



**AMHERST COUNTY SERVICE AUTHORITY BOARD
MEETING MINUTES**

AGENDA

June 7, 2022

Administration Building - 153 Washington Street - Public Meeting Room
Amherst, Virginia 24521

1:30 p.m.

- I. Call to Order**
- II. Citizen Comment**
- III. Approval of Agenda**
- IV. Approval of Minutes**
 - A. Minutes for May 3, 2022 ACSA Board Meeting
- V. Monthly Financial Report**
 - A. 2022 Financial Report for April 2022
- VI. Old Business**
 - A. Executive Director's Report
 - B. Assistant Director's Report
- VII. New Business**
 - A. July 2022 ACSA Board Meeting
 - B. ACSA Staff Letter of Appreciation
 - C. ACSA Availability Fees
 - D. ACSA Water Infrastructure Improvements
- VIII. Citizen Comment**
- IX. Matters from the Members of the Service Authority Board**
- X. Adjournment**

MINUTES

At a regular meeting of the Amherst County Service Authority Board, held at the Amherst County Administration Building on Tuesday, the 7th day of June, 2022, starting at 1:30 p.m., the following members were present:

SERVICE AUTHORITY (ACSA) BOARD:

PRESENT:	Tom Martin, Board Chair	ABSENT:	Turner Perrow, Board Vice Chair
	David Pugh, Board Member		Wesley Woods, Board Member
	Drew Wade, Board Member		

STAFF: Robert A. Hopkins, PE, Executive Director/Board Secretary
Richard Hall, Assistant Director
Mark Popovich, Amherst County Attorney
Regina M. Rice, Executive Assistant/Clerk to Boards

I. Call to Order

Board Chair Martin called the meeting to order at 1:30 p.m.

II. Citizen Comment

Board Chair Martin opened the floor for comment by meeting attendees and closed Citizen Comment when no meeting attendee wished to speak.

III. Approval of Agenda

By motion of Board member Wade, and with the following vote, the ACSA Board voted to approve the agenda for the June 7, 2022 Board meeting.

AYE:	Mr. Martin, Mr. Pugh, Mr. Wade
NAY:	None
ABSENT:	Mr. Perrow, Mr. Woods
ABSTAIN:	None

IV. Approval of Minutes

A. ACSA Board Meeting – May 3, 2022

Executive Director Hopkins informed the Board that amendments to the May 3, 2022, minutes were made after they were sent for review. Executive Assistant / Clerk to the Boards Regina Rice made the following correction: Board member Drew Wade was not present at the May 3, 2022, ACSA Board meeting.

Board Chair Martin asked County Attorney Popovich if Mr. Wade could vote to approve the May 3, 2020 meeting minutes, having not been present at this meeting. Mr. Popovich advised that Roberts Rules of Order has been changed, allowing Mr. Wade to vote.

Board member Pugh motioned to approve the amended draft meeting minutes for the May 3, 2022 Board meeting.

By motion of Mr. Pugh and with the following vote, the ACSA Board voted to approve the draft minutes for the May 3, 2022, ACSA Board meeting, as amended, listing Board member Drew Wade as being absent at the May 3, 2022 Board meeting:

AYE: Mr. Martin, Mr. Pugh, Mr. Wade
NAY: None
ABSENT: Mr. Perrow, Mr. Woods
ABSTAIN: None

V. Monthly Financial Report:

A. April 2022 Financial Report

Executive Director Hopkins compared ACSA finances for April 2022 to the prior month and year-to-date through the same period from the previous year:

1. ACSA Operations Revenues – Water

a. Revenues:

Sales (top line & boxed area of Section I.A)	- \$ 12,570.08 (- 1.10%)
Total revenues	+ \$ 22,064.93 (+ 1.81%)

b. Connections:

Thru April, 13 new water service connection (0 in April):

29.6% of 2021 total (44, an increase of 9 from 2020)

