directors shall declare an emergency and seek similar declaration from Board of Supervisors restricting water use as deemed appropriate for the severity of the event.

16-05. COMPLIANCE.

The Executive Director shall be authorized to issue orders to effect compliance with the emergency water restrictions. The ACSA may, upon written application, permit an exemption for less than full compliance with any order of the Executive Director issued pursuant to the emergency water restrictions when, in its

16-06. PENALTIES.

The ACSA may impose a penalty charge on any person violating any provision of this section. For the first offense, violators shall be assessed a penalty charge. For the second and subsequent offenses, violators shall be assessed a second penalty charge. The penalty charge shall be imposed on the violator's next water bill. In addition to the penalty charge, the ACSA may terminate water service to any violator for the duration of the emergency. See Appendix B, Section 16.06.

16-07. APPEALS.

A. Any person subject to a penalty charge or a water termination order from the Executive Director issued pursuant to these rules, may appeal the charge or termination order to the ACSA. The appeal shall be in writing and filed with the Executive Director of the ACSA.

1. *Appeals Board Composition.* Any person aggrieved by an order of the Executive Director shall have the right of appeal to the Appeals Board appointed by the Board of Directors. The Appeals Board shall consist of any two members of the Board of Directors and one citizen appointed by the Board of Directors.
2. *Notice of Appeal.* Notice of the appeal shall be in writing and filed in the office of the Executive Director within five (5) days after the date of the order of the Executive Director.
3. *Hearing.* The appeal shall be heard by the Appeals Board within 30 days of receipt of the written appeal and a decision rendered within 10 days of the hearing.
4. *Decision.* Every decision of the Appeals Board under this ordinance shall be final, subject to such remedy as any aggrieved party might have at law or in equity.
5. The Executive Director shall be authorized to issue temporary waivers or exemptions within the provisions of the emergency water restrictions for such periods of time as may be necessary for the Appeals Board to formally consider such or for the Appeals Board to take appropriate action.
6. Persons who have been assessed a penalty charge shall have the right to challenge the assessed charge by providing a written notice to the Executive Director within ten (10) days of the date of the assessment of the penalty charge. The Executive Director or designee shall determine whether the penalty charge was properly assessed and notify the complaining person in writing of the determination. Any person aggrieved by the decision of the Executive Director may appeal that decision to the Appeals Board by filing an appeal in writing within five (5) days of notice of the Executive Director's decision. The Executive Director or designee, or upon appeal, the Appeals Board, may waive the penalty charge if it is determined that the violation occurred due to no fault of the person.

16-08. NOTICE AND DURATION OF RESTRICTIONS.

The above restrictions shall become effective upon their being printed in any newspaper of general circulation in the County of Albemarle, or broadcast upon any radio or television station serving the County of Albemarle. Drought Watch Stage, Drought Warning Stage and Drought Emergency Stage restrictions shall remain in full force and effect until the Board of Directors determines that a water emergency in Albemarle County no longer exists.

16-09. EXEMPTIONS.

The ACSA, through its Executive Director, may upon a person's written application, permit a full or partial exemption from the water restrictions in Section 16 Emergency Water Restrictions, when complete compliance with the restrictions would create an unjust hardship.

SECTION 17 – IRRIGATION SYSTEMS [Revised 2/01/05, 01/01/06]

17-01. GENERAL.

The ~~Authority~~ ACSA recognizes that the installation of a well-designed and maintained underground irrigation system can minimize the quantity of water applied to landscapes by delivering water to exactly where it is needed, and at a time on a schedule when water is least likely to be lost to evaporation, coinciding with and during non-peak usage hours.

To ensure safety and efficiency, all irrigation systems shall have an operational backflow prevention device assembly and rain sensor (per Section 8 - Cross-Connection Control and Backflow Prevention and Section 17-02. ~~Rain Sensors, of these Rules and Regulations~~).

All irrigation systems ~~installed after January 1, 2006~~ shall be provided water served by means of a dedicated service connection. The ~~Authority~~ ACSA will shall make all connections to its water mains and will shall specify the location, kind, and quality of all materials entering into at the service connection, ~~as~~ (per Section 7 - Application for Services and Section 10 - Meters, ~~of these Rules and Regulations~~).

A. Irrigation Exclusion Meters

Some irrigation systems are served by privately owned exclusion meters connected to the private water service line downstream of the ACSA meter. These meters measure the volume of water used by the irrigation system to exclude that amount from the calculation of the wastewater volume charge assessed the customer. The ACSA has established a program to convert all existing irrigation exclusion meters to an auxiliary meter or abandon them for customers who no longer want to maintain their irrigation system. The ACSA shall absorb all costs associated with this program. Customers who refuse to allow the conversion or abandonment of their irrigation exclusion meters shall be notified in writing that after 30 days from the date of notification the ACSA shall no longer reduce the wastewater volume charge on their monthly bill.

BA. Water Emergencies

Meters serving irrigation systems are subject to discontinuance of service during a water emergency declared by the ~~Authority~~ ACSA, as described in Section 16 – Emergency Water Restrictions.

CB. Willful Waste of Water

The ~~Authority~~ ACSA reserves the right to discontinue water service to any customer after notice of five business days notice upon the willful or wasteful use of water. ~~Willful and wasteful use of water~~ This includes, but is not limited to, direct watering of impervious surfaces such as sidewalks and streets, or over-watering to the extent that soils can no longer absorb water.

17-02. RAIN SENSORS.

A. Required Installation

Rain sensors shall be installed on all irrigation systems that ~~will~~ receive water from the ~~Authority~~ ACSA.

B. Required Maintenance

~~All r~~Rain sensors shall be ~~adjusted and~~ set so that they automatically shut-off the irrigation system in response to one ~~fourth~~ quarter (1/4) inch of rainfall. ~~All r~~Rain sensors shall be installed according to manufacturer's instructions, in a location that will shall provide full exposure to rainfall such that accuracy of operation is assured, and shall be maintained in good working condition. No person shall, with the intent of circumventing the purpose of this section, adjust either the rain sensor or irrigation system ~~so such~~ that the rain sensor is not able to override and turn-off the irrigation system in response to one ~~fourth~~ quarter (1/4) inch of rainfall.

C. Responsibility of Owner for Inspection

The Executive Director or designated agent may require the owner, or ~~designated agent~~ water customer, of any premises where rain sensors are installed to inspect these devices to ensure that they

are installed and maintained to turn-off the irrigation system in response to one-fourth quarter (1/4) inch of rainfall. Results of such tests shall be sent to the Executive Director or designated agent. The devices shall be tested, repaired, overhauled, or replaced, as required, at the expense of the ~~water user owner or water customer~~.

17-03.D. Violations VIOLATIONS.

The Executive Director or designated agent shall notify the owner, or ~~authorized agent of the owner~~ water customer, of any premises on which there is found a violation of these ~~rRules and rRegulations~~, ~~of such violation~~. Such notice shall be in writing and shall set a reasonable time for the owner or water customer to have correct the violation ~~corrected~~. The irrigation system shall not be operated until such time as the violation is corrected. The Executive Director may terminate or deny water service to any premises where the irrigation system continues to be operated without the correction of noted defects.

SECTION 19 – FATS, OILS AND GREASE [Added 12/17/09; Revised 7/1/15]

19-01. INTRODUCTION.

Fats, oils and grease (FOG) are a significant concern for the ACSA in the operation of the wastewater collection system. When not disposed of properly, they congeal and accumulate along the walls of the sanitary sewers. This constricts the pipes, impedes the flow of wastewater, and raises the potential for blockage. Grease also affects the proper operation of pump stations, leading to sewage accumulation in wet wells. Either of these situations can eventually result in a sanitary sewer overflow in which wastewater is discharged from a manhole, or wastewater enters residences and businesses. This is both an environmental issue and a public health concern, in which sewage can contaminate the ground, local bodies of water, and any property with which the wastewater comes into contact.

The financial burden related to excessive FOG is potentially two-fold. Maintenance crews of the ACSA devote considerable time to cleaning sewerage components, and treatment processes may be hindered at the wastewater treatment plants.

FOG discharges relate directly to the preparation, cooking, and disposal of food items. These can originate from residences and from commercial, institutional, and industrial facilities. However, it is restaurants and related commercial food service establishments that are the most significant source of FOG due to the amount of oil and grease used in cooking, and with other food preparation.

19-02. PURPOSE.

This Section is adopted for the following purposes:

1. To set forth requirements for non-residential users of the ACSA wastewater collection system to capture and dispose of FOG, enabling the ACSA to comply with applicable federal and state laws, and with the Sewerage User Regulations of the Rivanna Water and Sewer Authority (RWSA), incorporated herein as Appendix A. Specifically, Part II, Section ~~4~~ **4**, Paragraph b prohibits the discharge of any wastewater containing more than 100 parts per million (ppm) of FOG.
2. To reduce the operational and maintenance costs of the ACSA by limiting the introduction of FOG into the wastewater collection system.
3. To reduce the impact on the RWSA wastewater treatment operations by limiting the amount of FOG delivered by the ACSA wastewater collection system.
4. To protect ~~the general~~ public health and prevent environmental disturbances by eliminating or reducing sanitary sewer overflows due to grease accumulations.

19-03. APPLICABILITY.

The provisions of this Section are applicable to all commercial food service establishments, commercial office buildings with food service, industries with food service, and institutions with food service that discharge to the ACSA wastewater collection system. Collectively, these shall hereinafter be referred to as Food Service Establishments (FSEs).

19-04. GENERAL REQUIREMENTS.

1. All FSEs shall install, operate, and maintain at their expense, a grease control device.
2. All FSEs shall obtain a FOG Waste Discharge Permit.
3. A concentration of 100 ppm of FOG, measured as Hexane Extractable Material, in the discharge of an FSE is established as an Action Level.
4. The maintenance costs related to excessive grease in the ACSA wastewater collection system, and traceable to the food service operations of an FSE, shall be the responsibility of the FSE.
5. The maintenance and clean-up costs of a sanitary sewer overflow that is related to excessive grease in the ACSA wastewater collection system, and traceable to the food service operations of an FSE, shall be the responsibility of the FSE.

6. Any fines imposed upon the ACSA by the Commonwealth of Virginia or the United States of America ~~in regard to~~ regarding a sanitary sewer overflow ~~which that~~ is related to excessive grease in the ACSA wastewater collection system, and traceable to the food service operations of an FSE, shall be the responsibility of the FSE.

19-05. EXEMPTION FROM GREASE CONTROL DEVICE REQUIREMENTS.

The ACSA may grant an exemption from the requirements to install and maintain a grease control device to an FSE ~~which that~~ is determined to have no, or minimal, adverse grease impact upon the ACSA wastewater collection system due to the nature of the FSE operations. To be considered for an exemption, the FSE ~~shall~~ may be asked to provide a written request to the ACSA, stating in detail the grounds for the exemption. Following review of the request, the ACSA may elect to inspect the FSE during its normal business hours. The final decision on granting an exemption shall rest with the Executive Director or designated agent, and a written response shall be provided to the FSE. At any time, the ACSA may revoke the exemption and require installation of a grease control device.

