

Albemarle County Service Authority Board of Directors

1 The Board of Directors of the Albemarle County Service Authority
2 (ACSA) met in a regular session on October 19, 2023, at 9:00 a.m. at the
3 Administration and Operations Center at 168 Spotnap Road in
4 Charlottesville, Virginia.

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

8 **Members Absent:** None

9 **Staff Present:** John Anderson, Roland Bega, Tim Brown, Mike Derdeyn,
10 Brendan Ganz, Terri Knight, Quin Lunsford, Jeremy Lynn, Michael Lynn,
11 Alex Morrison, Gary O'Connell, Emily Roach (virtual), Danielle Trent, April
12 Walker.

13 **Staff Absent:** None

14 **Public Present:** Neil Williamson, Free Enterprise Forum (virtual).

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

17 Mr. Armstrong called the meeting to order. He then read the opening
18 Board Chair statement (Attached as Page _____), and a quorum was
19 established.

20
21 2. Employee Recognition – Michael Lynn – Retirement – 46 Years

22 Mr. Armstrong stated that it was really something to have an
23 employee dedicated to the organization for 46 years. He noted that some
24 people in the audience were not even born when Mr. Lynn began his
25 employment with the ACSA. He noted that there was a resolution in the
26 Board packet, which he would read into the record (Attached as
27 Page_____). Mr. Lynn received a standing ovation for his service.

28 Dr. Palmer asked Mr. Lynn how old he was when he began working
29 with the ACSA. Mr. Lynn replied that he was 19 years old. He stated that
30 initially, his plan was to stay with the ACSA until he was about 21-23 years
31 of age, after which time he planned to join either the fire department or the

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1 police department. He stated that he stayed because the ACSA paid better,
2 and his wife did not want him to be a police officer or firefighter. He noted,
3 however, that he has been a volunteer firefighter for over 45 years.

4 ***Dr. Palmer moved to approve resolution as presented to the***
5 ***Board; seconded by Mr. Tolbert. All members voted aye.***

6
7 3. Approve Minutes of September 21, 2023

8 Mr. Parcels stated that he did not have any corrections, but he did
9 miss Ms. Trent’s transcriptions of the Board meeting minutes. Mr. Tolbert
10 stated that the verbatim minutes are certainly full, but there is a lot of stuff in
11 the verbatim minutes that really should not be included. He noted, for
12 example, on the first page of the minutes. It states “Mr. Lunsford asked what
13 page that was on. Mr. Parcels replied that it was on page 6...” He stated
14 that things like this are not necessary in the minutes. He added that it is a
15 problem if these types of things cannot be omitted.

16 Dr. Palmer stated that the verbatim minutes leads the reader to skim
17 more. She stated that she found herself skimming the minutes and trying to
18 get through them. Mr. Parcels added that the verbatim minutes have taught
19 him to be careful about what he is saying. He stated that he appreciates the
20 clerk’s interpretation, in the minutes, of what goes on in the meeting. Dr.
21 Palmer stated that she does feel the verbatim minutes are better than action
22 minutes, as the action minutes tend to leave out a lot. She mentioned that if
23 she had to pick between the two, she would prefer verbatim. Mr. Roberts
24 asked if there could be a balance between the two, and perhaps remove
25 some of the excess during the proofreading phase. Dr. Palmer replied that
26 there could be, but that would put Ms. Trent back in the driver’s seat with
27 respect to doing the minutes.

28 Ms. Swanson asked, with all that being said, if she should give her
29 corrections. She stated that there were a few things she identified that did
30 not make sense, such as page 10, line 19. She stated that the first sentence
31 was not complete. She noted that on the same page, line 30, it says “have

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1 had,” which is incorrect. Dr. Palmer noted that sometimes people correct
2 themselves mid-sentence when speaking, which could account for that.

3 ***Dr. Palmer moved to approve the minutes, as amended,***
4 ***seconded by Mr. Parcells. All members voted aye.***

5
6 4. Matters from the Public

7 There were no matters from the public.

8
9 5. Response to Public Comment

10 There was no response to public comment.

11
12 6. Consent Agenda

13 ***a. Monthly Financial Reports –***

14 ***b. Monthly Capital Improvement Program (CIP) Report –*** Mr. Parcells
15 asked what the Draft Technical Memorandum is, that was mentioned in
16 the Ragged Mountain Phase 1 Water Main Replacement update on
17 page 86. Mr. Lynn replied that Dewberry, the engineering consultant, is
18 looking at four options to get the water main across the creek without
19 VDOT’s bridge replacement project. Mr. Parcells asked if the
20 memorandum in question would discuss the four options. Mr. Lynn
21 replied yes, as well as the cost associated with each option. He noted
22 that there was a Board authorization a few months ago that included
23 some additional Geotech boring work, and then exploring those options.

