The Board of Directors of the Albemarle County Service Authority (ACSA) met in a regular session on March 17, 2016 at 9:00 a.m. at the Administration and Operations Center at 168 Spotnap Road in Charlottesville, Virginia.

**Members Present:** Mr. Clarence Roberts, Chair, Mr. Bill Kittrell, Vice-Chair, Mr. Charles Tolbert, Mr. Richard Armstrong, Ms. Jennifer Sulzberger, and Ms. Kimberly Swanson.

**Members Absent:** None

**Staff Present:** Jim Bowling, Peter Gorham, Michael Lynn, Quin Lunsford, Gary O’Connell, Travis Marrs, Patrick Newton, Emily Shifflett, and Danielle Trent.

**Staff Absent:** None

**Public Present:** John Martin, Albemarle County Citizen, Jim Colbaugh, Albemarle County Citizen.

1. **Call to Order and Establish a Quorum**
   The Chair called the meeting to order and a quorum was established.

2. **Resolution Proclaiming Drinking Water Week May 1-7, 2016 (Recording Time: 09:03:27 a.m.)**
   Mr. Roberts stated that the proclamation had been revised and the updated version was in the blue folders that were given to each Board member. He stated that the proclamation had to do with Drinking Water Week which was May 1-7. He mentioned that he felt it was appropriate for the Board to adopt the proclamation because the ACSA would be participating in Drinking Water Week activities. He stated that he would be giving a keynote speech at the dedication ceremony for Ragged Mountain Dam on May 5th.

   Mr. O’Connell stated that this was a national campaign that had been going on for 35 years, which involved all types of water-related associations. He stated that the ACSA has been in communication with its partner organizations including the City of Charlottesville and RWSA, about joint events that they could participate in. He stated that Emily Shifflett, Human Resources and Administration Manager, met with representatives from the City and RWSA yesterday, and he would let her talk about some of those events.
Ms. Shifflett stated that this current week was National Fix-A-Leak week and the ACSA had been posting information on a daily basis from the Environmental Protection Agency (EPA) and WaterSense to the ACSA’s Facebook page. She stated that the Fix-A-Leak 5k run was Sunday and there was information on the event in the blue folders. She stated that she met with representatives from RWSA and the City, and that the ACSA would be working in conjunction with them on plans for the celebration at Ragged Mountain Dam on May 5th from 10 am to noon. She mentioned that the first half hour of the event would be by invitation only, with the second half of the celebration open to the community. She stated that there would be tables set up for various organizations, and that the goal was to engage students and citizens from the community. She noted that the organizations hoped to educate the community on the water treatment process as far as where it comes from, where it goes, and how it gets treated. She stated that there would also be a hike to the floating bridge called “Walk on Water,” which would be led by Charlottesville Parks and Recreation. Ms. Shifflett added that there would also possibly be the burying of a time capsule and that the Board should let her know if they have any ideas for items to place inside the capsule. Mr. Roberts asked when the time capsule would be opened. Ms. Shifflett replied that the standard milestones for opening a time capsule were 10, 25, and 50 years. She stated that the aim was to open the time capsule in 10 years so as not to lose the momentum from the dam.

Mr. Armstrong moved to approve the proclamation as revised, seconded by Mr. Tolbert. All members voted aye.

3. Approve Minutes of February 18, 2016 (Recording Time: 09:08:57 a.m.)

The Chair asked if there were any corrections or additions to the minutes of January 21, 2016. Ms. Swanson stated that on page 16, line 3, there was a subscript “5” with “BOD” that should not be there. Mr. Newton replied that it was supposed to be there because it was a reference to the BOD test, which was a five day test and thus was called BOD5. Ms. Swanson stated that on page 15, there was no subscript with “BOD.” She stated that it should also contain the
subscript unless it was just a general reference, and asked if that was the case. Ms. Trent replied yes.

Ms. Sulzberger moved to approve the minutes of February 18, 2016, seconded by Mr. Tolbert. All members voted aye.

4. Matters from the Public Concerning Items Not on the Agenda (Recording Time: 09:10:34 a.m.)
There were no items from the public concerning items not on the agenda.

5. Response to Public Comment (Recording Time: 09:10:50 a.m.)
There was no response to public comment.

6. Consent Agenda (Recording Time: 09:10:56 a.m.)
a. Monthly Financial Reports – Ms. Swanson stated that she had a question in reference to the graph on page 65. She noted that it seemed as if the graph was back to reflecting expected readings for this time of year. Mr. Lunsford replied that it did seem as if it was trending back to normal readings. Ms. Swanson asked if the issue with the meter that was causing the irregular readings had been sorted out. Mr. O’Connell replied that the meter had been recalibrated. Mr. Gorham stated that a third party came in and checked all the finished water meters at the North Rivanna, South Rivanna, and Observatory treatment plants. Mr. O’Connell added that the meter at South Rivanna was off. He stated that RWSA believed the meter was now adjusted correctly. He noted that it had some effect on the calculation of flows. He stated that when budget discussions begin, they would take a look at RWSA flow calculations and ACSA flow calculations with regards to setting the rates for next year.

Ms. Sulzberger stated that she had a question regarding the summary for checks over $5,000 on page 75. She noted the check to Eastcom Associates, Inc. and asked what an “easy locator” was. Mr. Lynn replied that it is a ground-penetrating radar unit mounted on
wheels. He stated that it allows the maintenance staff to move across easements and locate lines that are clay, transite, or any material that cannot be picked up by a locator. He stated that if ground conditions are favorable, the easy locator would give an image of where the pipe is located.

