

## **Albemarle County Service Authority Board of Directors**

1        The Board of Directors of the Albemarle County Service Authority (ACSA)  
2        met in a regular session on November 20, 2025, at 9:00 a.m. at the  
3        Administration and Operations Center at 168 Spotnap Road in  
4        Charlottesville, Virginia.

5        **Members Present:** Mr. Richard Armstrong; Ms. Lizbeth Palmer; Mr. John  
6        Parcells; Mr. Clarence Roberts; Mr. Charles Tolbert (remote); Ms. Kimberly  
7        Swanson.

8        **Members Absent:** None.

9        **Staff Present:** John Anderson, Mike Derdeyn, Quin Lunsford, Jeremy Lynn,  
10       Alex Morrison, Emily Roach, Danielle Trent, April Walker.

11       **Staff Absent:** None.

12       **Public Present:** Addison Roeschley, Brown Edwards.

14       1.       Call to Order and Establish a Quorum – Statement of Board Chair  
15             The Chair called the meeting to order. He then read the opening  
16       Board Chair statement (Attached as Page \_\_\_\_\_), and a quorum was  
17       established. He stated that pursuant to State law and the ACSA's policy, Mr.  
18       Charles Tolbert is participating in the meeting remotely from his home in  
19       Albemarle County due to a temporary medical condition.

20       ***Ms. Palmer moved to approve Charles Tolbert's remote participation in  
21       the November 20, 2025, Board of Directors meeting; seconded by Ms.  
22       Swanson. All members voted aye.***

23  
24       2.       Approve Minutes of September 18, 2025  
25             Ms. Palmer stated that she submitted her changes via email before  
26       the meeting. Mr. Lunsford stated that he could quickly go over those  
27       changes. He stated that on page six of the minutes, line five, "North" should  
28       be "South." He then read through an alternate wording of the following  
29       sentence, as Ms. Palmer did not understand it as it was originally written. Mr.  
30       Parcells stated that he wondered about that sentence too, but he looked  
31       back and it said it was the north zone. Ms. Palmer stated that there is no

## **Albemarle County Service Authority Board of Directors**

1 other treatment plant there, so it did not make sense to her either way. Mr.  
2 Parcells stated that he had a third correction on page 16 of the packet, line  
3 16. He stated that the word “ad” should be “and.”

4 ***Ms. Palmer moved to approve the minutes of September 18,  
5 2025; seconded by Mr. Parcells. All members voted aye.***

6  
7 3. Matters from the Public & Response to Public Comment

8  
9 4. Response to Public Comment

10  
11 5. Consent Agenda

12 **a. Monthly Financial Reports** – Mr. Parcells stated that, as part of the audit  
13 team, he learned that there was a GASB ruling about stating liabilities for  
14 compensated absences. He stated that for August, the number was  
15 increased and the FY 2024 numbers in the audit report are restated to  
16 include that liability. He stated that it was remarkable to him because the  
17 overall effect for compensated absences was a change in just over \$1  
18 million. Ms. Palmer asked for that to be explained further.

19 Mr. Lunsford stated that in the past, compensated absence liability  
20 was purely for annual leave accruals. He noted that the new GASB  
21 statement requires that a portion of sick leave, which is not payable upon  
22 retirement or termination of employment, now be reflected on the face of  
23 the financial statements. He mentioned that the calculation related to the  
24 new GASB statement pulls some of the sick leave that employees have  
25 accrued over their tenure to be reflected there.

26 Ms. Palmer asked how employees can take advantage of their sick  
27 leave, other than being sick. Mr. Lunsford replied that, other than being  
28 sick, they cannot take advantage of the sick leave they have earned.

29 Mr. Roberts asked if there is a limit on the sick leave that employees  
30 can draw up on upon retirement. Mr. Lunsford replied that there is a cap  
31 on sick leave for employees under the VRS Hybrid plan because they are

## **Albemarle County Service Authority Board of Directors**

1                   able to participate in short and long-term disability. He noted that for VRS  
2                   Plan 1 and 2 employees, there is no cap on their sick leave accrual. He  
3                   noted that the sick leave, however, is not payable upon termination or  
4                   retirement.

5                   Mr. Parcells noted the maintenance variance percentage of 20% in  
6                   the monthly statements. He stated that, granted, it is only a third of the  
7                   way into the fiscal year and perhaps some of the equipment or other  
8                   budgeted items have not been purchased yet. Mr. Morrison replied that he  
9                   would have to look at the numbers, but there are some fairly large  
10                  equipment needs that have not shown up in the financial reports yet, such  
11                  as the new flush truck. Mr. Lunsford replied that this is somewhat accurate.  
12                  He mentioned that the flush truck will be capitalized, thus it will not be  
13                  reflected in the maintenance budget. He noted that it will be depreciated  
14                  over the course of the next 10 years. He stated that the driver of some of  
15                  the change is timing, but there have also been a handful of vacancies that  
16                  are driving some of that as well. He added that he can provide a detailed  
17                  report if necessary.

18                  Ms. Swanson asked for clarification on the payment to the school  
19                  division for the Galaxie Farm Connection project. Mr. Lynn replied that the  
20                  ACSA is having their contractor install that interconnect. He stated that they  
21                  paid in advance for the design and anticipated construction cost, which is  
22                  very similar to what they do for VDOT betterment projects.

