The Board of Directors of the Albemarle County Service Authority (ACSA) met in a regular session on January 21, 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, Gary O’Connell, Peter Gorham, Emily Shifflett, Quin Lunsford, Michael Lynn, Travis Marrs, Timothy Brown, and Danielle Trent.

**Staff Absent:** None

**Public Present:** John Martin, Albemarle County Citizen, Holly Hueston, former ACSA Board member.

1. **Call to Order and Establish a Quorum**

   The Executive Director called the meeting to order and a quorum was established. He stated that he wanted to welcome the new Board member Mr. Richard Armstrong, as well as congratulate Mr. Kittrell and Mr. Roberts on their reappointments to the Board. He stated that he looked forward to working with them all.

2. **Election of Officers (Recording Time: 09:02:30 a.m.)**

   Mr. O’Connell stated that the first order of business was the election of officers. Mr. O’Connell opened the floor for nomination(s) for Office of Chair.

   **Mr. Kittrell re-nominated Mr. Roberts, seconded by Mr. Tolbert.**

   **There being no further nominations, the floor was closed for nominations.**

   **All members voted aye. Mr. Roberts was re-elected as Chair.**

   Mr. O’Connell returned the Chair to Mr. Roberts.

   Mr. Roberts thanked the Board for their confidence in him. He stated that the position of Chair was not owned by him, but rather by the entire Board. He stated that he worked 37 ½ years for the ABC Board, starting as an entry level moonshine agent and moving up to a commissioner. He stated that he has built
his career on integrity and excellence in public service, and he pledges the same
to the ACSA Board, the ratepayers, and the Albemarle County Board of
Supervisors. He stated that he would now open the floor for nominations for Vice-
Chair.

Ms. Sulzberger re-nominated Mr. Kittrell, seconded by Mr. Tolbert.
There being no further nominations, the floor was closed for nominations.
All members voted aye. Mr. Kittrell was re-elected as Vice-Chair.

Mr. Roberts stated that in his experience on the Board, the Executive
Director has served as the Secretary-Treasurer. He then asked for nominations
for the office of Secretary-Treasurer.

Mr. Kittrell re-nominated Mr. O’Connell for Secretary-Treasurer,
seconded by Ms. Swanson. There being no further nominations, the floor
was closed for nominations. All members voted aye. Mr. O’Connell was re-
elected as Secretary-Treasurer.

Mr. Roberts stated that the Executive Committee was traditionally
composed of the Chair, Vice-Chair, and a third member of the Board, but that
anyone on the Board was welcome to serve on the committee. He stated that the
Executive Committee served in emergency situations when the Board could not
meet. He stated that since he had been on the Board, he could remember the
Executive Committee meeting once or twice, years ago, but not recently. The
Chair asked for nomination(s) for the Executive Committee.

Mr. Kittrell nominated the Chair, Vice-Chair, and Ms. Sulzberger for
the Executive Committee. There being no further nominations, the floor
was closed for nominations. All members voted aye. The Chair, Vice-Chair,
and Ms. Sulzberger were elected to the Executive Committee.

3. Board Member Recognition – Holly Hueston (Recording Time: 09:07:37
a.m.)

Mr. Roberts stated that next the Board wanted to express their
appreciation for Holly Hueston’s service. He stated that Ms. Hueston served on
the Board for four years, and asked not to be reappointed. He stated that he
wanted to present her with an award as a token of appreciation on behalf of the
entire Board. Ms. Hueston stated that it had been a pleasure to serve on the Board. She stated that she not only made new friends, but she also learned a lot of new things and, most importantly, she got an opportunity to see the solid inner workings of a really great organization.

Ms. Sulzberger stated that it had been a pleasure to serve with Ms. Hueston. She stated that she felt Ms. Hueston had been incredibly diligent and very insightful. Mr. Kittrell stated that Ms. Hueston brought an excellent perspective to the Board given her expertise in Human Resources and Operations, and he felt that it was an important addition to the Board. Mr. Tolbert added that Ms. Hueston was aware of when the Board meetings took place and she was welcome to come back and visit at any time.

4. Approve Minutes of December 17, 2015 (Recording Time: 09:10:05 a.m.)

The Chair asked if there were any corrections or additions to the minutes of December 17, 2015. Ms. Sulzberger stated that she had one minor correction on page 19 of the Board packet (page 11 of the minutes). She stated that on line 22, the word “to” was missing in the phrase “reach out to the auditor.”

Mr. Kittrell moved to approve the minutes of December 17, 2015, as amended, seconded by Ms. Sulzberger. All members voted aye. Mr. Roberts and Mr. Armstrong were not present at the December 17, 2015 meeting and thus, abstained from voting.

Ms. Swanson stated that she wanted to bring up one item before moving on with the agenda. She stated that perhaps the Board could review the By-Laws and move towards the use of gender neutral pronouns. Mr. Roberts stated that he was going to ask Ms. Swanson to bring the issue up towards the end of the meeting when discussing items not on the agenda. He stated that he agreed with Ms. Swanson in that the pronouns needed to be changed.

5. Matters From the Public Concerning Items Not on the Agenda (Recording Time: 09:12:09 a.m.)
There were no items from the public concerning items not on the agenda.

6. **Response to Public Comment** *(Recording Time: 09:12:21 a.m.)*

There was no response to public comment.