Ms. Swanson stated that she had a question about an item on the same page. She noted that the check to HD Supply Waterworks, Ltd. for the Sensus handheld upgrades and asked if they were for the mechanical meters. Mr. Lunsford replied that when meter readers go into the field, they have a handheld device that they use in conjunction with a touch read wand device. He stated that the upgrade is a newer model as the previous version was purchased five or six years ago and was no longer supported from a software standpoint. He noted that the upgrades were budgeted in the FY 2016 budget to replace the old ones. He added that they were expected to wear out because they were used daily. Ms. Swanson asked if they were for meters that were mechanical in nature. Mr. Lunsford replied that they were for all meters. Mr. O’Connell added that the handhelds basically kept the account information for the meter reader’s route. He stated that the meter reader would use the wand to touch the meter and the handheld would record the information and then advance to the next reading. He noted the information would then be loaded into the system at the end of the day. Ms. Swanson asked how many handhelds there were. Mr. Lunsford replied that there were five total, and the new ones should last another five to six years.

b. Monthly CIP Report – Mr. Tolbert stated that he had a question pertaining to the FY 2015 Miscellaneous Sanitary Sewer Rehabilitation project on page 107. He stated that the summary indicated that the ACSA would be relining approximately 6,600 linear feet of sewer main in the Canterbury Hills subdivision. He asked if that would be a big job that would be noticeable to the residents, or if it would be done at the manhole level. Mr. Gorham replied that it would not be a huge job. He
stated that there would be trucks on site with a chemically treated liner
that would be inverted into the sewer line using steam. He noted that in
and around the main, the work would be noticeable, but that there
would be no disturbance to the streets. He added that the work would
just be manhole to manhole. Mr. Tolbert stated that he asked because
that was his neighborhood and he would likely receive questions about
the project.

c. **CIP Authorizations** – Ms. Swanson stated that she had a question
about the Bacteriological Sample Stations Project. She stated that Mr.
Brown mentioned in his presentation last month that there were 23
sampling stations and asked if those were for bacteriological testing.
Mr. Gorham replied that the Virginia Department of Health (VDH)
wanted the ACSA to test in all pressure bands so the staff has been
working with RWSA for the past year to work out new sample sites. He
mentioned that the preference was not to use samples inside residential
homes because of access issues. He noted that, instead, five locations
within residential areas were chosen where sample stations could be
placed to take samples directly from the water main. He added that the
sites would be tested four times a month by RWSA.

d. **RWSA Monthly Update** –

e. **ACSA Board Policy Future Issues Agenda 2016** – Ms. Swanson
stated that it was noted in the CIP report that the cost evaluation for the
North Fork Regional Pump Station project would be discussed at the
April Board meeting, but that it was not listed under the future issues for
April. She asked if it was still going to be an agenda item for April. Mr.
Gorham replied yes. Mr. O’Connell stated that he had it listed in his
personal notes but missed putting it on the official list.

*Mr. Kittrell moved to approve the Consent Agenda, seconded
by Ms. Sulzberger. All members voted aye.*

7. **Resolution Amending By-Laws – Executive Committee Functions**

*(Recording Time: 9:14:21 a.m.)*
Mr. O’Connell stated that the staff made an attempt to go back and look at changes to the Executive Committee role. He stated that he and Mr. Bowling concluded that it was not difficult to get four members of the Board together for an emergency meeting, which was only one more member than the Executive Committee and which constituted a quorum. He stated that with cell phones and email, it should be easy to notify the Board of necessary board actions in the event of an emergency. He noted that Mr. Bowling’s conclusion was that, given Freedom of Information Act (FOIA) laws, it was better to eliminate the Executive Committee altogether.

Mr. Tolbert stated that in the event of a disaster or emergency situation where only three members of the Board could be reached, they may or may not be the members of the Executive Committee. He stated that if those members reached are not the three members identified as the Executive Committee, then it would not actually be the Executive Committee meeting. Mr. O’Connell added that in the case of members physically not being able to meet, such as in the case of the derecho where trees were down, electronic means of communication would be used anyway.

Mr. Bowling stated that the Executive Committee clause was a provision that has outlived its usefulness. He stated that it is unnecessary and more trouble than it is worth because there still has to be compliance with FOIA laws. Mr. Kittrell asked if members could dial in or if the quorum had to be a physical quorum. Mr. Bowling replied that there is an emergency provision that allows flexibility. He mentioned that the Executive Director has authority to act with regards to procurement in emergency situations. He noted, for example, that the Executive Director could order a part that was necessary in the event of an emergency because there are provisions in the Procurement Act that cover that type of situation.

Mr. Kittrell asked if the conclusion was that the Board was doing away with the Executive Committee. Mr. O’Connell replied yes. He stated that the Executive Committee was practically not utilized anyway. He added that it has never met since he has been with the ACSA, and that it was much easier to get a quorum of the Board for a special meeting. He noted that even the special meetings have
only occurred a few times in the case of attempting to negotiate an agreement. He added that the By-Laws still provided the option of setting up a special committee even though they haven’t been used much either. Mr. Tolbert stated that the Board needed to have the option to set up special committees but that the Executive Committee structure was not necessary. Mr. Kittrell stated that he was in favor of the resolution eliminating the Executive Committee.

_Ms. Sulzberger moved to approve the resolution as presented to the Board, seconded by Mr. Tolbert. The Chair asked for a roll-call vote: Ms. Swanson, aye; Mr. Armstrong, aye; Mr. Roberts, aye; Mr. Tolbert, aye; Ms. Sulzberger, aye; Mr. Kittrell, aye._

8. Capital Improvement Program (CIP) Proposal for FY 2017 – Presentation and Discussion (Recording Time: 09:20:38 a.m.)

Mr. Gorham stated that last year he focused solely on the new projects. He stated that the Board had maps included in their packet that they could use as a reference while he quickly went through each project. He noted that they should be in the same order as his presentation.

- Westmoreland Water Main Replacement- Mr. Gorham stated that this is an existing project and that the design is essentially complete. He stated that construction would begin in FY 2017 and finish in FY 2018. He noted that the amount budgeted in this year’s rate model is about half the total cost of the project, which is estimated to be about $1.58 million.

- Camelot Water Main Replacement- Mr. Gorham stated that this is a new project and the money budgeted in FY 2017, $218,900, was solely for the design of the project. He noted that the actual construction was not anticipated to begin until FY 2019.