There shall be limited circumstances in which an exemption is granted, and shall ~~likely~~ be related to the following:

1. A commercial establishment ~~which that~~ serves only food ~~that is~~ typically considered snack food, both packaged and unpackaged, with or without warming.
2. A school, industry, or commercial office building within which a lunchroom may exist, yet the only food that is made available to the students, employees, or guests is from snack and drink machines.
3. A bed and breakfast establishment which prepares and serves only the breakfast meal to its guests and employees, with fewer than four (4) guest rooms, and fewer than eight (8) guests.
4. A residential care facility for the aged, infirmed, or disabled within which fewer than four (4) adults are provided care.
5. A day care facility for the aged, infirmed, or disabled within which fewer than six (6) adults are provided care.
6. A day care facility for babies and children within which fewer than six (6) children are provided care.
- ~~6-7. A day care facility for babies and children within which the food preparation does not include frying, or food preparation and cleaning do not exceed that of an average private residence.~~
- ~~8. A church within which a kitchen facility may exist, yet it can be shown that on-site food preparation and cleaning do not exceed that of an average private residence.~~
- ~~7-9. An FSE that is determined, by previous monitoring or a review of planned operations, to not generate FOG in excess of an average private residence.~~

19-06. NEW ESTABLISHMENTS.

The ACSA shall require all new FSEs to install the appropriate grease control device(s) prior to initiating operations. In general, this shall be a grease interceptor for all restaurants, supermarkets, hospitals, schools, motels, and industries. Further, the ACSA shall require any FSE with a grease control device to obtain a FOG Waste Discharge Permit.

19-07. EXISTING ESTABLISHMENT; NEW ESTABLISHMENT IN EXISTING BUILDING.

All existing FSEs shall have grease control devices that meet the same general requirements for installation and design as for new establishments. This shall also pertain to a new establishment that begins operations in an existing building, and an existing FSE that expands its food service operations.

If the ACSA determines the grease handling facilities or methods of an existing FSE are inadequate to prevent excessive FOG from entering the ACSA wastewater collection system, the FSE shall be notified in writing of the deficiencies, listing the required improvements and a compliance deadline. Required improvements may include additional training of the kitchen staff, modifications of the grease control device maintenance schedule, the installation of a larger, or additional, grease trap, or the installation of a grease

interceptor. The ACSA may require the FSE to provide a schedule of corrective action to attain full compliance.

The ACSA shall allow an FSE without a grease control device a compliance deadline not to exceed two (2) months for the installation of a grease trap(s), or not to exceed six (6) months for the installation of a grease interceptor, following written notification from the ACSA. If an FSE **which that** is required to install a grease interceptor does not have an existing grease trap, then the latter shall be installed within two (2) months of notification by the ACSA, unless the grease interceptor is installed within that same **time** period.

The Executive Director or designated agent may decide in certain instances that the installation of a grease interceptor on an existing FSE property is physically impossible due to space limitations, is not feasible due to inadequate slope for proper gravity flow, or for other reasons. In these instances, the Executive Director may allow installation of a grease trap, or traps, meeting the design specifications listed herein. The FSE manager shall be responsible for aggressive kitchen Best Management Practices and grease trap maintenance programs to produce wastewater that meets the FOG discharge requirements. Such FSEs may be subject to routine sampling to confirm compliance with the requirements herein.

19-08. GRANDFATHERING OF EXISTING ESTABLISHMENTS.

The ACSA shall allow existing FSEs, in which a grease trap or grease interceptor has been installed prior to the effective date of this Section, to continue operation of the existing device, if the device is effective:

1. In keeping grease from accumulating in the ACSA wastewater collection system and in the sewer lines of the FSE.
2. In producing wastewater in which FOG remains below the Action Level.

The ACSA may require an existing FSE which operates a grease trap to add a sample valve to the discharge pipe from the device, and prior to a union with any building sewage drain. The ACSA may require an existing FSE which operates a grease interceptor to add a sample box to the discharge pipe from the device, and prior to a union with any building sewage drain. This requirement of a sample valve or sample box shall typically be limited to FSEs in which there is a history of poor grease control device maintenance.

The ACSA may require an existing FSE which expands its food service operations to install a larger grease trap, additional grease traps, or a grease interceptor, to replace or operate in conjunction with an existing grease trap.

19-09. DESIGN, SIZING, AND INSTALLATION REQUIREMENTS.

All grease traps and interceptors shall be designed, sized, and installed according to the standards of the Virginia Uniform Statewide Building Code and the International Plumbing Code.

Various formulas exist to calculate the proper size of a grease interceptor. The ACSA shall not require the use of any one formula, but rather the use of sound engineering judgment in this instance.

General specifications are as follows.

A. A grease trap shall:

1. Be constructed of corrosion-resistant metal or plastic.
2. Be accessible for cleaning, maintenance, and inspection.
3. Contain properly installed and functioning baffles necessary to achieve the appropriate retention time to allow for proper separation of FOG and solids from the gray water.
4. Handle the flow from no more than three (3) kitchen sinks, and be located as close to the sink(s) as possible.
5. Receive the discharge from any dishwasher that operates at 130 degrees Fahrenheit or less (chemical sanitizing dishwasher). Depending upon the number of sinks, this may require the installation of a second grease trap.
6. Not receive discharge that exceeds 130 degrees Fahrenheit.

7. Not receive discharge from a food grinding unit unless a properly-sized solids interceptor has been installed.
8. Receive only gray water.
9. Be installed with a flow control or restricting device ~~in-order~~ to restrict the flow to the rated capacity of the trap.
10. Be installed with a sample valve on the discharge line from the device and prior to a union with any building sewage drain.

B. A grease interceptor shall:

1. Be constructed of precast concrete meeting the standards of ASTM ~~C1227-09~~ C1613-17, or of corrosion-resistant polyethylene or polypropylene fiberglass meeting the standards of ASME A112.14.3 or PDI-G101.
2. Be sized from a minimum of 1,000 gallons to a maximum of 3,000 gallons if constructed of precast concrete or have a flow rate/grease capacity of 75-200 GPM if constructed of polyethylene or polypropylene.
3. Contain multiple chambers and properly-positioned tee piping to achieve a minimum thirty (30) minute retention time before gray water is discharged to the ACSA wastewater collection system.
4. Be installed on the FSE property and in a location outside the FSE, with access for inspection, cleaning, pumping, and maintenance.
5. Not be installed in areas subject to heavy traffic, where possible, and shall be accessible for inspections at all times, having no permanent or temporary structure or container placed directly over the unit.
6. Have a minimum 2420-inch diameter manhole-access cover, extended to finish grade, over each chamber, ~~interior baffle wall, and sanitary tee~~.
7. Have solid, water-tight manhole access covers that prevent infiltration of stormwater or other surface water. Any gaskets shall be positioned beneath the cover.
8. Be designed with a minimum-eight (8)-inch-diameter clean-out that can serve as a sample box ~~or sample tee~~ at the outlet.
9. Receive the discharge from all FSE drains and fixtures through which grease may be released, including all sinks, food grinding units, dishwashers, and floor drains.
10. Receive only gray water.
11. Be installed at a minimum distance of ten (10) feet from dishwashers and sinks to allow for optimal cooling of the wastewater.
12. Not receive discharge that exceeds 150 degrees Fahrenheit.
13. Include a properly-sized solids interceptor, or have its volume increased by 25%, when receiving discharge from a food grinding unit.
14. Be installed with an approved flow control or restricting device.

19-10. FOG WASTE DISCHARGE PERMIT.

The ACSA shall require all FSEs ~~which that~~ currently possess, or are required to install, a grease control device to obtain a FOG Waste Discharge Permit. No FSE shall discharge to the ACSA wastewater collection system without ~~first~~ obtaining a permit unless an exemption has been received.

The permit application shall, at a minimum, include the following information:

1. The name, address, and telephone number of the applicant, and the name, address, and telephone number of the ACSA account owner, if different from the applicant.
2. A description of the food service operations, cuisine, the hours of operation, and number of meals served per day.
3. A detailed list and number of all kitchen food preparation appliances, and kitchen fixtures, including size.
4. All grease control devices, or other pretreatment equipment, currently installed.

The ACSA may request other information of the FSE, related to the food service operations and potential food service discharges, to properly evaluate the permit application.

The completed FOG Waste Discharge Permit application shall be submitted to the ACSA for review. The ACSA may elect to inspect the FSE during its normal business hours. If the application is accepted, a **draft** permit shall be issued within thirty (30) days after receipt of the permit application. The applicant shall be allowed a thirty (30) day comment period. ~~Upon expiration of the comment period, the ACSA shall issue or deny a permit.~~ A permit shall contain general, and possibly specific, conditions for the FSE.

Permits shall be issued for a period of three (3) years. An expired permit shall continue to be in effect and enforceable if failure to reissue the permit is not due to any delinquency on the part of the FSE. No permit shall be transferable without the permission of the ACSA.

Denial of an original or renewal permit shall be based upon an incomplete application, an unacceptable size and/or design of the grease control device(s), failure to pay charges that have been levied, a history of FOG discharge violations, or other related factors.

19-11. FOG WASTE DISCHARGE PERMIT CONDITIONS.

The issuance of a FOG Waste Discharge Permit shall contain the following conditions or limits:

1. A requirement for the proper installation, operation, and maintenance of the approved grease control device(s).
2. A requirement for documentation of a cleaning and maintenance schedule for the grease control device(s).
3. A recommendation for implementation and documentation of a kitchen Best Management Practices program.
4. The establishment of a concentration of 100 ppm of FOG, measured as Hexane Extractable Material, as an Action Level.
5. A possible requirement for **any** laboratory testing of FOG, Biochemical Oxygen Demand (BOD), and Total Suspended Solids (TSS) ~~to be at the expense of the FSE~~. Testing may be conducted at least once during the permit period to document that Section 19-11.4 is being met.
6. A requirement to report to the ACSA any anticipated expansion of food service operations prior to initiating such a project.
7. The issuance of a permit shall not relieve the FSE from complying with applicable laws, regulations, and ordinances promulgated by other governmental authorities.
8. The FSE agrees to hold harmless the ACSA and its employees from any liabilities arising from the operations of the FSE.

The terms and conditions of the permit are subject to modification by the ACSA at any time as just cause exists. The ACSA shall inform an FSE of any proposed change in the issued permit at least thirty (30) days prior to the effective date of the change, and shall give the FSE a reasonable timetable for compliance.

19-12. GENERAL MAINTENANCE OF GREASE TRAPS AND INTERCEPTORS.

Proper maintenance of grease traps and interceptors is crucial to establish optimal efficiency of the devices, and thus eliminate or minimize the discharge of grease from the FSE. A grease control device shall be cleaned as often as necessary to ensure that:

1. There is no evidence of grease in the ACSA wastewater collection system that can be traced directly to the operations of the FSE.
2. There is no evidence of grease in the sewer lines of the FSE.
3. The discharge of FOG to the ACSA wastewater collection system remains below the Action Level.
4. Floating material and sediment do not accumulate to impair the operation of the device.
5. No oil or grease is observed to discharge from the device.

The ACSA shall provide a detailed packet of information that describes proper cleaning and maintenance of the devices. However, due to varying designs and sizes, the FSE shall follow specific manufacturer guidelines for cleaning and maintenance in all instances.