7. **Consent Agenda** *(Recording Time: 09:12:25 a.m.)*

   a. **Monthly Financial Reports** – Ms. Swanson stated that she had a question regarding the chart on page 55 that illustrates RWSA flows and ACSA customer usage. She asked if there was any progress made on pinpointing the cause for the plummeting graph. Mr. Lunsford replied that the ACSA staff had reached out and discussed the issue with RWSA. He stated that RWSA was still researching the consumption figures that they provide to the ACSA. He noted that his understanding was that this occurrence with the graph has happened in the past during this particular time of the year.

   Ms. Swanson stated that her next question was in reference to the graph at the bottom of page 57 which showed RWSA billed water charges and ACSA billed water revenues for Crozet. She stated that there were periods, according to the graph, when the ACSA revenue was lower than the RWSA charges, and asked if there was an explanation for that. Mr. Lunsford replied that there was an increase in what is billed to the ACSA for that particular area. He noted that, looking at the revenue for December 2014 and December 2015, the change is rather reasonable considering the rate increase between the two years. He mentioned that there was also a significant decrease in consumption during this time period as well. He added that he would not consider the pattern to be irregular, and he expected to see the graph flatten out and increase in the future.

   Mr. O’Connell stated that as more improvements are made to the water treatment plants, the debt service expenses were likely to go up, which was true for Scottsville and Crozet as well. He noted that the
ACSA had a unified rate throughout the system, so even though the revenues were graphed separately, they were all collected together.

Ms. Swanson stated that her last question was in reference to the table on page 67. She asked if the VSMP permit fee was for the fueling station project. Mr. O’Connell stated that the staff would have to check into it because it could be for a number of projects. Ms. Swanson asked if a fee was paid for each project. Mr. Gorham replied yes. He stated that it was based on the area of land that was disturbed during the project. He noted that any project that caused land disturbance required a VSMP permit.

b. Monthly CIP Report -

c. CIP Authorizations -

d. RWSA Monthly Update – Ms. Sulzberger stated that she had a question regarding the Advanced Water Resource Recovery Facility (AWRRF). She asked if there was any additional or updated information on the rebidding for that project. Mr. O’Connell replied that it was his understanding that RWSA was currently attempting to identify aspects of the project that could be changed or removed to lower the price. He noted that one bid was $1 million over budget. He noted that the schedule was such that the bids should be back in March, thus the ACSA Board should know in March what the results of those bids were.

Mr. Kittrell asked when the Board would find out what changes were being made and how they would play out in terms of the overall project. He stated that he wanted to ensure that the changes would not compromise the end result and the initial goal of the project. Mr. O’Connell replied that RWSA had a certain target percentage in terms of odor elimination. He stated that he did not know what changes were currently being contemplated, but he would try to find out and let the Board know via email or put something in the agenda for next month’s meeting. Mr. Kittrell stated that he had to wonder why certain items that were being changed were included in the first place, if it caused the
project to be more costly. He stated that he was sure there was a reason for it, but a little justification would be helpful.

Mr. O’Connell stated that part of the changes included operations within the plant such as shutting down basins and clarifiers and cleaning them out. He mentioned that there were several places in the plant where changes were being made. He stated that he did not know if the changes would lower the level of odor control, but that it was a good question. He stated that he would get some more information on the proposed changes.

e. ACSA Board Policy Future Issues Agenda 2016-

f. Environmental Management Policy Re-adoption- Mr. Kittrell stated that he was aware that the Board readopted this policy every year. He asked if there were any changes to the policy (Attached as Page____) this year. Mr. O’Connell replied that there was not a policy change. He stated that a few of the significant aspects had shifted. He noted that the ACSA was in the midst of the fueling station project, and one of the most significant aspects when the EMS program first began was the delivery of fuel and a strategy in the event of a fuel spill. He stated that water quality had moved to the top of the significant aspects list, which he felt was appropriate given that customers expect clean, safe water. He noted that addressing some tasks of the aspects were in the CIP, such as the removal of asbestos-cement pipe. He mentioned that other aspects were operational items such as water conservation or the reduction of paper and ink use. Mr. O’Connell asked Tim Brown, Environmental Compliance Specialist for the ACSA, if he had anything else to add.

Mr. Brown stated that he would be attending a workshop in Roanoke, Virginia Monday and Tuesday of next week, which was an update on the ISO 14001 standard upon which the EMS program is based. He noted that the original EMS team was trained using the 2004 version of the standard. He mentioned that he was not aware of any major changes but, after 11 years, he was sure it was time for an
update. He stated that there was no change in the policy and no change in the significant aspects, which were the core activities of the EMS program. He noted that the ACSA attempted to perform those activities in a safer, more regulatory-oriented, and sustainable manner.

Mr. O’Connell stated that when the ACSA started the EMS program, there was much more time spent on it because there were many things that needed to change. He noted that it has become part of the standard now, but it continues to be important and he wanted the Board to be aware of it, especially those new members who were not familiar with the program.

Mr. O’Connell stated that he received his first question this morning from a customer about the current issues in Flint, Michigan surrounding water quality. He stated that the ACSA did not have any of the water quality issues that were occurring in Flint. He stated that Mr. Brown would be giving a presentation on water quality at next month’s meeting to give the Board an understanding of all the different tests and procedures that take place to ensure good water quality.

Mr. Tolbert asked what caused the water quality issue in Flint, Michigan. Mr. O’Connell replied that lead was the source of contamination in the water in Flint. Mr. Tolbert stated that the pipes were probably not lead, but rather another material that contained lead. Mr. Gorham replied that the water source actually changed in Flint. Mr. Tolbert asked if the lead came from the pipes in the ground, and not the water source. Mr. Gorham replied yes. Mr. Tolbert stated that the problem, as he understood it, was caused by the pipes between the water main and the house. He asked how the ACSA determined the quality of the pipes between the water main and the customer’s home.