24 Mr. Parcells stated that the August update on the Airport Trunk
25 Sewer Upgrade project on page 91 mentioned the design drawings
26 being shared with multiple contractors to gain feedback and better
27 understand the financial impacts. He asked if the ACSA has received
28 any feedback. Mr. Lynn replied that the design sharing and feedback
29 was between the private developer and their contractors. He mentioned
30 that if the ACSA’s project does not progress as quickly as the developer

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1 needs the capacity, the developer is exploring the option of constructing
2 the trunk sewer, or portions of it, before the ACSA's schedule.

3 Mr. Parcels stated that he had a comment about the FY 2024
4 Miscellaneous Sewer Rehab project on page 92. He stated that, in his
5 opinion, relining a clay sanitary sewer line would not eliminate the risk of
6 collapse, as opposed to some other material such as PVC. Mr. Lynn
7 replied that the structural integrity of the liner will replace the clay. He
8 stated that the clay could crumble and break, but the liner has the
9 structural integrity to replace it. Dr. Palmer asked what the life span of
10 the liner is. Mr. Lynn replied at least 50 years.

11 Ms. Swanson stated that her question was about the Bellair-Liberty
12 Hills Sewer project. She asked if Mr. Lynn could talk about the scope of
13 the project and whether they could connect to the sewer line that runs
14 along that area. She also asked how the package plant comes into play.
15 Mr. Lynn replied that there is a sewer line that runs on the western side
16 that eventually goes to Crozet, which is owned by the RWSA. He stated
17 that there is clearly an interest in the community to connect to public
18 sewer, with more than 50% of the residents expressing the desire for
19 sewer to be extended into the neighborhood. He noted that the
20 topography is difficult because the lot sizes are large, and it would be
21 extremely difficult and costly to provide gravity sewer to the entire
22 neighborhood. He stated that the ACSA is exploring the option of using
23 E/One systems, which is a very prominent pump system where each
24 individual lot has a private pump that pumps to a common force main in
25 the road. He stated that the ACSA would own that common force main,
26 and this system should allow construction to progress quicker and
27 cheaper. He noted, however, that this does put the burden of pump
28 maintenance on the property owner. He added that the ACSA is trying
29 to figure out how to offset some of those initial costs to the customer, as
30 the organization is realizing some cost savings. Ms. Swanson stated that
31 it is not a package treatment plant though, but rather the pump just

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1 forces the sewer into an existing system. Mr. Lynn concurred. He stated
2 that all of the sewer flow from the neighborhood will make its way to the
3 Moore’s Creek Advanced Water Resource Recovery Facility.

4 **c. CIP Authorizations** – Mr. Parcels stated that the amount initially
5 budgeted for the Crozet Phase 4 Water Main Replacement project was
6 \$6.5 million. He noted that on page 101, it states the cost is \$475,000
7 more than what was in the rate model. He asked if the additional
8 \$475,000 now raises the amount to \$7 million. Mr. Lynn replied no. He
9 stated that the ACSA had \$6 million in the budget for construction, but
10 the estimate actually came in at \$6.476 million, so the staff was off by
11 \$475,000. Mr. Parcels stated that there was an original engineering
12 estimate of \$9.5 million. Mr. Lynn replied that the ACSA does not always
13 go with the engineer’s estimate, as they tend to overestimate
14 construction costs to avoid being the low bidder. He added that since
15 there are funds in the FY 2025 CIP budget, the \$475,000 will be added
16 to that fiscal year’s budget. Mr. Parcels asked when the budget is listed
17 in the CIP status updates, if that number is for the entire project or
18 individual years. Mr. Lynn replied that the budget number shown is for
19 the entire life of the project.

20 Mr. Parcels stated that similarly for the Scottsville Phase 4 Water
21 Main Replacement project, the staff is asking for \$69,830 for additional
22 design phase services. Mr. Lynn replied that a \$10,000 contingency was
23 built-in, but they will have to come up with the remaining \$60,000. He
24 mentioned that the staff feels the additional funds can be offset by
25 savings from other projects, or projects that are delayed and do not
26 begin construction this fiscal year. Mr. Parcels stated that in the Design
27 Phase Services Amendment for the project, the assumptions mention a
28 lot of items that are not included. He asked what the likelihood is of some
29 of those items occurring. Mr. Lynn replied that the potential of them
30 happening is always there, which is evidenced by this being the third
31 amendment to the design phase.

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1 ***d. Monthly Maintenance Update –***

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

3 Parcells stated that in terms of RWSA’s year-end financials, the
4 organization has seen unplanned cost increases for electricity and
5 chemical bids. He asked what the likelihood is that RWSA would change
6 their rates mid-year to accommodate the unplanned expenses. Mr.
7 O’Connell replied that the financial impacts are within the current budget.
8 He noted that some of the costs were one-time expenses, such as
9 equipment, so they will not be in FY 2024’s budget. He stated that there
10 is no mid-year increase expected, but the ACSA may see some of the
11 ongoing costs, such as electricity and chemicals, in next year’s budget.