General guidelines for cleaning and maintenance include:

1. Grease traps and interceptors shall be kept free at all times of such solid materials as gravel, sand, bones, shells, cigarettes, utensils, towels, and rags that will reduce the effective volume of the device and increase the frequency of cleaning.
2. The total depth of the surface FOG, combined with the settled solids, should not exceed approximately 25% of the total depth of the liquid/solid column.
3. Based upon the above, a grease trap will typically require cleaning every 1-4 weeks, and a grease interceptor will generally require cleaning every 2-3 months. However, the actual loading on a device shall determine the specific cleaning schedule in all instances, and this schedule may require periodic adjustment based upon food volume and specific menu items.

19-13. KITCHEN BEST MANAGEMENT PRACTICES.

The application of kitchen Best Management Practices (BMP) by an FSE serves as a critical initial step in reducing the amount of FOG that enters a grease control device, and therefore in prolonging the periods between cleaning and maintenance. The ACSA strongly encourages each FSE to establish a kitchen BMP program, and provide continuous training and monitoring of employees. ~~If requested by an FSE, the~~ The ACSA shall provide a packet of information that describes aspects of a kitchen BMP program.

19-14. WASTE GREASE DISPOSAL.

All FSEs are encouraged to use designated buckets for the disposal of waste grease removed from grease traps during cleaning. Such material shall not be combined with cooking oil that is to be recycled. Buckets should have a well-sealing lid and shall be disposed of at a facility permitted to receive such waste.

19-15. GREASE INTERCEPTOR CLEANING AND MAINTENANCE.

Specific requirements for the servicing of grease interceptors shall include the following:

1. Cleaning and related maintenance shall be contracted to a company that is permitted by the Commonwealth of Virginia to transport waste.
2. Such service shall be performed at least every three (3) months, unless written permission for a schedule of less frequent service has been provided by the ACSA.
3. Cleaning and maintenance shall include the evacuation of all contents of the interceptor, including floating materials, gray water, and settled solids.
4. All waste removed from an interceptor shall be disposed of at a facility permitted to receive such wastes.
5. Gray water or potable water shall be returned to the interceptor following waste evacuation and cleaning.
6. Other than the gray water immediately returned to the interceptor to complete maintenance, none of the waste material removed from an interceptor shall be discharged to the ACSA wastewater collection system.

19-16. PROHIBITIONS.

The following practices and devices are prohibited:

1. Any modification of a grease interceptor, such as alteration or removal of a flow constricting device, that causes flow to rise above the design capacity of the unit or reduce the retention time.
2. Interceptor cleaning that involves only skimming the surface layer, partial cleaning, or the use of any method that does not remove the entire contents of the vessel.
3. The introduction of such agents as concentrated detergents, other surfactants, emulsifiers, degreasers, solvents, or any other type of product that will liquefy grease wastes.
4. The addition of any chemical enzyme product unless written permission has been granted by the ACSA.

5. The addition of bacteria unless written permission has been granted by the ACSA.
6. The use of automatic, or mechanically operated, grease removal systems unless written permission has been granted by the ACSA.

19-17. RECORDKEEPING.

FSEs with a grease control device shall maintain records of all cleaning and maintenance. These records shall include, at a minimum:

1. The date and time of service.
2. The name and signature of the FSE representative who performed or witnessed the service.
3. The contract company ~~which~~ that performed the service (if applicable).
4. The name and signature of the contract company employee (if applicable).
5. The gallons of waste removed.
6. A copy of the service record or manifest from the contract company (if applicable).

Records shall be placed in a logbook, folder, or binder, shall be maintained on site for at least the previous three (3) years, and shall be made available immediately to the ACSA on demand during an inspection, or at intervals specified in a permit.

Any falsification of maintenance records is a violation of this policy.

19-18. INSPECTION VISITS.

Authorized representatives of the ACSA shall request the right to enter the premises to determine whether an FSE ~~is in compliance~~ complies with all requirements of this Section. Entry shall be during normal operating hours and for the purpose of inspection and evaluation of the FSE's grease control program.

Inspection may involve any ~~or all~~ of the following items:

1. The integrity of the grease control device
2. The amount of grease present in the device
3. Wastewater appearance and clarity
4. Cleaning and maintenance records
5. All food processing areas and fixtures
6. Sampling of discharge water from the device

The FSE shall keep ~~its~~ grease control device(s) accessible at all times. The ACSA shall have the option of requesting that a grease trap be opened by a representative of the FSE.

The ACSA shall make the result of the inspection available to the FSE representative verbally or in written form. A written report shall be delivered within ten (10) business days of the inspection if the FSE is found to be out of compliance with any of the requirements outlined in this Section, and shall include the necessary corrective action and a timetable for accomplishing such improvements.

19-19. USE OF CAMERAS.

As a part of the inspection of an FSE, the ACSA reserves the right to photograph the kitchen facilities and any grease control device, including its contents, for the purpose of documentation.

The ACSA also reserves the right to photograph and film the interior of the building sewage drain and/or building sewer, such as by means of closed-circuit television. Photo and video documentation of grease accumulation along the walls of the pipe shall be evidence that the FSE must install a grease control device, that an existing grease control device is not being maintained properly, or that an additional grease control device may be required. The FSE may also be required to clean its building sewage drain and building sewer in coordination with ACSA maintenance crews. The expense of such cleaning shall be borne by the

FSE.

19-20. SAMPLING AND TESTING.

The ACSA may periodically collect samples for laboratory testing as one means to determine if an FSE ~~is in compliance~~ complies with the requirements of this Section, and with other requirements of the *Rules and Regulations*. ~~The expense of sample collection, shipment, and analyses shall be borne by the FSE.~~

Sampling and testing may consist of FOG, BOD, and TSS. Any additional sample collection and testing for these parameters shall be at the discretion of the ACSA, and shall relate to a history of the FSE's discharge, or to existing conditions.

Sampling shall involve grab samples which are collected, stored, transported, and analyzed in accordance with the procedures specified in 40 CFR Part 136. All testing shall be conducted by a private commercial laboratory which is in good standing with the Virginia Department of Environmental Quality, and which has attained, ~~or is actively pursuing,~~ certification within the Virginia or National Environmental Laboratory Accreditation Program (VELAP/NELAP).

Sample collection from a grease trap shall be from the sample valve at the outlet of the device, if present, or from the nearest manhole that receives only the discharge of the FSE. Sample collection from a grease interceptor shall be from the sample box at the outlet of the device, if present, or from the nearest manhole that receives only the discharge of the FSE.

A copy of the analysis report of any laboratory testing on samples collected from an FSE shall be mailed to the FSE within ten (10) business days of receipt by the ACSA. The report shall include, at a minimum, an explanatory cover letter, the chain of custody form, the laboratory at which testing occurred, the results of the testing, the test methods used, and the dates of analyses.

19-21. ENFORCEMENT.

The following enforcement plan is designed to provide fair, consistent, and equitable action against FSEs for violations of the policies of this Section, and those of the *Rules and Regulations*, in general.

1. Notice of Non-Compliance

If an FSE is found to be in violation of any of the terms of this policy, the ACSA shall issue a written Notice of Non-Compliance. The notice shall state the specific violation(s), provide information on the required steps to be taken to ~~be in compliance~~ comply with the policy, and include a timetable for compliance. Additional testing, ~~with the expense to be borne by the FSE,~~ may be required. A Notice of Non-Compliance for a particular incident shall be provided on one (1) occasion. The need for any future action justifies proceeding to a Notice of Violation.

2. Notice of Violation

If an FSE fails to provide the corrective action required by a Notice of Non-Compliance, a Notice of Violation (NOV) shall be issued by certified mail. An NOV shall repeat the specific violation(s), provide information on the required steps to be taken, and list the date(s) by which all corrective action must be completed.

Within ten (10) business days of receipt of this notice, the FSE shall submit to the ACSA a plan outlining the detail to meet the required corrective action. Submission of the plan in no way relieves the FSE of liability for any violations occurring before or after receipt of the NOV.

Primary reasons for the issuance of an NOV include, but are not limited to:

- a. Failure to install a proper grease control device by an assigned date.
- b. Failure to repair a malfunctioning grease control device by an assigned date.

- c. Failure to properly maintain and clean a grease control device at a frequency and in a manner that ensures efficient operation.
- d. Repeated violations of the FOG Action Level.
- e. Failure to keep grease control device maintenance records on site, or failure to provide the records to the ACSA upon request.
- f. Falsification of grease control device maintenance records.
- g. Failure to submit a FOG Waste Discharge Permit application.
- h. Failure to pay a FOG Waste Discharge Permit fee.

Satisfactory response by an FSE to an NOV may be followed by a program of additional FOG, BOD, and TSS testing, ~~with the expense to be borne by the FSE.~~

The ACSA shall consider suspension of water and sewer services if an FSE fails to respond satisfactorily to an NOV. Service suspension shall be enacted if the Executive Director determines the FSE presents an imminent danger to the health or welfare of the public or environment, or presents problems to the ACSA wastewater collection system.

19-22. COSTS AND CHARGES. [Revised 7/1/15]

1. FOG Waste Discharge Permit charge: This shall include the expense for the ACSA to collect samples for the testing of FOG, BOD, and TSS on one (1) occasion during the three (3) year permit period, if deemed necessary. The need for any additional testing shall be determined by the ACSA, and the expense shall be borne by the FSE. See Appendix B.
2. The failure of an FSE to respond satisfactorily to an NOV, when the issue is the need for installation or repair of a grease control device, shall result in a charge. See Appendix B.
3. The failure of an FSE to respond satisfactorily to an NOV, when the issue is repeated failure to properly maintain a grease control device, as well as repeated FOG discharge in excess of the Action Level, shall result in a charge until the device is properly maintained and FOG discharge limits are maintained below the Action Level. See Appendix B.
4. The failure of an FSE to respond satisfactorily to an NOV, when the issue is the failure to keep grease control maintenance records on site and available to ACSA personnel, shall result in a charge. See Appendix B.
5. The failure of an FSE to respond satisfactorily to an NOV, when the issue is the falsification of grease control device maintenance records, shall result in a charge. See Appendix B.
6. The failure of an FSE to respond satisfactorily to an NOV, when the issue is the failure to submit a FOG Waste Discharge Permit application, or pay a permit fee, shall result in a charge until the application is submitted or the fee is paid. See Appendix B.
7. An FSE whose operations cause or allow grease to be discharged to the extent that it accumulates in the ACSA wastewater collection system, shall be liable for the costs to clean and/or repair the facilities, including all labor, materials, and equipment.
8. An FSE whose operations cause or allow grease to be discharged to the extent that it accumulates in the ACSA wastewater collection system, and results in a sanitary sewer overflow, shall be liable for the costs to clean and/or repair the facilities and affected area, including all labor, materials, and equipment.
9. An FSE whose operations cause or allow grease to be discharged to the extent that it accumulates in the ACSA wastewater collection system, and results in a sanitary sewer overflow, shall be liable for any fines dispensed by the Commonwealth of Virginia or the United States of America.
10. A commercial waste hauler or individual who discharges to the ACSA wastewater collection system the wastes collected from a grease interceptor shall be assessed a charge. See Appendix B.

19-23. APPEAL PROCESS.

An FSE, commercial waste hauler, or individual shall have the right to appeal any of the costs or charges listed in Section 19-22.1 through 19-22.10 according to the following procedure:

1. A notice to appeal shall be requested in writing and delivered to the office of the Executive Director no later than five (5) business days following the receipt of notice of the cost or charges to be levied.

2. The failure to file such notice to appeal within such time limit shall be deemed a waiver of the right to appeal.
3. Upon receipt of the appeal request, the Executive Director shall render a decision within thirty (30) calendar days.
4. The decision shall be sent by certified mail to the appellant.