33.3% of 5 year annual average (37.0, an increase of 8.8 from 2020)

20.0% of pre-recession annual average (65)

Tap fees:	+ \$ 455.00 (+ 2.33%)
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2. ACSA Operations Revenues – Wastewater

a. Revenues:

Sales (top line & boxed are of Section I.B)	- \$ 5,108.51 (- 1.81%)
Total revenues	+ \$ 8,664.68 (+ 2.92%) vs. 2021

b. Connections:

Thru April, 4 new service connection (1 in April):

25.0% of 2020 total (16)

37.0% of 5 year annual average (10.8)

26.7% of pre-recession annual average (15)

Tap fees:	+ \$ 9,000.00 (+100.0%)
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3. ACSA Operations Revenues – Water and Wastewater

a. Sales:	- \$ 17,678.59 (- 1.25%)
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b. Total Revenues:	+ \$ 43,254.61 (+ 2.82%)
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4. Non-Operations Revenues	- \$ 87,578.77 (- 81.60%)
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5. Total ACSA Revenues	- \$ 44,324.16 (- 2.70%)
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6. Summary:

To better illustrate the status of ACSA operational revenues, the format was revised to remove non-operational revenues from operational revenue sections (Water Dept., Wastewater Dept., and Deposits) and categorize them separately as Non-Operations Revenues (grants and other outside funding, cell tower rent, scrap metal sales, etc.) not from internal water and wastewater operations).

April water sales increased \$19,348.95 from March, but are -\$12,570.08 (-1.10%) for 2022 compared to the same period of 2021.

ACSA had 0 new water service connections in April. Tap fees to date in 2022 fees are slightly (2.33%) more than for the same period of 2021.

April wastewater sales decreased \$30,072.23 from March, after a \$32,205.05 increase in March compared to February. Sales year-to-date thru April compared to the same period of 2021 are down \$5,108.51 (-1.81%). Total wastewater revenues thru April were +\$8,664.68 (+2.92%) compared to the first 4 months of 2021.

There was 1 new wastewater service connection in February.

Combined year-to-date water and wastewater sales thru April were down \$17,678.59 (1.25%) from the same period in 2021. Total operational revenues thru April were up \$43,254.61 (2.82%) compared to thru April 2021. Non-operational revenues were down \$87,578.77 from 2021, resulting in total ACSA revenues thru April 2022 being down \$44,324.16 (2.70%) from the same period in 2021.

ACSA received \$1,418.60 in April from the State Debt Setoff Program to defray unpaid and uncollectable utility account balances, bringing the total so far for 2022 to \$9.917.28.

A comparison of the number of active service connections 5 years ago (April 2017) and now results in the following table:

	<u>2017</u>	<u>2022</u>	<u>Change</u>
No. of business water connections	426	421	-5
No. of residential water connections	5,595	5,994	+399
No. of total water connections	6,021	6,415	+388 **
No. of business sewer connections	201	203	+2
No. of residential sewer connections	828	904	+76
No. of total sewer connections	1,029	1,107	+78 ***

** An average annual increase of 79.8 connections.

*** An average annual increase of 15.6 connections.

Hopkins referred back to the summary, explaining he has made changes to the financial report, hoping to clear any confusion concerning non-operational revenues reporting.

Board Chair Martin asked if there were any water connections in April. Hopkins again referred back to the Summary, which indicates thru April there have been a total of 13 new water connections; there were none in the month of April, 2022.

Board member Pugh initiated discussions concerning potential negative effects of rising costs of fuel, rising interest rates, etc., on ACSA's financial position. Hopkins replied "people have to use water and get rid of their wastewater, as long as they are paying the bills, inflation shouldn't hurt us." Martin added a concern that initiatives for new residential, commercial, and industrial development may be hindered.

There were no other Board member comments regarding the April 2022 Financial Report.

VI. Old Business:

A. Executive Director's Report

Updates since the last Board meeting are in bold italics.