12 Mr. Parcells asked if the ACSA foresees any increase in electricity
13 costs. Mr. O’Connell replied that the ACSA has not seen anything out of
14 the usual. Mr. Lunsford stated that, relatively speaking, the ACSA’s
15 electrical demand is way less than that of RWSA.

16 Dr. Palmer asked exactly what portions of the Ragged Mountain
17 Reservoir to Observatory Water Treatment Plant Raw Water Line and
18 Raw Water Pump Station project have completed easements. Mr.
19 O’Connell replied that they have all been completed except for the pump
20 station property itself. He stated that the negotiations are done, but now
21 the legal documents have to be finalized which can take a long time. Dr.
22 Palmer asked if Mr. O’Connell could send the ACSA Board an updated
23 map on what has been completed with respect to easements. Mr.
24 O’Connell replied that there is one in the upcoming RWSA Board
25 meeting packet. He stated that he would try to obtain that electronically
26 and send it to the ACSA Board.

27 ***f. ACSA Board Policy Future Issues Agenda 2023 –***

28 ***g. Advanced Metering Infrastructure (AMI) Project Update –***

29 ***Mr. Parcells moved to approve the consent agenda, seconded***
30 ***by Dr. Palmer. All members voted aye.***

31

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1 7. Customer Information System (CIS)

2 Mr. O’Connell stated that one of the ACSA’s Strategic Plan items
3 focuses on improving the customer experience. He stated that this particular
4 project aims to serve that purpose through new software and hardware. He
5 noted that the project is about to ramp up, and he wanted to give the Board
6 an overview, and hopefully come back in the next month or two with a
7 contract and feasibility study.

8 Mr. Lunsford stated that he had a short agenda for today’s
9 presentation (Attached as Pages_____), beginning with explaining what a
10 CIS is, followed by what the ACSA is currently working with and what is
11 envisioned with this contract they hope to execute in the next 30 days or so.
12 He reiterated Mr. O’Connell’s point earlier, that this project strongly aligns
13 with the ACSA’s Strategic Plan. He stated that it touches on all four of the
14 main themes – data optimization, business continuity, customer experience,
15 and the employee experience.

16 Mr. Lunsford stated that a modern Customer Information System (CIS)
17 is a comprehensive software system that integrates with phones, websites,
18 and billing systems. He stated that it has customer relationship management
19 components built within and is centrally managed so that everyone at the
20 ACSA has access to the information they need to serve customers incredibly
21 well. He mentioned that these new systems are very flexible and highly
22 configurable, so each module can be adjusted to work for the ACSA. He
23 noted that one of the main components of a CIS system is the performance
24 of billing process functions. He stated that these functions are streamlined,
25 customer-focused, and give the staff the ability to provide information to
26 customers in the way they want to receive it. He added that the centrally
27 managed information allows conversations and interactions to be captured
28 and helps staff understand history and background related to the customer.

29 Mr. Lunsford stated that currently, the ACSA does not have a CIS but
30 rather a billing system. He noted that the billing system is over 30 years old,
31 but very stable and reliable which has been important to customers over the

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1 years. He stated, however, there are a lot of manual processes that have to
2 be performed multiple times a month to complete billing. He mentioned that
3 other departments use the system to some degree and currently, they are
4 manually extracting and manipulating data to make it useful to them. He
5 stated that the new CIS will automate some of those processes and
6 streamline access to information. He added that the current system is limited
7 to those that need to use it, but a modern CIS has multiple security
8 parameters from “read-only” access to broader access for those that need
9 it.

10 Mr. Lunsford stated that over the last two budget cycles in the CIP
11 program, the ACSA Board has allocated funds for a CIS phone system and
12 website redesign consulting project. He stated that the Request for
13 Proposals (RFP) was issued earlier this spring and received multiple
14 proposals. He stated that the ACSA staff evaluated those proposals and
15 identified the most highly rated consultant to interview further and review
16 their statement of work (SOW) and contract.

17 Mr. Lunsford stated that he feels the staff has chosen a consultant who
18 has the experience of working with some of the largest utilities in the country
19 but is specifically focused on utilities that are similar in size to the ACSA. He
20 stated that the staff is not asking the Board for any funds, as the budgeted
21 funds are available from the last two budget cycles. He stated that if the
22 contract is executed in the next month, the anticipated start date for this
23 project would be January 2024.

24 Mr. Lunsford stated that there are five main phases of the consulting
25 services being requested. He stated that they are assessment, planning,
26 acquisition, installation, and post-live monitoring. He stated that in total, the
27 project should take about 18-24 months from execution of the contract to
28 successful deployment. He noted that the longest phase of the project will
29 be installation, but there are eight months dedicated to the assessment,
30 planning, and acquisition phases. He added that this work on the front end

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1 will ensure that the proposers meet all of the absolute specifications that are
2 needed to improve the customer experience.

