

Albemarle County Service Authority Board of Directors

The Board of Directors of the Albemarle County Service Authority (ACSA) met in a regular session on November 21, 2024, at 9:00 a.m. at the Administration and Operations Center at 168 Spotnap Road in Charlottesville, Virginia.

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

Members Absent: None.

Staff Present: Roland Bega, Tim Brown, Jayden Damron, Mike Derdeyn, Deanna Davenport, Tonya Foster, Eric Gates, Tanya Johnson, Terri Knight, Quin Lunsford, Jeremy Lynn, Alex Morrison, Emily Roach, William Roach, Sabrina Seay, Jeffrey Sprouse, Danielle Trent, April Walker.

Staff Absent: None.

Public Present: Matt Heatwole, Brown Edwards.

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

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

2. Recognitions – Roland Bega, 25 Years of Service; VRWA Tapping Contest; AWWA Hydrant Hysteria Competition; Basic Management & Supervisory Leadership Training Program

Mr. Lunsford stated that Jennifer Bryant was not able to attend the Board meeting today so if it was ok with the Board, her recognition will be moved to next month. Mr. Armstrong stated that it would be fine to move the recognition to next month and noted that the next recognition was for Roland Bega.

Alex Morrison, Director of Operations, came forward to speak about Mr. Bega. He stated that as an operations supervisor overseeing sewer, hydrants and valves, Mr. Bega's hard work and leadership have been

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essential in ensuring the ACSA delivers vital resources every day. He stated that throughout his career, Mr. Bega has shown unwavering dedication and has grown into a leader who now mentors others and helps them succeed. He mentioned that Mr. Bega's work is a pillar of strength for both the organization and the community.

Mr. Morrison stated that, of course, every seasoned professional like Mr. Bega has a story from early in their career. He stated that he heard about a time when Mr. Bega and Larry Jones, a former ACSA employee, disassembled a hydrant without closing the valve. He stated that this sent water soaring into the air on a winter day and drew the attention of the local news. He stated that he is sure Mr. Bega learned from that experience, and that his hydrant technicians know better than to make that same mistake.

Mr. Morrison congratulated Mr. Bega on his 25 years of incredible service and stated that his contributions have made a lasting impact on everyone at the organization. Mr. Armstrong read the recognition resolution for Mr. Bega (Attached as Page_____).

Mr. Tolbert moved to approve the recognition resolution; seconded by Ms. Palmer. All members voted aye.

Mr. Morrison stated that the next recognition was for William Roach and Roland Bega for their first-place victory at the Virginia Rural Water Association Tapping Contest. He stated that it is a competition that tested their ability to tap into a pressurized water main and connect it to a meter setter with speed, accuracy, and safety. He noted that their win is a testament to their technical skills and dedication and adds to the ACSA's proud tradition of excellence in these events.

Mr. Morrison stated that he would now share a video of their outstanding performance. Mr. Armstrong asked how many years in a row they have won the competition, as it seems they win every time. Mr. Morrison stated that they were trying to figure that out the other day, but the plaque with all the previous wins listed is being engraved again.

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Mr. Morrison stated that the next recognition was for Jeffrey Sprouse, William Roach, and their coach Jayden Damron. He stated that they showcased their expertise at the American Water Works Association Hydrant Hysteria Competition. He stated that they assembled a fire hydrant from the ground up, under tight time constraints. He noted that their precision and ability to problem-solve under pressure highlighted the exceptional skills the ACSA relies on in its field operations. He added that he would now share a video of that competition as well.

Ms. Palmer stated that both videos were great, but she really appreciated the effortless leap by Mr. Roach over the hose in the first video.

Mr. Morrison stated that for the last recognition, he would have Eric Gates come forward. He noted that three other gentlemen that were to be recognized were not able to attend the meeting. He noted that Eric Gates, Brandon Gibson, Dylan Shifflett, and Chris Ragland, successfully completed a three- week Basic Management & Supervisory Leadership Training Program. He stated that the course focused on developing key skills such as effective communication, conflict resolution, and team collaboration. He stated that their participation in the program demonstrates a commitment to personal growth and leadership development, helping them to prepare for greater responsibilities and strengthening their team.

3. Approve Minutes of October 17, 2024

There were no corrections or additions to the minutes of October 17, 2024.

Mr. Parcels moved to approve the minutes of October 17, 2024; seconded by Ms. Palmer. All members voted aye.

4. Matters from the Public

There were no matters from the public.

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5. Response to Public Comment

There was no response to public comment.