1. James River Bank Stabilization Project
 - No change to the severity of the problem.
 - Hopkins is waiting for a nationwide permit from Hurt & Proffitt in 2022. H&P has engaged a consultant and is scheduling the survey for the required mussel study for the permit.
 - ACSA continues to stockpile construction demolition debris for temporary bank stabilization in 2022. ***A recent rockfall at River Edge Park resulted in much rock for a project being taken to the river for a possible summer 2022 project, pending progress on Sen. Warner's CDS funding.***
 - H&P completed topographic surveying, a base sheet drawing, and preliminary design of the temporary repair; Hopkins reviewed and commented and plans a 2022 project.
 - Hopkins has Hurt & Proffitt's grant administrator looking into General Assembly HB 7001, funding for sewer repairs, replacements, and upgrades.
 - VA Senator Warner and staff visited the site April 13 to discuss federal Bipartisan Infrastructure Law funding and expressed his concern for the situation and need for the project to be funded and completed (see attached New Era Progress article). Hopkins provided more requested information to Warner's staff after the site visit and meeting.
2. Water and Sewer Infrastructure Projects
 - Woodvue Dr. Water Main Replacement
 - * Hopkins is working on easement acquisitions for a 2022 project by ACSA staff.
 - Joint ACSA-County sanitary sewer extension program, Lakeside Dr.
 - * Hopkins is working on easement acquisitions for a 2022 construction project by a contractor. ***One easement was obtained in mid-May. Another has been promised. One remains to be acquired.***
 - Sewage Lift/Pump Station Upgrades
 - * ACSA received quotes from a vendor for 4 new sewage pumps, 2 each for Lighthouse and Abbitts pump stations and repair of a raw water pump at the Lanum water plant pump house, and asked for a quote for repair of the emergency wastewater pump. Hopkins expects to work the costs into the amended budget being prepared, with no appropriation from reserves, but will bring any required appropriation request to a future Board meeting for Board action.
 - * ACSA staff is investigating the replacement of operational controls at several ACSA pump stations in 2022 or 2023, depending on cost.
 - * A program of an annual overhaul of one pump station will begin in 2023, so every pump station will be updated every decade.

- VC Mobile Home Park:
 - * Hopkins submitted to the State in December the first reimbursement request from the \$250,000 State funding, for \$11,710.00 for design and construction drawings. Delays in processing have Hopkins talking to other State officials for assistance.
 - * ACSA is working with CVTC staff and VDOT to finalize the survey of existing water mains to be replaced, starting in 2022, and identify campus roads that are/will be in the public road system and right-of-way widths for each; Hopkins plans to establish easements for new water mains immediately adjacent to the road right-of-ways.
- RiverEdge Park:
 - * ACSA Operations Manager Micklem suggested installing a gate valve on the City water supply line to CVTC, immediately after the last of the other service connections on the line. Hopkins is considering it and will talk to the City about ACSA doing this in 2022.
- Graham Creek Reservoir Dam Improvements Project:
 - * Construction is proceeding and within schedule and budget. **Refer to attached photos for a visual update report.**
 - * Hopkins expects to hear about the two DCR grant applications, one for \$42,900 for construction administration, the other for up to \$250,000 for construction, about mid-2022.
 - * Hopkins submitted requested documentation to DCR for the \$2,250 grant reimbursement for the revised Emergency Action Plan and the 10/26/2021 tabletop exercise, and is waiting for a reply.
- Berkshire Place Sanitary Sewer Extension:
 - * **Hopkins is working on two alternatives to extend the existing sewer to the east side of the cul-de-sac and will contact neighboring property owners about acquiring the necessary easements. Hurt & Proffitt has provided a proposal for engineering services for design and construction of the sewer extension and Hopkins has requested a proposal from a directional bore contractor for the installation across and beneath Berkshire Place.**
- West Vail Court Sanitary Sewer Extension:
 - * Hopkins is working on acquiring the necessary easement from the adjacent property owner (the proposed Violets View development). A meeting was scheduled for the second week in April, but the meeting has been repeatedly cancelled by the property owner's engineer.
 - * Bidding/construction will proceed after approval by the County and completion of the easement acquisition from the adjacent lot owner.
- Amherst County Gateway (River Road) Sanitary Sewer Extension
 - * Hurt & Proffitt is continuing with field survey and geotechnical (rock search) work.
 - * Hopkins met the property owner on the preferred location (low point) on the north side of River Rd for the pump station. The owner may be willing to sell a portion of the land and is allowing H&P to bore for rock when the weather improves and H&P's can schedule the work.

