

Albemarle County Service Authority Board of Directors

1 The Board of Directors of the Albemarle County Service Authority (ACSA) met in
2 a regular session on December 17, 2009, at 9:00 a.m. at the Administration and
3 Operations Center at 168 Spotnap Road in Charlottesville, Virginia.

4 **Members Present:** Mr. Wagner, Chairman; Mr. Roberts, Vice-Chairman;
5 Messrs. Carter, Colbaugh, Martin; Dr. Palmer

6 **Members Absent:** None

7 **Staff Present:** Messrs. Fern, Gorham, M. Lynn, Bowling, Brown, Henley; Ms.
8 Breeden, Mrs. Thraves, Mrs. Walker

9 **Public Present:** Mr. Andy McGinty, Sean Tubbs with Charlottesville Tomorrow
10

11 **1. Call to Order**

12 The Chairman called the meeting to order and a quorum was established.
13

14 **2. Approval of Minutes of November 5, 2009 and November 19, 2009**
15 **(Recording Time: 09:01:50 a.m.)**

16 Mr. Fern stated that the minutes were not included within the Board
17 Packet. He stated that the minutes would be distributed to the Board in early
18 January.

19 **3. Matters from the Public Concerning Items Not on the Agenda (Recording**
20 **Time: 09:02:09 a.m.)**

21 Mr. Andy McGinty, the developer of Arden Place Apartments, which is
22 located in the Albemarle Square Shopping Center, addressed the Board. He
23 referred to his previous address to the Board in August regarding the ACSA's
24 connection fee increase. He stated that he did not have a concern regarding the
25 amount of the connection fees. He stated that he conducted business
26 throughout the State of Virginia and the Carolinas and he felt the ACSA's new
27 connection fees were reasonable.

28 Mr. McGinty stated that his problem with the ACSA's connection fees was
29 the rate of change. He commented that he thought he was going to have a
30 building permit for his project by March 1, but that it seemed unlikely due to the
31 Albemarle County review process. He acknowledged that this was not the fault

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1 of the ACSA. Mr. McGinty stated the County of Albemarle's process was very
2 thorough and took a long time to complete. He stated that he had started his
3 project in October 2008 but that he may not be able to obtain a building permit by
4 March 1, 2010. He asked the Board to reconsider allowing developers to prepay
5 their connection fees, or at the least adjust the criteria for paying connection fees.
6 Mr. McGinty stated that he had a preliminary site plan approved by the Albemarle
7 County Planning Commission and the Albemarle County Board of Supervisors.
8 He stated that he had obtained "permit ready architecture building plans" that
9 could not be reviewed until he obtained final site plan approval. He added that
10 he could not obtain final site plan approval until the Architectural Review Board
11 "tells me what color louver they want on Building 6."

12 Mr. McGinty stated his project would create 200 jobs. He added that the
13 project would not happen if he could not lock in at his current budget. He noted
14 that he was willing to risk money for connection fees, if he still had not obtained a
15 building permit after one year. Mr. McGinty emphasized that he needed to lock
16 in his connection fees at an amount close to what was quoted to him at the start
17 of his project. He asked the Board to reconsider a prepayment policy.

18 Mr. Roberts asked Mr. McGinty what financial impact he would likely incur
19 due to the ACSA's increase in connection fees. Mr. McGinty replied that there
20 was an increase in connection fees of \$500,000. Mr. Roberts asked if the
21 \$500,000 was a result of the increase effective March 1, 2010. Mr. McGinty
22 clarified that when he started his project, the connection fee estimate was
23 \$600,000, then the connection fee increase of September 1, 2009 increased his
24 connection fees to \$820,000 and noted that, after the scheduled increase of
25 connection fees on March 1, 2010, his connection fees would be \$1.2 million.
26 Mr. McGinty stated that connection fees were his biggest single cost category for
27 his project. Dr. Palmer asked how much of Mr. McGinty's connection fee
28 estimate was due to the System Development Charge. Mr. McGinty stated he
29 was unsure of the breakdown of his fees. Dr. Palmer noted only one of the
30 connection fees was increasing a large amount.

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1 Mr. McGinty stated if he had been aware the connection fees would
2 increase drastically, he would have offered less for the purchase of the land. Dr.
3 Palmer stated, "What we don't charge you, we have to charge our rate payers; it
4 goes directly out to our rate payers, who have nothing to do with your project.
5 That is a big dilemma for us. Somebody has to pay for it." Mr. McGinty stated
6 that the community as a whole loses if 200 jobs are not created.

7 Mr. Martin recalled Mr. McGinty attending a previous ACSA meeting
8 regarding connection fees. He stated that last month, he noticed Mr. McGinty
9 addressed the Board of Supervisors regarding Arden Place. Mr. Martin added
10 that it seemed everyone was happy with the Arden Place project and it was the
11 right fit for the urban area. Mr. Martin stated that he had asked the planner how
12 long he felt it would take for Mr. McGinty to receive a building permit; he was
13 informed that Mr. McGinty should receive a building permit in a couple of weeks.
14 Mr. McGinty stated that the day after the meeting, he submitted his final site plan,
15 and was due to receive comments today. He added that he had to have the
16 plans back to the County of Albemarle the following week and advised that the
17 County of Albemarle has 45 days to review them. Mr. McGinty stated he then
18 would go before the Architectural Review Board for the second time the week
19 after that. He added that if the plans were not approved, he had one more
20 chance to submit his plans for approval before March 1st. He stated that he was
21 willing to pay more to speed up the County review process if he could. Mr.
22 McGinty stated that he had spent more than a year on the project, but the
23 viability of the project would come down to being able to pay the current
24 connection fees.

25 Mr. Colbaugh referred to Mr. McGinty's suggestion of prepayment of
26 connection fees, and that if a permit was not obtained, he would forfeit the fees.
27 Mr. McGinty stated he was willing to put a substantial deposit at risk, to lose, if he
28 did not obtain a building permit in time. Mr. Martin felt that there was no
29 possibility of Mr. McGinty never obtaining a building permit.

30 Dr. Palmer asked Mr. McGinty if he had explained his predicament to the
31 Architectural Review Board. Mr. McGinty stated that he would. Dr. Palmer

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1 advised Mr. McGinty that the ACSA staff had explained to the Board the money
2 lost and the impact to the ACSA's customers, of allowing prepayment of fees.
3 She stated that the ACSA currently had a policy in force separating growth
4 projects from maintenance project. She stated if Mr. McGinty did not receive a
5 good response from the Architectural Review Board, the ACSA Board may
6 reconsider his situation, if he only needed an extension of a couple of weeks.
7 Mr. McGinty stated that the Architectural Review Board would not look at his
8 building permit until a final site plan was approved. He added that the building
9 plans were 500 pages long and he was unsure how long they would take to be
10 reviewed.

11 Mr. Bowling asked Mr. McGinty if he had addressed the Architectural
12 Review Board's members individually. Mr. McGinty stated he was scheduled to
13 go before the Board the following Tuesday. Mr. Bowling asked if Mr. McGinty
14 had discussed his situation with his County Supervisor. Mr. McGinty replied that
15 he had not yet spoken with Mr. Rodney Thomas, but had spoken with the
16 previous Supervisor.

17 Mr. Roberts asked how many projects, similar to Mr. McGinty's, could
18 possibly come before the Board asking for the same extension. Mr. McGinty
19 replied that he was aware of an apartment community in Old Trail which was
20 slightly ahead of his project in the process, and a project in Belvedere, but added
21 that they were behind him in the process. Mr. Roberts asked, if the Board
22 granted Mr. McGinty an extension, would the Board be construed as showing
23 favoritism. Mr. Bowling replied that the ACSA had to treat everyone the same.