Mr. O’Connell replied that the ACSA did not know the quality of the customer’s private water line from the meter to the residence. He stated that the age of the system was a factor, and a city like Flint would have a much older system with older pipes. He stated that much of the issue in Flint was centered on corrosion of the pipes. He noted that the new
water source they were using was corroding the pipes. He stated that RWSA used a corrosion inhibitor at the water treatment plant to eliminate that issue. He added that the ACSA also did not have lead in the water system. He stated that it may be possible for a customer to have lead in their service line, but that it was unlikely.

Mr. Lynn stated that most of the older customer service lines in the system were galvanized pipe. He stated that any water lines installed in 1970 or after were either copper or plastic. He stated that at one point there were some fittings that contained lead, but that the ACSA had gone through the system and eliminated all those that were found. He noted that all of the lines in the system that ran from the main to the meter were copper.

Mr. Tolbert asked if there was lead in the galvanized piping and it became corroded, would that lead leak into the water. Mr. Lynn replied that it was possible. He stated that one of the problems in Flint, Michigan was that the water source they switched to was much more polluted and corrosive than what they had been using. Mr. O’Connell added that there was also no form of corrosion treatment being used, which contributed to the problem as well. Mr. Bowling added that when Washington, D.C. had an issue with lead pipes about 10 years ago, the ACSA took a look at its own water system. He noted that this was not the first time the focus had been on lead pipes.

Mr. Tolbert stated that even if the ACSA water system is free of lead, his concern is that a customer’s service line from the meter to the house may not be free of lead. He stated that he felt the ACSA should mention to customers that a non-corrosive agent is being used to make it clear that even if the customer’s pipe is not lead free, there is something being done on the ACSA’s part to combat that. Mr. O’Connell stated that the staff needed to come up with some type of resource for customers if they have that concern. He stated that the ACSA’s main concern was to get the water to the meter and to ensure that there are no issues when it gets to the meter. Mr. Kittrell stated...
that he felt there needed to be a common set of talking points about the issue so that when any of the agencies received questions, whether it is the City, RWSA, or the ACSA, they could all provide similar answers. Mr. Tolbert stated that the City of Charlottesville had an older system than the ACSA and thus, a bigger issue to deal with. Mr. O’Connell replied that the City had replaced most of the water system, but the average subdivision was 60 to 65 years old or older.

Mr. Gorham stated that the ACSA does comply with EPA regulations regarding lead and copper testing. He stated that the ACSA was testing annually and targeting particular homes constructed in specific time periods. He noted that after a certain number of years with no, or low levels of lead and copper, the testing is done every three years. He mentioned that the addition of the granular activated carbon (GAC) filtration system caused the testing frequency to revert back to every year. Mr. Tolbert asked if the testing was spot testing. Mr. Gorham replied yes. He stated that the ACSA distributed the testing kits to the customer, who would collect and submit the sample to RWSA for testing. Mr. Tolbert stated that it would be nice if that testing could be made available to any customer that desired it. Mr. Gorham stated that RWSA’s lab was extremely busy, but that the ACSA had an agreement with Aqua Air who performed all of the bacteriological testing for new lines. He noted that the ACSA delivered the sample and, in turn, Aqua Air gave the ACSA a discount in the cost. He mentioned that perhaps a similar arrangement might be available for customers. Mr. O’Connell stated that it was something the staff would need to explore further.

Ms. Swanson stated that she hoped there would be a set of guidelines for homeowners when performing testing, as to how that testing should take place. Mr. Gorham replied that the ACSA gave customers specific instructions when collecting samples for the lead and copper testing program. He stated that the staff specified to customers that their samples needed to be the first draw of water off of
the system in the morning so that the sample is of water that has been sitting in the pipe all night long.

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

8. Presentation – Overview of the ACSA (Recording Time: 9:37:28 a.m.)

Mr. O’Connell stated that everything that was on the agenda today was background information. He stated that with this being Mr. Armstrong’s first meeting, he wanted the staff to give a quick overview of the ACSA. He stated that the presentation (Attached as Page_____) would be given as a team, with each department head coming forward to give a quick presentation of their department.

Mr. O’Connell stated that the ACSA was more than 50 years old. He stated that the vision for the ACSA, which was part of the strategic plan, was to conserve today, sustain tomorrow, and protect water and environmental resources forever. He stated that Rivanna Water & Sewer Authority (RWSA) is the treatment provider, or the wholesaler, and the City of Charlottesville and the ACSA are the retailers jointly serving 35,000 customers throughout the community. He mentioned that the Albemarle County Board of Supervisors (BOS) makes the determination as to what area the ACSA could operate in, down to the individual parcel. He stated that the question of whether or not the ACSA could provide water or sewer service to a particular property comes up off and on. He noted that it was very rare that the County BOS would change the jurisdictional area, which they referred to as the growth area. He mentioned that it has been changed for a few properties, especially if there is some type of well contamination.

Mr. O’Connell stated that the next slide was a good graphic that illustrated the cycle of clean water, which was the ACSA’s mission and purpose. He stated that water from the reservoirs and rivers was taken and provided to customers as drinking water, which then went through the wastewater treatment process and returned back to the stream. He stated that the goal was for the water to be as clean when it returns to the stream, as it is when it is initially taken out of the
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reservoir. He noted that the wastewater treatment process has become
advanced to ensure that federal requirements are met or exceeded with regards
to discharge.