- Ned Brown Road Water Main Extension
 - * Still waiting for developer go-ahead on a 750' water main extension in an ACSA easement outside the road right-of-way, upon ACSA, VDOT, and County approval of completed site plans.
- Monacan Indian Nation Projects Water Main/Sanitary Sewer Extensions
 - * ***Site plan approval has just been achieved and public water and sewer extensions to serve the two MIN projects are being scheduled.*** ACSA will install the water main and bid the sewer extension for contractor installation; all work paid for by MIN.
- Amherst Senior Center
 - * Hopkins is working with developer Terry Morcom on a possible sanitary sewer extension from the ACSA project to install new sanitary sewer facilities on River Road (if and when it is completed).
 - * Hopkins sent a very preliminary, pre-design cost estimate for the Morcom extension project this cost estimate to the County Supervisors 2/13.
- Seminole Plaza Shopping Center – Sanitary Sewer Overflow Complaints
 - * The hoped-for DEQ funding of a sewer system replacement project to replace at least did not work out. Drew Miller, DEQ, called Hopkins in March to inform him.
 - * Another overflow was reported by the resident during a storm in late March. Hopkins was told, called VDH, and was told litigation may be the next step to getting the shopping center owners to fix the sewer system.
 - * ***Hopkins was copied on a May 31 letter from environmental law firm McGuire-Woods to the shopping center owners requesting that the private sanitary sewer system be repaired to prevent any future system overflows.***

Hopkins highlighted the referenced letter from McGuire-Woods to the owner of the Seminole Plaza Shopping Center, expecting repairs to the private sewer system to be completed soon. Mr. Wade asked if there is a timeline for completion; Hopkins said a time line for completion is not known.
- Amherst County Dixie Youth Girls Softball Assoc. Stream Bank Erosion
 - * Hopkins and County Building Official Young (who is on the ADCYGSA Board) are trying to develop an ACDYGSA project to arrest erosion of the stream bank just outside the outfield fence before the 2022 softball season, though it may be delayed until after. The ACSA Board approved use of ACSA equipment and volunteer labor at its March 2022 meeting.
 - * Complying with ACSA Board direction, Hopkins confirmed with Hurt & Proffitt's environmental permitting specialist that a permit is not required for what is intended to be done.
 - * Hopkins is working with County Attorney Lockaby on a Good Samaritan agreement to be signed by ACSA and ACDYGSA to exempt ACSA from liability for participating in the ACDYGSA project.

Board member Wade asked about progress for the Amherst County Dixie Youth Softball Assoc. stream bank erosion. Hopkins mentioned work may begin in August, after the season has ended. This information was shared with Nate Young, who is on their Board.

3. EDA Business Friendliness Initiative

- Priority 1a Complete evaluation of water and sewer availability fees
 - * Hopkins will begin the 2022 rates and fees benchmarking study in April.
- Priority 2 Major upgrade to communications efforts
 - * See the Assistant Director's Report, Section VI.B.
- Priority 3 Policy regarding ACSA extensions of public utility lines
 - * County Code edit tabled until later in 2022.
- Priority 4 Strategic plan for development and services initiatives
 - * To be developed with ACSA Board assistance later in in 2022 as part of Capital Improvements Plan development for future ACSA annual budgets. **See Agenda Section VII.E.**
- Priority 6 ACSA Water Office improvements
 - * Hopkins and Hall are working with State officials on a possible lease of and Water Office relocation to Building 10 of the Lower Rapidan area of Central Virginia Training Center.