24 Mr. Martin corrected a previous statement he made, regarding the
25 Planning Commission member having told him Mr. McGinty was a couple of
26 weeks away from receiving site plan approval. He added that he had been told
27 that Mr. McGinty should be in the position of obtaining a building permit in
28 January 2010 and noted that he did not see any discrepancies that would delay a
29 building permit.

30 Mr. Wagner stated that when the Board of Supervisors met in January
31 2010, new members would be on the Board. He asked the Board if they should

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1 consider Mr. McGinty’s suggestion or “pass it on.” Mr. Roberts stated an
2 orientation process should suffice. He stated that there would be other issues
3 that would be passed on to the next Board as well. Dr. Palmer stated that she
4 would explain Mr. McGinty’s situation with the new supervisor for her district.
5 Mr. Wagner stated he was not advocating that the Board should consider the
6 situation, but felt he should make sure there was consensus from the Board.

7 Ms. Breeden stated that the ACSA could not deposit funds for which they
8 were not entitled, nor obligated to provide a service. She added that the ACSA
9 had to refund monies for deeds of easement that were not being utilized.
10 Therefore, she stated that the ACSA would not be able to accept a substantial
11 deposit, as Mr. McGinty had suggested. Mr. McGinty replied that the ACSA
12 should consider changing their policy to allow prepayment of connection fees at
13 the preliminary site plan phase.

14 Mr. Carter suggested that Mr. McGinty return before the Board, in person
15 or by letter, at the ACSA Board’s January meeting to give an update of his
16 position in the process. He felt if Mr. McGinty reached out to the Architectural
17 Review Board members and the Supervisor for his district, they may be able to
18 assist him.

19 Mr. McGinty thanked the Board for their time.

20

21 **4. Consent Agenda**

22 **For Information (Recording Time: 9:18:24 a.m.)**

23 Mr. Wagner asked if the Board had questions or comments regarding the
24 Consent Agenda.

25 ***a. Monthly Financial Reports-***

26 Mr. Fern referred the Board to a graph on Page 25 of the packet
27 (Attached as Pages ___) detailing the wastewater flows for the urban
28 area. He advised the Board that the graph showed a tremendous
29 increase which was likely due to a hole in the Meadow Creek
30 Interceptor. He stated that the hole caused creek water to enter into
31 the RWSA system. Dr. Palmer stated that she had heard the pipe had

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1 broken and a piece of the pipe was missing. Mr. Fern replied that
2 water entered the system, because the water table was higher than the
3 pipe. He clarified that sewage did not leak out, but the wastewater
4 system took in a lot of infiltration/inflow (I/I). Dr. Palmer clarified that
5 the cause was due to a hole in the pipe and not a break. Mr. Fern
6 replied that his understanding was that a pipe joint came apart creating
7 a void, allowing water to enter. He stated that maintenance crews tried
8 to install a liner in the pipe.

9 Mr. Martin stated that during extremely wet weather, sewer flows
10 rise due to I/I. He stated that when the public discusses I/I, they
11 suspect it comes from the City of Charlottesville, because they have a
12 much older system. Mr. Martin stated if that was true, ACSA rate
13 payers would be paying for the City of Charlottesville's responsibilities.
14 He understood, however, that although the scenario was likely, there
15 was no way to prove or quantify how much I/I was coming from the
16 City of Charlottesville or the ACSA. He stated during extreme wet
17 weather, the ACSA and City of Charlottesville pay more to the RWSA.
18 Mr. Martin added that during dry periods, the ACSA pays less to the
19 RWSA. He stated that the wet and dry periods balance out for the
20 RWSA.

21 Dr. Palmer stated that the ACSA was currently negotiating with the
22 City of Charlottesville and the RWSA regarding how much I/I could be
23 removed from the wastewater system. Mr. Fern replied in the
24 affirmative adding that the ACSA had put forth to the RWSA,
25 percentages that the ACSA is comfortable with to reduce I/I throughout
26 the system.

27 Dr. Palmer referred to the Sewer Interceptor Study the RWSA was
28 had undertaken and asked what percentage the project assumed. Mr.
29 Fern replied that the RWSA was not assuming a percentage. Mr. Fern
30 stated that the percentages depended on the basin. He explained that
31 I/I not only came from the City of Charlottesville and the ACSA, the

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1 RWSA had I/I as well. Mr. Fern stated it was best to spend funds
2 correcting I/I throughout the system.

3 Mr. Martin asked if the project would include the installation of more
4 flow meters. Mr. Fern stated that permanent meters would be installed
5 throughout the system. He added that RWSA was moving forward
6 conducting I/I work in their interceptors. Mr. Martin stated that the long
7 term Master Sewer Plan included additional meters and noted that the
8 RWSA may obtain a better sense of what I/I is being received from the
9 ACSA and the City of Charlottesville. Mr. Fern replied, generally. He
10 added that the ACSA would not know specifically unless the ACSA and
11 City of Charlottesville installed meters at the end of their respective
12 collection systems.

13 Mr. Colbaugh stated that the bond payments needed to be
14 removed from their rates, and by doing so, there would not be a
15 large “base load.” He noted that it would be particularly important in
16 future years. He suggested that ACSA emphasize to the RWSA that
17 they would like to have the bond payments on a “flat rate” rather than
18 on a variable rate. Mr. Colbaugh stated that Mr. Frederick heard the
19 ACSA’s concerns regarding the topic [at a recent work session]. Mr.
20 Fern stated that Mr. Frederick was in the process of convening a
21 meeting, but he had not received that date.

22 Dr. Palmer referred to Page 5 of the packet, “Revenue and
23 Expense Summary.” She stated that occasionally, the “year-to-date”
24 sewer connection charges listed were less than the “current months”
25 sewer connection charges. She asked Ms. Breeden how she
26 calculates those figures. Ms. Breeden replied that the figures were
27 lower due to prepayment of connection fees. She added that the
28 ACSA has some prepaid connection fees that were collected in 2007,
29 and that amount was a liability prior to the meters being installed. She
30 noted that once the meters are installed, the funds are listed as

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1 revenue and then posted on the Revenue and Expense Summary.

2
3 ***b. Monthly CIP Report-***

4 Dr. Palmer referred to the Owensville Water Line Replacement
5 Project where the ACSA had appealed to the State Corporation
6 Commission (SCC) to have Embarq pay for a portion of the cost of a
7 fiber optic cable, and asked the status. Mr. Fern stated that the claim
8 had been forwarded to the SCC, who stated they did not have enough
9 evidence to make a ruling and would not move forward. Dr. Palmer
10 clarified that the claim had been decided. Mr. Fern replied in the
11 affirmative. Dr. Palmer stated that she travels the road daily. She
12 advised that while driving down the road, she noticed there were boxes
13 notating fiber optic cables were installed in the ground at that location.
14 She asked why the boxes had not been an indication of the fiber optic
15 cable. Mr. Gorham stated that the boxes may not have been installed
16 at that time. Dr. Palmer stated that the boxes were on the same side
17 of the road as the project and were in place at the time of construction.

18 Dr. Palmer stated that the first box was located a very short
19 distance from where the contractor was excavating and further north
20 on Owensville Road towards Garth Road. Mr. Fern stated that the
21 ACSA would investigate the installation date of the boxes to determine
22 if they were installed prior to the design of the project.

23 Mr. Colbaugh referred to Page 56 of the packet, which discussed
24 the two water storage tank studies. He asked if tank sites had been
25 identified and, if so, were they above ground. Mr. Gorham replied that
26 the potential tank sites would be visited the following week. He stated
27 that the consultants were identifying potential areas for the tanks, but
28 had not determined if they would be above or below ground.