6. Consent Agenda

- a. **Monthly Financial Reports** – Mr. Parcels stated that the arrearages seem to be increasing and asked why that is happening. Mr. Lunsford replied that there is really one account driving that change. He stated that there was a change in ownership of an apartment complex and some delinquency in that payment. He noted that it has been communicated that \$54,000 should be received this week.

Ms. Swanson stated that she had a question about billed consumption section of the Water and Sewer Report on page 45. She asked how Home Depot is consuming water if it is under construction. Ms. Knight replied that Home Depot purchased the entire structure, aside from Belk who owns their space. Ms. Swanson asked what Home Depot was using the water for. Ms. Knight replied that they are using water for dust control and construction purposes, but any of the units in the mall that are using water is included in that consumption.

Ms. Swanson asked about the State Farm location, and how there is such a difference between the water consumption and the sewer usage. Mr. Lunsford replied that there is an exclusion meter on a cooling tower at that property, so they are using water in their HVAC system that does not enter the wastewater system. He noted further back in the report, that the consumption of that facility has changed dramatically as the new tenant has virtually stopped operations for the time being. Ms. Swanson asked if he knew why they stopped operations. Mr. Lunsford replied that via informal channels, he heard that they may be reworking a manufacturing process and may be struggling to get FDA approval to label the sugar-like substance they are making, in the way they would like to have it labeled.

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- b. ***Monthly Capital Improvement Program (CIP) Report*** – Ms. Palmer asked when and where the community meeting will be for the Bellair-Liberty Hills Sewer project, because she will attend if she is able to. Mr. Lynn replied that the meeting will probably be at 7pm, on December 9th, at the Boar's Head Inn. He stated that Boar's Head is their typical location for community meetings, and they have given the ACSA access to that space. He stated that he will send the Board that information. He added that they have not sent out a public notice yet, but they have been working with the HOA.

Mr. Roberts stated that he had a question about the Ragged Mountain Phase 1 Water Main Replacement Project on page 71. He asked if the contract is for \$53 million and the ACSA is paying \$600,000 of that, who is paying the rest. Mr. Lynn replied that the cost allocation for the \$53 million will be split between the City of Charlottesville and the ACSA. He noted that the ACSA added scope to the project, to install a finished water line from the Fontaine Research Park, over the bypass, to Fontaine Avenue Ext. He stated that this portion of the project is the \$600,000 referred to in the memo. He added that this money will come straight out of the ACSA's CIP budget. Mr. Roberts asked if the RWSA will use bonds for this project. Mr. Lunsford replied yes.

- c. ***Capital Improvement Program (CIP) Report*** –

- d. ***Monthly Maintenance Update*** –

- e. ***Rivanna Water and Sewer Authority (RWSA) Monthly Update*** – Mr. Roberts stated that he had a question about the Ragged Mountain to Observatory Raw Water Line. He asked what the impact was of the water line that was broken during the storm. Mr. Lunsford replied that there is currently no transfer from Sugar Hollow to Ragged Mountain. He stated that RWSA purposefully lowered the level of the Ragged Mountain Reservoir to complete some dam work. He noted that per Bill Mawyer, RWSA Executive Director, they are scheduled to have the pipeline fixed by the end of this calendar year. Mr. Lynn added that

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RWSA has reduced production from Observatory and pushed it to South Rivanna, which limits how much is being pulled out of Ragged Mountain.

Ms. Palmer stated that the Mechums River Pump Station is on her dog-walking route, and she was recently there and spoke with the Faulconer construction crew. She stated that they mentioned that they were going to build a concrete platform to bring the equipment in. She stated that the Mechums River is incredibly entrenched and the banks around the pump station have change dramatically, creating a slew. She stated that her concern is how to keep the aerial crossing of the Sugar Hollow pipeline intact if there is a bad storm. She mentioned that it is a precarious situation, which is why she suggesting taking the pump station down. Mr. Lunsford stated that he has notes to have conversations related to the removal of the old pump station.

f. ACSA Board Policy Future Issues Agenda 2024 –

g. VERIP Application –

Mr. Roberts moved to approve the consent agenda, seconded by Mr. Parcels. All members voted aye.

7. Annual Comprehensive Financial Report (ACFR) Presentation

Mr. Lunsford stated that Matt Heatwole with Brown Edwards, the ACSA's auditor, is present at the meeting today. He stated that Mr. Heatwole would provide an overview of the audit, their opinions, and other important information, and Ms. Tanya Johnson would give an overview of the Annual Comprehensive Financial Report (ACFR).