- Scottsville Phase 3 Water Main Replacement- Mr. Gorham mentioned that this is another new project. He stated that this main was along East Main Street and that they attempted to investigate the line using a camera but it was difficult to turn the corner. He noted that the staff was looking for an obstruction or partially closed...
valve but they found a lot of tuberculation in the pipe. He noted that the goal was to fast-track the project, and he hoped that they would have a design proposal next month. He noted that $350,000 was the anticipated cost for construction.

Mr. O’Connell asked Mr. Gorham to explain what tuberculation is. Mr. Gorham stated that tuberculation is when minerals, also called scale, build up on the inside of the pipe over time. He stated that sometimes it can be related to galvanized pipe and could be due to corrosion. Mr. Tolbert stated that it decreases the diameter of the pipe. Mr. Gorham replied yes. He stated that it makes the inside of the pipe rough and creates turbulence, which creates low flow.

- Berkeley Water Main Replacement – Mr. Gorham stated that this is an ongoing project. He stated that the design work is essentially complete and the staff was in the process of acquiring easements. He noted that they only had 3 easements out of 23 and, though the ACSA had some verbal agreements, the staff really needed to get all of the documents. He mentioned that the amount budgeted for FY 2017 was what the staff believed to be the rest of the cost for the entire project. He added that the project should start around May or June of 2016 and be completed by FY 2017.

  Mr. Tolbert stated that the proposed water main on the map took on a funny shape to the far right. He asked if there was a tree or obstruction in the way of the proposed alignment. Mr. Gorham replied that the terrain drops off from the neighborhood down to a commercial area and there were retaining walls there that the line had to go around.

- Crozet Phase 3 Water Main Replacement- Mr. Gorham stated that this project was currently under design, which should be completed by the fall. He stated that construction was anticipated to begin in FY 2018. He noted that there was no dollar contribution to the Rate
Model for this year because the project was already budgeted for
design, which was all that would be done this fiscal year.

- Glenmore Water Tank- Mr. Gorham stated that the design was
  complete for this project. He stated that the $975,000 budgeted for
  this fiscal year is the balance of the anticipated total cost for the
  project, which is about $2.1 million. He mentioned that it was taking
  some time for the developer of Rivanna Village to get the site
  ready. He noted that one portion of the road along Steamer Drive
  has to be filled in as part of the developer’s project and the ACSA
  did not want to put the line in until that is done. He stated that the
  developer was looking to begin that portion of the Rivanna Village
  project late spring, and he felt the ACSA project should begin in FY
  2017.

- Orchard Acres Water Main Replacement- Mr. Gorham stated that
  this was an existing project and the design was essentially
  complete. He stated that the FY 2017 budget amount of $1.06
  million is to begin construction, which should be finished in 2018.
  He mentioned that the estimated total cost of the project is $2.4
  million.

- Barterbrook Phase 2 Water Main Replacement- Mr. Gorham
  pointed out that this was a new project and the funds in the FY
  2017 budget were for design and that construction would not begin
  until FY 2019. He stated that Solomon Road is an area where there
  have been several leaks and repairs. He mentioned that the staff
  also looked at the surrounding pipe on North Berkshire Road and
  Inglewood Drive. He noted that there was an area to the left of the
  map off of Inglewood Drive where there are reduced flows. He
  stated that maintenance staff would be going out next week to
  perform some flow tests and check valves. He added that the staff
  felt they should replace those lines as well since they were installed
  at the same time as those on Solomon Road.
Ms. Swanson asked if a water line that is part of the lead testing program gets removed from the program when it is replaced. Mr. Gorham replied no. He stated that the program is based on when the structures that are fed by the line were built and whether or not they have copper plumbing and potentially lead solder. He stated that work done to the water main does not affect the program protocol.

- **Greenbrier Drive Sewer Replacement Project** - Mr. Gorham stated that the City has a road project that will disturb a great portion of the existing road and the ACSA felt it was a good opportunity to replace the line as part of that project. He stated that the $152,290 budgeted for FY 2017 is the construction estimate from the engineer performing the road design. He mentioned that the ACSA would not know the cost until the project is bid, which would be at the end of the month.

- **Camelot Drainage Basin** - Mr. Gorham stated that this was the rehabilitation portion of the project and the sanitary sewer evaluation study was done this year. He stated that the staff was reviewing the final report and the $154,100 budgeted for FY 2017 is based on that report and the rehabilitation work recommended. He noted that it was mostly manhole work, but that there were some asbestos-cement sewer mains that needed to be relined.

- **Pantops Drainage Basin SSES** - Mr. Gorham stated that this is another new project. He stated that the recent flow metering data that RWSA obtained as part of the wastewater cost allocation did yield some high numbers in the Pantops area coming into the RWSA interceptor. He stated that the $250,700 budgeted for FY 2017 is to complete the study and the rehabilitation work would be budgeted for FY 2018.

  Mr. Tolbert stated that right off of Stony Point Road was a little section that was not included in the study and it looked odd.
Mr. Gorham replied that it was Riverside and that no I&I issues were anticipated for that area because the pipes were brand new.

- Oak Forest Pump Station Abandonment- Mr. Gorham stated that a proposal for the design of this project would be before the Board next month. He stated that the design, which started this fiscal year, would carry over into FY 2017 and thus, there was no money contributed to the rate model for FY 2017. He noted that no construction would begin until FY 2018.

- Madison Office Park Pump Station Upgrade- Mr. Gorham stated that this is a new project. He stated that two years ago the plan was to just upgrade the pumps, but upon further review it was decided that more work needed to be done. He stated that the station is undersized and the preliminary engineering report (PER) is underway now. He mentioned that the FY 2017 cost is approximately $60,000, and that the PER will tell the staff what the best approach is. He noted that his thought was that a new station would have to be built, as opposed to upgrading the existing one. He added that construction would begin in FY 2018.

- Fontana Water Loop Connections- Mr. Gorham stated that this is another new project and that it would be an in-house project. He stated that it would connect two sections of pipe, one on Olympia Drive and one on Verona Drive. He noted that when Fontana 4B was developed, a master pressure-reducing station was installed which eliminated redundancy. He stated that this project would restore that redundancy, allowing the ACSA to back-feed from several different directions in the event of a main break. He stated that $62,300 was the anticipated cost to install the lines.