29 Mr. Colbaugh asked if the Oak Hill project would be discussed
30 separately. Mr. Fern replied in the affirmative.

31

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1 **c. *Monthly CIP Authorizations-***

2 Mr. Colbaugh recalled hearing that the RWSA was supposed to
3 conduct a Water Demand Analysis every ten years, and noted that it
4 had been eight years. Mr. Martin stated that the State of Virginia
5 passed a law requiring all communities to submit a Water Supply Plan
6 to the State. He stated that the Water Supply Plan was due in 2011,
7 but was ahead in the process due to the Community Water Supply
8 Plan Project. He stated he was not aware of specific requirements for
9 a demand analysis. Dr. Palmer stated that there was a good reason to
10 use a longer period than ten years. Mr. Colbaugh recalled the Water
11 Supply Plan needed to be reviewed every ten years.

12
13 **d. *RWSA Minutes of September 22, 2009-***

14
15 ***Dr. Palmer moved to approve the Consent Agenda, seconded by Mr.***
16 ***Colbaugh. All members voted aye.***

17
18 **5. By-Laws Amendment (Recording Time: 09:33:16 a.m.)**

19 Mr. Fern referred to the April Board of Directors meeting. He stated that at
20 that time, the Board discussed adjusting the Board's election times from April to
21 January. Mr. Fern stated if the Board still wished to do so, the By-Laws would
22 have to be amended before elections could be held in January. He added that
23 he had talked with Mr. Bob Tucker about the new Supervisor appointees having
24 their ACSA Board members appointed by that time. Mr. Fern was advised by Mr.
25 Tucker that he would notify the Board of Supervisors of the ACSA's schedule, but
26 could not guarantee the new appointees would be chosen by that time.

27 Mr. Wagner stated that he and Dr. Palmer had received letters noting the
28 expiration of their terms being in December 2009. Mr. Fern stated his
29 understanding that Mr. Wagner and Dr. Palmer would retain their seat until an
30 appointee was made. Mr. Bowling concurred. Dr. Palmer clarified that if an
31 appointee hasn't been determined, she and Mr. Wagner would still represent

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1 their districts on the ACSA Board in January even though the By-Laws would
2 have been amended. Mr. Bowling stated that he would verify for certainty.

3 Mr. Carter suggested the Board approve the resolution amending the
4 ACSA By-Laws, then if the Board was uncomfortable moving forward with
5 elections, they could be postponed until February.

6 ***Mr. Carter moved to amend Article 3 of the ACSA By-Laws in***
7 ***accordance with the memorandum on Page 89 of the Board Packet,***
8 ***seconded by Dr. Palmer. All members voted aye.***

9

10 **6. Fats, Oils and Grease (Recording Time: 9:35:58 a.m.)**

11 Mr. Fern recalled the November Board Meeting, and the proposed
12 changes by the Board to the proposed Section 19 Fats, Oils and Grease, and
13 Section 1 Definitions of the ACSA's Rules and Regulations. He advised that staff
14 had made the proposed changes and were asking the Board to pass the
15 Resolution amending Section 1 and including Section 19 to the ACSA's Rules
16 and Regulations.

17 Mr. Fern stated that the largest change was on Page 110 titled "Appeals
18 Process."

19 Mr. Carter felt the changes mirrored what the Board had expressed as
20 their concerns.

21 ***Mr. Carter moved to approve the Resolution incorporating the***
22 ***amendments to Section 1 and the addition of Section 19, Fats, Oils and***
23 ***Grease, to the ACSA Rules and Regulations, seconded by Dr. Palmer. The***
24 ***Chairman asked for a roll-call vote: Mr. Roberts, aye; Mr. Martin, aye; Mr.***
25 ***Carter, aye; Mr. Wagner, aye; Mr. Colbaugh, aye; Dr. Palmer, aye.***

26

27 Mr. Tim Brown thanked the Board and acknowledged the support and
28 assistance Mr. Fern and Mr. Gorham provided in the process. Mr. Martin
29 commented that Mr. Brown and his staff did a great job on the project.

30 Mr. Fern referred the Board to a packet that had been supplied to them
31 containing literature on Fats, Oils and Grease and a grease cap. He stated that

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1 Mr. Brown had organized this campaign, in which he had a group of Maintenance
2 Staff assemble the packets and had them delivered to the Glenmore Community.
3 Mr. Fern stated that the intent was to have the same process happen throughout
4 the ACSA system as education to the ACSA customers on Fats, Oils and
5 Grease.

6

7 **7. Virginia Water and Wastewater Agency Response Network (WARN)**

8 **(Recording Time: 9:39:14 a.m.)**

9 Mr. Fern stated that the Virginia American Water Works Association
10 (Virginia AWWA) and the Virginia Water Environment Federation (WEF)
11 combined to create a committee whose task was to create a Water and
12 Wastewater Agency Response Network (WARN) within the State. He advised
13 that Mr. Mike Lynn sat on the committee. He informed the Board that the intent
14 of the program was to have authorities and municipalities sign up and be able to
15 provide aide to other municipalities or authorities requesting it. He noted, in
16 becoming a WARN member, if a natural or manmade event occurred which
17 required assistance from another agency, there would be an agreement in place
18 as to how the situation would be handled, both by the agency requesting the
19 help, and the agency providing the help. Mr. Fern stated that authorities were
20 currently signing up for the program, and he recommended the ACSA participate.
21 Mr. Fern advised that the Mutual Aid Agreement, the Event Agreement and the
22 Resolution were included within the Board Packet (Attached as Pages ____).

23 Dr. Palmer asked Mr. Lynn if he had any reservations regarding the
24 program. Mr. Lynn replied that he did not, and that he did not foresee many
25 smaller utilities participating in the program. He stated that approximately ten
26 municipalities or authorities, the size of the ACSA or larger, had already agreed
27 to be a part of the program. Mr. Lynn explained to the Board how the program
28 would work. He stated if the ACSA maintenance staff could not repair all
29 damages in a short amount of time, then he would notify the Executive Director
30 to issue a WARN for assistance.

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1 Mr. Lynn stated that the ACSA and one additional municipality in the State
2 of Virginia were the only agencies having the capabilities to repair asbestos
3 cement pipe while meeting OSHA and federal requirements. Mr. Lynn took the
4 opportunity to thank the Board for the equipment purchased for the ACSA to
5 utilize in such work. He stated that the ACSA staff took good care of their
6 equipment and kept a plentiful inventory and therefore would be a good
7 candidate for the program. Mr. Lynn stated he had no reservations about taking
8 the ACSA's equipment to another facility to assist.

9 Dr. Palmer asked who from the ACSA would be the designated authorized
10 representative who would make the decision whether to participate. Mr. Lynn
11 stated that the Executive Director and the Board would determine the designee.
12 Mr. Lynn added that the program requires the municipality providing assistance
13 to be self-sufficient for the first three days of the catastrophe. He advised that
14 Dominion Power had participated in a similar program for years and he would
15 discuss with them what they had in place to maintain self-sufficiency for three
16 days. He added that the ACSA would be reimbursed for all services they
17 provide.

18 Mr. Colbaugh asked if all participating authorities and municipalities would
19 provide a list of available equipment. Mr. Lynn replied in the affirmative. Mr.
20 Martin asked how many employees the ACSA could afford to send to another
21 municipality for a week, in the event of a catastrophe. Mr. Lynn replied that he
22 could probably offer eight employees, but that would depend on the impact to the
23 ACSA. He noted with eight employees gone, a water crew and a sewer crew
24 would be shut down. Mr. Martin stated that those employees would have to
25 "pack up" on a very short notice and asked how compensation would be handled
26 for those employees. Mr. Lynn replied that the ACSA would continue to pay their
27 employees, and would be reimbursed by the agency that requested the
28 assistance. Mr. Martin asked if the employees would receive additional
29 compensation. Mr. Lynn replied that the employees would be compensated their
30 salary plus over-time. Mr. Fern noted that the ACSA was not required to send
31 any equipment or personnel.