3 Mr. Parcels stated that Mr. Lunsford mentioned capturing conversations
4 and having a historical record. He stated that he is thinking of the chat feature
5 that some business use, where the chat is recorded and then sent to the
6 participant so there is a record of the conversation. He asked if this is what
7 Mr. Lunsford meant. Mr. Lunsford replied that at this point, everything is on
8 the table. He stated that technology has changed so much in the last 24
9 months, let alone the past 30 years. Mr. Parcels stated that he thinks it would
10 be great if this were an option. Mr. Lunsford replied that the goal is to keep
11 all of the options open, as some customers may prefer to chat online while
12 others may prefer to call the office and speak to a person. Mr. Parcels
13 pointed out that it can be difficult to get a live person when calling a business
14 because of all the automated systems and various options to choose. Mr.
15 Lunsford replied that the ACSA is rather unique in the utility and local
16 government world in that when customers need to speak with someone, they
17 can usually get someone rather quickly. He added that the ACSA absolutely
18 wants to keep that personal touch, as it is one of the organization's
19 differentiators.

20 Mr. Roberts asked if this would be covered in the RFP. Mr. Lunsford
21 replied absolutely. He stated that the consultant will work with every
22 department in the organization to understand who we speak to, how we use
23 information, and what we need. He stated that from that, they will help the
24 ACSA design an RFP to send out to different proposers that have the
25 software, phone, and web integration experience. Mr. Roberts added that it
26 is best to construct a strong RFP from the ground up, to meet employee and
27 customer needs, and avoid additional expenses in the future. Mr. Lunsford
28 agreed. He stated that coming off the AMI project, the staff has learned it is
29 important to be inclusive of different groups to avoid blind spots. He stated
30 that the consultant will meet with those different groups and accumulate as
31 much information as they can.

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1 Dr. Palmer asked how much is budgeted for the consultant. Mr. Lunsford
2 replied, through the FY 2024 budget, there is \$200,000 already budgeted.
3 He stated that another \$200,000 is proposed in FY 2025, which is reflected
4 in the FY 2024 budget but not yet approved. He mentioned that the ACSA
5 does not expect to exceed that total through FY 2025. Dr. Palmer asked if
6 those funds were just for the consulting services, not including
7 implementation. Mr. Lunsford stated that was correct. He stated that there
8 are four tiers of Customer Information Systems, specifically in the utility
9 sector. He stated that tier one consists of Oracle and SAPs, which are likely
10 too large and expensive for the ACSA. He stated that the consultant will
11 focus on tier three and tier four providers, which will give the ACSA all the
12 components it needs at the right size for the organization.

13 Ms. Swanson asked Mr. Lunsford to walk her through how a new
14 customer would set up an account for service. Mr. Lunsford replied that
15 currently there are a variety of ways a customer can submit information,
16 including the website, via telephone, or in person. He stated that the CIS is
17 a great way to streamline the process for customers that do not want to
18 speak with someone directly. He mentioned, on the other hand, there will
19 always be an option for those customers who do want to speak with
20 someone, to do so. Ms. Swanson asked if the ACSA requires a deposit or
21 reference. Mr. Lunsford replied no.

22 Ms. Swanson asked if the chat features included the chat being
23 recorded, and if that is a level of data capture that is not currently happening.
24 Mr. Lunsford replied that he would not say it is all recorded, but the potential
25 to record certain aspects that are important will be there. He stated that he
26 is not sure whether that will be chosen as an important feature, but it does
27 dovetail nicely with work Ms. Walker and others are doing around data
28 classification and ensuring that data is properly protected and accessible for
29 those that need it.

30 Ms. Swanson asked when a customer ends service, if their personal
31 information is removed from the system, but information pertinent to the

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1 system’s operation would remain. She stated for example, if a customer has
2 an issue with their meter and we fix it, but then that person stops service,
3 their personal information is removed and information pertaining to the meter
4 remains in the system. Mr. Lunsford replied that currently, that information is
5 maintained in perpetuity. He stated that if a customer goes off service, they
6 are in an inactive bucket, but all of the information is there. He noted that
7 any information specific to the property and not the customer is transferred
8 and can be shared with people in the field who may need it when there is a
9 service call.

10 Mr. Tolbert stated that the ACSA needs to get a system that works for
11 staff internally, but his concern is the outside view of the customer paying a
12 bill. He stated that receiving, understanding, and paying an ACSA bill should
13 not be any more difficult than it is for Dominion Energy or the phone
14 company, or any other business that receives electronic payments. He
15 stated that he feels it is important that the customer side of the system works
16 well, and that the interface is as simple and straightforward as it is for him
17 to, say, pay his credit card bill. He added that if it is not, it will give customers
18 a bad feeling about the organization and make it look like the ACSA does
19 not know what it is doing. Mr. Lunsford concurred and assured Mr. Tolbert
20 that this concern will be equal or above any other consideration that is made.
21 Mr. Tolbert stated that he does not personally use third party services like
22 PayPal to pay his bill, but asked if the ACSA is set up with those capabilities.
23 Mr. Lunsford replied yes. He stated that the ACSA currently accepts PayPal,
24 Venmo, and Apple Pay, and expects to continue accepting these payment
25 types in the future.