- West Woods Water Main Replacement- Mr. Gorham stated that this was a new project which would also be done in-house. He stated that this area was formerly on a well system which the ACSA rescued. He stated that about a year after that, some of the asbestos-cement lines were replaced and a few years later, the
galvanized pipes were replaced. He stated that this project would replace the last remaining stretch of pipe along West Pines Drive. He noted that this was part of the ACSA’s program to get rid of all asbestos-cement pipe.

- Ashcroft Pump Station 2&3- Mr. Gorham stated that this project was basically an upgrade. He stated that the design was currently underway and the FY 2017 budget of $312,000 is what is estimated for construction. He noted that the project consisted of increasing the size of the pumps which allowed the tank to be cycled more frequently and refilled faster.

Mr. Gorham stated that there were four or five projects that do not lend themselves to a map. He stated that he would go over those fairly quickly.

- Radio Upgrades- Mr. Gorham stated that this project was the ACSA’s contribution to the improvements to the radio system that all its community partners use to communicate with one another. He stated that if there is a major catastrophe or emergency event, it allowed everyone to talk to one another which is very important.

Mr. Tolbert asked if that communication involved the police also. Mr. Gorham replied yes. Mr. Kittrell asked how the cost sharing for the project is determined. Mr. Lynn replied that the ACSA is charged a certain amount for each radio, on an annual basis. He stated that this project works in a similar fashion in that the total cost of the project is divided by the number of radios each agency has. Mr. Kittrell asked how the ACSA’s cost compares to the other agencies. Mr. O’Connell replied that the ACSA has the smallest number of radios and that it mostly involved police and fire departments. He stated that there have also been discussions about the ACSA using the towers for a radio read, as part of a meter reading system. Mr. Kittrell asked how many radios the ACSA has. Mr. Lynn replied about 55.

Mr. Tolbert stated that a new tower is being put in near Albemarle High School. He stated that a balloon was being used to
test whether or not the tower would be seen. He stated that the balloon would be put up and if the balloon could be seen, that meant the tower would be able to be seen. Mr. Gorham stated that the same test was done with the Glenmore Tank. He stated that one could take photos of the balloon and then superimpose the actual structure into the picture using Photoshop. Mr. Kittrell asked if the project included new towers. Mr. O'Connell replied that there was one new tower to serve Scottsville and Southern Albemarle County, as well as some replacement parts to the existing towers. Mr. Kittrell asked how many towers there currently were. Mr. O'Connell replied that there were four towers, with a fifth one being added.

- ACSA Facility Improvements- Paving- Mr. Gorham stated that this project did not need a map. He stated that the pavement had been deteriorating, but that the work was put off because several other projects required tearing the pavement up anyway. He mentioned that as those projects come to a close, the repaving would be taken care of this fiscal year. He stated that the $121,000 in the budget was a cost estimate based on a previous price increased by 10%.

- Miscellaneous Sewer Rehabilitation- Mr. Gorham stated that this was an ongoing project as part of the “Find and Fix” program. He stated that as the CCTV van finds problems, the staff receives the footage, analyzes it, and decides where corrections to the system will be made. He noted that this is a line item every budget year with at least $400,000 committed to the program.

- SCADA System- Mr. Gorham stated that this project is in the final part of Phase 2 and the RFP was almost ready to be put out. He stated that the amount budgeted for FY 2017 was for construction of Phase 3, as the design portion was already underway. He noted that most of Phase 3 consisted of pressure reducing valves so the design portion should be completed fairly quickly.
• Developer Participation- Mr. Gorham stated that this is a line item included in the budget every year in case there is a private development project that requires oversizing of the pipes. He stated that the ACSA would pay the difference in cost either in installation cost or material cost, depending on how the developer wants to bid the project. He stated that the $100,000 was to be split between water and sewer.

Mr. Gorham stated that in terms of Board action, the ACSA is requesting the Board to authorize the advertising of a public hearing to go through the FY 2017 CIP at the next meeting on April 21, 2016. He mentioned that he would have a Power Point presentation at that meeting with more detail, as well as the budget numbers.

Ms. Sulzberger stated that she had a question about the West Woods Water Main Replacement project. She asked once the project began, how long it would take to complete. Mr. Lynn replied that it depended on how many feet of pipe were being installed. Mr. Gorham stated that the project consisted of about 1,600 feet of pipe. Mr. Lynn stated that it would take about two to three weeks, depending on the weather.

Ms. Swanson stated that she had a question about the Oak Forest Pump Station Abandonment. She stated that she recalled the mention of an issue with an undeveloped parcel of land and drainage area issues. Mr. Gorham stated that the primary reason for the project is that the station is about 35 years old, undersized, and not in very good condition. He stated that the staff knew the development of the Stonefield Shopping Center and Costco would create the opportunity to run a gravity line to get rid of the pump station. He noted that the tricky part of the project was the long span across Commonwealth Drive. He stated that there is a large storm drain about 30 feet in the ground between two duplexes there and the line will run parallel to that and tie in at Costco. Ms. Swanson asked if the pump station would actually be removed. Mr. Gorham replied that it would have to be demolished.
Mr. Kittrell moved to authorize the advertisement for a public hearing to address the FY 2017 CIP at the April Board meeting on April 21, 2016; seconded by Mr. Tolbert. All members voted aye.

9. Board Monthly Financial Reports – Alternatives and Discussion

(Recording Time: 09:50:50 a.m.)

Mr. O'Connell stated that with the new financial system being in place, the staff has a better sense of what type of reports can be created. He stated that he would have Mr. Lunsford go through the financial reports that are currently included in the Board packet every month with the Board to determine what is useful and what is not. He stated that the report the Board received in the blue folders (Attached as Page____) is one that the ACSA staff is suggesting, which he finds very useful. He stated that some of the reports were very cumbersome to put together and there were some he felt could be generated annually and have the same effect.

Mr. Lunsford stated that he appreciated the opportunity to discuss with the Board what reports are useful to them and what may be lacking in the consent agenda. He stated that he would go through the reports page by page and then discuss the new report at the end, which could potentially replace some of the financial information that is included in the current consent agenda.