Mr. Tolbert stated that it seemed from the graphic that runoff water was
not treated. He asked Mr. O'Connell if that was indeed the case. Mr. O'Connell
replied that it was not treated through the ACSA system. He stated that there
was a series of new regulations regarding stormwater management, including a
permitting process to attempt to clean up the stormwater that makes its way
through the streams. He noted that there were some systems, such as
Washington, D.C., where the stormwater and sanitary sewer systems were
combined and the pipes had to be separated. He mentioned that the County
was working on coming up with a method for treating stormwater, but that the
ACSA had no involvement in that process.

Mr. O'Connell stated that the next slide showed the current urban system
with the Sugar Hollow Reservoir that feeds to the new reservoir at Ragged
Mountain. He stated that the last report he saw showed the dam being 2.3 ft.
from being full. He stated that the largest reservoir was the South Fork Rivanna
Reservoir, and that there was a small water treatment plant not pictured on the
slide which comes from the North Rivanna River. He added that in addition to
the Urban system, there were also the Crozet and Scottsville systems. Mr.
O'Connell noted that there is a future project to connect the South Fork Rivanna
Reservoir to the Ragged Mountain Dam with a pipeline and abandon the Sugar
Hollow pipeline. He stated that discussions for the project such as the alignment
and design of the pipeline would probably begin during the next two years. Mr.
Tolbert asked if there was a reservoir in the Crozet water system. Mr. O'Connell
replied yes. He stated that it was the Beaver Creek Reservoir. Mr. Tolbert
asked if the Scottsville water supply came out of the river. Mr. O'Connell replied
that it came from Totier Creek.

Mr. O'Connell moved to the next few slides that showed the various
reservoirs for drinking water. He stated that the first showed a picture of the
Ragged Mountain Dam during construction and the most recent picture of the
reservoir. He stated that the reservoir looked full, with only a few more feet to
go. He stated that the reservoir contained 1.5 billion gallons of usable water
storage, which was meant to be a long term supply for the ACSA, particularly
during a drought.

Mr. O’Connell stated that the South Fork Rivanna Reservoir had been
there for a number of years, and the primary water treatment plant was located
next to it. He stated that Sugar Hollow Reservoir was the reservoir that connects
to the Ragged Mountain Reservoir via a pipeline. He stated that it flows into the
Moorman’s River, which ultimately flows into South Fork. He pointed out that
Totier Creek was the water source for Scottsville. He stated that there were two
intakes in Scottsville, one in the reservoir itself and one on the creek. He
mentioned that there had been more success in using the intake on the creek,
as opposed to the reservoir. He stated that the final reservoir for drinking water
was Beaver Creek, which is the water source for Crozet. He noted that one of
the items in RWSA’s Capital Improvement Program was to look at future growth
in Crozet and the water supply at Beaver Creek. He stated that he suspected it
was likely that the water treatment plant in Crozet would need to be increased.
He added that there was a reservoir management study currently underway to
look at all of the reservoirs in terms of reducing sediment and algae in the
reservoirs, including Beaver Creek in Crozet. He noted that the results of that
study were expected in March 2016. Mr. Tolbert asked if the study was being
done by RWSA, rather than the ACSA. Mr. O’Connell replied that the study was
being conducted by RWSA. He stated that RWSA manages the reservoirs and
is responsible for the raw water in the reservoir. Ms. Swanson asked if the land
surrounding Totier Creek and Beaver Creek was all public land. Mr. O’Connell
replied yes. Ms. Swanson asked if South Fork was the only reservoir that had
private property surrounding it. Mr. Kittrell replied that there might be a small
amount of private land around Beaver Creek. He stated that there were a couple
of houses there. Mr. O’Connell added that there were a few properties around
Totier Creek as well, but that the majority of the land was a public park. He
noted that Sugar Hollow and Ragged Mountain were the two reservoirs that
were totally protected.
Mr. O’Connell stated that there were three water treatment plants in the Urban water system, and one in Crozet and Scottsville each, for a total of five. He stated that RWSA was in the midst of a major upgrade to the treatment process by adding granular activated carbon (GAC) filtration. He stated that the project was well under way at the South Rivanna plant, which was the largest water treatment plant in the system. He mentioned that the other plants would follow this spring. He noted that this project would yield some of the best water in the country once it was complete. He stated that RWSA operates each one of the treatment plants, and that there was a cost-sharing agreement for operations and the debt service.

Mr. O’Connell stated that the Moores Creek Wastewater Treatment Plant was now referred to as an Advanced Water Resource Recovery Facility (AWRRF). He stated that it was an advanced plant and the additional work being done to control odor at the plant will advance it even further. He mentioned that there was a study currently underway to look at the sewer system throughout the community and the removal of infiltration & inflow (I&I) from the system. He stated that there was also a smaller wastewater plant that served the Glenmore community, as well as a small plant in Scottsville and one at Stone Robinson Elementary School.

Mr. Tolbert asked if Crozet had a different wastewater treatment plant than the other areas. Mr. O’Connell replied that, in terms of sewer, Crozet was connected to the Moores Creek AWRRF through a long interceptor line and was part of the Urban system, but had a separate water system. Mr. Tolbert asked if that interceptor line ran along Route 250. Mr. Gorham replied yes and stated that there were four pump stations along the way. Mr. Tolbert stated that he remembered some discussion about residents along Route 250 wanting to tap into the sewer system. Mr. O’Connell replied that those residents were outside of the growth area and thus, were not allowed to do so. Mr. Bowling added that the interceptor line was installed because Crozet used to have one of the largest food processing plants in the country. Mr. O’Connell stated that one of the issues that has come up over the last few years was that there likely was not enough capacity in the lines to handle the growth in Crozet. He stated that
enlarging the Crozet Water Treatment Plant and the sewer project were
demanding. He mentioned that there would be a special rate district in
the future, as well as a special connection fee for the growth in Crozet.