26
27 8. PFAS (per-and polyfluoroalkyl substances) Proposed Class Action
28 Settlement

29 Mr. O’Connell stated that PFAS is a class of thousands of synthetic
30 chemicals that are all around us and found in a variety of home and
31 commercial products. He stated a number of years ago, it was thought that

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1 PFAS only existed in firefighting foam that airports and fire departments
2 used. He stated, however, that it is being found in almost every home and
3 commercial product that has any type of water-resistant material. He noted
4 that it is a long-term chemical that does not seem to degrade in the
5 environment. He mentioned that there has been a recent focus in a number
6 of news stories on the discovery of PFAS in drinking water supplies in other
7 parts of the country. He noted that this is especially true in areas downstream
8 of PFAS production facilities, such as the Cape Fear River in central North
9 Carolina.

10 Mr. O'Connell stated that our area is fortunate to have a mountain-
11 based water supply that has been minimally, if at all, impacted by PFAS. He
12 stated that there has been minimal, but mostly no detections over time. He
13 noted that the recent detection at the North Rivanna water treatment plant
14 that the Board is aware of was the most concerning at the time, but now
15 appears to have been a one-time testing result. He added that GAC is in
16 place and is the water treatment of choice to act as a barrier to PFAS. He
17 stated that the North Rivanna plant was shutdown for a short period of time,
18 but additional lab testing has shown no PFAS detection since then and it has
19 been placed back online. He shared that the future plan is to shut down the
20 North Rivanna treatment plant permanently, which has been the plan for
21 several years. He mentioned that the supply for the northern part of the
22 system will come from the South Rivanna Reservoir.

23 Mr. O'Connell stated the ACSA will be under any testing standards
24 proposed by the EPA which, up until this point, have not been released. He
25 stated that in almost all cases, the testing has shown no detection when in a
26 parts per trillion laboratory testing result in over four years of testing. He
27 noted that there have been a couple minimal parts per trillion results that
28 have been identified over that four-year period. He noted, as he mentioned
29 before, that GAC is the treatment of choice for PFAS and is at all the
30 treatment plants, except for the smaller Red Hill system. He stated that future
31 projects are being planned in the RWSA's CIP to increase the level of GAC

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1 installations at all of the treatment plants, and to install a new GAC system
2 at Red Hill.

3 Mr. O’Connell stated that the ACSA was recently notified of a
4 national financial settlement with the major chemical companies that
5 produce PFAS, with Dupont and 3M being the largest. He stated that the
6 settlement requires court approval and are just proposed at this point. He
7 mentioned that there are from 6,000-8,000 water utilities that are eligible to
8 participate in the settlement and will likely take several years before any
9 distribution of settlement funds occurs. He noted that given the limited
10 discovery of PFAS in the area and that contamination is indirect, meaning
11 there are no point sources of pollution in the watershed, the settlement will
12 likely result in a small financial recovery for the ACSA. He added that the
13 ACSA will not initiate any type of legal action independently, as the legal fees
14 would far exceed any benefit received.

15 Mr. O’Connell stated that the ACSA staff, along with ACSA attorney
16 Mike Derdeyn, have reviewed the PFAS proposed class action settlement
17 and claims forms, and the next step would be to consider joining the
18 settlement by filing those forms. He stated that there is a choice to opt out of
19 the settlement, but the ACSA feels it should submit the various claim forms
20 to move to the next step in the settlement distribution process. He mentioned
21 that the ACSA will have to provide further data in the future, as there is a
22 complicated formula that determines settlement distribution based on future
23 data such as water flows and levels of contamination.

24 Mr. O’Connell stated that, in summary, the ACSA has had minimal
25 exposure to PFAS and GAC has acted as a barrier to that. He stated,
26 however, that there was a small testing result that qualifies the ACSA to
27 submit forms for the settlement. He mentioned that the forms are due by
28 November 4, 2023. He stated that the staff is asking the Board to authorize
29 the ACSA’s Executive Director to register for a PFAS Class Action
30 Settlement Agreement Claims Form and set up an account.

31

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1 Mr. Parcels asked if that one small testing result was determined to
2 be a one-off, how does the ACSA qualify for the settlement. Mr. O'Connell
3 replied that there are some other testing results that are minimal, such as
4 two or three parts per trillion, that have been detectable a few times over the
5 four-year testing period. He noted that these results would be the ones to
6 qualify the ACSA, along with the one result at the North Rivanna treatment
7 plant. He added that the results were very minimal, which would probably
8 put the ACSA at the low end of any type of cost recovery.

9 Dr. Palmer stated that given PFAS are thousands of chemicals, she
10 asked which chemicals were being tested for, the cross reactivity of those
11 chemicals, and the potential for the EPA to add to that list in the future.