4. COVID-19

- Low Income Household Water Assistance Program
 - * ***DSS is still developing the program administration; the planned August 2022 start of LIHWAP is indefinitely postponed, if approved by the Federal funding partners.***
 - * Hopkins commented on a draft Vendor Agreement utility will execute with the Dept. of Social Services. A final draft will be provided for County Attorney review and comment in May, with a final document to be brought to the ACSA Board at the June meeting for voting on a resolution of authorization for Hopkins to sign. Hopkins will forward the document to the County Attorney.
 - * DSS will provide a public notice in May about the project, criteria, and procedure, for customer notifications and posting on the new ACSA web site.
 - * Hopkins serves on a committee to help set up LIHWAP.

5. Regulatory Updates

- Perfluoralkyl and Polyfluoralkyl Substances (PFAs)
 - * Hopkins confirmed with an AquaLaw environmental attorney at the 3/3 meeting of VA Assn of Municipal Wastewater Agencies that there is a possibility that proactive test results must be submitted to the appropriate jurisdictional agency(s), even if the testing is not required by the agency(s). The attorney will check and provide the results to Hopkins.

6. Town Wastewater Services in Poplar Grove

- In March, the ACSA Board authorized Town reading of ACSA water meters in Poplar Grove for sewer billing. ACSA's Field Services Supervisor noted ACSA needs a list of addresses for notifications to water customers about separate Town sewer billings and (2) the Town will have no way to address overdue wastewater bills; ACSA cuts off water service for overdue bills, but will not cut off water customer service for unpaid Town wastewater bills. He suggested ACSA add the wastewater service to ACSA water customer accounts, ACSA bill for water and wastewater services, then send the sewer money to the Town, and the Town pay for ACSA sewer billing administration. Hopkins and McGuffin agreed this would be better, but would require a formal ACSA-Town agreement. Hopkins asked County Attorney Lockaby to research such an agreement for later.

There were no other Board comments about the Executive Director's Report.

B. Assistant Director's Report

Updates since the last Board meeting are in bold italics.

1. Cybersecurity

- ***Operation Manager and Water Office staff began training in May.***
- ACSA's Assistant Director will serve on an upcoming VAMWA (Virginia Association of Municipal Waste Water Agencies) Cyber Committee.

2. New ACSA Website

- ***Google Analytics reports that the number of different users has increased from 443 per month to 613 during the month of May, 2022. 48.78% have visited the "pay my bill" link; 49.9% are using mobile devices; 52.7% are using desktops; 0.4% are using tablets.***

Mr. Pugh asked about the on-line payment process, stating inconvenience and an obstacle. The Quick Pay option requires the user to enter the last payment amount, which is not always readily available. ACSA will follow up.

3. Inventory Management Assignment

- ACSA is in the process of re-arranging stored PVC water and sewer piping, rotating stock and covering the inventory. (a follow-up to a concern by ACSA Board Vice Chair Turner Perrow).

4. CVTC campus water line tie-ins and replacements.

- Instructions from ACSA Executive Director:
 - Mark direct routes to VC Mobile Home Park and CVTC Lower Rapidan area for ACSA water main extensions.
 - Include both 200k gal and 300k gal tanks and CVTC booster pump station as part of distribution.
 - Include east end of Lynchburg City water service line.