Mr. Heatwole stated that he really enjoyed the maintenance videos and jokingly mentioned that perhaps his firm should conduct an accounting competition. He stated that he would briefly discuss the audit, which they finished about a month ago. He noted that they met with the Board members from the audit committee, Mr. Parcels and Mr. Tolbert, and it was great as always. He mentioned that the audit went very smoothly, and

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he is happy to report that Brown Edwards is issuing an unmodified, clean audit opinion on the financial statements and disclosures. He noted that this means they performed their audit procedures on those amounts and feel they are materially correct and in accordance with generally accepted accounting principles. Mr. Armstrong added that the Board owes a thank you to Mr. Parcels and Mr. Tolbert for carrying that oar again this year. Mr. Heatwole concurred and thanked Mr. Lunsford and the finance team as well for a very smooth audit.

Mr. Heatwole stated that the audit opinion is in the financial statements document, a few pages in. He mentioned that in the back of the actual report is also what they call their yellow book audit opinion. He noted that if there were any findings related to internal controls that were significant, or any material compliance findings, they would be disclosed in that section. He stated that he is happy to report that there were none in FY 2024. He added that there is also Brown Edwards' standard letter to the Board, which is a required communication and pieces together how they arrived at a clean audit opinion. He stated that it also includes a management representation letter, which is an important document they obtain from Mr. Lunsford every year. He thanked the Board and the finance team for the opportunity to work with the ACSA again.

Mr. Roberts stated that he has been involved in a lot of audits, and sometimes they can bring confusion and ideas on how things can be fixed. He stated that he believes it is a full team effort from the entire ACSA to receive an audit with no audit points. He stated that they should be commended because he will be going to another meeting where there may be 4 or 5 audit points that will have to be corrected. Mr. Heatwole concurred and added that it is the culmination of the entire year – these processes, controls, reconciliation, and communication between the departments on various activities. He stated that, as Mr. Roberts mentioned, it is very much a team effort to get to that point and report those numbers accurately.

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Ms. Johnson stated that she cannot take any credit for the audit as she was not there, but she commends the team for their accomplishments this year. She stated that she would be presenting an overview of the FY 2024 Annual Comprehensive Financial Report (Attached as Pages_____). She mentioned that she would begin with some FY 2024 financial highlights followed by operational information, and a summary at the end.

Ms. Johnson moved to the financial highlights slides. She stated that this year, the net position totaled \$237 million. She stated that this was an increase of \$8 million, or almost 4%, over last fiscal year. She mentioned that operating revenues were \$39 million and operating expenses totaled \$43 million. She noted that operating revenues grew by \$5 million, which was an increase of almost 15% compared to FY 2023. She added that operating expenses, including the depreciation expense, increased by \$ million, which is a change of 12% compared to last fiscal year. She added that capital contributions totaled \$10 million, which was a decrease of \$2.7 million, or 20%, from fiscal year 2023.

Ms. Johnson stated that the next slide included a bar graph that shows total assets from FY 2020 to 2024. She stated that the ACSA's total assets have shown consistent growth year over year, which is driven by an increase in water sales and sewer treatment, and investment performance in the current year. She noted that the next slide shows a pie chart of assets by type for the fiscal year.

Ms. Johnson moved to the next slide, showing the ACSA's total liabilities from FY 2020 to FY 2024. She stated that the total liabilities increased nearly 15% over the prior fiscal year, which reflects the increase in unearned revenues of \$1.6 million. She added that accounts payable increased by \$700,000 as well. She mentioned that the next slide showed a pie chart of the total liabilities by type for FY 2024.

Ms. Johnson stated that that revenues and expenses by fiscal year are shown on the next slide. She noted that water and sewer revenues increased \$5.1 million over the prior year, or 14.8%, which was due to

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water consumption increasing by 4.2% and water treatment increasing by 3.7% over the prior year.

Mr. Parcels asked to go back to the slide showing total liabilities by fiscal year. He noted the 15% increase from FY 2023 to FY 2024, yet there was about a 7% drop between FY 2022 and FY 2023. He asked why the liabilities changed so significantly. Mr. Lunsford stated that proportionally, in terms of the difference between current and long-term liabilities, it is most likely related to the fluctuation in pension liabilities. He stated that it is rather volatile with big swings in the market and how the actuaries determine those liabilities. Mr. Parcels stated that his recollection was that it was a relatively consistent thing that would be trending. Mr. Lunsford replied that there was an effort to smooth that, but there can be considerable changes. He added that he would gather specifics related to FY 2022, 2023, and 2024, but his guess would be the pension liabilities.

Ms. Johnson stated that the purchase of water and sewer treatment, and ACSA departmental expenses, increased by \$4.7 million, or 13.4% over the prior fiscal year.

Ms. Johnson stated that in terms of net position, illustrated by the bar graph on the next slide, there was an increase of \$8.3 million over the prior fiscal year. She stated that the unrestricted net position increased \$4.9 million and net investment in capital assets increased \$3.3 million, or 1.9%.