12 Tim Brown, Environmental Compliance Specialist, stated that the
13 approved EPA methodology includes a very limited package of PFAS
14 compounds, specifically 18-25. He stated that there are about 8,000-10,000
15 PFAS compounds, but the ones in the EPA package are those of most
16 concern and assumed potential health effects, as well as those for which
17 new EPA regulations will be coming by the end of the year or early next year.
18 He stated that since 2018, there have been 10 rounds of testing that have
19 included all treatments plants, both raw water and finished water.

20 Dr. Palmer asked if the lawsuit would definitely be defined to this
21 small group of 18-25 chemicals, so if the EPA comes out with further
22 guidance and expands the list of PFAS, there would be a new lawsuit. Mr.
23 Derdeyn replied that he would have to look at the specifics of the lawsuit. He
24 stated that he has not seen the proposed release yet. Mr. O'Connell stated
25 that he feels where the EPA will expand its guidance is with wastewater. He
26 stated that even though it may not be in the water going into someone's
27 home, the PFAS from so many commercial products goes into the
28 wastewater and then the wastewater treatment plant. He mentioned that
29 there will probably be lots of money spent around the country to clean up
30 wastewater that ends up in people's drinking water supply downstream.

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1 Ms. Swanson asked if joining the settlement would be a joint effort
2 between ACSA and RWSA, given that the ACSA does not actually treat any
3 water. Mr. O’Connell stated that each entity – the ACSA, RWSA, and the
4 City of Charlottesville, each has a permit set up with the State and the court
5 process involves working with each one individually. Mr. Roberts asked who
6 the settlement funds would go to, ACSA or RWSA. Mr. O’Connell replied that
7 they could potentially go to both, as well as the City.

8 Mr. Derdeyn stated that the question currently is whether the ACSA
9 should opt out of the class action settlement. Mr. Roberts replied that the
10 ACSA should not opt out because no one knows what may come later but is
11 the benefit worth the fight and legal fees. Mr. O’Connell stated that it is a
12 fairly straightforward process. The ACSA has to fill out a form and submit it,
13 and perhaps submit some additional data in the future. Mr. Derdeyn added
14 that the attorneys for the class action are being paid a percentage of the
15 settlement, thus the ACSA would not have outside attorney fees.

16 Dr. Palmer asked if the attorneys fees end up being more than the
17 settlement amount, does that mean the different entities have to pay that
18 difference. Mr. Derdeyn replied no. He stated that the class action attorneys
19 will determine how much of the settlement they believe that are entitled to
20 and the court will have to approve that amount. He stated that the fees are
21 coming out of the fund, or trust, that is used to compensate plaintiffs for their
22 damages. Mr. Derdeyn stated that the plaintiffs will not be in a position where
23 they will have to pay attorney fees. Mr. O’Connell stated that the courts will
24 have to determine what the legal fees are, and there are a lot of law firms
25 involved with this settlement. Mr. Roberts added that he is glad the RWSA
26 uses GAC at the treatment plants.

27 Mr. Tolbert stated that it looks like all the ACSA needs to do is get on
28 the list for the settlement. Mr. O’Connell replied yes and that was, in essence,
29 what the staff was asking the Board to approve today. Mr. Tolbert stated that
30 if there are expenses in the future to prepare materials, that can be judged
31 when that time comes. He stated, in terms of GAC, if PFAS is a “forever”

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1 chemical, that means that when the water is filtered, the chemical is
2 somewhere in the GAC material. He stated that every so often, the GAC
3 material is sent somewhere to be refurbished and sent back, assumingly
4 without any PFAS. He asked what happens to the PFAS, if it is forever. He
5 noted that either it was destroyed chemically, which would mean it is not
6 forever, or it went somewhere and will eventually come back. Mr. O’Connell
7 replied that the GAC will probably have to be recycled more often, which is
8 more costly. He noted that RWSA has only been using GAC for 50% of the
9 water, which was a conscious decision that was made years ago. He stated
10 that the discussion at RWSA now is around using GAC for 100% of the
11 water. He stated that there are companies that are exploring how to filter and
12 capture PFAS and destroy it in a long-term sense.

13 Mr. Parcels stated that it is a waste handling issue, in other words,
14 the stuff that has been used is becoming waste. He stated that there are all
15 sorts of regulations around handling the waste, and how a company handles
16 the waste when they retrieve it is on them. He stated that as far as a “forever”
17 chemical, that characterization is for something that exists in nature. He
18 stated that if the GAC is incinerated, the waste handlers have to ensure they
19 are doing it in an approved way. He added that in terms of RWSA using
20 GAC, they are not liable.

21 Mr. Brown stated that PFAS are called forever chemical because
22 there is an incredibly strong chemical bond between carbon and fluorine. He
23 stated that any technology that can somehow weaken that bond, would
24 make it a less than forever chemical.

25 Dr. Palmer asked if powder activated carbon (PAC), or GAC would
26 be used at Red Hill. Mr. O’Connell replied that it will be a small GAC canister.
27 He stated that there is a project that will expand the building to fit the canister,
28 so that all of the water coming out of the well will move through the GAC
29 before going to the system. He stated that the goal is to use GAC for all of
30 the drinking water in the area.