Mr. Lunsford began with the summary memo on page 39 (Attached as Page____), which he stated was reasonably standard and did not see a need to change. Mr. O'Connell asked if the memo contained enough information for the Board. The Board replied yes. Mr. O'Connell stated that the goal is that the Board could look at this report and get a sense of any changes happening month to month or year to date.

Mr. Lunsford moved to the next reports on page 41 and 42 (Attached as Pages____) which he stated were the balance sheet and income statement. He stated that with the implementation of the new financial system, these reports are now automatically generated so time is not a concern if the information in the report is useful. He mentioned that the report the Board received in the blue folder is a very detailed income statement report, and may not be able to replace
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the stand alone income statement. Mr. Tolbert asked if Mr. Lunsford was going to
discuss the new report at this time. Mr. Lunsford replied yes.

Mr. Tolbert stated that on the new report, the variance for revenue is
indicated in parentheses, and for expenses the variance is indicated in
parentheses as well. He stated that in the case of revenues, the variance is to
the ACSA’s advantage, but in the case of expenses, it is not. He stated that he
found that to be confusing. Mr. Lunsford stated that he could configure the report
to present it differently and then evaluate it with the Board to see which makes
the most sense.

Mr. Lunsford stated that he wanted to take a moment to explain the new
report. He stated that the column to the left titled Budget FY 2016 shows the total
budget for that year, including carryovers from the prior FY. He stated that the
Budget Year-to-Date column takes into account the total budget, divided by
months and multiplied by the period, to evaluate the Actual Year-to-Date which is
the next column. He mentioned that he felt this was a huge improvement in
comparison to what is currently being provided and that it gives the Board a quick
snapshot of what is going on financially. He noted that the Budget vs. Actual
column shows the dollar variance between the Budget Year-to-Date and the
Actual Year-to-Date. Mr. Kittrell stated that he likes the report as it was similar to
what he was used to seeing with financial reports. Mr. Tolbert stated that if the
variance is very large it would be nice to have additional information but
otherwise, he felt the report was very nice.

Mr. Lunsford moved to the next set of reports on pages 43-46 (Attached
as Pages_____). He stated that these documents were currently created
manually and asked if they were still useful or if the new report would suffice in
place of them. Ms. Swanson asked if there was a reason why these reports
reflected information for the period two months prior to the actual Board meeting.
Mr. Lunsford replied that it was a timing issue. He stated that because of when
the Board packet information needs to be submitted internally for production and
delivery to Board members and the monthly closing process, the turnaround time
for providing information for the immediate prior month is almost impossible. He
noted that going forward, depending on the level of analysis that needs to be
provided prior to delivery, it is absolutely doable. He stated that the new report
can be generated the moment the month is closed out. Mr. O’Connell asked if the
Board found the reports on pages 43-46 helpful because he did not. Mr. Kittrell
stated that he was in favor of removing those reports and using the new report in
their place. The rest of the Board concurred.

Mr. Lunsford moved to page 47 (Attached as Page____), which he stated
is a summary of ACSA investments. He stated that there is room for
improvement with this report, but he was not sure how the Board currently
utilized it. He stated that what the report essentially shows are U.S. agency
securities, investment in local government investment pool, money market
account, and where the interest received on the securities goes. He noted that
the top section is broken down by the ACSA’s different accounts, which is useful
to the staff internally but he was not sure how helpful it was to the Board. He
noted that the bottom portion of the report is reasonably useful in his opinion, but
he was not sure if a graphical presentation would be more helpful.

Mr. Armstrong asked how frequently this report is provided to the Board.
Mr. Lunsford replied that it has been in the consent agenda monthly. Ms.
Sulzberger stated that she remembered having the discussion about including
the report, which has been within the last year. Ms. Swanson stated that she
finds the report useful but it would be helpful to expand the categories under non-
operating revenues.

Mr. Lunsford stated that the next two pages (Attached as Pages____)
outline system capacity and connection charges financially and by ERC. He
noted that page 49 makes comparisons by month and year-to-date for the period
under review, and page 50 compares the prior three years. He mentioned that
the current ERC calculation is manual but that it was not a difficult task. Mr.
Kittrell stated that he found the report to be useful because it allows him to look
at new connections and growth associated with those connections.

Mr. Lunsford stated that page 51 (Attached as Page____) shows overall
consumption and compares it to the prior year. He stated that it was an easy
report to prepare but he was not sure of its usefulness to the Board. Mr. Kittrell
stated that it might not be as relevant today as it was four or five years ago when

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the focus was on growth and consumption and the new water supply plan. He stated that it was still helpful to see to track changes in consumption.

Mr. Lunsford moved to the reports on pages 53 & 55 (Attached as Pages____). He stated that these reports were provided to RWSA on a monthly basis to report the ACSA’s consumption information. He noted that these reports will be generated, whether they are included in the Board packet or not. He stated that some of the major customers listed on the bottom of page 53 are looked at in the reports on pages 57-59 (Attached as Pages____). He stated that he was interested in receiving feedback on these reports and wondered if a year-to-date analysis given monthly would be more useful. He added that this would mean removing pages 57 and 59, and just including page 58 of the reports which shows the major customers on a year-to-date basis. He noted that the variances in the other reports could fluctuate. Ms. Sulzberger stated that she was fine with just receiving the one report. Ms. Swanson stated that she has made use of the other two reports. She stated that they were helpful when there was a water issue with Albemarle High School because it helped her to see why there was such a huge difference with Albemarle County. Mr. Lunsford stated that if they were useful, the staff could continue to include them.