23                  ***b. Monthly Capital Improvement Program (CIP) Report*** – Mr. Parcells  
24                  stated that for the Northfields project on page 60, 9 of the 17 easements  
25                  have been obtained and the ACSA is on its second round of offer letters.  
26                  He stated that he was curious as to what the second round means and if  
27                  there is any change in the offer amount. Mr. Lynn replied that there typically  
28                  is not a change in the monetary offer. He stated that it was more of a follow  
29                  up to the initial correspondence. He noted that they have received one more  
30                  easement, so they are up to 10 out of 17. He added that they will continue  
31                  to try and get the remaining 7 through phone calls and maybe some site

## **Albemarle County Service Authority Board of Directors**

1 visits. Mr. Parcells asked if the project was still within the scope of things  
2 timing wise. Mr. Lynn replied yes.

3 Mr. Parcells asked if the ACSA waits for all of the easements to be  
4 acquired before issuing the RFP. Mr. Lynn replied that before they advertise  
5 for construction, they need to have all of the easements acquired.

6 Ms. Swanson asked if there has been any significant turnover with  
7 property ownership in the area and perhaps some people were not aware  
8 of the capital projects. Mr. Lynn replied that he does not know the answer  
9 to that question. He mentioned, however, that everyone they began  
10 communication with appear to still own the properties. He noted that of the  
11 17 easements needed, they are still dealing with the same people they  
12 started out dealing with. He added that they are making good progress on  
13 the sewer easements as well, which are a bit more impactful to the property  
14 owners.

15 Mr. Parcells stated that his next question was about the Airport  
16 Trunk Sewer Upgrade project on page 66, which they did not get to discuss  
17 last month. He stated that there were four easements left to acquire, and it  
18 looks like those same four easements are still problematic. Mr. Lynn replied  
19 that they did acquire one yesterday, putting them at 21 out of 24 easements  
20 acquired, and they have a verbal on number 22. He stated that of the two  
21 remaining easements, one is the HOA which just needs to go through their  
22 formal board process. He noted that they had a very well-attended public  
23 meeting last Tuesday night, with about 30 people in attendance. He stated  
24 that there were some great questions, some of which they could not answer  
25 because they do not know some of the means and methods the contractor  
26 is likely to perform. He added that they agreed to a follow-up meeting once  
27 they have a contractor on board. He stated that they also talked about an  
28 email newsletter to provide regular community updates during the course of  
29 construction.

30 Mr. Parcells stated that one of the focal points of the easement  
31 discussions was the Weiss family. He asked how that situation worked out.

## **Albemarle County Service Authority Board of Directors**

1           Mr. Lynn replied that the property was recently sold, and they have secured  
2           the easement across that property.

3           Mr. Parcells stated that he had another question about the Crozet  
4           Phase 3 SSES on page 68. He stated that he thought Ramboll was going  
5           to make some determinations and report back, but it looks as if they are  
6           moving forward with more testing and work. Mr. Lynn replied that their  
7           analysis was focused on what the next steps would be, whether that is  
8           smoke testing, CCTV inspections, or night-flow isolation and measurement.  
9           He stated that they are performing smoke testing this week and they are  
10           about two-thirds done. He mentioned that most of the issues have been  
11           clean-out caps missing on private laterals, as well as some defects on the  
12           private side. He noted that there was no "smoking gun" with the smoke tests  
13           that would indicate a major issue on the ACSA's collection system at this  
14           point.

15           Mr. Parcells stated that Jennifer Whitaker, with RWSA, mentioned  
16           the 3-4x factor when there is stormwater penetrating the system. He asked  
17           if this is a true factor or industry-wide standard, or if there is a different  
18           number for the ACSA's system. Mr. Lynn replied that it is an industry  
19           number, which is what one would expect to see. He stated that older  
20           systems have larger peaking factors. He noted that over the years, the  
21           ACSA has done a lot of rehabilitation to lower those peaking factors, but  
22           things eventually reach a point of diminishing return. He stated that there  
23           are challenges addressing issues on the private side.

24           Mr. Parcells stated that he assumes any new technology or  
25           approaches that have been learned will be implemented with the Airport  
26           Trunk Sewer upgrades. Mr. Lynn replied that they are replacing a 30-year-  
27           old sewer, so they will be using better pipe material and better construction  
28           methods.

29           Ms. Palmer stated that when the cost allocation agreement was  
30           created, the decision was made to install flow meters. Mr. Lynn stated that  
31           the permanent flow meters is still an ongoing thing, and there are also

## **Albemarle County Service Authority Board of Directors**

1 temporary flow meters used every five years to get more granulated data in  
2 different areas, which is how the allocation is determined. He stated that the  
3 City has probably invested a lot more in their sewer rehabilitation because  
4 their system is much older.

5 Ms. Palmer asked about the Northfields sewer project. She asked  
6 how many of the 20 people connecting to the new sewer line were getting  
7 assistance from the pool of money the County put aside several years ago  
8 for sewer connections. Mr. Lynn replied that he does not think any of them  
9 are, as they have not made the connection to let them know it is a resource.  
10 He stated that he does not know if there are income requirements or not.  
11 Ms. Palmer stated that she does not know if the money is still there, but it  
12 would not hurt to check with the County. Mr. Lynn stated that once they get  
13 closer to construction and know when they are doing the work, they can  
14 connect those dots and let them know that it might be a resource.

15 Ms. Swanson stated that she had a question about the Briarwood  
16 Water Main Replacement project on page 60. She asked if the contractors  
17 are aware of their worker's trash. Mr. Lynn replied that they did have a  
18 conversation with the contractors about that issue and the ACSA inspector  
19 is doing their best to impress upon them the importance of keeping the site  
20 clean.