Mr. O’Connell moved on to the next slide which outlined some of what the
ACSA does. He stated that the ACSA was responsible for the distribution and
collection system, all the infrastructure of the water and sewer system. He
stated that there were lots of facilities, pump stations, and pressure reducing
vaults that Mr. Lynn would talk about in a moment. He stated that the ACSA
was proactive with its closed circuit televising (CCTV) to identify any issues in
the lines. He stated that the ACSA also reviews, in detail, all of the water and
sewer plans as part of new development in the community. He added that the
ACSA also had a number of other programs such as the Backflow Prevention
and Fats, Oils, and Grease (FOG) programs.

Mr. O’Connell stated that the ACSA has 73 employees in five major areas
including Engineering, Finance, Information Technology, Maintenance, and
Human Resources and Administration. He stated that the staff attempted to
identify each individual employee in the presentation. He noted that about 2/3 of
ACSA employees were in the field every day and active in the community. He
stated that the first presentation would be on the Human Resources and
Administration Department which would be given by that department’s head,
Emily Shifflett.

Ms. Shifflett stated that the Administration team included her, Danielle
Trent who is the clerk for the Board, Deborah Grady, and Deborah Herr. She
stated that the administration staff performed various duties including hiring,
recruitment, training, customer communications, assisting walk-in customers
daily, and supporting the Executive Director.

Mr. Gorham stated that the Engineering Department currently had a
vacancy as the Regulatory Compliance Specialist recently retired and an
Engineering Technician was promoted to the position. He stated that the
department consisted of a project management group made up of three
engineers and five inspectors, a location group which included two Utility
Location Technicians, one of which was a senior technician, a modeling group
made up of a modeling engineer and modeling technician, and an environmental
group that consisted of two Compliance Specialists, one environmental and the
other regulatory.

Mr. Gorham stated that the Engineering Department had many
responsibilities related to planning, construction, and system maintenance. He
stated that system maintenance referred to maintaining the integrity of the
system and was not to be confused with the “nuts and bolts” maintenance. He
stated that the planning aspect of engineering included reviewing plans for local
development connecting to the system. He noted that the Engineering
Department works with the Maintenance Department in reviewing plans to
ensure that what is being put into the system will not cause issues in the future.
He mentioned that the Engineering department was also responsible for long-
term planning through the CIP program.

Mr. Gorham stated that the construction aspect of engineering overlapped
with planning in that the inspectors tested pipes and provided quality control in
the field. He stated that the locators were in charge of reviewing building permits
and marking ACSA lines in the system. He stated that some aspects of system
maintenance such as the Backflow Prevention and FOG reduction programs
tied into water quality and protected the ACSA system. He stated that all of the
groups within the Engineering Department overlapped frequently. He mentioned
that, for example, locators review building permits and bring information back to
the environmental group regarding new foodservice establishments that will
require a grease trap or commercial installations that will require a backflow
device. He added that the locators also worked with the engineers to stay
abreast of any construction taking place in the field.

Mr. Gorham stated that recently there was a contracted utility locator
working on the Key West Water Main Replacement project who was not doing a
very good job. He stated that the ACSA contractor kept running into utility lines
that were not marked. He stated that this created issues because the initial
design for the water main had to be shifted at the last minute in the field. He
noted that those types of occurrences are what make engineering fun and
interesting work.
Mr. Lunsford came forward next to give an overview of the Finance Department. He stated that Finance was composed of meter operations, customer service, and accounting, all of which are equally dependent upon one another for information and communication to help customers. He stated that the meter operations staff read meters daily and communicated that information electronically to Customer Service. He stated that the Customer Service staff prepares the customer monthly bills, makes collections, and reports that revenue to the accounting staff. He stated that Accounting staff was responsible for all financial reporting aspects that the ACSA must comply with.

Mr. Lunsford stated that the ACSA recently went live with the new financial system. He noted that it was a year-long process and he was very proud of the work that everyone had done. Mr. Roberts asked if there were any tasks along the way that the staff failed to identify during the new financial system process. Mr. Lunsford replied that there were often systems or procedures that the staff thought would work a certain way, and they ended up not working as planned during the testing phase. He stated that the staff has identified a few areas currently that will increase efficiency.

Travis Marrs, Manager of Information Technology (IT), came forward to give an overview of the department. He stated that the IT Department was relatively small, but they are still able to accomplish a lot thanks to the staff. He stated that the staff was comprised of April Walker who is the Systems Engineer, GIS Coordinator Justin Ray, and recently hired Larry Smoot who is the SCADA Technician.

Mr. Marrs stated that the IT Department is responsible for designing and maintaining the ACSA’s network and telephone infrastructure. He stated that the staff also installs and maintains hardware and computer software. He noted that the staff currently supports over 160 devices including PC’s, printers, and phones, as well as 20 servers. He mentioned that the ACSA’s website is created, designed, and maintained solely in-house. He stated that IT also provided physical and data security. He stated that the GIS system is maintained by the IT Department and, with the help of the Engineering and Maintenance staff, it is a true representation of the ACSA’s infrastructure.
stated that the IT staff also provided training in general computer knowledge as well as specialized applications. He stated that the SCADA system currently has four servers and the IT staff maintained those servers, as well as software and a separate network dedicated to the SCADA system.