Mr. Lunsford moved to the Monthly Water Consumption graph on page 61 (Attached as Page____). He stated that creating this graph was a reasonably time consuming process that could perhaps be provided less frequently, but if it was of significant value the staff would continue to provide it on a monthly basis. He stated that the staff would continue to accumulate the information but that the information is not readily available until two days before it needs to be prepared and submitted for the Board packets. He mentioned that presenting the report less frequently would ease the burden on the staff to a degree. He noted that the report shows consumption by user type and trends similarly from year to year. He added that it provided interesting information and assisted with the development of the rate model. Mr. Kittrell stated that the basic categories in the graph were ok but when you get into the smaller categories, it was difficult to follow. He added that he did not use the report often and providing it quarterly might be better. Mr. Roberts noted that all of the financial information currently provided to
the Board was requested by former Board members in past years. He noted that
over time, they asked for more and more information, little by little. Ms.
Sulzberger stated that she would be comfortable with receiving the report on a
quarterly basis.

Mr. Lunsford stated that the report on page 63 (Attached as Page____) was similar in that it was useful information but he did not think it added much
devalue by providing it monthly. Mr. O’Connell asked if this report would be created
even if it were not included in the Board packet. Mr. Lunsford replied yes. Mr.
Tolbert stated that he finds it very hard to look at the report and actually see any
changes, which is what one would be looking for. He stated that the numbers are
large and complicated with many digits and there did not appear to be very large
changes. Mr. Lunsford stated that if there were a large change in the report, that
change would be reflected in some of the other information that is provided. Mr.
Tolbert stated that he would be fine with not having the report. Mr. Kittrell agreed.

Mr. Lunsford stated that pages 65-73 (Attached as Pages____) are
different graphical presentations of flows and revenue. He stated that he thinks
they identify items of interest to the Board. He asked the Board if timing was
critical because the information in the graphs is made available to staff right as
the month is closing and it was difficult to prepare the graphs in time for the
Board packets. Mr. O’Connell asked the Board if it would make any difference if
the information is a month behind what is currently provided. The Board replied
no. Mr. O’Connell stated that the Board would still see the trends but that the
information did not come in from RWSA until a couple of days before the packets
are prepared.

Mr. Lunsford stated that the next report on page 75 is a summary of
checks over the $5,000 threshold. He mentioned that his thought was that the
Board used this report regularly. Ms. Sulzberger stated that she likes the report
and the way that it is laid out. Mr. Lunsford asked if the current threshold of
$5,000 was still reasonable. Ms. Sulzberger replied yes. Mr. Kittrell asked if the
report was a cut out from the ACSA ledger. Mr. Lunsford replied that the report
was created manually but it was not too laboring. He stated that the check
register on pages 77-88 (Attached as Pages____) was taken directly from the

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system. He noted that there is some manipulation if there is employee information that does not need to be shared. Mr. O'Connell stated that the descriptions in the report had to be manually added.

Mr. Lunsford stated that he wanted to know, now that the Board has gone through the current financial reports, if there is any information that they wanted that they were not receiving. Mr. O'Connell asked if there is anything that the Board has seen provided by another board that they serve on, that they would like to see presented by the ACSA staff. Mr. Kittrell stated that the report provided in the blue folders is the type of information that he is used to seeing in his everyday work, as well as other boards that he serves on. Mr. Roberts added that he felt the staff does a great job of reporting financial information. Ms. Swanson stated unrelated to the financial reports, there were new colors on the CIP graph that were not included in the legend. Mr. Gorham replied that the green color was actually used internally to schedule when projects might be bid or when construction might begin. He stated that typically he would change the green to red.

10. **Report and Update on Lead Testing Program (Recording Time: 10:46:05 a.m.)**

Mr. Gorham stated that in response to the Environmental Protection Agency’s (EPA) publishing of the Lead and Copper Rule in 1991, the ACSA worked with RWSA to come up with sampling sites based on the tier method recommended for selecting sites. He stated that Tier 1 consists of residential structures built between 1983 and April 1986 that have lead or copper piping and potentially lead-based solder. He stated that Tier 2 falls into the same time frame except the focus is on multi-family structures. He noted that there were not a lot of multi-family structures that were built during that time period. He stated that Tier 3 is made up of homes built in 1982 or earlier with lead or copper piping and potentially lead-based solder.

Mr. Gorham stated that the ACSA began testing in the Urban waterworks in 1991. He stated that between the ACSA and the City, there are approximately 60 sampling sites. He noted that testing was annual until there were several
consecutive years of low levels recorded, at which time testing switched to a tri-
annual schedule. He stated that Crozet and Scottsville were incorporated into the
testing program in 1993, with 20 sample sites in Crozet and 10 in Scottsville. He
noted that there was annual testing in these areas as well until consecutive years
of low levels were recorded, and that testing is now on the same schedule as the
Urban area, with the number of testing sites in Crozet reduced to 10. He stated
that the Redhill waterworks was added to the program in 2009, with every
customer in that system being tested every year. He mentioned that the system
is now tested every three years and that the number of sample sites was reduced
from every customer to five sites.

Mr. Kittrell asked if Red Hill Elementary School is a sampling site. Mr.
Gorham replied yes. He stated that there are actually two sample sites in the
school, with one in the cafeteria and one at a water fountain. He noted that the
water fountain in the school is still one of the sampling sites. He stated that the
blue dots on the sampling sites map (Attached as Page____) are sampling sites
and are labeled with the year that it became a sampling site. He noted that those
sites labeled “<2000” were incorporated into the program prior to the year 2000.
He mentioned that the number of sampling sites in Crozet was increased back to
20 in 2007 because the population threshold set forth by the EPA was passed.

Mr. Gorham stated that in the Urban waterworks, out of 30 sampling sites,
27 sites are Tier 1 and three are Tier 3. He stated that in Crozet, seven sites are
Tier 1 and 13 are Tier 3, and in Scottsville almost all of the sites are Tier 3
because a lot of the structures were built before 1982. He noted that Redhill is a
mixture with five of the four sites falling under the Tier 3 category.

Mr. Gorham stated that one thing the Board will notice is that all of the
schools are included on the map. He stated that this is because all of the schools
independently decided to test every water fountain over the next two months. He
noted that this is good for the testing program because it creates a wide range of
sampling sites. He stated that the water fountains are being targeted because
they are typically a problem area.