21 ***c. Monthly Maintenance Update –***

22 ***d. IT Monthly Update –*** Mr. Parcells asked how far along the ACSA is in  
23 updating the access controls at all of the pump stations. Ms. Walker replied  
24 that they have currently completed two, which are being tested. She stated  
25 that they are budgeting for more in the next fiscal year, but the first two was  
26 a testing process. She mentioned that they upgraded one through in-house  
27 staff and the other through an outside contractor, to gauge the difference in  
28 cost. She noted that there are different types of doors depending on the  
29 type of pump station, thus the cost will vary depending on the type of door.  
30 Mr. Parcells asked how many total stations will be upgraded. Ms. Walker  
31 replied that there are 30 total pump stations.

## **Albemarle County Service Authority Board of Directors**

1                   Mr. Parcells noted that the SCADA communications update states  
2 that the ACSA is working with a cellular company to build a secure network.  
3 Ms. Walker stated that Ashcroft, due to the elevation and tree coverage,  
4 occasionally loses SCADA communication. She stated that they currently  
5 work with one vendor, Verizon, for communication. She mentioned that for  
6 redundancy, they are working with a different provider who claims to have  
7 better towers and cell coverage in that area. She noted that in order for it to  
8 be a SCADA network, it has to be a private network. Mr. Parcells asked if  
9 they are building a network just for Ashcroft. Ms. Walker replied yes. She  
10 stated that the private network only allows the ACSA's machines to  
11 communicate with the system, and there will be one at each Ashcroft pump  
12 station.

13                  Mr. Parcells asked, when talking about SCADA at the different pump  
14 stations, how they are all networked together. Ms. Walker replied that it is  
15 currently a private network through Verizon. She stated that there is one  
16 device in the server room, which is the only device allowed to communicate  
17 with each of the other devices. She stated that the new network will be just  
18 between the Ashcroft pump stations and the device in the server room.

19                  Mr. Parcells asked how the new network ties into risk and resilience  
20 in terms of penetration. Ms. Walker replied that they have had the system  
21 pen tested before and it successfully passed. She stated that they will be  
22 doing the same with the new system. She noted that the new network will  
23 be through a new provider that does not have as much experience with  
24 private networks, so they are eager to test it. She added that they will then  
25 expand beyond Ashcroft, but it is the trouble network currently, so they are  
26 starting there.

27                  Mr. Parcells asked if that compares in any way to the AMI network  
28 towers. Ms. Walker replied that AMI does not have to be as secure. She  
29 stated that if someone hacks into the AMI system, they will not get anything  
30 but meter readings.

## **Albemarle County Service Authority Board of Directors**

1                   Mr. Morrison added that Ashcroft is also the ACSA's most  
2 complicated system in terms of communication for control. He stated that a  
3 sewer pump station involves all internal controls, so the system is looking  
4 at instrumentation that is onsite. He mentioned that most water pump  
5 stations are communicating with a single tank to know when to fill the tank.  
6 He noted however, when in a filling sequence at Ashcroft, there are three  
7 pump stations and the upper tank all communicating for control.

8                   **e. Rivanna Water and Sewer Authority (RWSA) Monthly Update** – Mr.  
9 Roberts asked about the reservoir water levels. Mr. Lunsford replied that  
10 South Rivanna is 100% full, Ragged Mountain is down, and Beaver Creek  
11 is nearly full. Mr. Roberts asked if it was true that private ponds are down.  
12 Mr. Lunsford replied yes. He stated that precipitation is less than normal,  
13 but ground water is strong and stream flows are ok. He stated that currently,  
14 they are ok but would certainly like to see more precipitation going into the  
15 winter season, spring, and summer.

16                   Ms. Swanson referenced the Crozet GAC Expansion Phase I project.  
17 She asked if the grant funding from the Virginia Department of Health (VDH)  
18 was state or federal level funding. Mr. Lunsford replied that he did not know  
19 but they would find out and follow up.

20                   Ms. Swanson stated that she was driving home late one evening last  
21 week, and there were RWSA personnel on Hydraulic Road near Four  
22 Seasons. She stated that there was water pouring from somewhere, she  
23 assumes a hydrant and asked what transpired and if it had anything to do  
24 with the urgent and emergency repairs noted on page 100. Mr. Morrison  
25 replied that there was an ACSA valve across from the Triangle Mobile Home  
26 Park that needed repair. He stated that they worked in conjunction with  
27 RWSA for a shutdown of their transmission main so ACSA crews could  
28 excavate the valve and make the repair. He noted that the work took place  
29 last Thursday night into the following morning. He added that a temporary  
30 patch was placed in the road, and SL Williams will come in and do the  
31 permanent patch in the next week or two. Ms. Swanson asked if that is

## **Albemarle County Service Authority Board of Directors**

1 separate from the ARV repairs referenced in the RWSA update. Mr.  
2 Morrison replied he believes so. Mr. Lynn replied that he believes the  
3 repairs referenced in their update are related to work done by their on-call  
4 contractors, which is different from the repairs on Hydraulic Road last week.

5 ***f. ACSA Board Policy Future Issues Agenda 2025***

6 ***Mr. Parcells moved to approve the consent agenda, seconded***  
7 ***by Ms. Palmer. All members voted aye.***

8

9 **6. Annual Comprehensive Financial Report (ACFR) Presentation**

10 Mr. Lunsford stated that Addison Roeschley with Brown Edwards  
11 would be providing a quick overview of the audit and some of the reports that  
12 they issue, followed by a presentation (Attached as Pages \_\_\_\_\_) from  
13 Emily Roach on some of the ACSA's financial highlights for the year.