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1 *Dr. Palmer moved to approve the Resolution, authorizing the*
2 *Executive Director to execute the Virginia WARN Mutual Aid Agreement,*
3 *seconded by Mr. Roberts. The Chairman asked for a roll call vote: Mr.*
4 *Roberts, aye; Mr. Martin, aye; Mr. Carter, aye; Mr. Wagner, aye; Mr.*
5 *Colbaugh, aye; Dr. Palmer, aye.*

6

7 8. Broad Banding (Recording Time: 9:48:29 a.m.)

8 Mr. Fern referred to earlier discussion within the year, regarding Broad
9 Banding and bringing a plan to the Board in January 2010. Mr. Fern asked, with
10 his departure, if the Board felt it was appropriate to move forward with discussion
11 at this time. He stated if the Board did want more information regarding the topic,
12 staff could bring forth more detailed information in January. Dr. Palmer agreed,
13 and felt the new members of the Board should be present for such discussion.
14 Mr. Martin stated that Mrs. Thraves had done a great job putting ideas together
15 for the topic. He added that he had read through various materials which
16 detailed complex issues; he stated the Board needed to consider if Broad
17 Banding was appropriate for the ACSA and if they were inclined to implement
18 such a program. He stated that the success of the program would require the full
19 commitment of the new Executive Director. Mr. Martin felt the Board should wait
20 to discuss the topic until a new Executive Director was employed.

21 Mr. Colbaugh asked how many position titles the ACSA currently used.
22 Mrs. Thraves replied that the ACSA had 67 positions, 26 job grades and 33 job
23 titles. Mrs. Thraves stated that some positions employed numerous personnel,
24 such as the Utility Worker position. Mr. Colbaugh asked if there was value in
25 considering 20 position titles, in lieu of 35. He believed the ACSA held too many
26 job titles. Mrs. Thraves stated that consultants had made recommendations in
27 the past to eliminate job grades. She stated the ACSA had eliminated a couple
28 of job grades, and that she felt a huge benefit of the Broad Banding structure was
29 to deconstruct the ACSA's schematic grade scale. She noted, putting positions
30 into "job families," would help align the positions better. She stated the straight
31 "tree" job scale had to be lengthened to align positions within market ranges.

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1 Mrs. Thraves stated that a lot of job titles would be eliminated if the ACSA
2 adopted Broad Banding. She noted that working titles would have to be
3 maintained to adequately compare positions in the market.

4 Mr. Colbaugh referred to the Broad Band concept and noted that a laborer
5 would never climb to the top level, and asked if there would be an upper limit for
6 each position. Mrs. Thraves applied in the affirmative, but added that the upper
7 limit would change every two years to make sure the ranges were competitive.
8 Mr. Colbaugh stated, for example, the Administration Supervisor would not earn
9 \$109,000 a year, even if they had been employed with the ACSA for 30 years.
10 Mrs. Thraves agreed, but added that with the Broad Band program, the
11 Administration Supervisor could continue to be rewarded if they continued to be a
12 high achiever. She noted that if the Administration Supervisor was a high
13 achiever, they could earn close to the amount. Mrs. Thraves replied that she
14 was not recommending a typical Broad Banding concept. For instance, she felt
15 managers should have ability to recommend salaries, but the Executive Director
16 should have final determination. She noted that, in the State of Virginia, more
17 flexibility is given for managers to reward their staff directly.

18 Mr. Martin noted a concern that a Broad Banding system had fundamental
19 implications for merit promotion. He stated, within a band, there were
20 implications of competing for a promotion. Mrs. Thraves stated without Broad
21 Banding, there were competitions for a promotion.

22 Mr. Colbaugh asked if there was value to adding a supervisory category.
23 Mrs. Thraves replied that all supervisors would be included within the
24 professional level. Mr. Colbaugh noted that the Administration Supervisor was
25 not included within the professional level. He wondered if Engineers and
26 Accountants should be Broad Banded within the professional level. He stated a
27 separate category for supervisors would add value to the position.

28 Mr. Carter felt that the topic should be addressed with the Board once the
29 new Board members were appointed to allow all members education on the
30 topic.

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1 Dr. Palmer asked where engineers were in the Broad Banded scale. She
2 stated starting salaries were currently in the \$75-80,000 range. She noted that
3 ACSA was proposing to set the starting salary for their Engineer at \$87,800. She
4 noted that the “fresh out of school” salaries were not at the lower end of the
5 salary scales. Mrs. Thraves stated, in the engineering field, private industries
6 pay more. She stated in public industry, engineers make less in exchange for
7 public service and stable benefits. She noted, however, that the ACSA had to
8 pay a recently hired engineer higher in the salary scale.

9 Dr. Palmer asked Mr. Fern, as an outgoing director, if he felt there were
10 any issues or problems with Broad Banding. Mr. Fern stated that he would not
11 promote Broad Banding if he did not feel the ACSA would benefit. He stated the
12 majority of the ACSA’s employees who have been employed for a long time,
13 were below market. He felt that it did not make sense that they could go outside
14 the ACSA and make a higher salary for the same job. Mr. Martin asked why the
15 salary levels were below market value. Mr. Fern replied that employees were
16 hired at a lower pay scale; pay scales were adjusted based on market
17 comparisons, but the ACSA had not made adjustments to individual salaries. Mr.
18 Martin stated that the Board could authorize the adjustments to be made without
19 adopting the Broad Banding concept. He stated that Broad Banding made job
20 comparisons within the market difficult. He added that Broad Banding would
21 make it difficult to go outside of the State of Virginia to find comparable jobs. He
22 noted that he was unaware of any other utility in the State of Virginia which
23 utilized the Broad Banding concept. Mrs. Thraves stated that the only other
24 agencies that she was aware of that utilized Broad Banding were cities and
25 counties, not utilities. She felt that the ACSA would not lose site of the market if
26 they utilized Broad Banding, suggesting the ACSA utilize a modified Broad
27 Banding concept. She stated as a public agency, the ACSA should still review
28 the market every couple of years to compare jobs and check all positions, not
29 benchmarking jobs.

30 Mr. Martin stated that the literature he had researched suggested once
31 Broad Banding was adopted, jobs became different, causing difficulty in

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1 comparison. He recalled that Ms. Carolyn Fowler had composed an analysis of
2 similar jobs in similar utilities. He noted that Ms. Fowler could not present her
3 analysis to the Board of Directors in July due to an illness. He stated perhaps
4 Ms. Fowler could address the Board now, to discuss her opinion of the Broad
5 Banding concept, under her prior contract. Mrs. Thraves advised that Ms. Fowler
6 would likely be glad to discuss her opinion of the Broad Banding concept with the
7 Board.

8 Mr. Roberts felt Broad Banding would compensate an employee for “doing
9 better” and applying himself to “be all he or her can be.” Mr. Roberts felt
10 compensating employees for applying themselves was how the ACSA would be
11 able to retain its employees. He stated that employees should be able to obtain
12 training for their weaknesses. Mr. Martin stated that the ACSA did not have a
13 problem retaining its employees. He stated the adage, “if it ain’t broke, don’t fix
14 it,” (noting that he hated the adage). He suggested the ACSA objectively and
15 critically research if there were problems with the current ACSA system. He
16 stated the ACSA had a stable and qualified workforce and there was not a
17 problem that he could see with the current system. He asked what the problem
18 was that the ACSA was trying to fix.

19 Mrs. Thraves recalled that she had advised the Board in May 2009 that
20 she would be prepared to discuss the possibility of a Broad Banding concept in
21 January 2010. She stated the concept consisted of a lot of detailed work, which
22 she could complete by January, but felt with the new Executive Director coming,
23 the topic should be discussed at a later time. She noted the final decision would
24 be up to the Board. The Board stated their consensus to postpone the topic until
25 the new Board Members and Executive Director were appointed so their ideas
26 could be included. Mr. Wagner advised the ACSA had “led the parade” in the
27 past and did not have to necessarily wait until another authority implemented a
28 new program to adopt one itself.