5. ACSA Safety Manual Update.

- ACSA Assistant Director basically has a good start updating the Amherst County Service Authority Manual of Safe Work Practices to become the ACSA Safety Manual to include additions/revisions. ***Work continues on this project as time permits.***

6. Non-Revenue Water Monthly Report (tracking /reporting begins May 2022, moving forward).

- *Future reporting will include percentage of total finished water vs water sold. Categories affecting overall efficiency include:*
 - **Unbilled Authorized Consumption**
 - **ACSA Sites:**
 - **Water Office**
 - **Reservoir**
 - **West Briar Sewage Treatment Facility**
 - **Ivanhoe Sewage Treatment Facility**
 - **Ebenezer Road Pump Station**
 - **Sheriff's Office**
 - **Wright Shop Rd Sheriff Sub-station**
 - **Fire Department**
 - **Lyttleton Ln Fire House**
 - **Monelison Fire Station**
 - **Monelison Fire Station 3**
 - **Rescue Squad**
 - **Monelison**
 - **Real Loss**
 - **ACSA:**
 - **Leakage on Transmission and/or Distribution Mains**
 - **Lost Water During Service Connections**
 - **Private Water Service Line Leak Adjustments**
 - **Water tank overflows during equipment malfunctions**
 - **Water Tank drainage for maintenance**
 - **Credits to customers due to flushing / discolored water**
 - **Apparent Losses**
 - **Miscellaneous**
 - **Estimates of water theft via fire hydrants (filling swimming pools, irrigation, etc.)**

Hall added two additional criteria to be added when calculating non-revenue wastewater: 1) water used for filter washing at the water plant, and 2) water usage estimates from County fire departments when fire hydrants are used.

7. EPA's Lead and Copper Rule Revisions (LCRR)

- *LCRR's regulatory compliance deadline is October 16, 2024.*
- *(Verbally learned from training) Virginia adopted the 1986 Safe Drinking Water Act Lead Ban with a 2-year grace period. Construction after 1988 is hopefully constructed with the absence of lead.*
- *ACSA is in the process of compiling community records by date of construction for every account. This may be an approved tool to prioritize areas of our Community Water System that are less likely to have lead service lines. More information / directions are forth-coming. Compilations are grouped according to ACSA's established 24 residential, and 2 commercial account books.*

8. Engineering Student Intern

- **ACSA's Engineering Student Intern began work on May 23, 2022.**
- **Assigned work involves, but is not limited to:**
 - **Daily work observation and reporting of the Dan E. French Reservoir Spillway Improvement project.**
 - **Observation of ACSA's Utility Crew repairs and /or installations.**
 - **Lead and Copper Rule Revisions community records research.**
 - **Reports to ACSA's Assistant Director.**
 -

There were no other Board comments concerning the Assistant Director's Report.

VII. New Business

A. July 2020 ACSA Board Meeting

The ACSA Board was asked to decide if the July Board meeting is to be cancelled due to the proximity to Independence Day, in accordance with normal Board procedure.

By motion of Board member Pugh, and with the following vote, the ACSA Board voted to cancel the July 2022 ACSA Board meeting.

AYE:	Mr. Martin, Mr. Pugh, Mr. Wade
NAY:	None
ABSENT:	Mr. Perrow, Mr. Woods
ABSTAIN:	None

B. ACSA Staff Letter of Appreciation

The ACSA Board was requested to authorize the Board Chair to join the Executive Director in signing a Letter of Appreciation to ACSA in recognition of "Amherst County Water and Wastewater Professional's Appreciation Day," on June 30, 2022, receiving its 10th consecutive VA Dept. of Health annual waterworks performance excellence award, its 12th in 14 years and 2nd consecutive Silver.

Board Chair Martin recommended, in addition to a recognition letter, a catered lunch or gift card be given to ACSA staff in appreciation for their achievement.