14 Mr. Roeschley stated that he has been with Brown Edwards for five  
15 years and has been auditing the ACSA for those five years. He stated that  
16 Matt Heatwole has given this presentation in the past, but he has transitioned  
17 to a new role within the firm. He noted that Chris Banta will be the new  
18 partner on the job for the foreseeable future. He stated that he will still run  
19 the day-to-day logistics of the audit, including field work and testing, and it is  
20 a job he enjoys doing.

21 Mr. Roeschley stated that they begin the audit process in June with  
22 some internal control work and VRS testing. He stated that he is pleased to  
23 announce that there were no findings and it was a clean report. He  
24 mentioned that the team then comes back later in the fall to do some final  
25 field work such as testing account balances and analytics, inquiries of  
26 management, variance analysis, and all sorts of different testing. He noted  
27 that this is where the deliverables with the financial statements come in.

28 Mr. Roeschley stated that he would begin with the financial  
29 statements, and they attach two opinions to those. He stated that the first is  
30 a traditional auditor opinion. He stated that this year, they issued a clean,  
31 unmodified opinion which is a fancy way of saying that there were no findings

## **Albemarle County Service Authority Board of Directors**

1 in the audit. He mentioned that they also give responsibilities between the  
2 auditors and ACSA management on those financial statements throughout  
3 the audit. He noted that they do rely on management to give specific  
4 balances and responses to various inquiries. He stated that it also gives the  
5 auditors responsibilities. He mentioned that they are required to audit  
6 financial statements to a high assurance level but not absolute. He stated  
7 that if there were fraud, it would be harder for them to detect as it is a financial  
8 statement audit and not a fraud audit.

9 Mr. Roeschley stated that the other part that will follow in the opinion  
10 on the financial statements is some specifics on supplementary information.  
11 He stated that the financial statements that they audit are the basic financials  
12 statements which are the balance sheet, income statement, and notes to  
13 those statements. He mentioned that they do not give an opinion on the  
14 supplementary information such as year-to-year revenues and historical  
15 analyses, but they do review them to ensure they are consistent with  
16 statements that have been issued in the past and there are no material  
17 deviations. He noted that this was clean as well.

18 Mr. Roeschley stated that the other part of the financial statement  
19 audit is more compliance oriented. He stated that they are State and  
20 governmental accounting standards that they audit, which includes things  
21 such as cash management procedures required by the state, VRS testing,  
22 and debt issuance processes. He noted that they had no findings in those  
23 areas either. He added that on their end, the financial statement opinions  
24 that they would give are very clean. He stated that they are very appreciative  
25 of everyone that they worked with from management to IT. He noted that  
26 everyone was very helpful and contributed to the ACSA having a clean audit  
27 this year.

28 Mr. Roeschley stated that they do have two other statements that  
29 they issue along with the audit, which are a management letter and an audit  
30 committee letter. He stated that they were onsite two weeks ago to meet with  
31 the audit committee and discuss those statements. He noted that those

## **Albemarle County Service Authority Board of Directors**

1 statements were about as clean as a management and audit committee  
2 leader could read.

3 Mr. Roeschley stated that the last part is the new GASB 101 accounting  
4 standard that was referenced earlier in the meeting. He stated that it was  
5 implemented this year and would be the first year it was required for most  
6 Virginia localities. He noted that GASB 101 is not specific to just sick or  
7 vacation leave. He stated that is all-encompassing and captures other types  
8 of leave. Ms. Palmer asked if he could give an example of another type of  
9 leave it would include. Mr. Roeschley replied that comp time would be an  
10 example. He stated that some localities allow comp time to accrue. He stated  
11 that sick leave banks would be another example. He noted that there are  
12 some one-off types of leave that GASB states should be considered but are  
13 never material, such as maternity leave. He added that school systems have  
14 different types of leave they offer for different types of employees as well.

15

16 Ms. Roach came forward to present the FY 2025 Annual Comprehensive  
17 Financial Report (ACFR) to the Board. She stated that today, she would  
18 provide an overview of the year's financial results, including key highlights of  
19 revenues, expenses, assets and liabilities. She stated that she would also  
20 discuss operating information and provide a summary of the year's trends  
21 and performances.

22

23 Ms. Roach stated that FY 2025 was a year of continued investment and  
24 stable financial performance. She stated that operating revenues reached  
25 \$41.4 million, which was an increase of 5.4% over last year. She mentioned  
26 that operating expenses including depreciation were \$49.2 million,  
27 increasing 12% over last year. She stated non-operating revenues totaled  
28 \$3.4 million, while non-operating expenses were \$148,000. She noted that  
29 capital contributions totaled \$10.1 million, which included \$8.8 million in cash  
30 collected through system development charges and \$1.3 million of water and  
sewer infrastructure received from developers. She added that the ACSA's

## **Albemarle County Service Authority Board of Directors**

1 net position at the end of the year was \$242.3 million, with a growth of 2.4%  
2 from FY 2024.

3 Ms. Roach stated that operating revenues grew 5.4% despite billed  
4 water and wastewater collections being down from FY 2024. She noted that  
5 operating expenses increased 12% from last fiscal year, which was largely  
6 driven by rising treatment costs, and capital contributions decreased slightly  
7 by 3.8% compared to FY 2024. She mentioned that the ACSA's assets have  
8 shown consistent growth year over year, primarily due to continued capital  
9 investments in water and sewer systems and strong investment performance  
10 in the current year. She stated that total assets for FY 2025 reached \$262.7  
11 million. She noted that in FY 2025, capital assets represented the largest  
12 portion of total assets, while cash assets, accounts receivable, and other  
13 assets made up the remainder. She added that this balanced asset structure  
14 continues to support the ACSA's operational and long-term infrastructure  
15 needs.