Mr. Kittrell asked why the schools on well water are not being sampled.
Mr. Gorham replied that he could not answer for the schools but he assumed that
it is because large quantities of lead are rarely ever found in the raw water source itself. He added that RWSA confirms this in testing the incoming and outgoing water supplies. Mr. Kittrell stated that the reason he asked is because there was a study that tested about 70 homes on well water in Albemarle, Fluvanna, and Greene County. Mr. Gorham asked if the study was done inside the house or at the well. Mr. Kittrell stated that the testing was done inside the home at the tap and in some homes, lead and copper levels higher than the action level were found. Mr. Gorham stated that those results indicate a plumbing issue. He stated that the whole tier system is based on the plumbing in the home.

Mr. Tolbert stated that he saw a news story about a school installing a new water line and subsequently finding lead in the water because of some brass fittings that contained lead. Mr. Gorham stated that the Safe Drinking Water Act was amended and effective January 1, 2014, brass fittings are not permitted to contain any lead whatsoever. He noted that in the ACSA system, with the corrosion inhibitors and neutral pH of the water, there is an extremely low chance of lead leeching into the water.

Mr. Bowling asked if the City had a similar testing program that it is required to carry out. Mr. Gorham replied yes. He stated that the City coordinated with RWSA as well. He stated that because the City and County are two separate waterworks, even though they are interconnected, they are required to each have 30 sampling sites for a total of 60 in the program. He noted that the Lead and Copper Rule required that once sampling sites are identified, that they continue to be used as sampling sites as much as possible so that a sampling trend is established and the effectiveness of the corrosion inhibitor can be seen.

Ms. Swanson asked if the number of sampling sites is based on population, would one not assume that more dense areas would have more sampling sites. Mr. Gorham replied that the number of sampling sites is based on the population of the individual waterworks. He noted that Redhill is a bit different because it is a small well system and thus, half of the customers on that system are tested. Ms. Swanson stated that she anticipated seeing far more sampling sites within the Urban ring, which was not the case. Mr. Gorham replied that this was because the amount of homes that fall into the Tier 1 category is very small.
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He noted that in the early 1980’s, the majority of homes being built had plastic plumbing internally as opposed to copper. Ms. Swanson stated that the risk of lead and copper in the water was present before the 1980’s. Mr. Gorham stated that the older homes are considered Tier 3 because although they contain older pipes, the older pipes have had a longer contact time with the corrosion inhibitor and thus are less likely to leech lead and copper into the water. Mr. Tolbert asked how long the corrosion inhibitor has been used in the water. Mr. O’Connell replied 50 years.

Mr. Roberts asked if there is a particular reason why places such as hospitals and assisted living facilities were not included in the sampling sites. Mr. Gorham replied that the tier system was set up for single family structures not institutions. He stated that he thought it had to do with the risk of lead and copper in the water being much greater for young children. Mr. Kittrell stated that it was worth thinking about encouraging places like hospitals and assisted living facilities to perform testing if they meet criteria such as lead and copper piping. He stated that the ACSA was looking into putting testing information on their website for those that may be interested in doing so.

Mr. Tolbert asked Mr. Gorham if he knew what the University of Virginia (UVA) does in terms of lead and copper testing. Mr. Gorham replied that he did not know. He stated that UVA had been involved with the bacteriological testing sites. Mr. Tolbert stated that UVA had buildings that were built in the 1800’s. Mr. O’Connell stated that the corrosion inhibitor is in the water that is in their system. Mr. Tolbert stated that there are some pipes in some of the buildings that actually bend as opposed to having a knuckle to connect the pipe, which tend to be the softer metal lead pipes.

Mr. Kittrell stated that he felt transparency with regards to this issue was very important. He stated that he came across a letter that the EPA sent out to all governors a few weeks ago encouraging them to take steps to provide information to the public about their individual water systems. He noted that one of the key points in the letter was to be open and transparent about the quality of the drinking water and making that information available through various media outlets. He stated that he also saw a survey in the Washington Post assessing
the confidence of Americans in their drinking water. He stated that the survey found that somewhere around 50% of Americans have moderate to low confidence in their drinking water, particularly in minority communities. He stated that he felt that percentage was a reflection of a lack of information about the water. He noted that the ACSA system does not have an issue with the drinking water, but asked how the ACSA could let its customers know that there is not an issue. Mr. Gorham stated that the first step was putting a statement on the website but there was certainly other information available.

Ms. Swanson stated that Flint, Michigan has one of the highest average water bills in the country. She stated that this was surprising to her given that the water was of such inferior quality. Mr. Gorham stated that residents of Flint were basically allowed to drink the contaminated water for a full year before anyone notified them. Mr. Tolbert stated that the peculiar thing in Flint was that some of the water was brown and discolored, which should have been a warning sign. He stated that he was sure that the water did not look that way when it left the treatment plant. He stated that he assumes that the water was tested and looked fine before it left the plant. Mr. O’Connell stated that there were certain steps in the treatment process that were skipped to save money.

Mr. Tolbert asked if it was necessary to put out some type of press release to discuss the issue in Flint, Michigan and the water condition in this community. Mr. O’Connell stated that there is a statement that was put together in anticipation of local reaction to the Flint issue but that the ACSA has not received one question. He stated that one of the questions the staff faced was whether to release something when there are no issues. He stated that the statement is on the website and the first thing the ACSA encourages customers to do is to test their water. Mr. Kittrell stated that he called a local certified lab to inquire about the cost for testing. He stated that the lab charges $30 for each test, so to test for lead and copper would cost $60. Mr. Bowling stated that he heard of a foundation through the media that conducts the tests for much less, as a public service.

11. Report and Update on Sugar Hollow Pipeline Assessment – Discussion (Recording Time: 11:03:11 a.m.)
Mr. O’Connell stated that the Board discussed an item last month in RWSA’s CIP to evaluate the condition of the lines that run from Ragged Mountain Dam to Observatory Treatment Plant through smart ball technology. He stated that the technology consisted of a small ball that goes inside the pipe and follows the flow of water while collecting data. He stated that the smart ball would basically identify if there are issues with the pipe itself so that repairs can be made. He stated that it is a new technology for RWSA and that they want to explore it in the pipeline from Ragged Mountain to Observatory because it will stay in existence even if a new pipeline is built in the future.