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1 Mr. Parcels stated that he would assume canisters are used at all of
2 the treatment plants. Mr. O’Connell replied yes. Dr. Palmer stated that when
3 GAC was first discussed, there was some discussion about smaller plants
4 using PAC because it was cheaper, which is why she wondered about Red
5 Hill. Mr. O’Connell noted that PAC is still being used at the front end of the
6 treatment process.

7 Mr. Armstrong asked if there was any suspicion of any industry near
8 our watershed that produces PFAS and if so, is RWSA taking any type of
9 proactive stance to prevent them from getting into our water supply. Mr.
10 O’Connell replied that there is no knowledge of any. He stated that any point
11 sources would probably have been identified over the four years of testing.
12 He noted that the North Rivanna test result came out of the blue and the
13 belief was that the PFAS may have come upstream from another county. He
14 added that the lab testing after that showed no detections, so the result could
15 have even been a laboratory testing issue.

16 Dr. Palmer stated that dumping does occur. She stated that there are
17 people out there that empty septic tanks where they are not supposed to.
18 Mr. Roberts stated that years ago, there was a company that was digging
19 holes and dumping barrels of benzene, but that has since been cleaned up.
20 Mr. Tolbert stated that there are a lot of highways that traverse our watershed
21 as well, thus a lot of ways stuff could get into the water. Mr. Parcels stated
22 that in terms of public awareness, people need to realize our water source
23 is a ground source so anything that is spilled could be a potential
24 contaminant.

25 Ms. Swanson asked how often the PFAS testing occurs. She stated
26 that it seems like coincidence that there was testing being done and RWSA
27 happened to detect it, which means maybe it could have been there before
28 then. Mr. O’Connell replied that there is a regular, ongoing testing program
29 that has yielded years of results. Mr. Brown stated that the testing occurs
30 twice a year since 2018. He stated that RWSA has been very proactive, as
31 many municipalities are scrambling to obtain data and get something like

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1 GAC in position. Ms. Swanson asked then, if the contamination at North
2 Rivanna happened somewhere in the six-month period between the last time
3 it was tested and the test that showed detection.

4 Mr. Brown replied that the most detections there have been with all
5 testing have been from the North Rivanna treatment plant but low in number.
6 He stated that by detections, he means as low as 1.5 to 2 parts per trillion,
7 which is probably lower than the EPA limits. He noted that there were higher
8 numbers with this most recent round of testing in the spring. Ms. Swanson
9 asked if that was about a six-month period of time between the lower
10 detection numbers and the higher ones. Mr. Brown replied that the last test
11 was in August of 2022, and the event at North Rivanna was in the spring of
12 this year. He added that the follow up testing from two different certified labs
13 showed no detections. Mr. Parcels asked if that testing was done on the
14 same sample or subsequent samples. Mr. Brown replied that they were
15 subsequent samples. He noted that the RWSA did not see the results from
16 the round of testing where there were detections, for 3-4 weeks, and
17 immediately retested split samples at two different labs.

18 Mr. Roberts asked if all of the Board has seen the water testing
19 results that Mr. Brown provides. He stated that the reports do an outstanding
20 job of presenting that information. He added that perhaps they should be put
21 on the agenda at some point. Mr. O'Connell stated that the staff gives an
22 annual report on the water testing, and it is scheduled for next May's agenda.

23 ***Dr. Palmer moved to authorize the Executive Director to register***
24 ***for a PFAS Settlement Agreement Claims Form/ Account; seconded by***
25 ***Mr. Tolbert. All members voted aye.***

26
27 9. **Corporate Roles & Responsibilities – Proposed Bylaws Change &**
28 **Resolution**

29 Mr. O'Connell stated that the ACSA staff has been reviewing the
30 organization's legal structure and identified a gap in the responsibilities of
31 the Executive Director, in the sense that they are not as clearly defined as

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1 they could be. He stated that he and Mr. Derdeyn surveyed a number of
2 utilities around the state and reviewed their bylaws and what they are doing.
3 He stated that before the Board today is a draft of the ACSA Bylaws
4 amendment and a draft of a resolution that outlines signing authority
5 (Attached as Pages_____).

6 Mr. O’Connell stated that the Bylaws links what the state code
7 authorizes, which is a very general statement, with the suggested new
8 amendment to help better clarify the authority of the Executive Director. He
9 stated that the ACSA Bylaws suggest corporate duties of the Board officers
10 – Board Chair, Vice-Chair, and Secretary-Treasurer, but not the Executive
11 Director. He stated that the draft is a proposal of changes for the Board to
12 consider. He noted that there is one housekeeping item in the Bylaws to
13 properly reference the Virginia Water and Waste Authorities.