16 Ms. Roach stated that total liabilities increased by 7.3% in FY 2025. She  
17 mentioned that key drivers included \$640,000 an increase in accounts  
18 payable and a \$1.1 million increase to the net pension liability as calculated  
19 by the Virginia Retirement System's (VRS) actuary. She noted that long-term  
20 liabilities remained stable relative to overall financial performance.

21 Ms. Roach stated that liabilities for FY 2025 included debt obligations,  
22 accounts payable, unearned revenues, net pension liabilities, compensated  
23 assets, other post-employment benefits (OPEB), customer deposits, and  
24 interests payable. She mentioned that this distribution is consistent with prior  
25 years and reflects standard operating obligations.

26 Ms. Roach stated that looking at historical operating information, water  
27 and sewer revenues increased 2.1 million despite a slight decline in billed  
28 consumption this past year. She noted that billed water consumption  
29 decreased by 0.9% while billed sewer consumption decreased by 0.7%. She  
30 stated that the purchase of water and sewer treatment and departmental  
31 expenses rose 12.3%, continuing the upward trend in treatment costs.

## **Albemarle County Service Authority Board of Directors**

1           Ms. Roach stated that the ACSA's net position increased \$5.6 million this  
2 fiscal year, and net investments and capital assets increased \$8.9 million  
3 which reflects the continued infrastructure expansion. She mentioned that  
4 unrestricted net position decreased \$3.3 million, largely due to an increase  
5 in expenses and ACSA capital projects. She added that overall, the ACSA  
6 is financially strong, and they are currently working through a rate study to  
7 ensure it remains in that position.

8           Mr. Parcells asked what the difference is between restricted and  
9 unrestricted net position. Mr. Lunsford stated that there are the net  
10 investments in capital assets which refer to all of the infrastructure in the  
11 ground, which cannot be spent. He stated that there is a restricted portion of  
12 \$300,000 or \$400,000 reflected in the face of the financial statements, which  
13 is money reserved for bond and debt covenants. Mr. Parcells asked, then, if  
14 it varies between \$770,000 and \$330,000 and if that was because of the  
15 semi-annual payout. Mr. Lunsford stated that he was speaking to the net  
16 position on page six of the ACFR and the \$330,000 restricted for debt  
17 service. He stated that he is unsure about the \$770,000 that Mr. Parcells is  
18 referring to.

19           Mr. Parcells asked if the restricted portion is always reserved for bond  
20 issuance. Mr. Lunsford replied yes. He stated that it is a calculation based  
21 on interest accruals. Mr. Parcells stated that the bond payment for the year  
22 is closer to \$600,000. Mr. Lunsford stated that this is correct. He stated that  
23 there is an amount that the ACSA is required to keep with its trustee, which  
24 is roughly the number reflected in the ACFR.

25           Mr. Roberts stated that there was an increase in water consumption of  
26 2.1% for the year but billed consumption increased 2.4%. Ms. Roach replied  
27 that water usage was down this year, and billed sewer treatment was down  
28 as well. Mr. Roach stated that some of the increase was driven by the rate  
29 increase of 7%. Mr. Lunsford stated that the 2.1% increase is a comparison  
30 of water consumption between September 2024 and September 2025.

## **Albemarle County Service Authority Board of Directors**

1           Ms. Roach stated that operationally, FY 2025 was a productive year.  
2       She stated that there were 424 new connections, over 283,000 were read,  
3       and nearly 4,900 work orders were processed for customers. She stated that  
4       the long-term trend shows continued growth in both water and sewer  
5       connections across the system.

6           Ms. Roach stated that billed consumption fluctuates year over year but  
7       overall, long-term demand continues to rise. She stated that for FY 2025,  
8       water consumption decreased 0.9% and sewer treatment decreased by  
9       0.7%. She mentioned that while these are modest declines, these variations  
10      are typical and balanced by strong system growth and new connections.

11          Ms. Roach stated that in summary, FY 2025 was marked by stable  
12       performance and infrastructure growth. She stated that new connections  
13       remained strong, even while consumption and treatment slightly declined.  
14       She mentioned that rising treatment costs continue to impact operational  
15       expenses. She noted that the ACSA's financial position is sound and  
16       continued investment in the system and steady growth help to maintain a  
17       good position. She stated that she wanted to thank each department and all  
18       employees for supporting this process. She mentioned that she especially  
19       wanted to thank Tonya Foster, Jennifer Bryant, and Theresa Whiting for their  
20       significant contributions to this year's ACFR.

21          Ms. Swanson asked why there is no convergence between water and  
22       sewer connections on the graph on page 118 of the Board packet. She asked  
23       if that means everyone that has water also has public sewer. Mr. Lunsford  
24       stated as they begin to install sewer infrastructure in areas that just had  
25       water, it will begin to come together. He stated that there may be some  
26       convergence, but it may not be reflected on the chart. He noted that the  
27       jurisdictional area really drives that graph. Mr. Lynn stated that there is an  
28       offset of about 3,000 or so, and the ACSA's CIP projects for sewer might be  
29       about 50-75 connections. He stated that with areas like Ivy and North Pines  
30       being water only areas, they will probably always see a big difference on a  
31       graph like that.

## **Albemarle County Service Authority Board of Directors**

1           Mr. Parcells asked when AstraZeneca would be coming online. Mr. Lynn  
2        replied that they are still trying to understand what their plan is, but it will  
3        probably be within the next three years or so. Mr. Parcells asked if the current  
4        supply infrastructure will meet their needs. Mr. Lynn replied that they are  
5        currently having those conversations with the County and RWSA. He stated  
6        that there are going to be some CIP projects that will have to move forward  
7        on the RWSA side to ensure redundant water supply for such a big user.