Mr. Tolbert stated that he pays his bill online and at some point in that process, he is directed to an outside server. He asked if the IT staff had any control over that third party website. Mr. Marrs replied no. Mr. Roberts asked what the fee was that had to be paid to that third party. Mr. Marrs replied that he was not sure. Mr. Lunsford stated that there was a fee for those customers that paid their bill online with credit cards. He stated that the ACSA was not able to administer that fee which is why it is outsourced like most local governments. He noted that Official Payments is the vendor for the ACSA. Mr. Tolbert stated that, aside from that fee, there must be some fee to the ACSA for Official Payments to keep the payment records. Mr. Lunsford replied that the staff did an analysis last year, and the fee was very minimal. Mr. Tolbert asked if the online billing was cheaper than doing the billing in-house and if the ACSA encouraged customers to pay their bill online. Mr. Lunsford replied that the ACSA did encourage customers to pay online and the staff felt it was an area that could be improved. Mr. O'Connell added that when the ACSA explores options for a new metering system, a new billing system would probably be implemented as well.

Mr. Lynn came forward next to give an overview of Maintenance. He stated that the Maintenance Department had 32 employees, with 3 Utility Worker positions that they were in the process of filling. He stated that the maintenance staff pretty much took care of anything in the field. He stated that there was a construction crew that worked on in-house capital projects and three employees in charge of pump stations, storage tanks, and PRV’s. He stated that there was a six-person hydrant and valve crew, with one full-time hydrant inspection position and a two-person hydrant repair crew that fixes any hydrant issues the inspectors find, installs, and replaces hydrants. He noted that there was also a two-person valve crew that inspects and operates the ACSA valves on a normal basis. He mentioned that there were two water repair
crews, as well as two CCTV vans, each with a two-person crew that went out on a daily basis to inspect the sewer lines in certain areas.

Mr. Lynn stated that the ACSA had approximately 2,300 hydrants to maintain and the goal was to inspect all of them at least once a year, which was the AWWA standard. He stated that there were also 10,000 valves the staff tracked, maintained, and kept accessible. He added that the staff also had to maintain approximately 350 miles of water lines, over 250 miles of sewer lines, 22 pump stations, and 8 water storage tanks.

Mr. Lynn stated that he wanted to credit the Board for being proactive as opposed to reactionary in providing the staff with the money and resources to perform preventative maintenance. He stated that 35 years ago, the ACSA would possibly have had 35 to 50 water main breaks per year on a 4 inch line or larger. He noted that last year, the ACSA had about 9 water main breaks, which is an indication of the resources put into the preventative maintenance program.

Mr. Lynn stated that the ACSA sees all restoration work through from beginning to end. He stated that the ACSA does not have private contractors to do any patching or asphalt work, unless the job is too large for ACSA maintenance staff.

Mr. Lynn stated that in terms of ACSA vs. homeowner responsibility, the customer owns the sewer lateral from the residence to where it connects to the sewer main. He stated that the ACSA takes care of the water main up to the water meter. He noted that beyond the meter is the customer’s service lateral, which the customer is responsible for.

Mr. Lynn stated that the Engineering and Maintenance Departments work hand in hand in trying to eliminate infiltration & inflow in the system. He stated that the CCTV vans are out regularly taking videos of the sewer system, He noted that if a defect is found, the staff will fix it or consult with the engineering staff about relining or replacing the sewer system in that particular area.

Mr. Lynn stated that the maintenance staff is there to ensure that customers have safe drinking water, that the water is available for the fire department, and that it is there for the future. He stated that the maintenance staff was also attempting to educate the fire department on the water system.
He noted that the maintenance staff focused a lot on emergency response as well.

9. **Budget Guidelines and Schedule – FY 2017** *(Recording Time: 10:21:07 a.m.)*

Mr. O’Connell stated that the budget schedule pretty much followed that of last year. He stated that it would start with the proposed CIP in March, as well as the scheduling of the CIP public hearing. He stated that in April, there would be the CIP public hearing and a budget work session which would begin the actual work on the budget and the rate proposal. He noted that there might be additional work on the budget and rates in May, which would be more in-depth, followed by a formal public hearing and adoption of the rates in June. He stated that the schedule would follow the normal meeting dates that have already been established. He mentioned that customers were typically notified by mail of the budget and rate proposal, as well as the date for the public hearing.

Mr. O’Connell stated that RWSA’s rate determines 60% of the ACSA’s overall budget. He stated that he had not seen RWSA’s operations budget yet, but he was aware of some cost increases that they were anticipating. He mentioned that the staff had seen their CIP, and there was $38 million worth of RWSA projects proposed for next year that will need to be funded. He noted that the ACSA was already looking at a 5 or 6% increase just on the debt service alone. He stated that RWSA’s CIP would be presented at their next meeting and he would provide that information to the Board next month.

Mr. O’Connell stated that the ACSA was not anticipating any major projects, and most of the CIP projects would be items the Board was already familiar with. He stated that the biggest change would be a salary survey. He noted that the ACSA had not done one in at least 8 years. He stated that the plan was to put the project out to bid in April. He stated that he would like to propose some additional funding in the budget to offset market adjustments. He stated that one other change was with the healthcare plan. He stated that the ACSA purchased healthcare from Albemarle County and they were expecting major changes due to efforts on their part to reduce costs, as well as some federal Affordable Care Act (ACA) requirements. Mr. Kittrell asked if the ACSA was
expecting to add any new positions. Mr. O’Connell stated that departmental
budgets were due February 1st, and there was one new position being
considered but it would probably be minimal. Mr. O’Connell stated that the staff
would be using the rate model for the basis of developing the rate proposal that
would be brought before the Board.