29
30

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1 **9. Voluntary Early Retirement Incentive Plan (VERIP) (Recording Time:**
2 **10:06:45 a.m.)**

3 Mr. Fern stated, as customary in December, the ACSA required
4 employees who intend to retire within the next fiscal year to let the Board of
5 Directors know. He advised that two individuals; Gary Whelan and Katrina
6 Thraves requested the Board's approval for early retirement. He noted that Mr.
7 Whelan anticipated a retirement date of April 1, 2011 and Mrs. Thraves
8 anticipated a retirement date of June 1, 2011, provided that Broad Banding was
9 in place and working properly. He stated that both individuals qualified for
10 Voluntary Early Retirement Incentive Plan (VERIP) benefits, and were asking the
11 Board for their approval.

12 ***Mr. Carter moved to approve Voluntary Early Retirement Incentive***
13 ***Plan Benefits for Mr. Whelan and Mrs. Thraves, seconded by Dr. Palmer.***

14 Mr. Colbaugh understood that VERIP allowed the continuation of health
15 benefits for five years after retirement. He asked the amount of the subsidy and
16 asked its purpose. Mrs. Thraves stated it was an incentive adopted which varied
17 by the number of years of service. She noted it utilized the Virginia Retirement
18 System's (VRS) formula and gives the employee the amount of years needed to
19 equal age 65. She stated that the number of years is multiplied for the ACSA to
20 determine an additional monthly income as an incentive for employees to retire,
21 once they were eligible, to save the ACSA additional costs. Mr. Colbaugh
22 clarified, if an employee was employed 30 years, their retirement incentive would
23 be calculated to be, say \$100 a month. He stated that the ACSA would give an
24 additional five years, which would be calculated to be \$120 a month. Mrs.
25 Thraves stated that VRS would pay the employee \$100 and the ACSA would pay
26 the employee \$20.

27 Mr. Martin clarified that the subsidy was to provide an early retiree with the
28 same retirement benefits that the retiree would have obtained if they were eligible
29 for retirement without early retirement. Mrs. Thraves stated that the employee
30 must be eligible to retire from VRS, and added that the employee would receive
31 the same benefit as if they stayed an additional five years. Dr. Palmer asked if

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1 the ACSA was encouraging employees to retire to save money for the
2 organization. Mrs. Thraves stated she is toward the end of the salary scale, and
3 could be replaced with someone closer to the entry level pay. Mr. Carter stated
4 that the early incentive plan also encourages employees to stay for potential
5 advancement.

6 Dr. Palmer asked how health care would be handled after early retirement
7 until the retiree turned 65. Mrs. Thraves replied that a retiree pays the entire
8 amount of their health insurance. She stated that the retirees were eligible to
9 continue with the ACSA's health insurance plan until they are Medicare eligible.
10 She added, regarding VERIP, the ACSA continues to pay their contribution,
11 currently \$600 to the retiree. She noted that the employee would also have the
12 option of joining a spouse's insurance plan. Dr. Palmer clarified that there would
13 be a "gap" where the retiree would have to pay the full premium since the ACSA
14 only pays \$600 for 5 years after retirement. Mr. Roberts stated that the plan
15 parallels the County School Board and County Government's early retirement
16 program.

17 ***The Chairman asked for all members in favor. All members voted***
18 ***aye.***

19 Mr. Fern stated that the County had decided to phase out the VERIP
20 stipend beginning in FY 2012 and completing the phase out in FY 2020. He
21 stated that staff was asking the Board to consider mirroring the County's
22 decision. Dr. Palmer asked if the phase out was only for the additional income,
23 and not supplemental money for health insurance. Mr. Fern replied in the
24 affirmative. He stated the staff would prepare an amendment if the Board agreed
25 with phasing out the stipend. Dr. Palmer stated that the ACSA was a smaller
26 organization than the County and asked what the advantages would be to phase
27 out the program for the ACSA. Mrs. Thraves stated she supported the way the
28 County was phasing out the program. She noted the program would not affect
29 anyone who was ready to retire. She stated that reduction would not affect
30 current retirees. She advised that the ACSA had three potential retirees in 2012,

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1 and two in 2014 and added that currently the ACSA had six potential retirees
2 which had indicated they were not going to retire next fiscal year.

3 Dr. Palmer asked if the phase out of the early incentive plan would affect
4 the encouragement of employees retiring. Mrs. Thraves felt that the stipend was
5 small and depended on the years of service. Mr. Roberts felt, before a decision
6 was made, the Board should see an impact statement outlining “how many and
7 how much.” He stated that the decision could devastate the morale of the
8 agency.

9 Mr. Lynn stated that the phase out of the early retirement incentive
10 affected him. He noted in June 2010, he will have 33 years of service with the
11 ACSA. He stated his goal was not to retire until 2018 or 2019, at which time his
12 early retirement benefits would cover his health insurance until he turned 65. He
13 added, if the phase out is adopted; he would have to consider retiring early.

14 Mr. Colbaugh stated he would like to know the number of recent retirees.
15 Dr. Palmer assumed the impact on the ACSA as a small agency, was small. She
16 stated that she did not want this topic to have the wrong affect on the agency.
17 Mr. Colbaugh stated that he would like to know what the financial impact was on
18 the ACSA. Mrs. Thraves noted that no retiree was currently receiving more than
19 \$400 a month, but she would present actual totals to the Board the following
20 month.

21

22 **10. North Fork Regional Pump Station- (Recording Time: 10:29:31 a.m.)**

23 The Chairman stated he would need to turn the meeting over to the Vice-
24 Chairman due to a personal interest he may have in the matter.

25 Mr. Fern recalled the September Board meeting. He stated that the Board
26 had discussed a Special Rate District for the North Fork Regional Pump Station
27 Project. He presented a map of the north and south zones of the project
28 (Attached as Pages ____). Mr. Fern advised that the border for the north zone
29 had been revised based on work conducted by the County. He noted on the
30 north zone, in the area of the Joint Use Intelligence Analysis Facility (JUIAF),
31 there was an area not covered within the Jurisdictional Area. He stated that the

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1 Planning Commission had not yet recognized the on-going project due to the
2 JUIAF being a federal facility which was not required to obtain permits from the
3 County. He advised that the ACSA was working with the County to have the
4 JUIAF included within the Jurisdictional Area so the ACSA could provide service.
5 He stated that there were other areas where the Jurisdictional Area did not meet
6 the zoning boundaries. Mr. Bowling asked Mr. Fern if the County would be
7 making the changes promptly. Mr. Fern replied that staff was still working with
8 the County to have the changes made.

9 Mr. Gorham stated that the JUIAF was rapidly approaching the point in
10 construction where a meter would be needed. Mr. Bowling stated that the ACSA
11 could not legally install a meter on the property until the property was included
12 within the Jurisdictional Area. Mr. Fern stated that NGIC was served for a while
13 before being included within the Jurisdictional Area. Dr. Palmer asked if the
14 ACSA had requested the Board of Supervisors to include the topic on their
15 agenda. Mr. Fern replied that Mr. Gorham was working with Mr. David Benish to
16 update the Jurisdictional Area. Mr. Gorham hoped to have the boundary
17 remedied shortly. He stated that the County typically does not include parcels
18 within the Jurisdictional Area until they receive a development plan for that
19 parcel.

20 Mr. Colbaugh asked if all of the changes, and future changes to the
21 Jurisdictional Area, could be incorporated into the Special Rate District in the
22 future. Mr. Fern replied in the affirmative, and added that as the Jurisdictional
23 Area grew, the Special Rate District could grow. Mr. Bowling clarified, since the
24 growth included a Special Rate District, the ACSA would be required to re-
25 advertise and conduct a Public Hearing to announce all changes. He stated the
26 process was quite cumbersome. Mr. Gorham called the Board's attention to a
27 portion of the Jurisdictional Area, which went outside the growth area due to a
28 previous action taken with the County to follow the zoning line.