Ms. Johnson moved to the next slide, outlining some of the ACSA's operating information for FY 2024. She stated that there were 502 new connections established, over 277,000 meters were read, and nearly 5,200 service orders were processed. She mentioned that the following two slides show connections by fiscal year and billed consumption. She noted that the long-term trend shows increases in consumption from year to year, with fiscal year 2024 showing a 4.2% increase from last fiscal year. She added that sewer treatment increased from last fiscal year as well, by 3.7%.

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Ms. Johnson stated that, in summary, there was significant growth in investment income for fiscal year 2024, and an increase in both water consumption and sewer treatment. She noted that there was also a significant increase in the cost to treat water and sewer. She stated that she wanted to thank all the ACSA departments for their contribution to the CAFR this year, especially Deanna Davenport, Tonya Foster, and Jennifer Bryant. She added that she also wanted to thank the Human Resources and Administration department for their support as well.

Mr. Parcels asked about the billed consumption. He stated that they used to show the per capita consumption, which had been level and even decreasing in prior years. He asked what the status of that was now. Mr. Lunsford stated that he does not think they have run those numbers recently, but it is something they can include in next month's agenda. He stated that his intuition is that it would be steady.

Ms. Palmer asked if the ACSA still receives applications for toilet rebates or has pretty much everyone done it already. Mr. Lunsford replied that they still receive a few. He noted that Mrs. Roach and her team are working on a revamp of the toilet rebate program, which will hopefully get more participation and take customers to that next level of efficiency in toilets. Mrs. Roach stated that the goal is to have the new program launched by January 1, 2025. Ms. Palmer stated that she is curious as to whether there are that many high-consuming toilets in the system. Mrs. Roach stated that the ACSA will be focusing on rebating customers who purchase WaterSense labeled toilets, which use 1.2 gallons per flush. Ms. Swanson mentioned including rebuilds, as that must be done eventually with the low-flow toilets.

Ms. Swanson asked if the yields are ever provided in the financial investment portion of the ACFR. Mr. Lunsford replied that next month, the staff will be providing its annual investments update with PFM, who manages the portfolio outside of the LGIP. He stated that the yields information will be available there, but there are monthly investment

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reports that show that as well. He noted that inside each of those classifications is a number of investments, so he will need to figure out what would be the best way to efficiently share that information.

Ms. Swanson asked how the 2.5% inflation rate is decided, in terms of the pension details, because that does not seem to be what everyone has been experiencing. Mr. Lunsford replied that actuary sciences is a complicated business, and he does not know. Mr. Parcels stated that he believes it is a government number, as that is what social security is using. Ms. Palmer stated that it used to be that the ACSA's connections were growing about 1.5% per year. She stated that they look to be higher, based on the information in the ACFR. She asked if the 1.5% was still a true estimate. Mr. Lunsford referred the Board to page 66 of the ACFR, or page 218 of the Board packet. He stated that the very first line shows new connections by year. He stated that he is not sure of the exact percentage translation, but the ACSA has seen about 300-535 new connections in the last 10-year period. He added that he can get the percentages for the Board.

Mr. Roberts asked about how depreciation works. Mr. Lunsford replied that the capitalization policy is that anything over \$5,000 and has a useful life of longer than one year is depreciated over the useful life. He noted that the useful life can vary depending on the type of asset. He noted, for example, a water line's useful life may be around 60 years, while a vehicle could be about 5 years. Mr. Parcels asked if the type was a standardized thing across the board, from an accounting point of view. Mr. Lunsford replied that it is consistent. He stated that the ACSA is able to use judgement and historical information, which has to be justified with the auditors.

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8. ACSA General Water and Sewer Construction Specifications Update and Approval

Jeremy Lynn, Director of Engineering, came forward to discuss the specifications update with the Board. He noted that the Board has a copy of the rewrite in their Board packet. He stated that he would go over the process that has gotten them to this point today, and then discuss the document itself.

Mr. Lynn stated that this process began in December 2023 with an in-depth review of the ACSA General Water and Sewer Construction Specifications by a core group made up of members from both the engineering and maintenance departments. He stated that the staff members in the core group were Justin Weiler, Richard Nelson, John Anderson, and Kean Rucker from engineering, Alex Morrison, Director of Operations, Operations Supervisors Roland Bega and Robbie Lawson, as well as Jay Thomas and David Hensley, ACSA Construction Inspectors. He stated that depending on the topic that was going to be discussed at each session, other members of the maintenance department were pulled into the meetings. He noted that for conversations about sewer, Dwayne Shifflett and Doug Herr joined the meetings, and William Roach, Jason Thomas, and Jake Duff were included in conversations about water. He added that there were nine workshops in total, which lead to the reorganization and restructuring of the document.