10. **Strategic Plan Annual Update Report** *(Recording Time: 10:27:39 a.m.)*

Mr. O’Connell stated that this was the fourth year of the strategic plan. He
stated that some of the staff that worked on the plan felt it was too ambitious, but
the staff has followed through with the plan and it was amazing to him how many
items had actually been completed. He mentioned that there were some projects
that have taken several years, such as the new financial management system, as
well as some others that are still outstanding. He stated that every six months,
the staff would give the Board a quick update on the strategic plan, and once a
year the Board would receive a full report in detail. He mentioned that each
department spent a good amount of time preparing a status report on each item,
and he would highlight a few of those items.

Mr. O’Connell stated that the ACSA had new evaluation forms for
employee performance evaluations and feedback. He stated that the staff would
use them in January for mid-year reviews. He added that the new forms would
utilize the new job descriptions as well. He stated that the next item he wanted to
touch on was the SCADA Computerized Controls project, which was in the
original strategic plan. He stated that the staff finished Phase 1, was ready to go
forward with Phase 2, and was beginning the design for Phase 3. He noted that
SCADA would likely be fully complete and operational within the five year
strategic plan program. He stated that the new financial management system
grew live December 1 and was successful. He stated that the Purchasing Manual
had been updated and approved by the Board, as well as the Rules and
Regulations. He noted that some of the policies had not been looked at for a long
time, and it took a lot of work and effort to update them. He mentioned that the
ACSA website was brand new and designed in-house by April Walker. He stated
that it was a very nice website and had lots of information available. He noted
that the ACSA has web analytics now which would allow the staff to see what
dparts of the website were being utilized, to get a better feel of how to best serve
the customer. He stated that his current thought was that most customers used
the website to pay their bill.

Ms. Swanson stated that this raised a question about an item that she had
inquired about in the past. She asked if the staff would be able to capture how
people were using the water quality report, for example, if they were using it as a
resource or just glancing at it. Mr. O’Connell stated that the analytics package
allowed the staff to see how many views the report receives. Mr. Marrs added
that the analytics would tell the staff how many people visit that particular page
and how long they stay on the website itself, but not necessarily how long they
stay on a specific page.

Mr. O’Connell stated that there were a number of CIP projects that had
been completed, specifically a lot of pump station upgrades. He stated that the
Four Party Agreement was a big project, which was completed, and the transfer
of the Scottsville and Crozet facilities was approved as well. He stated that there
was also a series of things happening with regards to emergency planning. He
noted that the ACSA was in the midst of the Vulnerability Assessment, which was
being done in partnership with the City, RWSA, and the University of Virginia. He
stated that the regional Emergency Communications Center had a new program
called Code Red to encourage citizens to sign up to receive emergency alerts.
He added that the Safety Manual was being updated as well, and there was a
committee of employees working on it.

Mr. O’Connell stated that he has typically found the Strategic Plan to be a
great tool, and from a departmental standpoint, staff utilized it as well. He stated
that one item he neglected to mention was a long-range facilities plan that the
ACSA was in the midst of developing. He stated that the ACSA was outgrowing
its current facility. He mentioned that the ACSA owned property on Avon Street,
but it was likely that when the water treatment plant in Crozet expands, the ACSA
would lose that storage space. He stated that this was probably the last in terms
of long-range plans in the Strategic Plan. He stated that the ACSA was doing a
lot of things that most utilities the same size were not doing such as the new financial system.

Mr. Kittrell stated that he felt the full Strategic Plan report was helpful. He stated that one thing the staff might think about doing is color-coding the status of some of the items in the plan. He stated that it provided a quick way of looking at the chart and determining how things were going in terms of whether a project was on track. He stated that there was a lot of information in the chart, which was a good thing, but perhaps there was a way to simplify it so that one could quickly assess the status of an individual project or task. Mr. O'Connell replied that color-coding the chart was a great idea.


Mr. O'Connell stated that he periodically updated the Board on the Water Supply Agreement, which is now four years old. He stated that the Ragged Mountain Dam, which was the key project in the agreement, is finished and almost at full height. He stated that a majority of the agreement was centered on completing that project and details surrounding it such as the land lease. He noted that the reservoir level is 12 feet short of the full height of the dam and that there is another provision in the agreement that when the average daily demand reaches 85% of the safe yield, the City or the ACSA can request that the reservoir be raised the additional 12 feet. He stated that the provision was the ACSA’s effort to ensure that if the water was ever needed, it could be accessed without a complicated political process.

Mr. O’Connell stated that another big project that is part of the Water Supply Plan is the pipeline. He stated that the current pipeline ran from the Sugar Hollow Reservoir to the Ragged Mountain Reservoir, and the new pipeline would run from the South Fork Reservoir to the Ragged Mountain Reservoir. He noted that this project was initially estimated to cost $60 million, but there were probably some things that could be done to reduce that cost. He mentioned that within the five year capital program was the beginning of an alignment study, the design, and easement acquisition. He stated that he suspected that part of the
process would take a couple of years. He stated that if the pipeline was built before the 12 foot extension of the reservoir, it could delay the reservoir being extended the 12 feet. He mentioned that there would be another long-term water supply plan done in 2020.