29 Mr. Martin asked why the changes were not "worked out" prior to the
30 Board of Supervisors meeting in December. Mr. Gorham replied that the ACSA
31 was due to receive a draft map of the Jurisdictional Area for review prior to the

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1 meeting, but never received one and was not aware until Mr. Martin had brought
2 the staff's attention to the matter. Mr. Roberts asked, once the JUIAF provided
3 the County with a development plan, would all of the issues be resolved. Mr.
4 Fern stated that the issue regarding the JUIAF would then be resolved, but
5 additional issues, which were not as crucial, would still remain.

6 Dr. Palmer clarified that there were areas, not in the growth area, which
7 were included within the Jurisdictional Area in other parts of the County.

8 Mr. Fern presented a spreadsheet detailing the total estimated project cost
9 breakdowns for the north and south zones of the property (Attached as Pages
10 ____). He stated that separate connection fees were required for the north and
11 south zones. He noted that the construction cost estimates referenced were
12 based on the 60% design documents provided by Whitman, Requardt &
13 Associates (WRA) and included a 20% construction contingency. He stated that
14 two other projects were included in the overall North Fork Regional Pump Station
15 Project; a gravity sewer extension to Airport Acres and a 12-inch diameter river
16 crossing from the north side to the south side of the North Fork of the Rivanna
17 River; the estimates were prepared by the ACSA and included a 30%
18 contingency.

19 Mr. Fern stated the calculation estimated \$750,000 for land acquisitions.
20 He stated that the figure was based on current County appraisals. Mr. Fern
21 noted that a closing had been conducted for the HMC Holdings property, and the
22 ACSA now owned property for the Camelot Pump Station. Mr. Fern referenced
23 Engineering, Survey and Permitting and stated the figure included preliminary
24 design and final design, in addition to topographic survey and permitting for the
25 project. He noted that Construction and Engineering Services was an estimate
26 for providing inspection and construction administration services by WRA. He
27 stated the project anticipated one ACSA inspector to inspect the North Fork
28 Pump Station force main and WRA inspecting the construction of the pump
29 stations and force mains between the pump stations for an estimated period of
30 18 months. Mr. Fern stated that the last figure referenced the financing for the
31 project which included administration and interest on the bond. He added that

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1 the estimated interest amount for the bond was based on \$14,500,000 for a 20-
2 year period, at an interest rate of five percent. Mr. Fern noted that the total
3 estimated project cost was \$24,539,450. He stated that the bond, estimated at
4 \$14.5 million, did not include the ACSA's estimated obligation for the project,
5 which is ten percent.

6 Dr. Palmer asked why the ACSA felt ten percent was the ACSA's portion
7 of the project. Mr. Fern stated the estimate was based on current wastewater
8 flows to the Camelot Wastewater Treatment Plant from current ACSA customers.
9 Mr. Colbaugh noted that ten percent of \$14.5 million did not equal \$24.5 million.
10 Mr. Fern clarified, ten percent of the total, and added that the ACSA had already
11 financed part of the project. Ms. Breeden stated that the ACSA had paid for all
12 aspects of the project to date. Mr. Colbaugh clarified that the amount would be
13 included within the Special Rate District. Ms. Breeden replied in the affirmative.
14 Mr. Colbaugh suggested the ACSA finance \$20 million and add the finance
15 charge into connection fee calculations. Ms. Breeden replied that the ACSA was
16 including the finance charge within the connection fee calculations. Mr.
17 Colbaugh felt the ACSA was covering finance charges for the Special Rate
18 District on money the ACSA had to pay "up-front." Mr. Fern clarified that the
19 ACSA would only pay \$2.5 million with the remaining being financed. He stated
20 \$14.5 million was interest being bonded for. Mr. Bowling stated that staff's
21 proposal, from a legal standpoint, had a sound basis. Ms. Breeden stated, in
22 essence, the ACSA would recover \$22 million, but would not borrow that much.
23 Mr. Colbaugh felt the calculations should reflect a \$22 million bond interest fee,
24 regardless of how much money was borrowed. Ms. Breeden stated the
25 developers would have to bear the cost of \$14.5 million and the interest amounts.
26 Dr. Palmer stated it would be to the advantage of current ACSA rate payers, for
27 the ACSA not to finance their portion of the project.

28 Mr. Fern stated, based on assumptions that the ACSA would bond for
29 \$14.5 million; the north zone connection fee would be approximately \$854 per
30 Equivalent Residential Connection (ERC), and the south zone connection fee
31 would be approximately \$2,088 per ERC. He stated that the connection charges

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1 would be in addition to the current connection charges in affect when the
2 properties were developed in the future. He noted the collected connections fees
3 would recoup an estimated \$22 million.

4 Mr. Colbaugh asked if the total costs were less than anticipated, would the
5 ACSA reimburse the customers. Mr. Bowling stated, legally, the ACSA would not
6 have to reimburse customers as long as the figures were in the "ball park" of the
7 actual cost. Mr. Fern stated the project costs were based upon 60% project
8 design documents, but would be reviewed after the project was out for bid. He
9 asked that the Board set a Public Hearing date in 60 days to establish a Rate
10 District with the detailed rates. Mr. Colbaugh clarified on July 1 of each year, the
11 ACSA would modify connection fees and the Special Rate District fees,
12 appropriately. Mr. Fern stated the Special Rate District fees would be consistent
13 over the life of the bond. Mr. Colbaugh asked if the ACSA would have an actual
14 figure by July 1, 2011. Mr. Fern replied in the affirmative, adding that the fees
15 could be increased at that time.

16 Mr. Fern suggested February 18, 2010 as the date of the Public Hearing.
17 Mr. Roberts asked if the Public Hearing should be conducted at Hollymead
18 School at 7:00 p.m. Mr. Fern stated a Public Information Meeting had been
19 conducted for the project previously and only four attendees were present. Dr.
20 Palmer asked who would attend the Public Hearing. Mr. Fern replied that the
21 ACSA would notify all landowners that would be affected by the project. Mr.
22 Roberts asked how many residents would be impacted. Mr. Fern replied that he
23 was unsure of a number, noting Camelot, Airport Acres, Briarwood, North Fork
24 Research Park areas would all be impacted. Mr. Bowling stated that only those
25 responsible for the connection fees for new construction would be impacted. Dr.
26 Palmer stated it would be reasonable to conduct the Public Hearing for the topic
27 at the ACSA during the regular scheduled Board Meeting. Mr. Fern stated that
28 residences in the area, who were currently not connected to the ACSA sewer
29 system, would be required to pay a connection fee if they choose to connect.

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1 ***Dr. Palmer moved to set the Public Hearing date for February 18,***
2 ***2010 at the regularly scheduled Board of Directors Meeting, seconded by***
3 ***Mr. Colbaugh.***

4 Mr. Carter stated that he had conducted business with the UVA
5 Foundation in regards to zoning matters at the North Fork Research Park. He
6 stated that he currently was not conducting business with the Foundation, but
7 stated he would abstain from the vote as a matter of caution. Mr. Bowling stated
8 if Mr. Carter was not on a retainer by the UVA Foundation, there was no actual
9 conflict of interest.

10 ***Mr. Carter abstained, all other members voted aye.***

11 Mr. Roberts stated that staff needed a motion to authorize advertisements
12 for a financial advisor to secure a \$14.5 million bond. Mr. Fern stated that staff
13 would bring back a contract to the Board in the future. Mr. Martin asked an
14 estimate of cost for a financial advisor. Ms. Breeden felt a cost estimate of
15 \$25,000 was accurate, but hoped the actual amount was less. Mr. Roberts
16 asked if the cost was based on a percentage of the bond. Ms. Breeden replied,
17 “sometimes.” Mr. Colbaugh asked if the financial advisor would also be bond
18 council. Ms. Breeden replied that the firm would assist in a search for bond
19 council. Mr. Bowling stated that a firm specializing in bonding would be
20 necessary.