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I certify that the foregoing is a true and exact copy of a resolution adopted by the Board of Directors of the Albemarle County Service Authority in a regular session on January 20, 2022 by a vote of __ to __.

Gary B. O'Connell, Secretary-Treasurer

AGENDA ITEM EXECUTIVE SUMMARY

AGENDA TITLE: Imagine a Day Without Water Student Art Contest Winners	AGENDA DATE: January 20, 2022
STAFF CONTACT(S)/PREPARER: Emily Roach, Human Resources and Administration Manager <i>ER</i>	ACTION: Informational
	ATTACHMENTS: Yes

BACKGROUND: The ACSA, RWSA, and the City of Charlottesville partnered in their seventh annual Imagine a Day Without Water campaign this year, to educate and inspire the community about the value of water. The goal of this campaign is to encourage water conservation in our everyday lives.

In addition to public awareness, the campaign consists of an art contest inviting youth from the City and Albemarle County to illustrate a particular theme related to water conservation. This year, the theme was "Love Our Water." To follow proper COVID-19 safety precautions, the competition accepted traditional as well as digital submittals. Judges from the City, ACSA, and RWSA evaluated the artwork for creativity, originality, and incorporation of the contest's theme.

There were 224 art entries received, with one winner chosen from each of the five grade divisions between kindergarten and 12th grade. The public was also invited to view the top 63 entries online and vote for a "Fan Favorite." All six winners received a \$200 gift card and a water conservation goodie bag.

BOARD ACTION REQUESTED: Informational; presentation of artwork at the Board meeting.

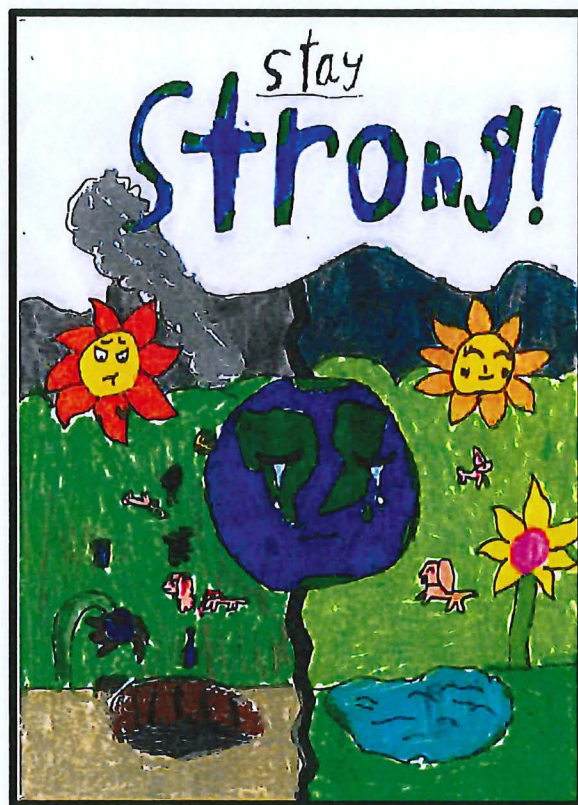
ATTACHMENTS:

-2021 Imagine a Day Without Water Art Contest Winners

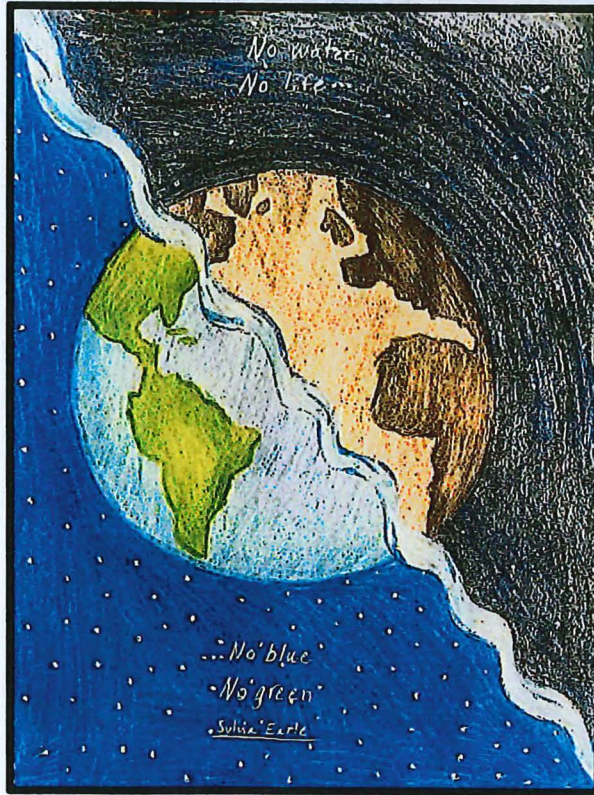
2021 Imagine a Day without Water Art Contest Winners



K – 2nd Grade Winner: Grant Smith, Mountaintop Montessori, 2nd Grade



3rd – 4th Grade Winner: Ruby Buchanan, Mountaintop Montessori, 4th Grade



5th – 6th Grade Winner: Nora Neathery, Henley Middle School, 6th Grade



7th – 8th Grade Winner: Jane Friesen, Village School, 7th Grade



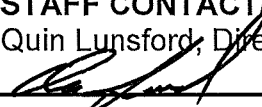
9th – 12th Grade Winner: Isabella Sorrentio, Albemarle High School, 12th Grade



Fan Favorite Winner: Leilani Durette, Henley Middle School, 6th Grade

ALBEMARLE COUNTY SERVICE AUTHORITY

AGENDA ITEM EXECUTIVE SUMMARY

<p>AGENDA TITLE: Rate Study – Preliminary Recommendations and Update</p> <p>STAFF CONTACT/PREPARER: Quin Lunsford, Director of Finance</p> 	<p>AGENDA DATE: January 20, 2022</p> <p>ACTION: Informational</p> <p>ATTACHMENTS: Yes</p>
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BACKGROUND: At the November 18, 2021 Board meeting, the ACSA's rate study consultant (NewGen Strategies and Solutions) presented an overview of services to be provided related to the study and long-term financial planning.

DISCUSSION: Since this presentation, ACSA staff has provided financial and operational information to NewGen as a basis for the rate/financial model that they are building. This information included both historical and projected financial information and expectations for future needs. The model will assist in development of the FY 2023 budget and customer rates for Board consideration later this spring.

NewGen's presentation today will again provide an overview of the process but will also share preliminary findings from the model build-out. They will review assumptions used and revenue requirements based on current financial projections.

The ACSA will continue to assess needs for the FY 2023 budget and beyond and provide updates to NewGen over the course of the next few months to ensure the model reflects expectations and needs. As part of the formal budget process, we will present to the Board in April an overview and rates for consideration. This meeting will be followed by a budget and rate workshop in May and if approved adoption in June.

BUDGET IMPACT: Informational only.

RECOMMENDATIONS: None

BOARD ACTION REQUESTED: None; informational item only.

ATTACHMENTS:

1. Rate Model Update/Revenue Requirements – NewGen Strategies and Solutions



January 20, 2022 | Albemarle County Service Authority | Water and Sewer Rate Analysis

Board Presentation: Revenue Requirements



Mike Maker
Deputy Director,
Water/Wastewater Practice



Presentation Agenda

- Study Assumptions
- Revenue Requirement
- Current Charges and Fees
- Next Steps

Guiding Principles and Objective

- The water and sewer enterprise fund should be financially self-supporting
- The utility should maintain reserves to provide for contingencies and unplanned expenses
- Water and sewer rates should be kept as low as possible *over time*

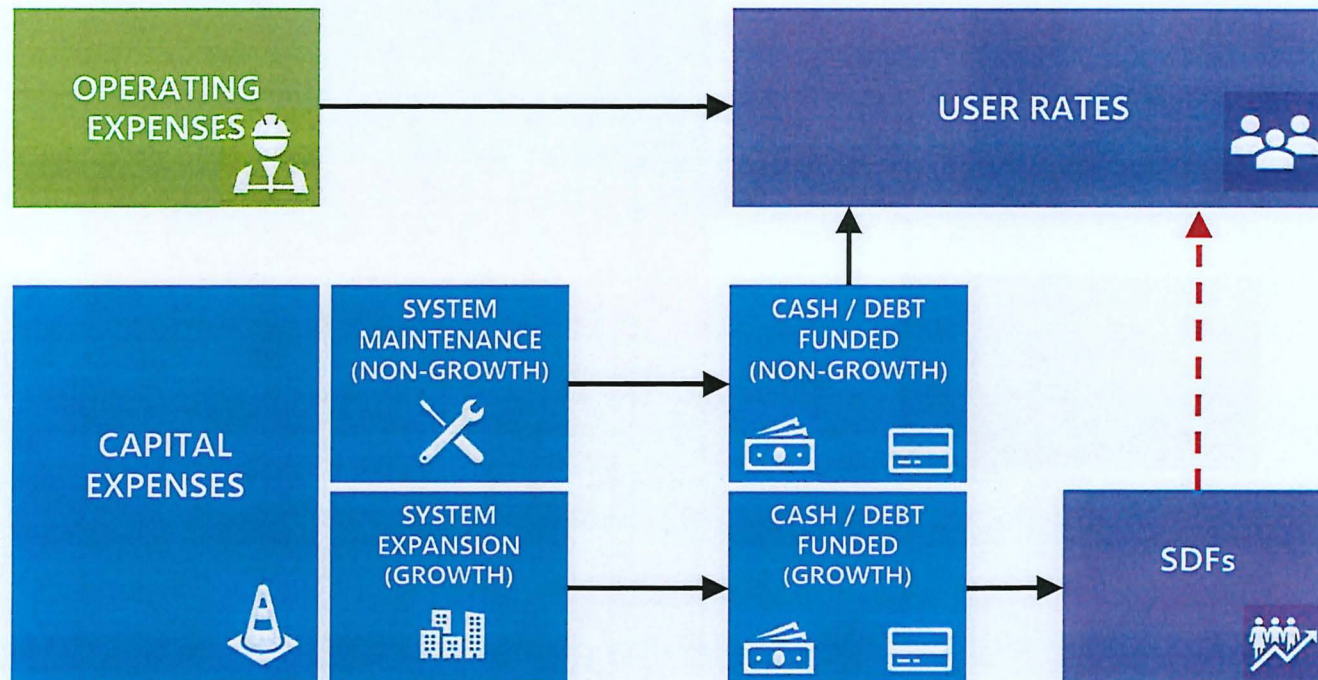
Objective: Ensure rates are stable through sound financial management and system maintenance

- ✓ Review water and sewer funds to maintain financial stability
- ✓ Prepare long-term financial plan that includes capital investments required for a sustainable system