Mr. Lynn stated that once there was a draft version completed, it was shared with a small group of developers, local engineers, and the Albemarle County staff, to provide input on the document. He stated that it was also shared with the Virginia Department of Health (VDH) and the Virginia Department of Environmental Quality (DEQ). He stated that the ACSA has approval on the document from VDH. He noted that DEQ does not issue approvals, but they have acknowledged receipt of the document and will place it in their files.

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Mr. Lynn stated that in terms of the document itself, it covers general conditions, technical specifications, and details for water and sewer utilities that will be constructed and dedicated to the ACSA. He stated that other than the restructuring, a majority of the document and its contents is the same, but he wanted to highlight four specific changes that he wanted the Board to be aware of.

Mr. Lynn stated that section 2.1 is an independent water line connection requirement. He stated that this will require more than one connection for larger developments, for water quality and redundancy purposes. He mentioned that this has the potential to lead to developer requests for condemnation. He noted that if the second connection is an off-site connection that requires an easement from an adjacent property owner, there may be condemnation issues brought to the Board for consideration.

Mr. Lynn stated that section 2.7.1 moves away from the continued use of concrete thrust blocks and towards the use of restrained joint pipe. He stated that restrained joint pipe allows for a better insulation in fill areas, as well as the installation of utilities in congested areas which is becoming more common. He noted that this is a change that will be beneficial for both contractors and the ACSA.

Mr. Lynn stated that section 3.1 outlines guidance on desired sanitary sewer location. He stated that the ACSA prefers to see sewer along or in the VDOT right-of-way, or in open space. He stated that they have seen an increased number of conflicts with fences, buildings, and decks encroaching into the easements, and access is becoming increasingly difficult in back yards. He noted that the goal is to find a spot that make sense for long-term maintenance without infringing on the future development rights of the property owner.

Mr. Lynn stated that the last change he wanted to highlight was a restructuring and reorganization of the water and sewer details. He stated that there were some improvements made on those, including a title block to ensure it was clear that those are the ACSA's details. He stated that

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these are extremely helpful for field crews as they do not have the entire specifications document, but they have the plans which have the details. He added that at this time, the staff would ask that the Board adopt the updated specifications document.

Mr. Parcels asked how the feedback from the development community was in response to the change in section 2.1. Mr. Lynn replied that when they did research on the second connection requirements, the ACSA staff found utilities that had set the limit at 40-50 ERCs. He stated that given some of the challenging sites, the ACSA felt that number was too low. He stated that they proposed to go with 100 ERCs. He mentioned that they did not receive a lot of feedback. He stated, however, that the development community was concerned about how supportive the ACSA Board would be in considering a condemnation.

Mr. Parcels asked if there would be any retroaction with developments that would require that second connection. Mr. Lynn replied that if something has already been approved and under construction, the ACSA is not going to look back and retroactively make changes. He stated that this will be for developments moving forward. He stated that in terms of anything being developed currently, the ACSA will have to weigh the circumstances in terms of whether they knew this change was coming or not. He noted that the apartments on Rio Road near John Warner Parkway adhere to the new requirements and have two feeds, although those plans were approved before the change.

Ms. Swanson asked if the same was true of the apartments off Hydraulic Road. Mr. Lynn replied that they do not have two connections but there is a way to connect to The Blake, which the ACSA will be looking to do as a future CIP project. He noted that those plans were approved well before the change was even a consideration.

Mr. Armstrong asked Mr. Lynn to speak to how the ACSA arrived at 100 ERCs, when other utilities use 40-50. Mr. Lynn stated that given the topography of the community and the fact that growth pays for growth,

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there is not a lot of backbone infrastructure on the outskirts where the development is occurring that will make it easy for a developer to have that second connection. He stated that 50 is a low number and most apartment communities will exceed that. He added that 100 makes sense for the ACSA community.

Mr. Parcels asked about the new construction on Old Ivy Road. Mr. Lynn stated that Old Ivy Residences is a development of 525 units. He stated that they have established two connections on their approved site. He stated that sometimes if there is water main along the front edge of the property and a strategically located valve between the two connections, independent connections can be created, which is what was done with this site. He noted that they are also exploring a backdoor connection to the University Village site, which would be yet another connection and provide redundancy for the University Village property. He added that this new requirement may lead to some smaller, interconnect projects that the ACSA may tackle with future CIP projects.