21 ***Mr. Colbaugh moved to authorize staff to advertise for a financial***
22 ***advisor to secure a \$14.5 million bond, seconded by Dr. Palmer. Mr. Carter***
23 ***abstained, all other members voted aye.***

24 The Chairman returned to his position on the Board.

25

26 **11. Oak Hill Sewer Project (Recording Time: 11:01:14 a.m.)**

27 Mr. Fern stated a Public Information Meeting was conducted at the County
28 Office Building for the Oak Hill Sewer Project. He stated that there were 12
29 attendees which generated good discussion regarding the project. He noted that
30 Mr. Ron White from the Albemarle County Department of Housing was in
31 attendance as well as representatives from the Albemarle Housing Improvement

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1 Program (AHIP). Mr. Fern presented a map of the project, (Attached as Pages
2 ____). He noted that the shaded areas represented the properties which would
3 benefit from the project. Dr. Palmer asked if the properties which were not
4 shaded, be included in a future project. Mr. Fern replied in the affirmative,
5 adding that the sewer would need to be extended to some of the properties.

6 Mr. Fern stated a discussion was presented regarding the Community
7 Development Block Grant (CDBG). He noted that income surveys were sent to
8 the residences. Mr. Gorham stated that at the time of the Board Meeting, staff
9 had received 31 survey responses, but noted that one of the properties had
10 already connected to the ACSA system. Mr. Fern advised that the CDBG
11 program required, of the 57 properties which could benefit from the project, 43 of
12 those properties respond to the survey which was equivalent to a 75% response
13 rate. Mr. Fern noted that of the 43 properties required to respond, 22 have to
14 meet low to moderate income (LMI) requirements. Mr. Gorham stated, of the 31
15 responses, 19 property owners state that they qualify under the LMI
16 requirements. Mr. Martin asked if 75% of the property owners had to agree to
17 connect to the ACSA system. Mr. Fern stated that of the 43 required responses,
18 the property owners would have to sign a user agreement stating that they would
19 connect to the ACSA system. He noted that last year, when the properties
20 owners were surveyed, 41 property owners responded. He added that survey
21 responses are due back to the ACSA by the second week of January.

22 Dr. Palmer asked of the properties affected, how many were rentals and
23 how many were property owners. Mr. Gorham stated he was unsure of the
24 number, but noted that the surveys were mailed to both the renters and the
25 property owners. Mr. Carter asked whether the property owner or the tenant
26 needed to meet the LMI requirements. Mr. Gorham replied that the tenant would
27 have to meet the income requirements. Dr. Palmer asked, of the Public
28 Information Meeting attendees, were any of the attendees the same as
29 previously interested in the project. Mr. Gorham replied that some of the
30 attendees were new.

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1 Mr. Fern referred the Board to a spreadsheet in their Board Packet
2 detailing the project cost estimate. He pointed out that the estimated
3 construction cost was \$710,000. He stated 51% LMI residences, equals 29
4 residences. He noted, in accepting a grant, the ACSA is required to waive
5 connection charges for LMI families which totals \$179,507. He stated that non-
6 LMI connection charges total \$172,468, bringing the total connection charges to
7 \$351,975. Mr. Fern advised that the grant also requires the LMI families have
8 their sewer laterals installed from their home to the ACSA sewer main, which
9 increases the construction cost of the project. He noted that the CDBG
10 reimbursement is based on \$12,500 per residence. He stated he was unsure if
11 non-LMI families were included in the total reimbursement calculation.

12 Mr. Fern stated that the Net Construction Cost detailed on the
13 spreadsheet, assumed that the ACSA would receive a CDBG. He noted, if the
14 ACSA did not include lost revenue from the waived connection charges, the
15 construction cost to the ACSA would be \$404,765. He added, if the ACSA
16 included lost revenue due to LMI residences, the cost to the ACSA would be
17 \$411,805. If the ACSA included lost revenue from waived connection fees for all
18 residences, the ACSA cost would be \$756,740. He stated that if the ACSA did
19 not receive a grant, then the construction cost less received from connection
20 charges would be \$358,025. Mr. Fern stated, if all 57 residences were LMI, the
21 cost for not accepting the CDBG would be higher.

22 Mr. Martin asked what the burden for the project would be for the rate
23 payers. He stated if the ACSA did not receive a grant, the construction costs
24 would total \$710,000 and if all 57 houses connected to the ACSA system, the
25 maximum amount of connection charges the ACSA could obtain would total
26 \$351,975. He noted that the burden on the ACSA rate payers would total
27 \$358,025. Mr. Fern replied in the affirmative. Mr. Martin stated if the ACSA
28 obtained a CDBG of \$712,500, based on all 57 residences, construction costs
29 with the addition of the connections to each home, would cost the ACSA rate
30 payers \$111,500. He noted that the grant application would be more competitive
31 and almost guarantee 100% connection. He stated if the property owner does

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1 not agree to the connection, they would be required to pay full connection fees.
2 He noted it was in the best interest of rate payers to apply for the grant.

3 Dr. Palmer agreed with Mr. Martin, but asked if there was a possibility that
4 the ACSA would receive a lesser grant. Mr. Martin stated that the grant amount
5 depended on how many property owners agreed to connect. Mr. Fern noted that
6 the grant would still be an advantage. Dr. Palmer asked if the ACSA was
7 committed to the costs if the grant was not accepted. Mr. Bowling stated that the
8 ACSA did not have to accept the grant, if offered. Mr. Martin noted that the grant
9 seemed to be a good deal for all parties involved. Dr. Palmer referred to a
10 service connection charged listed at \$1,500 and asked if it was an estimate. Mr.
11 Fern replied in the affirmative, but stated staff needed direction from the Board to
12 let the Oak Hill residents know what the ACSA was willing to waive and pay for.

13 Mr. Colbaugh asked if some of the connections would be more
14 complicated to install, and therefore cost more. Mr. Fern stated that some
15 connections would be longer than others. Mr. Colbaugh clarified, if a property
16 owner did not agree to the connection now, would they be able to connect in the
17 future without paying connection fees. Mr. Fern replied that the user agreement
18 stated the property owner would have to pay full connection fees if they decided
19 to connect to the ACSA system in the future.

20 Dr. Palmer asked, when connecting a property owner's home to the ACSA
21 sewer lateral, would an agreement be distributed stating the ACSA was not
22 responsible for maintenance of that pipe. Mr. Fern stated that once the sewer
23 lateral was installed, it would be dedicated to the property owner and they would
24 be responsible for all maintenance to that pipe.

25 Mr. Carter asked how many private sewer systems were currently
26 malfunctioning in the Oak Hill Subdivision. Mr. Fern stated that he was uncertain
27 of a total number, but added that the ACSA had received a letter from the
28 Virginia Department of Health stating that one property had sewage running
29 across a neighboring property. Mr. Carter asked the financial impact on all
30 current rate payers' monthly bill. Mr. Martin stated the amount would be very
31 small.

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1 Dr. Palmer stated that the Thomas Jefferson Soil and Water Conservation
2 District (TJSWCD) had previously conducted a study suggesting the Oak Hill
3 area was contributing to the contamination of a nearby stream. Mr. Gorham
4 added that the soil in the area does not perc well. Mr. Bowling added that the
5 Oak Hill Subdivision had failing septic systems for a long time. He noted that 10
6 years prior, the ACSA attempted to rescue property owners in the Oak Hill
7 Subdivision with failing septic systems, but could not obtain 50% property owner
8 commitment to connect to the ACSA system.

9 Mr. Carter asked if the ACSA had obtained a CDBG previously. Mr.
10 Bowling stated that the ACSA had received a CDBG for the Stony Point
11 Subdivision but had failed in other instances. Mr. Martin stated the Biscuit Run
12 area was polluted, which would help make the ACSA's CDBG application more
13 attractive.