Factors Affecting Charges and Rates

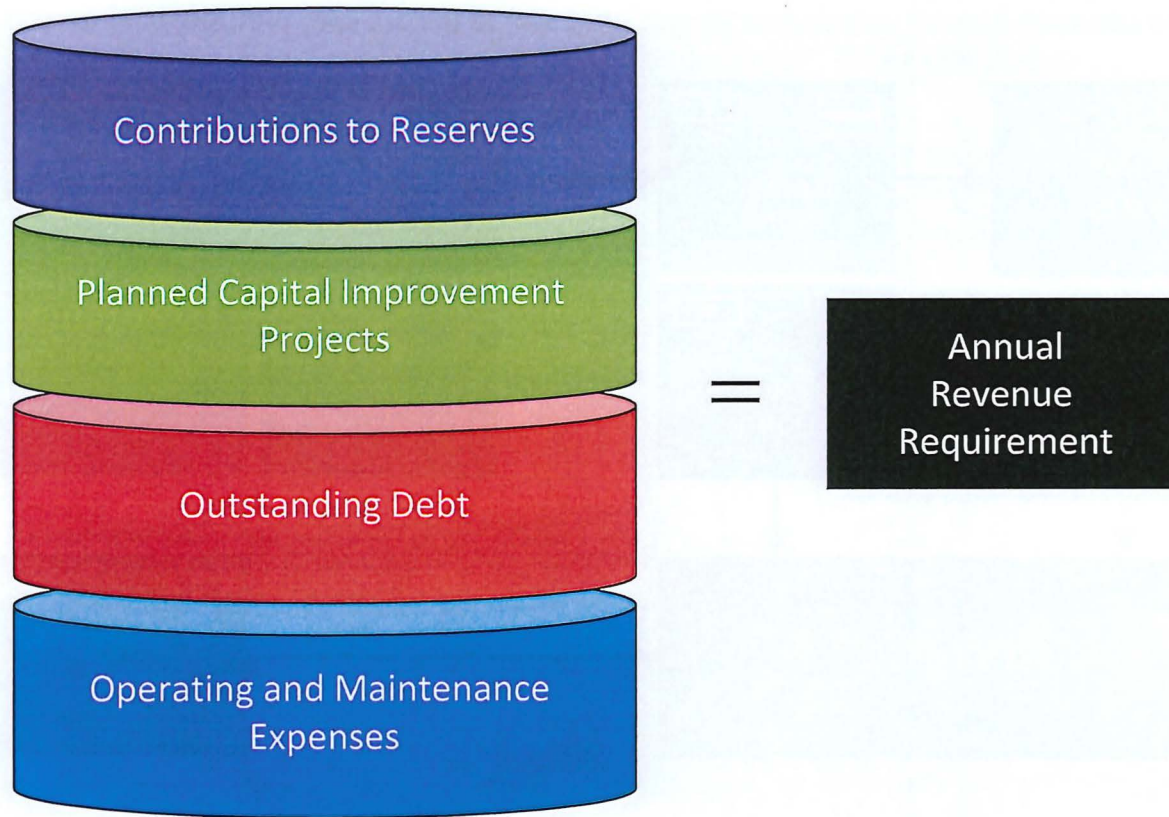
- Operating and maintenance expense changes
 - purchase of water/sewage treatment expenses based on estimates from RWSA (per year increases average ~8% for water and ~7% for sewer)
 - 0 to 2.5% escalation rate per year for other expenses
- Capital improvement plans
 - investment in the distribution and collection systems
- Debt service
 - existing and future debt
- Customer changes
 - 2.5% increase per year based on historical trend
- Water usage and sewage generation changes
 - 1.0% increase per year based on historical trend
- Miscellaneous revenue changes
 - no growth
- Reserve targets
 - maintain minimum balances for O&M, 3R and Capacity and Growth reserves

Relationship between User Rates and System Development Fees

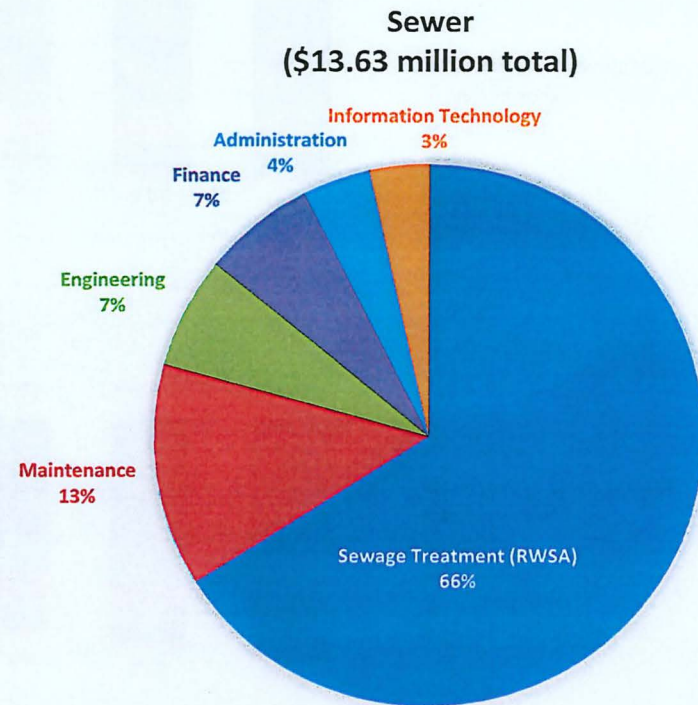
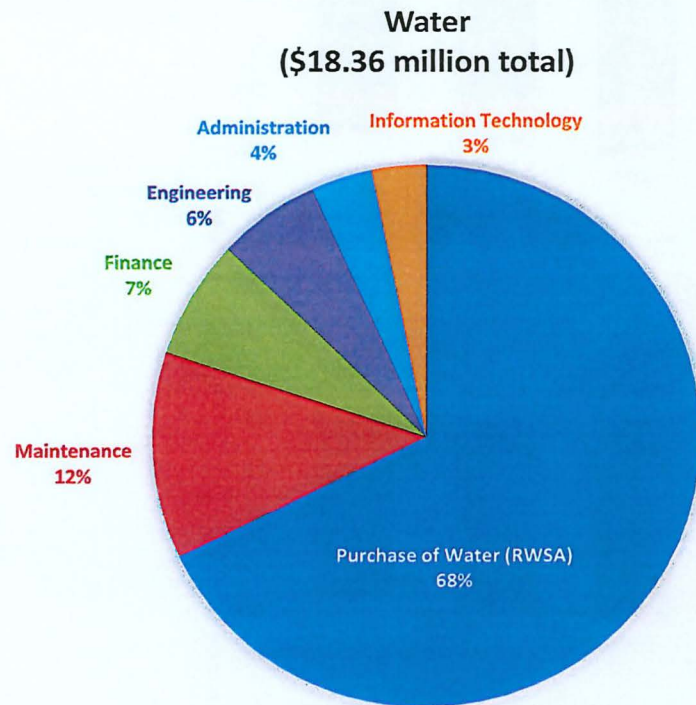


If system development fees are set at less than cost or anticipated growth does not occur, existing customers will have to make up the difference via higher user rates.

Revenue Requirement

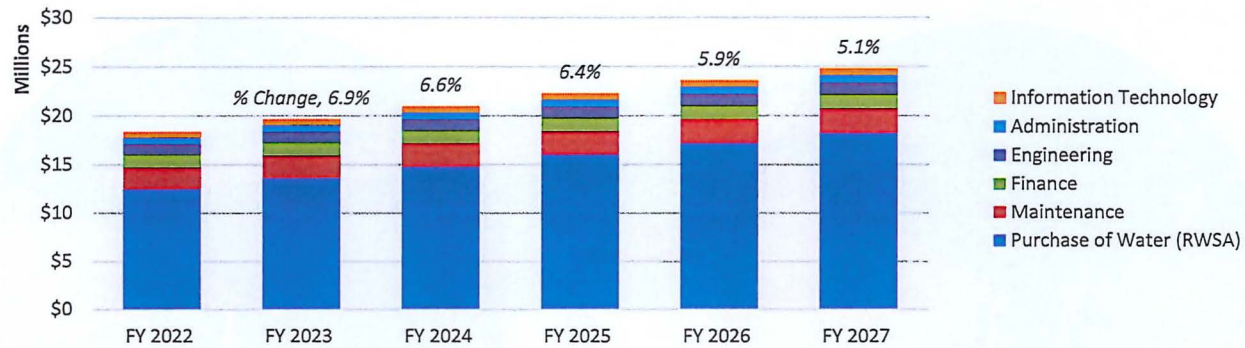


Current O&M Expenses (FY 2022)