8           Mr. Parcells stated that, going back to the graph on page 118, the rate  
9        of connections is really constant, which is surprising. He stated that it would  
10       be helpful to have the slope of the line, or the average rates per year. He  
11       stated that he would think that if the growth were projecting, the rate is going  
12       to bump up a fair amount. He stated that the number of entities making  
13       connections that will ultimately become users is high and has been for the  
14       last several years. He added that as they come online, it is going to increase  
15       the demand. Mr. Lunsford concurred. He stated that they should also keep  
16       in mind as they look at the chart that connections are not equal.

17        Ms. Palmer stated that years ago, the Board used to get a graph that  
18        showed the percentage of new residential connections which was amazingly  
19        consistent over the years. Mr. Lunsford stated that they should be able to  
20        put that report together fairly easily.

21        Mr. Parcell asked about the company on Pantops that took over the  
22        State Farm building (Bonumos) and the way they cycle their water use. Mr.  
23        Lunsford stated that 16 months ago, they were manufacturing significantly  
24        more than they were last year. He stated that from what he understands,  
25        they did not get FDA approval to sell in certain areas, so their production  
26        went down. He stated that he does not know their specific plans at this point.  
27        Mr. Lynn added that he knows the County believes that site is underutilized,  
28        so they are probably trying to find ways to increase economic development  
29        at the site.

30        Ms. Palmer stated that when the demand analysis was done for the 50-  
31        year water supply plan, the values the consultants used were supposed to

## **Albemarle County Service Authority Board of Directors**

1 take water efficient appliances into consideration, but it ended up being  
2 considerably more than that. She stated that they got an extension of 70  
3 years, but she does not know if that will still be the case with all of the growth  
4 on the north side. Mr. Lunsford stated that some of the credit can go to Emily  
5 Roach and her team for overseeing the toilet rebate program. He stated that  
6 having some capacity is a good thing, but when change in consumption is  
7 as drastic as what they expected two years ago compared to what it is now,  
8 it may drive some pretty significant capital projects.

9 Mr. Parcells asked how that plays into the rate study the ACSA is  
10 currently working on. Mr. Lunsford replied that they are using the most up to  
11 date information they have for the study. He mentioned that they  
12 communicate with the rate consultant multiple times a week to ensure any  
13 new information is incorporated into the study. He noted that when he and  
14 Mr. Lynn met with RWSA and the City last month to review a preliminary  
15 draft of RWSA's 5-year CIP, there were some fairly dramatic increases in  
16 what they expected as recent as last year.

17 Mr. Parcells stated that according to his schedule, the ACSA Board will  
18 not hear about the proposed budget and rates until April. Mr. Lunsford stated  
19 that the intent is to give a preliminary presentation from the rate consultant  
20 in January. He stated that he does not know the level of detail they will be  
21 able to provide at that point, as it may be more of the methodology that they  
22 share with the Board. He noted that the ACSA will ensure that the Board  
23 understands as early in the budget making process as possible, some of  
24 RWSA's costs they must incur to support the community and how they will  
25 affect ACSA ratepayers.

26 Ms. Palmer asked if Mr. Lunsford is suggesting that the 70-year water  
27 supply plan might not be enough. Mr. Lunsford replied that he does not want  
28 to get into the water supply plan. He stated that he believes there are some  
29 infrastructure upgrades that may need to happen. Ms. Palmer stated that  
30 she can understand that, but she wonders about the pump storage system.  
31 She stated that the plan says there are 70 years of water supply if all of the

## **Albemarle County Service Authority Board of Directors**

1 other projects in the CIP are completed. Mr. Lunsford stated that all of the  
2 new development has happened very quickly, and all of that information is  
3 incorporated into RWSA's analysis of the ability to serve future needs. He  
4 added that the Northern Area Urban Plan that Mr. Mawyer presented two  
5 months ago will require significant updates. He added that the plan was a  
6 good foundation for what they are looking at currently to ensure there is  
7 water and sewer capacity to serve what the County sees happening in that  
8 area and the UVA Research Park. Mr. Parcells asked if the Research Park  
9 was going to be further developed. Mr. Lynn replied yes. He stated that the  
10 impact of one or two companies like AstraZeneca is huge.

11 Ms. Palmer stated that she heard a rumor about Northup Grumman  
12 expanding in this area. Mr. Lynn stated that he had not heard that. He noted  
13 that a lot of those types of developments have code names. He mentioned  
14 that the ACSA did not know AstraZeneca was who they were until very far  
15 into the process because they used a code name.

16 Mr. Parcells stated that with the rate structure the ACSA has, there is a  
17 huge fee once usage reaches over 9,000 gallons, resulting in a large water  
18 bill. Mr. Lunsford replied that the tiered rate structure is for residential  
19 accounts only. He stated that multi-family and commercial accounts have a  
20 different rate, which is essentially the tier 2 rate on the residential scale.

21 Ms. Swanson stated that this does raise an interesting question about  
22 whether having the multiple tiers is necessary given that people are already  
23 conserving and consumption at the residential level has decreased. Mr.  
24 Lunsford stated that they would certainly speak to that in the rate study. He  
25 noted that the four tiers have served the ACSA well. He mentioned that while  
26 there are many customers that are conservation-oriented, there are also  
27 customers that like pretty yards and those customers are heavy water users.  
28 He added that they are in the tier 4 level, which is four times tier 1, and that  
29 helps to keep the tier 1 rate lower than it would be otherwise.