14 ***Mr. Colbaugh moved that the Board make a determination that***
15 ***connection fees for the Oak Hill Sewer Project would be waived for low to***
16 ***moderate income residences and non-low to moderate income residences***
17 ***and that the information be relayed to the customers in the Oak Hill***
18 ***Community, seconded by Dr. Palmer.***

19 Mr. Fern asked if Mr. Colbaugh's motion included extending the sewer
20 lateral from the homes to the ACSA sewer main for non-low to moderate income
21 residences. Mr. Colbaugh replied in the affirmative.

22 ***Mr. Colbaugh amended his motion to include installing sewer laterals***
23 ***for low to moderate income residences and non-low to moderate income***
24 ***residences, seconded by Dr. Palmer. All members voted aye.***

25

26 **12. Executive Director Search (Recording Time: 11:23:54 a.m.)**

27 Mr. Fern noted that the topic was included in the Agenda so the Board
28 could have further discussions on the topic if they desired.

29 Dr. Palmer asked if the ACSA had received any responses to the
30 advertisement of the position. Mrs. Thraves replied in the affirmative. She stated
31 that the position had been posted on the AWWA websites, theladders.com

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1 website, the Washington Post, and the Richmond Times Dispatch. She added
2 that the ACSA's website had received 79 views on the job openings page and
3 the overall website had 634 views. Mrs. Thraves stated that she had received
4 one application as a result of the posting on the Washington Post, three inquiries
5 as a result of the AWWA national posting, 94 views on theladders.com website
6 and four applications as a result of posting on that site. She noted that
7 applicants are quick to submit their resume, but the ACSA requires original
8 signatures on both background check authorizations and on the application.

9 Dr. Palmer asked if there was a possibility of considering an interim
10 Executive Director for the ACSA. Mr. Wagner stated that the topic was
11 discussed in Executive Session, but he had not contacted the individual
12 recommended. Dr. Palmer asked if telephone interviews would be conducted.
13 Mr. Carter suggested discussing telephone interviews after the January 11, 2010
14 deadline to determine how many applicants there were. Mr. Colbaugh suggested
15 screening the applications to the top ten. Mr. Roberts stated that a grid should
16 be developed to determine how Mrs. Thraves chooses the top ten. Mr. Colbaugh
17 suggested a work session on January 7, 2010 to narrow down applicants to the
18 top ten. He suggested either Mrs. Thraves or a Board Committee contact the top
19 ten applicants to schedule interviews. Mr. Martin stated that he wanted to
20 personally review every application.

21 Mr. Martin felt applications could not be reviewed until the job posting
22 closed on January 11, 2010. Mr. Colbaugh disagreed. Mr. Carter stated, if the
23 ACSA only received three applications, they could be reviewed at the next
24 regularly scheduled Board meeting. Mr. Martin stated that the Board would not
25 be reflected favorably to review applications for consideration prior to the close of
26 the job posting. Mr. Carter suggested the meeting be scheduled for January 14.
27 Mr. Bowling stated that the Board gave a deadline of January 11 for applications
28 and stated that the Board should wait until after that date to review applications
29 to avoid any potential improprieties. Mr. Colbaugh hoped to conduct telephone
30 interviews prior to the regularly scheduled Board Meeting; so at the Board
31 Meeting, the top three to five candidates could be discussed. Dr. Palmer felt the

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1 Board was trying to include too much in one meeting. Mr. Martin felt each Board
2 Member should individually review the applications prior to January 11 to review
3 the applications and make notes.

4 Mrs. Thraves stated that as applications are received, she reviews them to
5 make certain the application is complete. She stated that she made her own
6 opinion as the applications come in or as she talks with them on the phone. She
7 stated that she could not forward applications to the Board until they are
8 completed. Mr. Wagner stated that since the job does not close until January 11,
9 some applications may be mailed on January 11. Mr. Colbaugh quoted from the
10 advertisement, "send applications by January 11th." Dr. Palmer agreed with the
11 suggestion of meeting on January 14 to review applications. Mr. Wagner stated
12 that the meeting on January 14 would be conducted in Executive Session to
13 discuss applications.

14 Mr. Bowling stated prior to January 14, Mrs. Thraves could have
15 applications available for review. Mr. Colbaugh suggested the meeting start at
16 8:00 a.m. for the Board to review applications prior to the Board Meeting. Mr.
17 Bowling stated that as long as the Board Members are in separate rooms, they
18 may review applications provided they do not make any decisions.

19 Mr. Martin referred to the interview process and stated he felt it was
20 important to conduct two rounds of interviews, even if the first round was
21 conducted via telephone. He noted that he had made inquiries regarding paying
22 applicants to come for interviews and added that all government agencies pay
23 applicants expenses only, to travel for their interview. He agreed that the
24 appropriate time to discuss paying for expenses would be on January 14.

25

26 **13. Items Not on the Agenda (Recording Time: 11:44:45 a.m.)**

27 a. Conflict of Interest- Mr. Fern referred the Board to a memorandum
28 received from the office of the Governor regarding the Conflict of
29 Interest and Financial Disclosure filings for fiscal year 2009-2010.
30 He noted that a website is listed. The Board Members all stated
31 that they had received a form in the mail to be completed. Mr.

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1 Roberts stated that the Secretary of the Commonwealth required
2 the Clerk of the Board of Supervisors to retain the documents.

3 b. Christmas Luncheon- Mr. Fern reminded the Board that the ACSA
4 Christmas Luncheon was at noon on December 18, 2009.

5 c. West Hall Phase 3- Mr. Wagner stated that he had talked with
6 someone who had bought a house out of foreclosure that was not
7 completed. He stated when the gentleman came to the ACSA to
8 pay his connection fees; the ACSA informed him that they could
9 not accept his check because certain things had not been
10 completed in the subdivision. Mr. Wagner stated that the
11 developer had not submitted complete surveys or signed final
12 documents. Mr. Wagner noted his understanding that the water
13 and sewer pipes had been inspected, but there was an electrical
14 problem. He added that the responsible entity that had developed
15 the property was no longer in business. Mr. Colbaugh asked if the
16 ACSA had accepted the water and sewer serving the
17 development. Mr. Wagner replied that the ACSA had not. Mr.
18 Fern stated that the contractor had not completed the tasks. Mr.
19 Colbaugh stated that as long as the water and sewer pipes were in
20 place and approved, he would not have a problem granting the
21 homeowner a meter. Mr. Fern stated that the electrical problem
22 was a transformer installed over the ACSA pipes. Mr. Wagner
23 stated that the pipes were in that location first, and asked who's
24 responsible for the transformer being installed over the pipes. Mr.
25 Bowling asked if there was a bond on the project. Mr. Fern stated
26 he was uncertain but there should be. Mr. Bowling stated that staff
27 should see if there were funds covered by the County bond. Mr.
28 Carter agreed it was worth looking into. Mr. Wagner stated that
29 due to the economy, he imagined similar situations were occurring
30 in other places. Mr. Fern stated that staff would discuss the
31 problem with the County. Mr. Wagner stated that the issue

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1 bothered him if someone who was not a part in creating the
2 problem was being held accountable for the problem.

3 Mr. Roberts asked if the system was not approved where the
4 sewage was going to. Mr. Bowling stated that no meters had been
5 set. Mr. Wagner stated the irony that the homeowner's neighbor
6 was connected to the ACSA water and sewer system due to the
7 neighborhood being in zones.

8

9 **14. Adjourn (Recording Time: 11:54:18 a.m.)**

10 ***There being no further business, Mr. Carter moved that the meeting***
11 ***be adjourned, seconded by Mr. Colbaugh. All members voted aye.***

12

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14

Gary W. Fern, PE, Secretary-Treasurer