Mr. O’Connell stated that the Board expressed interest in RWSA also assessing the condition of the Sugar Hollow Pipeline. He stated that he sent some information to the RWSA Board and that there was a discussion at the RWSA Board meeting. He noted that the RWSA staff was not very supportive of assessing the Sugar Hollow Pipeline, and that the discussion ended with the request for RWSA to explore the option enough to get a sense of what the potential cost of the project would be. He noted that the other issue that was raised was who would be responsible for paying for the project. He stated that the point was made that if the ACSA Board is asking for the assessment to be done, then the ACSA should pay for the project.

Mr. Tolbert stated that the pipeline serves the entire community and that just because it is located in the County does not mean that the ACSA is responsible for the cost. Mr. O’Connell stated that the RWSA staff raised the issue of who is responsible for the cost, not the City. Mr. Kittrell stated that he was the one that raised the issue at last month’s meeting of performing the assessment. He stated that the reason he brought it up was because all of RWSA’s reports over the years about the condition of the pipeline, including the last report from the Executive Director one month ago, describe the pipeline as being in bad shape, crumbling, and needing to be replaced. He stated that his reason for wanting to evaluate the condition of the line is to ensure that nothing catastrophic happens to the pipeline, creating an emergency situation. He mentioned that if the cost of using the new technology is reasonable to perform
the assessment, then the option should be evaluated. He mentioned that he saw an estimate in RWSA’s CIP of $285,000 to assess the Sugar Hollow Pipeline.

Mr. Gorham stated that there are several different ways to assess the pipeline. He stated that the smart ball technology is what the ACSA recently used in Crozet. He stated that the ball was about two inches in diameter and sat inside of a foam core. He stated that the ball basically runs through the pipe and listens for anomalous sounds such as those created by air pockets. He stated that it could be used as a general locator to target problem areas. He noted that afterwards, the staff could go back and use a more in-depth electromagnetic approach to look at the pipe wall which was much more time consuming. Mr. Bowling asked how much the smart balls cost. Mr. Gorham replied that the ACSA got the smart ball assessment in Crozet done for free. He mentioned that the ACSA thought there was a leak and, as a demonstration, the smart ball was used to assess the line.

Ms. Sulzberger asked if the assessment of the Sugar Hollow Pipeline was scheduled for FY 2020, given that Mr. O’Connell stated that the project was four or five years away. Mr. O’Connell stated that his thought was to explore the idea and get some concrete information such as how the technology works and how much it might cost and share that with the Board. Mr. Tolbert stated that technology will have changed a lot in five years. Mr. O’Connell stated that the question about the Sugar Hollow Pipeline is, if there is a need to assess the condition of the pipe, why not assess it now rather than later. He added that the RWSA staff did not see the criticality of assessing the Sugar Hollow Pipeline.

Mr. Kittrell stated that on one hand, RWSA staff is saying assessing the Sugar Hollow Pipeline is not critical, but on the other hand, they are saying that it is crumbling. Mr. Gorham stated that he gathered from various emails that RWSA staff feels that since the reservoir is done and full, a break would not be an emergency because the reservoir would hold enough water to give them time to fix the pipeline. Mr. O’Connell stated that the issue with that reasoning is whether or not it is cost effective. He stated that if the money is going to be spent to repair a break, it may be wise to at least explore the cost for assessing the pipeline. Mr. Tolbert added that on the issue of who is responsible for paying for
the assessment, it should not be the ACSA. Mr. O’Connell stated that he made that clear at the RWSA meeting.

12. Items Not on the Agenda (Recording Time: 11:14:18 a.m.)

Mr. O’Connell stated that he had two items he wanted to discuss. He stated that the first was in regards to the odor control project at the Moores Creek AWRRF. He stated that he was not aware that the bid opening was extended until March 24th. He stated that the RWSA staff, after speaking with some of the contractors, decided that waiting a few more weeks would be advantageous and produce a more competitive bid environment. He mentioned that RWSA’s Board will consider the bids at their April meeting, which is on April 26th. He stated that the ACSA Board meeting is on April 21st, thus the Board will know what the bid is by that meeting. He added that hopefully the bids will be competitive and the cost will be within the budget.

Mr. O’Connell stated that the other item he wanted to mention were the changes in the CIP program. He stated that between the ACSA Board considering it and January 2015, there was a discussion about whether to place the carbon in the vessels as part of the CIP program, which would add $700,000 to the project cost. He noted that this would increase the overall CIP program. Ms. Swanson asked why they would not put the carbon in the vessels. Mr. O’Connell replied that the original plan was to include the carbon in the operating budget rather than capitalize the expense for the initial placement of the carbon in the vessels. He stated that capitalizing the carbon expense means that it will become part of the debt. He noted that RWSA will build up a reserve over the course of three years so that there is not a huge increase in rates when the ACSA starts paying for the carbon. He stated that he felt it was a good strategy financially, but that it does increase the RWSA CIP program by $700,000.

Mr. O’Connell stated that the other question about odor control was with the design and how the grit would be handled. He stated that RWSA had made the decision that they would purchase trailers and equipment to handle the grit, which made the difference in the dollar amounts discussed at last month’s meeting. He stated that the resolution the ACSA adopted reflected a cost of
$8.78 million, but that the cost increased to $9.33 million. He stated that his suggestion is to wait to see what the bids are before adopting a new resolution. Ms. Swanson asked if RWSA is paying a company to haul the compost away, why does the company not provide the trucks or enclose the compost rather than RWSA having to purchase covered trucks. Mr. O’Connell replied that the hauler’s trucks are longer than the building so the compost stays uncovered and open, which causes the odors to be released into the community. He stated that the solution was to either enlarge the building or get shorter trucks that can fit inside the building and be completely enclosed. He stated that the RWSA staff decided that it would be more cost effective to buy shorter trucks and leave the building as it is. He added that the cost of purchasing those shorter trailers is built into the capital part of the project.

13. Adjourn (Recording Time: 11:20:30 a.m.)

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

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Gary B. O’Connell, Secretary-Treasurer