Ms. Palmer referred to Section 2.11 regarding crossing water courses, and asked Mr. Lynn to explain the increase in the minimum cover from three feet to five feet. She asked if this referred to crossing under the water. Mr. Lynn replied that this would be in a situation where they are going under a stream. He stated that with increased development and the perviousness of some sites, they are seeing undercutting. He stated that by increasing the minimum to five feet ensures that the three feet remains in place if that undercutting occurs. He noted that there have been a few instances where the ACSA's water main was exposed due to undercutting.

Ms. Palmer also asked about the elimination of the concrete encasement for utility stream crossings. She asked if the assumption is that the concrete is not necessary at five feet, or if it was being eliminated because it causes corrosion. Mr. Lynn replied that the concrete is creating unintended consequences, but it is also very difficult to remove if repairs must be made to the water line. Ms. Palmer asked if this was the case for

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sewer too. Mr. Lynn replied that this is for water and sewer. He mentioned that the sewer is trickier because they have to be aware of gravity, so they may have to consider an aerial crossing.

Ms. Palmer stated that her next question was about Section 3.1 that which provides guidance on the location of sanitary sewer lines. She asked if the ACSA had a list of things that are allowed to be built within their easements that is included in the easement agreements. Mr. Lynn replied that the ACSA's easement language is very restrictive and does not allow for items such as fences, overhangs, trees, and buildings. He mentioned, however, that if a building permit process is not followed, the ACSA does not know that these things are being built.

Ms. Palmer stated that she read yesterday that the Albemarle County Board of Supervisors is considering reverting back to the buffer regulations that were in place before 2014. She stated that she gathered from what she read, that the County will start inspecting more buffers not only during construction, but post-construction maintenance as well. She mentioned that the ACSA installs sewers along streams for gravity reasons but does not allow any vegetation in its easements. She asked if Mr. Lynn foresees any conflict with this. Mr. Lynn replied that there is an ongoing struggle between the utility trying to maintain the sewer and the County's desire to have landscaping requirements. Ms. Palmer stated that it is not landscaping but rather protection for the entrenchment. Mr. Lynn stated that it will be something that both sides will have to figure out how to effectively manage.

Mr. Parcels moved to approve the adoption of the revised ACSA General Water and Sewer Construction Specifications, seconded by Ms. Palmer. All members voted aye.

9. Information Technology (IT) Monthly Information for Board

April Walker, Director of Information Technology, stated that she wanted to introduce this new item that will be added to the monthly consent

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agenda in the Board packet (Attached as Pages_____). She stated that IT will be joining the other departments at the organization in being transparent and providing the Board with monthly updates of what IT is working on.

Ms. Walker stated that the end goal of this report is to eventually begin showing data comparisons highlighting things like growth in the department. She stated that the first slide shows an overview of the IT department and what they maintain. She stated that the second slide outlines some quantifiable numbers of routine tasks that IT performs each month, such as responding to alarms and help desk tickets, or digitizing assets for Cityworks and GIS.

Mr. Parcels asked what it means to digitize sewer lines. Ms. Walker stated that the construction inspectors will GPS locate the ACSA's assets as they are put in the ground. She stated that when that information comes back to the IT department, the GIS team draws those lines in using the points they shoot for the GIS. Mr. Parcels asked if that means that everything will have a specific reference point. Ms. Walker replied yes. She stated that the data could come from CIP projects or assets that are being reverified. Mr. Parcels stated that when listing the data status in the report, it would be helpful to give the percentage of the total assets that the numbers represent.

Mr. Parcels stated that the report shows the IT department investigated 433 physical security alerts at the ACSA Operations Center. He asked if this was a representation of the security breach attempts. Ms. Walker stated that those numbers refer to the physical security for the operations building, which could be anything from holding the door open too long or someone does not arm the system properly. Mr. Parcels stated that, again, it would be helpful to track that data over time. He also asked about the 3,274 security alerts at the pump stations. Ms. Walker stated that because of the number of pump stations that the ACSA has, and the fact that they are not staffed during the day, the alarm system monitors for any

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activity at those stations. She mentioned that the alarms could be anything from staff checking the station to people walking their dog near the station. She stated that each one sends an alert, and they have to investigate each one.

Ms. Walker stated that the last three slides highlight IT's large project participation. She stated that most of the ACSA's projects have an IT component at some level. She mentioned that as projects are completed, they will be removed from the list, and new projects will be added as they arise.

Ms. Swanson stated that the ACFR showed a subscription liability update. She asked what software is part of that subscription liability. Mr. Lunsford replied that the subscription liability is for the ERP software. He stated that there is an incredibly complicated evaluation process to determine what subscriptions need to be reported that way as opposed to an expense.