30

31

## **Albemarle County Service Authority Board of Directors**

### **1      7.      Operational Presentation – Utility Location Group**

2                   Mr. Lynn stated that he would quickly introduce John Anderson,  
3                   Senior Civil Engineer at the ACSA, who would be giving today's  
4                   presentation (Attached as Pages\_\_\_\_\_). He stated that Mr. Anderson  
5                   manages the Utility Location Group and has been with the ACSA for about  
6                   two years. He stated that Mr. Anderson spends a lot of time with the  
7                   locators, having just done a ride-a-long with one yesterday morning. He  
8                   stated that Mr. Anderson would introduce the Board to the locating team,  
9                   discuss the Miss Utility process and the ACSA's role in protecting our water  
10                  and sewer utilities.

11                  Mr. Anderson stated that he appreciates the opportunity to speak to  
12                  the Board this morning. He began with an introduction of the locating team.  
13                  He stated that Scott Krebelder, Senior Utility Location Technician, came to  
14                  the ACSA in 1994, and was recognized last year for 30 years of service. He  
15                  mentioned that, with 27 years of locating experience, Scott has a mental  
16                  map that helps the other locators and that type of institutional knowledge is  
17                  irreplaceable. He stated that Kevin Marshall, Utility Location Technician, will  
18                  have been locating for three years as of February 2026. He noted that Kevin  
19                  rolls with the punches and does a great job. He stated that Derek Breeden,  
20                  Utility Location Technician, joined the locating team in September of this  
21                  year. He noted that all of these individuals had experience at the ACSA  
22                  before moving into utility location. He mentioned that there knowledge from  
23                  meter reading and maintenance helps them to have a better understanding  
24                  of how to locate.

25                  Mr. Anderson moved to the next slide outlining the Miss Utility  
26                  process. He stated that there is a time element to the process in that Miss  
27                  Utility must be contacted at least three business days before beginning any  
28                  digging. He mentioned that the ACSA then has two days (48 hours) to locate  
29                  any utilities. Ms. Swanson asked what state agency Miss Utility falls under.  
30                  He stated that there is Virginia 811 but also the State Corporation  
31                  Commission (SCC) which has an enforcement mandate.

## **Albemarle County Service Authority Board of Directors**

1                   Mr. Anderson stated that the next slide shows the 48-hour waiting  
2 period timeline. He stated that if the ACSA receives a ticket on a Monday,  
3 the waiting period begins the following workday, Tuesday, at 7am. He stated  
4 that the very next day, on Wednesday, 24 hours of the waiting period have  
5 elapsed. He stated that on Thursday at 7am, the ACSA must have a code  
6 entered into the system which is how they communicate with the excavator.

7                   Mr. Anderson noted that there are exceptions to the 48-hour rule, as  
8 in the case of an emergency. He stated that an emergency is defined as a  
9 sudden or unexpected occurrence involving clear and imminent danger,  
10 demanding immediate action to prevent or mitigate loss or damage to life,  
11 health, property, or essential public service.

12                  Mr. Anderson stated that another exception to the 48-hour rule is a  
13 3-hour ticket. He stated that a 3-hour ticket would include things like visual  
14 evidence of an unmarked utility line or knowledge of a utility line. He stated  
15 that situations where utility markings have faded from a previous marking  
16 should not be called in as a 3-hour ticket but rather a request for remarking  
17 or updated ticket, which resets the 48 hours.

18                  Mr. Anderson stated that the next slide shows the VA 811 system  
19 that is used to map out their days and enter codes. He stated that the  
20 system is very useful with the ability to search individual tickets and see an  
21 image of where it is located. He stated that before the locators go out for  
22 the day, they organize their tickets and map out their route for efficiency. He  
23 stated that the following slide shows a visual representation of how many  
24 tickets there are on any given day.

25                  Mr. Anderson stated that in terms of ticket processing, the locating  
26 team will receive a ticket through the Exactix system, and they are  
27 distributed to the three locators based on geographic area. He stated that  
28 there are other staff that support the locating effort as well. He mentioned  
29 that ACSA construction inspectors will often respond to tickets for their  
30 respective CIP and private development projects. He stated that when ticket  
31 volume is high and additional support is needed, Allen Bryant, Engineering

## **Albemarle County Service Authority Board of Directors**

1 Technician, helps out as well. He added that finally, the response codes are  
2 entered into the Exactix system at the end of the day. He stated that  
3 contractors and excavators check the codes in the system to ensure that  
4 the ticket is cleared.

5 Mr. Anderson stated that the next slide showed several images of  
6 the locators doing the actual work. He stated that there is an advantage  
7 with locating water mains in that metallic material can be detected by using  
8 an electric current. He mentioned that sewer mains require a different  
9 strategy.

10 Mr. Anderson stated that he wanted to point out some of the  
11 challenges involved with locating, illustrated on the next slide. He noted the  
12 picture on the left, showing a sanitary sewer manhole under a plank fence.  
13 He noted that a lot of the ACSA's sanitary sewer easements have fences in  
14 them, as they tend to run through backyards and people like a fenced in  
15 backyard. He stated that another challenge is that the sewer main is not  
16 metallic. He stated that what they try to do with sewer is to go from one  
17 manhole to the next and get a visual line to paint.

18 Mr. Anderson stated that the middle picture shows what excavators  
19 are required to do if they want to cross a water or sewer line. He stated that  
20 they are required to expose it, which is what they called a soft dig. He stated  
21 that they are also not permitted to use mechanical means for that soft dig.  
22 He stated that the picture on the right shows another challenge, which is the  
23 day-to-day changes on a construction site. He stated that they can go out  
24 and locate, and by the end of the day the marks could be gone. He stated  
25 that in this case, they will receive an update or remark ticket.