14 Mr. O’Connell stated that in addition to the Bylaws, is the resolution
15 to address the authority of the Executive Director to sign contracts or other
16 instruments authorized by the Board. He mentioned that Mr. Derdeyn has
17 gone through this item in detail to ensure covering the entire range of items
18 that the Executive Director would be authorized to sign. He added that the
19 ACSA has already been doing what is being proposed in practice, but it is
20 not expressly authorized by the Bylaws or some sort of clarifying resolution.

21 Mr. Derdeyn stated that this is purely informational and is not up for
22 a vote today. He stated that the Bylaws do not confer any authority, rather
23 they just describe the duties of the Executive Director. He noted that each
24 clause in the Bylaws ends with some statement to the effect of “as authorized
25 by the Board,” so Board authority is still required which would come in the
26 form of a resolution. He mentioned that the ACSA does have an existing
27 resolution that gives the Executive Director signatory authority for items that
28 receive annual approval, such as the budget. He noted, however, that
29 resolution could benefit from more clarity.

30 Mr. Parcels asked if the resolution on page 151 was a new
31 resolution. Mr. Derdeyn replied yes, it is a new resolution that will replace

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1 the existing one from 2020. Mr. Palmer stated that it would make it clearer
2 to state that the resolution in the Board packet would be replacing the
3 existing one. Mr. O'Connell stated that the resolution from 2020 was aimed
4 at signing authority in the absence of the Executive Director. He stated that
5 the new resolution is more inclusive to cover the full signatory authority of
6 the Executive Director. Mr. Tolbert asked if the intent was to vote on adoption
7 of the new resolution at the next Board meeting. Mr. Derdeyn replied yes.
8 He stated that today was informational, so the Board could ask questions or
9 raise any concerns. Mr. O'Connell stated that the new resolution refers to
10 the Bylaws, thus it would make sense to approve those first and then adopt
11 the resolution.

12 Dr. Palmer stated that typically when referencing officers of a
13 company, that includes the CEO and administrative staff, and the directors
14 are part of the Board. She stated that it is confusing, to her, that the Bylaws
15 refer to the duties of officers because the Executive Director is also on the
16 Board as Secretary-Treasurer. Mr. Derdeyn stated that the gap that was
17 identified was in Article III of the Bylaws it lists the officers of the Board and
18 Article IV lists the duties of those officers but left out the Executive Director
19 which did not make sense. He stated that Dr. Palmer is making the larger
20 point of whether the duties of the officers is put in the Bylaws at all. Dr.
21 Palmer replied that it feels like the Executive Director is being listed as a
22 member of the Board when his duties are listed as part of the duties of
23 officers.

24 Mr. Derdeyn stated that he would review the full set of Bylaws to see
25 if this is an issue. He pointed out that there must have been a template used
26 in the 1960s, as all of the bylaws he has seen look very similar. He stated
27 that there was then statutory authorization to create a new position, which
28 was a CEO. He stated that some authorities listed duties for that chief officer,
29 and some did not.

30 Mr. Roberts stated that the ACSA also needs to consider what is
31 written in the Albemarle County Board of Supervisors' documents regarding

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1 how many directors there are on the Board. Mr. O’Connell stated that the
2 ACSA Board of Directors’ authority comes from the State act. Dr. Palmer
3 stated that her issue is one of clarity, in that it be made clear that the head
4 officer of the ACSA is not part of the Board. Mr. Derdeyn replied that he
5 takes her point but cannot recall if the Bylaws states that the Executive
6 Director need not be a member of the Board. Mr. O’Connell replied that the
7 Bylaws does say that.

8 Dr. Palmer stated that her other comment was in reference to a small
9 detail that she would like to be fixed in the resolution. She stated that on #8,
10 the word “his” should be changed to make it gender neutral, as there may
11 be a female holding that position in the future.

12 Mr. Parcels stated that along the lines of clarification, under Article
13 IV of the Bylaws, section 4.4-a, it should read “To be the Chief Executive
14 Officer of the Authority.” He stated that this ties the Executive Director to the
15 Authority, and he does not believe it says this anywhere in the Bylaws. Mr.
16 Derdeyn replied that he thinks that would be fine to add that.

17 Mr. Tolbert asked if the change of the word “sewer” to “waste” in the
18 Bylaws was a government change at the state level. Mr. O’Connell replied
19 that the proper name of the act is the Virginia Water and Waste Authorities
20 Act. Mr. Tolbert stated that it just says waste, not solid waste, which sounds
21 like the ACSA is a water and waste authority. Mr. O’Connell replied that if
22 the State law definition is broader than the locality, thus it is up to each
23 locality to determine what level of service they provide.

24 Mr. O’Connell stated that the Bylaws changes require a 10-day
25 notice, thus today would be the notice to the Board. He stated that most
26 likely, there would be another discussion period surrounding the changes
27 mentioned today, which would initiate another 10-day notice period. Mr.
28 Roberts asked if there is a legal notice required. Mr. O’Connell replied that
29 the publication of the agenda, which included the Bylaws changes, served
30 as the legal notice.

31