Mr. Lunsford stated that there was not an organic way for Ms. Walker to share a lot of the information about what she and her team are doing. He stated that there is certainly an opportunity to add some context to better illustrate what some of the data means. He stated that this gives Ms. Walker a chance to share some of the projects that she is leading or supporting within the consent agenda.

10. New Customer Packet Introduction

Mr. Lunsford stated that the ACSA's Strategic Plan emphasizes an improved customer experience, and the staff has identified several opportunities to do so. He stated that this specific opportunity was a collaboration between the ACSA and its communications consultant, Letterpress Communications. He stated that Tanya Johnson, Director of Finance, and Terri Knight, Customer Service Supervisor would be presenting this item together (Attached as Pages_____).

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Ms. Knight stated that she would begin by passing out a card that will be given to all new ACSA customers. She mentioned that eventually, the ACSA will conduct a campaign to get it to all customers once the new website is up and running. She stated that the ACSA worked with Letterpress to come up with something that customers would look at and keep, and they suggested a magnet.

Ms. Knight stated that it is the goal of the ACSA to provide best-in-class service to all their customers. She stated that some customers see the words "Service Authority," and are not sure what services the organization provides so the ACSA is trying to diligently communicate that information.

Ms. Knight stated that the Board should all have a copy of the Customer Guide in their packets. She stated that it is on the ACSA's website, located on the main page for easy access. She stated that the first page is an introduction, with a map of the area's water supplies. She noted that the ACSA's Mission and Vision statement are shared at the bottom of the page as well.

Ms. Knight stated that the second page contains the table of contents, as well as a letter from the ACSA's Executive Director. She stated that billing and rates are outlined on the third page. She mentioned that it gives a brief statement about how the rates are set, as well as the various methods by which to pay and what to expect on the first bill.

Ms. Knight moved to the next page, which shows an illustration explaining who is responsible for what. She noted that this has been extremely useful, especially when it comes to service lines. She added that there is also an option to assist customers with locating their meter.

Ms. Swanson stated that she wanted to make a point about the illustration being of a single-family home, as opposed to an apartment. She stated that the area is increasingly seeing more apartments and as she understands it, a lot of them are switching to electronic metering systems so each unit is billed separately. Ms. Knight stated that a lot of

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management companies are using private, third-party metering. Ms. Swanson asked if there would be a way to create another illustration that captures that scenario.

Mr. Lunsford stated that in that situation, the ACSA still has one relationship with the apartment complex. He stated that the management company that owns the complex is metering the individual units. Ms. Swanson stated that she understands the ACSA is not doing the metering, but the residents are still customers indirectly. She stated that she feels they should still be served by a customer communication, so they understand, as a renter, how they interact with the landlord or metering company.

Mr. Derdeyn stated that the Virginia Residential Landlord and Tenant Act requires very clear communication from landlord to tenant, about whether they are using sub-rated metering or ratio billing. He stated that as part of the leasing process, this does have to be explained to the tenant.

Mr. Lunsford stated that Ms. Swanson has a valid perspective, and it is a challenge, similar to when there is a water emergency. He stated that if there is a boil water notice, the ACSA has to figure out how to get in touch with the people that are using the water. He stated that they can contact their one customer, but the challenge is to get in touch with the hundreds of people behind that customer to ensure they are informed. He added that the ACSA is aware of this communication challenge and the staff is working on figuring out how to communicate more effectively.

Mr. Tolbert stated that the ACSA would not even know the names of the renters, and they are constantly changing. Ms. Swanson stated that perhaps one way to approach it would be to create a landlord communication for the multi-family community. Mr. Lunsford asked the Board to allow the staff to think about that and get back to them. Ms. Knight added that she feels Ms. Swanson has highlighted an area that they can explore further and figure out how to work with the landlord community.

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Ms. Palmer stated that she always heard the apartment communities were not individually metering the units because it was too costly, and the meters would take up too much space. She asked if the metering infrastructure is now smaller or if the cost-benefit ratio is more favorable now, as to why they are going to individual metering. Mr. Lunsford replied that he suspects a lot of it has to do with the automation of reading the meter. Mr. Parcels added that there are a lot more reliable electronic devices that can be attached to the line to read flow rates, so they do not have to put a physical meter in the ground.

Ms. Knight stated that the next page of the guide outlines how to report a problem or water outage. She noted that the ACSA also posts planned outage alerts on their website and social media platforms, which customers can follow for updates. She noted that the toilet and rain barrel rebate programs are outlined on the following page, which the ACSA would like all customers to be aware of.