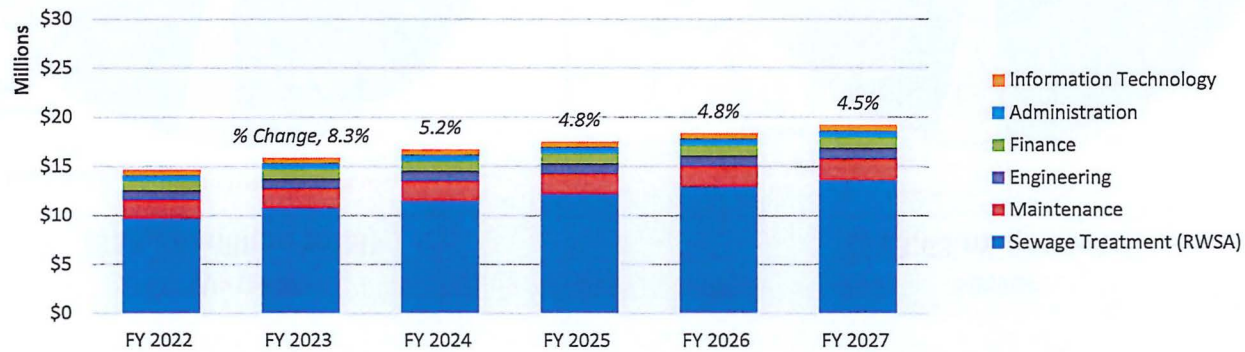


Forecast O&M Expenses

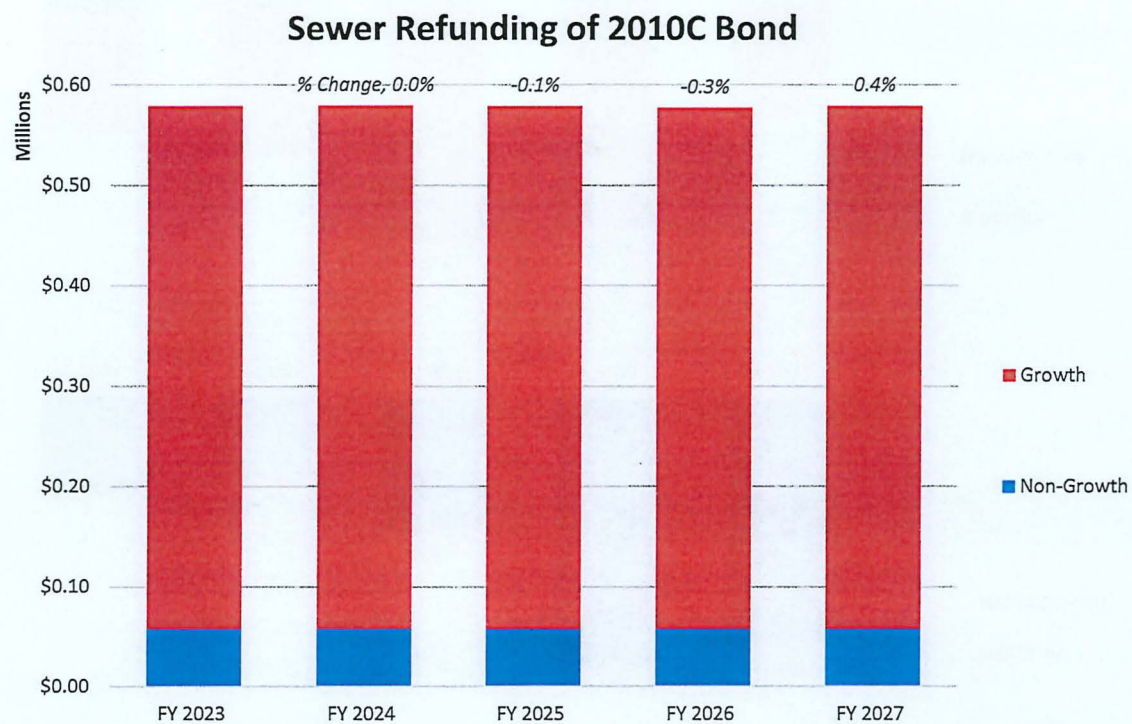
Water



Sewer

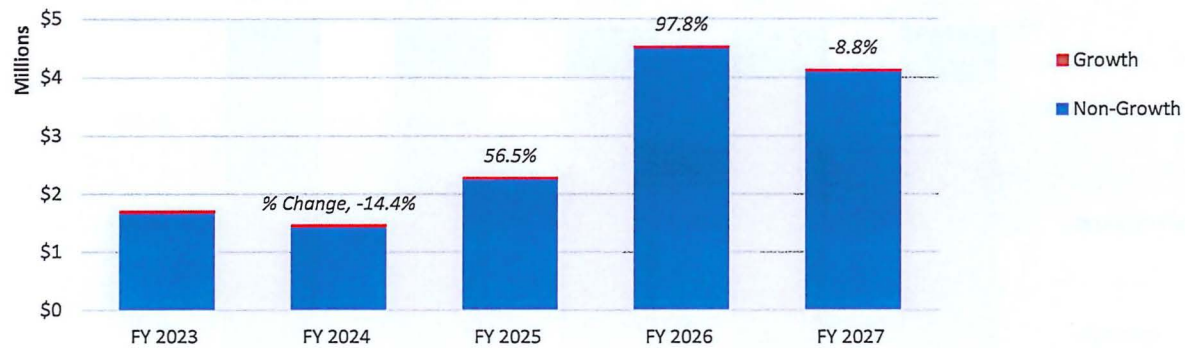


Current Debt Payments

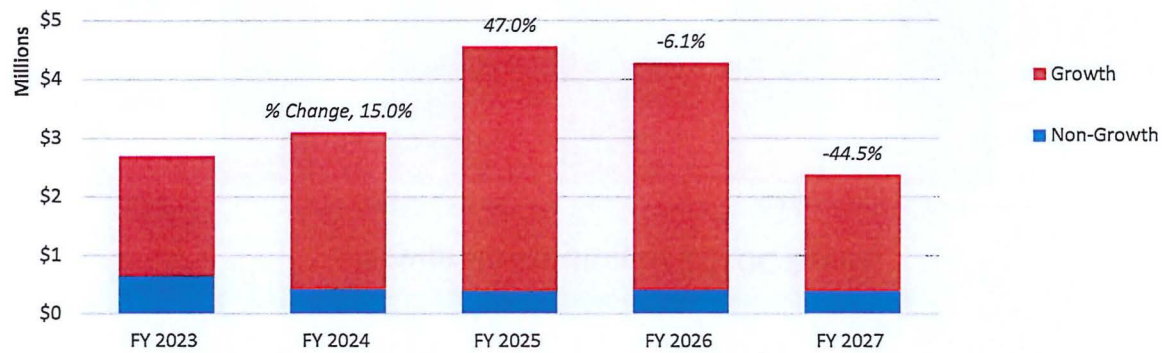


Planned Capital Projects

Water



Sewer



Currently, all capital projects are planned to be cash funded

Water System Development/RWSA Capacity Fee Cash Flow

(in millions)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
System Development Fee/RWSA Capacity Fee Revenue^{1,2}	\$3.6	\$3.6	\$3.6	\$3.6	\$3.6
Expenses					
Existing Debt Service	-	-	-	-	-
Cash Funded Projects	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
New Debt Service	-	-	-	-	-
Total Expenses	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Surplus / (Shortfall)	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5
Beginning Cash Balance	\$16.2	\$17.3	\$18.0	\$18.5	\$18.8
Surplus / (Shortfall)	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5
Less Funding of RWSA Debt Service ³	\$(2.5)	\$(2.8)	\$(3.0)	\$(3.2)	\$(3.5)
Ending SDF Cash Balance	\$17.3	\$18.0	\$18.5	\$18.8	\$18.9
Shortfall to be made up by Water Rates	-	-	-	-	-

¹assumes no change in current fees

²revenue in FY 2023 and beyond based on ~540 ERCs (equivalent residential connections)

³assumes 50% funding of annual RWSA debt service expenses, while maintaining a minimum balance equal to 50% of average RWSA debt service

Sewer System Development/RWSA Capacity Fee Cash Flow

(in millions)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
System Development Fee/RWSA Capacity Fee Revenue^{1,2}	\$3.6	\$3.6	\$3.6	\$3.6	\$3.6
Expenses					
Existing Debt Service	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Cash Funded Projects	\$2.0	\$2.7	\$4.1	\$3.8	\$2.0
New Debt Service	-	-	-	-	-
Total Expenses	\$2.6	\$3.2	\$4.7	\$4.4	\$2.5
Surplus / (Shortfall)	\$1.0	\$0.4	\$(1.1)	\$(0.8)	\$1.1
Beginning Cash Balance	\$16.6	\$15.9	\$14.5	\$11.6	\$8.9
Surplus / (Shortfall)	\$1.0	\$0.4	\$(1.1)	\$(0.8)	\$1.1
Less Funding of RWSA Debt Service ³	\$(1.7)	\$(1.8)	\$(1.8)	\$(1.9)	\$(2.0)
Ending SDF Cash Balance	\$15.9	\$14.5	\$11.6	\$8.9	\$8.0
Shortfall to be made up by Sewer Rates	-	-	-	-	-

¹assumes no change in current fees

²revenue in FY 2023 and beyond based on ~520 ERCs (equivalent residential connections)

³assumes 40% funding of annual RWSA debt service expenses, while maintaining a minimum balance equal to 40% of average RWSA debt service

Reserves

- Operating and Maintenance Reserve (O&M)
 - Serves as working capital for the potential lag between operating revenues and operating expenditures, as well as unplanned minor repairs or fluctuations in the operating budget
 - Recommendation: maintain minimum O&M Reserve balance equal to 90 days of operating expenses (25% of O&M)***
- Repair, Renewal, and Replacement Reserve (3R)
 - Fund unexpected major repairs and planned replacement or rehabilitation of system assets based on estimated useful life and replacement cost of equipment
 - Recommendation: maintain minimum 3R Reserve balance equal to 2% (50-year useful life) of system value***
- Capacity and Growth Reserves
 - Fund capacity or growth-related costs via ACSA System Development Charge and the RWSA Capacity Charge revenues
 - Recommendation: maintain minimum percentage of RWSA urban debt service***
- Combined Reserves Goal: Maintain a minimum Days Cash on Hand of 270 days within the total of the three reserves and unrestricted cash and investments
 - Recommendation: maintain the reserve specific targets above***

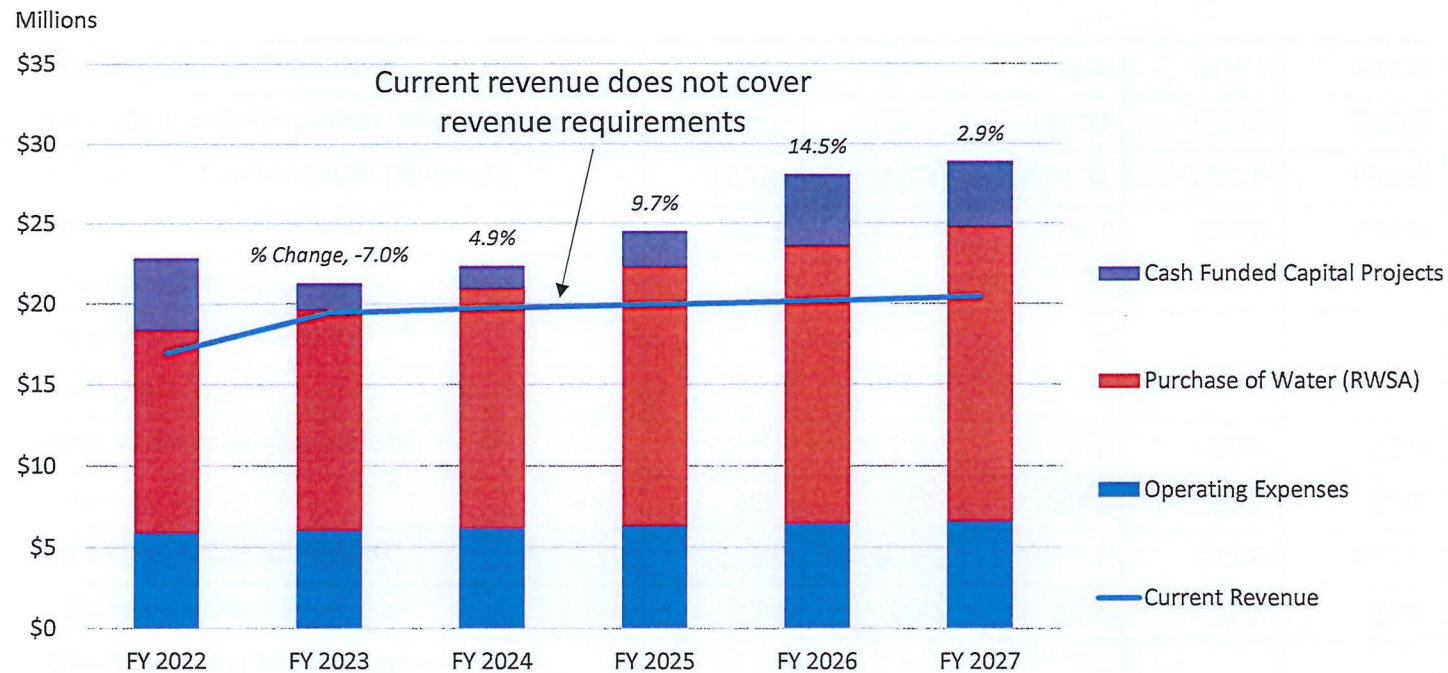
Revenue Requirements - Water

(in millions)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Operating and Capital Costs					
Operating Expenses	\$6.0	\$6.2	\$6.3	\$6.5	\$6.6
Purchase of Water (RWSA)	\$13.6	\$14.8	\$16.0	\$17.1	\$18.2
Current Debt Service	-	-	-	-	-
Cash Funded Capital Projects	\$1.7	\$1.4	\$2.2	\$4.5	\$4.1
New Debt Service	-	-	-	-	-
3R Reserve Contribution	-	-	-	-	-
SDF Cash Balance Shortfall	-	-	-	-	-
Total Revenue Requirement	\$21.3	\$22.3	\$24.5	\$28.1	\$28.9
Less Miscellaneous Other Revenues	\$(0.4)	\$(0.4)	\$(0.4)	\$(0.4)	\$(0.4)
Less SDF Funding of RWSA Debt Service	\$(2.5)	\$(2.8)	\$(3.0)	\$(3.2)	\$(3.5)
Net Revenue Requirement	\$18.4	\$19.1	\$21.1	\$24.5	\$25.0