Mr. Tolbert asked Mr. O'Connell if he said that the Ragged Mountain Reservoir had a day and a half water supply. Mr. O'Connell replied that he said the reservoir had a water supply of one and a half billion gallons. He stated that the design intent of the reservoir was to supply the community with water in the case of a drought and could last 60 to 90 days. Mr. Tolbert asked how much water was currently used on an average daily basis. Mr. Lunsford replied that the ACSA billed anywhere from 120 to 140 million gallons per month.

Ms. Swanson asked if the dredging portion of the agreement was still a possibility. Mr. O'Connell replied that the dredging project was in the original plan but when it went out for bid, there was only one bidder. He stated that the bidder could not find a property to take the sediment spoils to, so they withdrew from the project. He stated that part of the reservoir management study being done is to look at sediment removal for water supply purposes, and there may be some recommendations that come from the study. He noted that the ACSA agreed to share 50% of $3.5 million, which is the cost for the project, so currently that money is in the RWSA CIP budget for a future year. He added that having willing landowners was a key factor in the project being successful because it involved a great deal of dirt. Mr. Kittrell added that it is a combination of willing landowners and cost, which were proportional to each other. He stated that if there were no willing landowners nearby, the dirt would have to be transported elsewhere, which would be expensive.

Mr. O'Connell stated that removing the dirt would clearly be an improvement for recreational purposes, and there were some landowners who would like to see the sediment removed as well. Ms. Swanson asked if there would be any benefit to the water quality. Mr. O'Connell replied that he did not think so, but that it was being looked at. Mr. Kittrell added that most of the water quality issues were not related to the existing sediment, but rather the sediment that was coming in, which was suspended as it was coming into the reservoir.
Ms. Swanson stated that the sediment changed the dynamics of the light penetration and how algae grow. Mr. Kittrell stated that only the suspended sediment would affect the light penetration, not the sediment sitting on the bottom.

Mr. O’Connell stated that the Wholesale Metering Program was another part of the Water Supply Agreement. He stated that the project was underway, and would be finished around this same time next year. He noted that, as part of the GAC project, new meters would be installed at all the water treatment plants. He mentioned that the new meters would allow a better determination of City and ACSA water use. He added that he suspected the 1983 Working Agreement, which is the agreement RWSA has in place regarding billing, would have to be amended to accommodate the new metering system.

Mr. Kittrell stated that he wanted to ensure that the metering project moved forward with all due haste because it was a significant piece of the financial puzzle of the agreement between the ACSA and the City. He stated that the metering system would be the mechanism by which payments were accurately determined between the City and the ACSA. He noted that it was the ACSA’s projection that the ACSA would be the beneficiary of this project. Mr. O’Connell stated that there was no evidence that this project was slowing down at all. Mr. Gorham stated that the pre-construction conference had been held, so the Board should see a schedule soon. Mr. O’Connell stated that the only issues, which he mentioned to the Board last month, were the two UVA meters. He stated that the issue was still not resolved, but that the meter could be placed elsewhere and that the project was moving forward regardless. He added that the new metering numbers would be used beginning in FY 2018, which was not that far off.

12. Items Not on the Agenda (Recording Time: 10:54:09 a.m.)

Ms. Swanson stated that as she was looking at the By-Laws, she noticed that Article III, Section 3.3 which pertained to the selection of officers, made use of gendered pronouns such as “he” and “his.” She stated that she wanted to know if the Board would agree to a document review and move towards the use
of gender neutral pronouns. The Board agreed. Mr. Roberts asked what the process was for changing the By-Laws. Mr. Bowling replied that it required a 2/3 vote of the entire authority after a 10 day notice. Mr. O'Connell stated that it would be placed on the agenda for next month, or the month after.

13. **Executive Session** *(Recording Time: Due to Executive Session, no recording was conducted during this time period.)*

Ms. Trent read a Resolution to enter into Executive Session pursuant to Virginia Code §2.2-3711 A (7) to consult with legal counsel and staff regarding specific legal matters requiring legal advice (Attached as Page ______).

*Mr. Tolbert moved to approve the Resolution as presented to the Board, seconded by Ms. Sulzberger. 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.*

The Board of Directors came back into regular session. Ms. Trent read into record a Resolution stating that only matters so previously stated and exempted from open discussion in regular session were discussed in Executive Session (Attached as Page _____).

*Mr. Kittrell moved to approve the Resolution as presented to the Board, seconded by Ms. Sulzberger. 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.*

Mr. Roberts asked what the content in the blue folders provided to the Board was for. Mr. O'Connell replied that it was information that Mr. Bowling provided for the Board. Mr. Bowling stated that if a Board member had a conflict of interest, after disclosing that conflict, they would follow up with the form in the folder which would be put on file for five years. He stated that currently, Board members disclosed conflicts of interest in open session, which were documented through the minutes. He added that the form would also allow the Board to determine what constitutes a conflict of interest, as the Conflict of Interest Act has become more complicated.
Mr. Roberts asked about the form that is filled out and sent to the Secretary of the Commonwealth. Mr. Bowling replied that this was a different form. He stated that this form was for those things that arise that may affect the business a Board member is involved in, and provided a way for the Board member to disclose that formally on the record. Mr. O'Connell added that if a Board member has a business conflict to let him or Mr. Bowling know so that they may research it.

14. **Adjourn** *(Recording Time: 11:46:38 a.m.)*

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

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Gary B. O'Connell, Secretary-Treasurer