Ms. Knight stated that there is a water quality statement on the next page. She stated that the ACSA is very proud of the quality of the water and wanted to share for those customers that are not aware. She added that the following page gives tips about how to save water.

Ms. Palmer stated that she wanted to point something out on the water conservation page. She stated that one of the conservation tips mentions investing in native plants such as Black-Eyed Susans and geraniums. She stated that the average person that looks at the word “geranium,” is going to think of a hot-house geranium that is purchased all the time. She stated that the native geranium is a small, perennial flower that grows in the shade. She stated that including “native” in the description would probably be more instructive for someone who is not a plant person.

Mr. Parcels mentioned that one of the tips instructs customers to only flush the “3 P’s” to avoid clogs and damage to pipes. He asked if the staff has noticed a reduction in this issue with increased awareness about what not to flush down the toilet. Mr. Morrison replied that they have not

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seen a huge change. He stated that the grinders really help with some of the issues encountered in the manholes. He mentioned that no matter how much they educate customers, there will still be the issue of things being flushed down the toilet that should not be. He stated that it is usually an “out of sight, out of mind” situation for the customer. He added that the grinders have helped with the wet well cleaning, so there is a benefit to operations and maintenance.

Ms. Knight stated that the last two pages of the guide outline how to inspect for leaking toilets and some general community resources that new customers may not be aware of. Ms. Johnson added that it is important to provide the community with information about what the ACSA does.

Mr. Parcels stated that the way the guide is broken down into different topics with large text makes it easier to read and quicker to understand. The Board concurred and agreed it was a job well done.

11. Items Not on the Agenda

Mr. Lunsford stated that he had a couple of brief items to mention. He stated that this Friday, the ACSA will host its family bowling night. He stated that it is a small thank you to families that have to sacrifice time with staff for emergencies or after-hours work. He mentioned that it is a great event that everyone enjoys, and they are looking forward to it.

Mr. Lunsford stated that the ACSA will also have its annual luncheon on Friday, December 13th. He mentioned that it will be held at the DoubleTree Hotel again this year. He stated that it will be a good meal and a good time, and he hopes that the Board members that are able to come, will attend.

Mr. Lunsford stated that he also wanted to briefly mention some information gathered from the recent RWSA Board meeting. He stated that Ms. Palmer had asked about the future capacity needs in Crozet specifically. He mentioned that during the presentation, which was a high-level overview, RWSA indicated that there should not be any capacity

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issues before 2045. He stated that between 2045-2070, there will be a need for additional water to support the Crozet community.

Mr. Lunsford noted that RWSA was successful in permitting the withdrawal that had been previously grandfathered. He stated that with the upgrades to the Beaver Creek Dam, RWSA was required to obtain a permit, which allows 2.2 MGD. He noted that the permit is for 15 years, after which time they will have to reapply. Ms. Palmer stated that it was 2 MGD before, so that means they only got another .2 MGD. Mr. Lunsford stated that he could not find what it was before in the grandfathering language, but it is 2.2 MGD currently.

Mr. Lunsford stated that RWSA also spoke some about the future capacity needs. He noted that the bulk of those water supply projects are in RWSA's current CIP, and some are starting in FY 2025, with the last ending in FY 2031.

Ms. Palmer asked if RWSA has a trajectory of the Crozet issue or if Mr. Lunsford has the information that drove the 2045 timeframe for additional capacity needs. Mr. Lunsford stated that the Weldon Cooper Center was referenced in the presentation that Bill Mawyer, RWSA Executive Director, provided, so there was some collaboration with UVA. He mentioned that Ann Mallek, White Hall District representative for the Albemarle County Board of Supervisors, added some information during the Board meeting as well, indicating that development was not expected to continue at the current pace in Crozet. Ms. Palmer asked if currently, the 2045 date is dependent upon the Weldon Cooper population guide. Mr. Lunsford stated that he believes that to be accurate. He stated that 2045-2070 is a broad range.

Ms. Palmer stated that she would be curious to understand the date range better, in terms of whether it is just dependent upon the Weldon Cooper study and population projections, or if it incorporates the County's projections on development and infill that will happen in Crozet. Mr. Lunsford stated that they will investigate the matter further.

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Mr. Parcels stated in terms of the other side of the County, he never hears any discussion about Totier Creek being a water supply for Scottsville. He asked what Totier Creek supplies. Mr. Lunsford replied that Totier Creek supplies Scottsville and there is a plugged in capacity there. Ms. Palmer added that the area has not grown as much as they would like it to, as it has become more suburban.

12.

Adjourn

There being no further business, Mr. Parcels moved that the meeting be adjourned, seconded by Mr. Tolbert. All members voted aye.

Quin Lunsford, Secretary-Treasurer