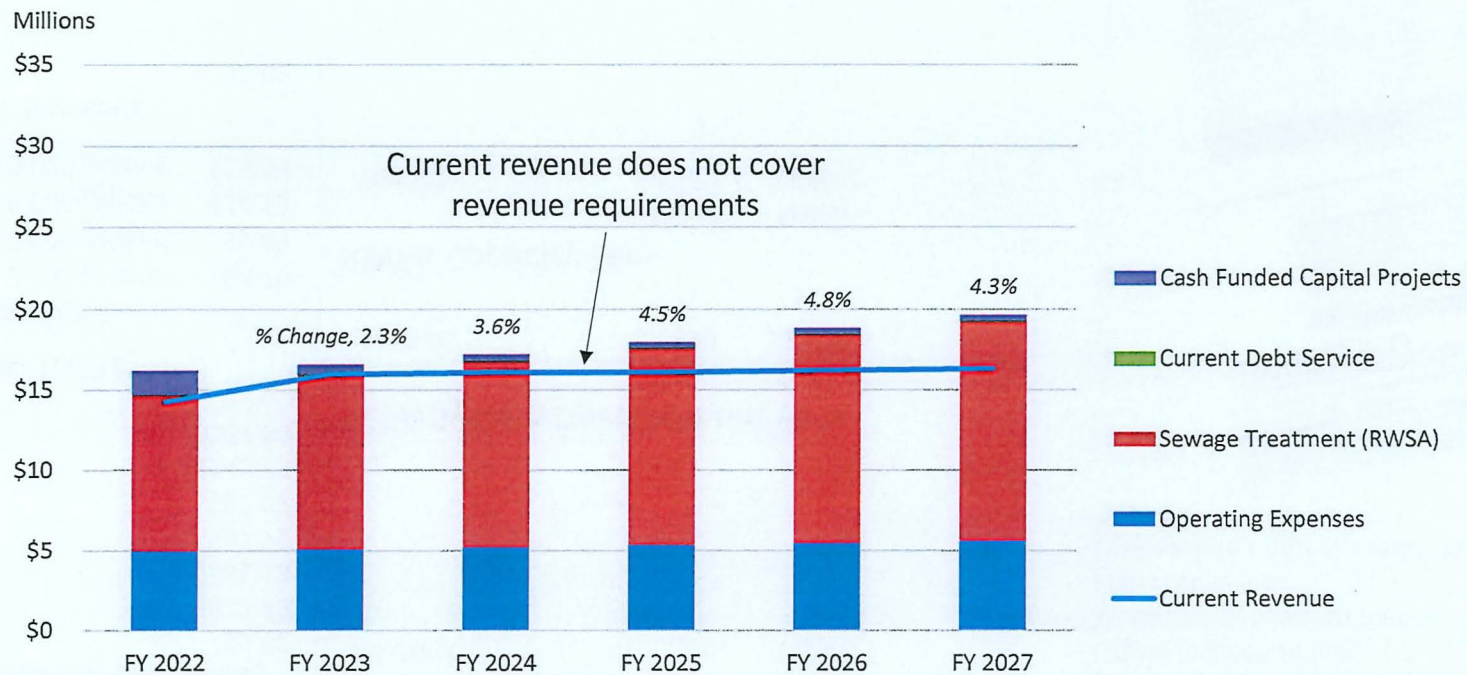
Revenue Requirements - Sewer

(in millions)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Operating and Capital Costs					
Operating Expenses	\$5.1	\$5.2	\$5.3	\$5.5	\$5.6
Sewage Treatment (RWSA)	\$10.8	\$11.5	\$12.2	\$12.9	\$13.6
Current Debt Service	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Cash Funded Capital Projects	\$0.7	\$0.4	\$0.4	\$0.4	\$0.4
New Debt Service	-	-	-	-	-
3R Reserve Contribution	-	-	-	-	-
SDF Cash Balance Shortfall	-	-	-	-	-
Total Revenue Requirement	\$16.6	\$17.2	\$18.0	\$18.8	\$19.6
Less Miscellaneous Other Revenues	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)
Less SDF Funding of RWSA Debt Service	(\$1.7)	(\$1.8)	(\$1.8)	(\$1.9)	(\$2.0)
Net Revenue Requirement	\$14.6	\$15.1	\$15.9	\$16.7	\$17.4

Revenue Requirements vs. Revenue at Current Rates - Water



Revenue Requirements vs. Revenue at Current Rates - Sewer



Current Charges and Fees (July 1, 2021)

Water Charges

Monthly Service Charge (by meter size)

5/8	\$9.00
1	\$17.28
1 1/2	\$31.13
2	\$47.72
3	\$92.02
4	\$141.83
6	\$272.03

Volume Charge (per 1,000 gallons)

Single-Family Residential		
Level 1	0 - 3,000 gallons	\$4.70
Level 2	3,001 - 6,000 gallons	\$9.43
Level 3	6,001 - 9,000 gallons	\$14.13
Level 4	over 9,000 gallons	\$18.86

Multi-Family/Non-Residential

All Usage	\$9.09
-----------	--------

Sewer Charges

Volume Charge (per 1,000 gallons)

All Usage	\$9.94
-----------	--------

ACSA System Development Fees

	Water	Sewer
Per ERC	\$1,890	\$2,970

RWSA Capacity Fees

	Water	Sewer
Per ERC	\$4,760	\$3,850

Notes

- Service Charges and Volume Charges represent a 5% increase over those implemented the prior year
- ERC = Equivalent Residential Connection (270 gallons per day)
- ACSA System Development Fees and RWSA Capacity Fees are one-time fees and have not been increased for several years

Miscellaneous Fees

- Service connection tap charges
- Onsite inspection fees
- TV camera inspection fees
- Plan review fees
- Other related miscellaneous fees and charges

Water and Sewer Rates - Fiscal Year 2022 Projections

The proposed monthly water and sewer rates increase is driven by the following factors:

- The cost of purchased water from the RWSA is expected to increase 10.3% or \$1.91 million
- ACSA departmental budget increase of 5.1%
- Capital Improvement Program of \$11.2 million

ACSA Water and Sewer Monthly User Rates

Service Charge	Volume Charge - Single Family Residential	Volume Charge - Multi-Family/Non-Residential
\$9.00	\$4.70	\$9.09
\$17.28	\$9.43	\$18.18
\$31.13	\$14.13	\$27.27
\$47.72	\$18.86	\$36.36
\$92.02		\$72.73
\$141.83		\$109.09
\$272.03		\$218.18

Based on usage noted below, customers will not see an increase in their monthly bill

Sample Monthly Combined (Water and Sewer) Bills

Customer Type	Water Meter Size	Water Usage (gallons)	Water Rate	Sewer Rate	Total Monthly Bill	Monthly % Change
Single Family	5/8	1,200	\$25.31	\$20.57	\$45.88	0.00%
Small User	5/8	2,500	\$43.45	\$43.45	\$86.90	0.00%
Medium User	5/8	3,400	\$57.05	\$57.05	\$114.10	0.00%
Large User	5/8	6,200	\$115.30	\$115.30	\$230.60	0.00%
Multi-Family/Non-Residential	5/8	7,700	\$144.74	\$115.30	\$260.04	0.00%
Commercial	1	23,700	\$447.48	\$181.82	\$629.30	0.00%
Industrial	5/8	4,700	\$89.70	\$72.73	\$162.43	0.00%
Public	1 1/2	15,500	\$289.05	\$231.13	\$520.18	0.00%
Institutional	5/8	12,000	\$224.25	\$181.82	\$406.07	0.00%

Next Steps

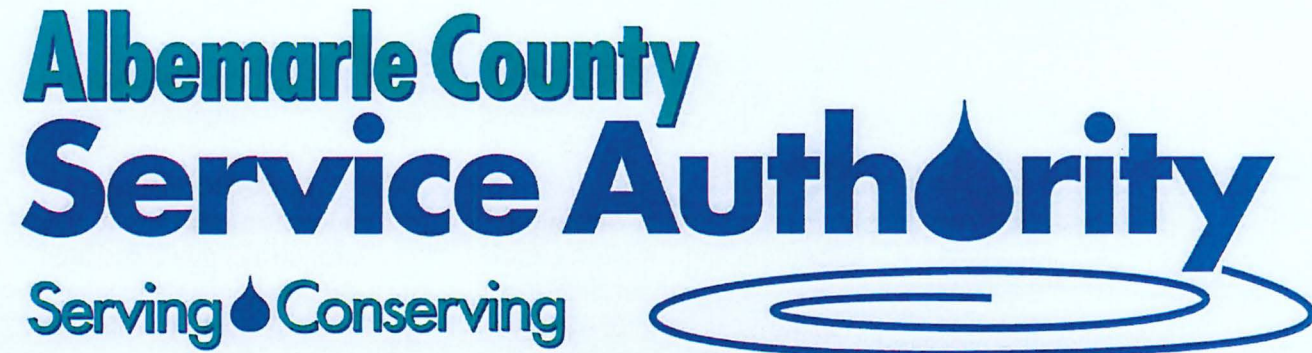
- Verify/Refine Revenue Requirements and Reserve Recommendations
- Develop Rate Structure Recommendations
- Evaluate System Development Fees and Miscellaneous Fees



QUESTIONS?

NEWGEN STRATEGIES AND SOLUTIONS, LLC
911-A COMMERCE ROAD
ANNAPOLIS, MD 21401

MIKE MAKER, DEPUTY DIRECTOR,
WATER/WASTEWATER PRACTICE
443-951-0355
MMAKER@NEWGENSTRATEGIES.NET



2021 Annual Report

Board of Directors' Meeting

January 20, 2022

Values:

The Albemarle County Service Authority is committed to providing the highest quality customer service that:

ALIGNS to our values of honesty, trust, integrity, mutual respect, open communication, and employee empowerment.

COMMITTS to our community through responsiveness and collaboration. We actively promote conservation and environmental stewardship.

STRIVES for professional excellence by maintaining consistent and fair policies across the organization and encouraging pride and dedication to ensure a healthy working environment.