26 Mr. Anderson moved to the next two slides outlining the different  
27 color markings and their meanings, and the various equipment the locators  
28 use. He stated that the ACSA works with blue and green, while the power  
29 company uses red. He noted that these colors convey a lot of information.  
30 He stated that in terms of equipment, the first shown is a pipe locator. He  
31 stated that it sends an electric pulse down metallic material and through an

## **Albemarle County Service Authority Board of Directors**

1           audible tone, the locator can find the center of the line and mark accordingly.  
2           He stated that the second picture shows a trace wire that is used for plastic  
3           pipe. He stated that it runs right along the top of the plastic force main and  
4           comes to the surface when an electric current is put on it. He noted that if  
5           they can locate the wire, then they know the plastic sewer is right below it.  
6           He stated that the bottom picture shows Henry Carter, former Meter  
7           Technician II working on a construction site. He stated that often times, the  
8           locators have to be in people's yards and sometimes people object to their  
9           presence. He stated that they try to maintain a professional stance and limit  
10          any damage to the water and sewer.

11          Mr. Anderson stated that one of the excavator responsibilities listed  
12          on the next slide is that they need to be able to do the work within 15 days.  
13          He stated that there is a limit on the length of the area that can be excavated  
14          per ticket, which is 1/3 mile or 1,700 feet. He stated that another  
15          responsibility, as he mentioned earlier, is if another utility wants to cross  
16          water or sewer, they must expose our pipe. He stated that they must also  
17          witness the bore head pass the exposed utility safely. He added that there  
18          is also no mechanized digging permitted within two feet from any marked  
19          utility. He noted that if the ACSA is off with marking and the excavator hits  
20          the water or sewer, that is the ACSA's responsibility. He stated, however,  
21          that if the excavator digs within two feet of an accurate mark and hits the  
22          line, they are responsible for the repair.

23          Mr. Anderson stated that the ACSA does try to be environmentally  
24          aware, so they do depressurize and recycle the empty paint cans. He stated  
25          that they go through a lot of paint. He mentioned that when he was riding  
26          with Derek Breeden yesterday, there had to be about 60 empty paint cans  
27          in the back of his truck.

28          Mr. Anderson stated that the next three slides speak to the idea that  
29          not all tickets are equal. He stated that the ticket on the first slide looks pretty  
30          straightforward but what he cannot show is some of the utilities along  
31          Seminole Trail. He noted that just as there is congestion above ground,

## **Albemarle County Service Authority Board of Directors**

1 there can be congestion below the ground as well. He stated that there may  
2 be other metallic utilities that can pose a challenge. He stated that the  
3 second ticket is in the Briarwood area. He stated that it is one ticket but  
4 there are multiple branch water service lines coming off the water main that  
5 needed to be accurately located. He stated that the third ticket reminds him  
6 of a ticket that Derek marked yesterday. He stated that they arrived at a  
7 house to locate, and the fall leaves presented a challenge. He stated that  
8 they had to scrounge around for a while to find the sanitary sewer lid. He  
9 mentioned that even then, it does not do a lot of good to mark leaves that  
10 the wind is going to blow away. He added that they could kick the leaves  
11 out of the way and paint the ground, but then the leaves would blow over  
12 the markings.

13 Mr. Anderson stated that the next slide shows a graph of the monthly  
14 average ticket response by fiscal year. He stated that when you do the  
15 math, each locator has about 18:34 per ticket. He stated that yesterday, he  
16 spent two minutes with Derek at the traffic light on Richmond Road, ten  
17 minutes driving to the next ticket, one minute per ticket in the morning  
18 organizing his day, and 20-30 seconds per ticket entering the codes. He  
19 noted that the first two tickets they went to yesterday took nearly one hour  
20 per ticket.

21 Ms. Swanson asked if there is any coordination with VDOT in the  
22 locating process since it is a state requirement and Virginia 811 falls under  
23 the SCC, especially given the 48-hour deadline. She asked why a small  
24 community in southwest Virginia would be given the same 48 hours to  
25 respond to a ticket as a growing community that has more traffic congestion.  
26 He stated that smaller communities may use an outside contractor. He  
27 stated that what happens over time with any organization is that you add  
28 more people. He stated that there is no other agency to help the ACSA with  
29 locating.

30 Mr. Anderson noted the picture on the last slide of a broken water  
31 main. He stated that if the ACSA locators are sloppy or inaccurate and the

## **Albemarle County Service Authority Board of Directors**

1 contractor thinks they are good to go, it is possible to strike a water main.  
2 He stated that when that happens, it depletes so much of the ACSA's  
3 resources from customer service and administration notifying customers, to  
4 maintenance and engineering coordinating responses. He stated that if the  
5 ACSA does its job very well in terms of locating, no one knows about it.

6 Ms. Palmer asked if the ACSA uses a specific brand or type of paint  
7 for marking and if it is non-toxic. Mr. Anderson stated that he knows it fades  
8 and washes off. Ms. Palmer stated that she still has markings at her house  
9 from Dominion Power. Mr. Lynn stated that he knows the brand is Rust-  
10 Oleum and that it is a water-based paint that does fade over time. Ms.  
11 Swanson asked, more importantly, if it is a source of PFAS. Ms. Palmer  
12 stated that she would be curious to know if OSHA requires a specific kind  
13 to be used or if there are any regulations.

14

15 8. Items Not on the Agenda

16 There were no items not on the agenda.

17

18 9. Adjourn

19 ***There being no further business, Ms. Palmer moved that the  
20 meeting be adjourned, seconded by Mr. Parcells. All members voted  
21 aye.***

22

23 

---

Quin Lunsford, Secretary-Treasurer