ASPIRES to practice strategic foresight and fiscal responsibility while embracing innovation

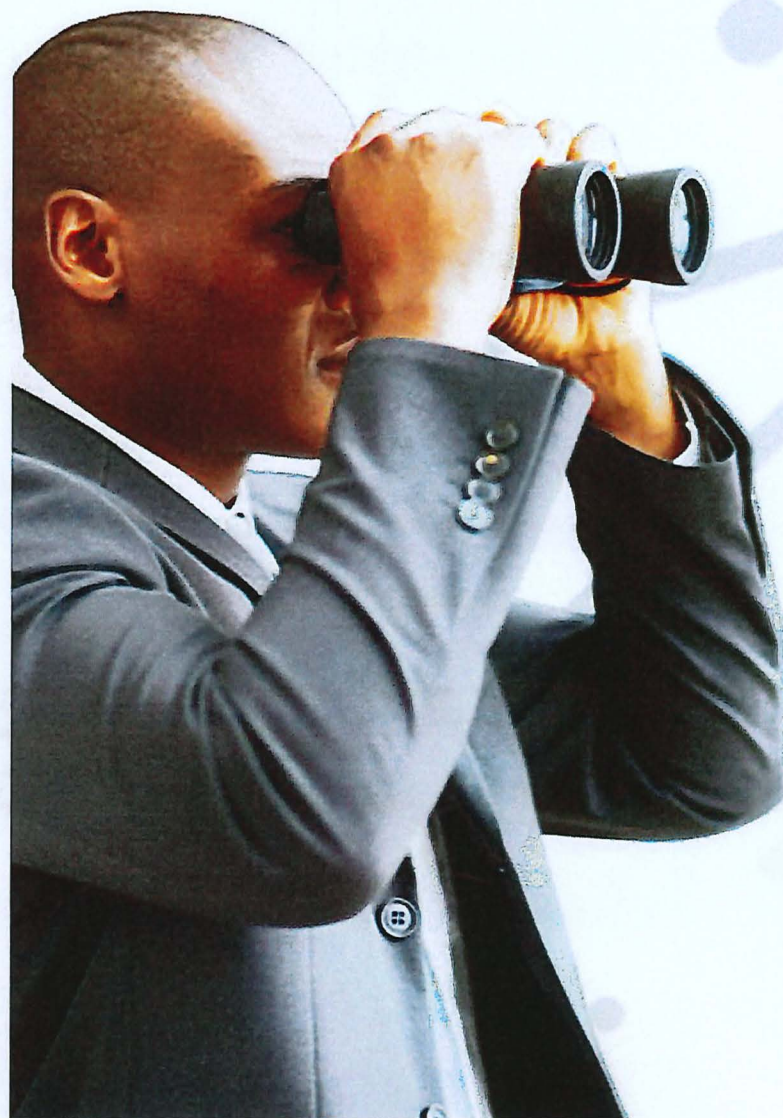


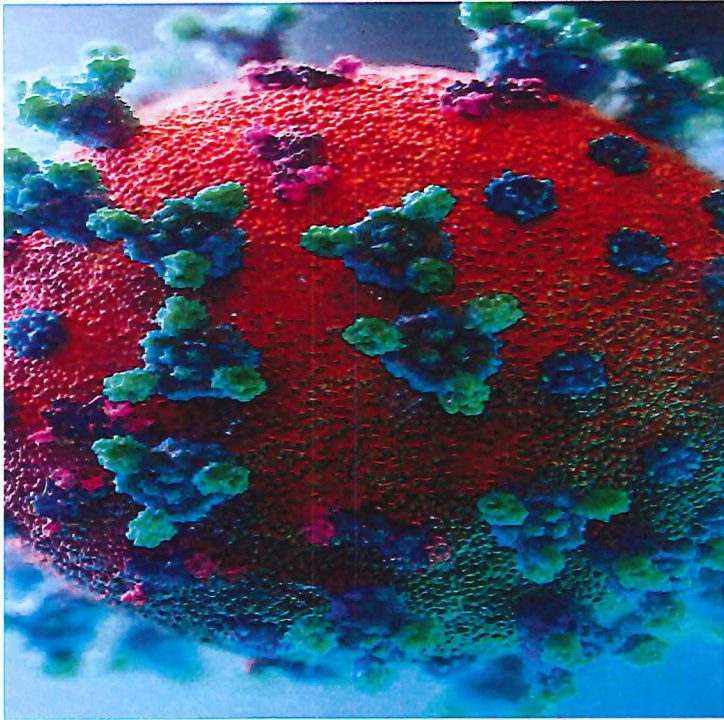
Vision

Serve and conserve today, sustain for tomorrow, and protect our resources forever.

Mission

With pride and dedication, we serve our customers by providing clean safe water, exemplary wastewater services, and fire protection infrastructure. Together with our community partners, we maintain and improve our utility system in a timely, cooperative, and financially manner.





Continuing to Meet COVID's Challenges:

Meeting our COVID goals for now two years running:

- Continued operations;
- Keeping the water flowing;
- Maintaining a high-level of customer service;
- Water safe to drink.

Fulfilling our Strategic Plan

- Safe, clean, reliable.
- Blueprint for excellence in Customer Service, Technology and Environmental Sustainability.
- Significant progress on all the key initiatives.



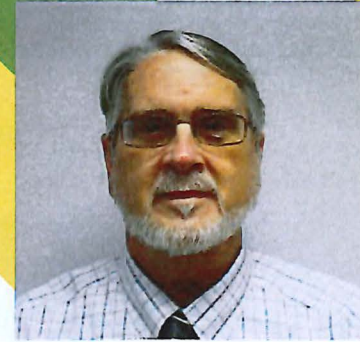
ACSA Management:



Gary O'Connell, Executive Director



Quin Lunsford, Director of Finance



Pete Gorham, Director of Engineering



Mike Lynn, Operations Manager



**Emily Roach, Human Resources and
Administration Manager**



**April Walker, Manager of Information
Technology**



2021 Achievements

Administration/Human Resources:

- ERP Implementation/HR Module.
- Salary Study is underway with recommendations expected for the FY' 23 Budget.
- Navigating changing COVID response to employee issues and policies.



2021 Youth Art Contest

*Imagine a Day
without Water*



2021 Accomplishments

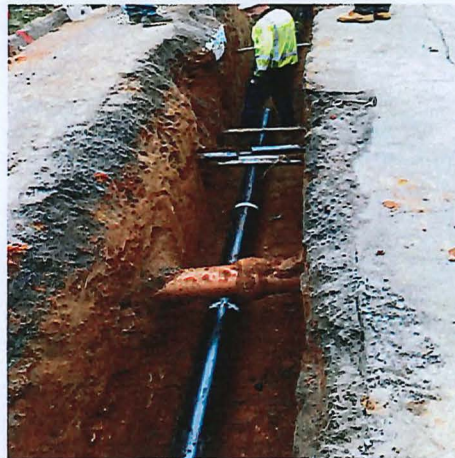
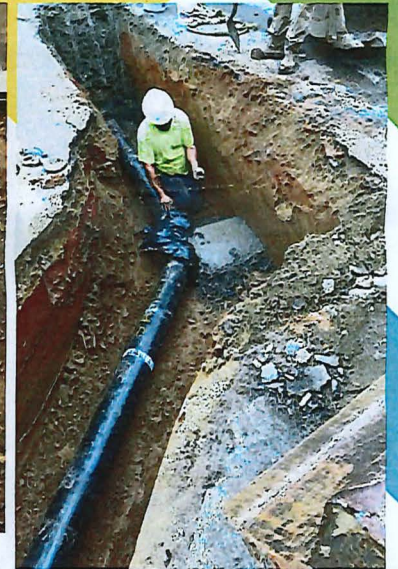
Another successful "Imagine a Day Without Water" partner event with the City of Charlottesville and Rivanna Water & Sewer Authority results:

- A total of 224 art entries were received from City and County public schools, as well private schools and other organizations.
- The top 63 entries were selected by the City, ACSA and RWSA judges and made available online for a fan favorite vote, with a total of 1,033 votes received.
- A winner was selected in each of the following youth award categories: Grades K-2, Grades 3-4, Grades 5-6, Grades 7-8, Grades 9-12 and a fan favorite.
- All award winners received a water conservation goodie bag and a \$200 gift certificate.
- Teacher recognition awards were selected at random where the more students that participated would increase the odds of winning; with four teachers selected.
- Selected teachers received a \$200 gift card for school supplies and a water conservation goodie bag.

Engineering:

2021 Accomplishments

- Renewal of two annual construction contracts to continue our “Find and Fix” Program to reduce infiltration and inflow (I & I) into our wastewater collection system.
- The Camelot Water Main Replacement Project replaced approximately 7,600 feet of undersized and deteriorating asbestos-cement and PVC pipe.
- Pantops Drainage Basin Rehabilitation Project completed the rehabilitation of a little over 200 sanitary sewer manholes to reduce I & I in our wastewater collection system



Engineering:

2021 Accomplishments (continued)

- Hollymead Drainage Basin Sanitary Sewer Evaluation Survey analyzed over 64,200 feet of gravity sewer mains and 356 manholes to identify sources of I & I for rehabilitation. Rehab work is just beginning.
- Exclusion Meters Replacement Project is an on-going multi-year project that has converted to ACSA owned irrigation meters or abandoned over 100 private irrigation meters, or approximately 20% of the total existing in our water system.
- Expanded the parking area and replaced all of the old pavement throughout the ACSA Operations Center on Spotnap Road.
- Installed new security fencing around the Avon Park Water Storage Tank and the ACSA Operations Center Maintenance Yard as part of the larger Risk Assessment Improvements Project.



Finance:

2021 Accomplishments:

- Continued to maintain a high-level of service to internal and external customers (billings, payroll/AP, budgeting, financial planning through the pandemic and beyond).
- ACSA applied for and was awarded \$181,010.14 through the federal Coronavirus Aid, Relief and Economic Security Act (CARES Act) in November 2020.
- ACSA was able to assist 261 customers with an average amount of \$691 per account, with customers from all ACSA services areas applying and receiving assistance through the program.

- Successful deployment of Paymentus (i.e. online customer payment portal).
- Successful procurement/design/deployment of ERP (Munis).
- Successful deployment of Phase 1 (beta) AMI earlier this spring.



Information Technology:

2021 Accomplishments:

- **Security:** Completion of a 3rd Party Security Assessment, including a 3rd Party Penetration Test
- **Technology Plan:** Developed a new 5-year Technology Plan
- **System Integrations:** We continued to work on the Cityworks Integration while also accomplishing the ACSA's integrations with the new ERP and Paymentus.
- **Upgrades/Maintenance:** Upgrades of all Maintenance and Meter Reading iPads, all Customer Service Computers, the upgrade of our Fuelmaster system and upgraded the SCADA System for Ashcroft Pump Station



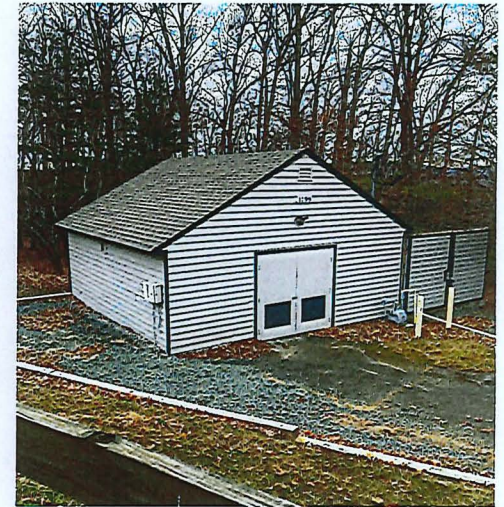
Paymentus

Maintenance:

2021 Accomplishments:

The Maintenance Department activities and projects during 2021. Some examples:

- To prepare for the paving project, we installed the drain between the maintenance building and the conduit in preparation for future purchases of electric vehicles.
- Replaced the roofs on two pump stations along with rebuilding sewer pumps at Georgetown Pump Station.
- Relocation and downsizing of the meter vault at Autumn Hill.
- Extension of 12-inch waterline on Avon Street Extended.
- Upgraded setters in preparation for AMI.
- Reworking and/or eliminating exclusion meters.
- Completion and exercising of new Emergency Management Plan.
- Ongoing system maintenance.



2022 Future Year at ACSA

- High quality service continuing
- AMI underway
- Budget/Rates for FY' 23
- COVID continuing responses
- Enhance Munis and CityWorks
- Quarterly Customer Newsletters
- Continuation of Strategic Plan items



QUESTIONS ?