By motion of Board Chair Martin, and with the following vote, the ACSA Board voted to authorize the Board Chair to join the ACSA Executive Director in signing a Letter of Appreciation to ACSA staff in recognition of "Amherst County Water and Wastewater Professional's Appreciation Day," on June 30, 2022, adding a catered luncheon or gift cards for ACSA staff:

AYE:	Mr. Martin, Mr. Pugh, Mr. Wade
NAY:	None
ABSENT:	Mr. Perrow, Mr. Woods
ABSTAIN:	None



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June 7, 2022

RE: Letter of Appreciation

Dear

In 2016, Virginia's General Assembly and Governor designated June 30 each year as "Water and Wastewater Professionals Appreciation Day" in Virginia. In June 2018, the Amherst County Service Authority Board unanimously passed Resolution 2018-A-0002R and the County Board of Supervisors unanimously passed Resolution 2018-0011-R, both resolutions establishing June 30 each year for recognition and appreciation of the many professionals who secure public health in Amherst County by ensuring safe, reliable, high quality drinking water and proper environmental treatment and disposal of wastewater.

Your efforts in these areas contributed to ACSA receiving Silver "Excellence in Waterworks Operations/Performance Award" for 2021 from the VA Dept. of Health. This was ACSA's 10th consecutive annual VDH award, its 12th in 14 years, and second consecutive Silver. The ACSA Board authorized the Chair to join the Executive Director in signing this Letter of Appreciation to ACSA staff. The Board acknowledges your efforts in promoting public health, environmental protection, economic growth, and the many other benefits derived from your work and the products and services you provide. Your work is of paramount importance to maintaining the high quality of life we enjoy in our County. It is the excellent products and services that you and your coworkers provide that make our County a preferred place to live, work and recreate. We are proud of each of you, grateful that you are part of our team, and appreciate your commitment to the public health, quality of life, and safety of our community and its residents.

The public often does not understand what is required in technological abilities and human resources to ensure safe, reliable, high quality drinking water on a consistent basis. Because such water must be available whenever someone opens a tap; and because most of the infrastructure that makes resources available is underground or otherwise out of sight, and because of the consistent production of such excellent water by ACSA, the public often takes efforts and your success for granted. However, the ACSA Board is aware of your efforts and your success and welcomes this opportunity to sincerely thank you and all of your comrades for a job well done. We look forward to your continued efforts to maintain that excellence and the vital part of each play in achieving that goal.

Sincerely,

AMHERST COUNTY SERVICE AUTHORITY

Tom Martin, Chair
Amherst County Service Authority Board

Robert A. Hopkins, P.E.
Executive Director

B. ACSA Availability Fees

The Board is being asked to participate in staff planning for changes to current ACSA policy for assessing new water and sewer availability fees, to make availability fees more appropriate for proposed large developments to facilitate economic growth in Amherst County.

Phase 1 of the recent plan to develop the area proposed as the Madison Heights Town Center includes two apartment buildings totaling 108 units. Using existing ACSA policy as detailed in the County Code, the water and wastewater availability fees for just those two buildings would be \$622,575. The ACSA policy and Code need to be revised to accommodate this kind of very large development project, which the County and ACSA have never seen before. Another example, which is more imminent and thus requires this revision relatively soon, is the Monacan Indian Nation Medical Clinic at the intersection of Rte. 29 and Dixie Airport Road in Madison Heights. With a projected water usage of 9200 gallons per day, the water and wastewater availability fees per the ACSA policy and County Code would be \$250,910. It is suggested that the policy and Code need revision to eliminate such large fees, so as to facilitate economic growth and development in Amherst County. Two possible revisions are proposed at this time for consideration:

Alternative 1: Assess availability fees based on meter size

There are some utilities that do it this way, including Bedford Regional Water Authority. The attached chart shows what ACSA water and wastewater availability fees would be if the fees for 5/8" meters for both utilities were directly prorated for the other seven meter sizes.

The concern of staff is selecting one fee for a meter size which has a large normal operating range. For example, a 1" Sensus Iperl Meter, the type ACSA uses, has a normal operating range of 0.4 gallons per minute to 55 gallons per minute. Assuming two businesses with constant water usage over 8 hours, each at opposite ends of the range, the business using 0.4 gpm would have a daily water usage of 192 gallons and water and wastewater availability fees of \$7,500. The business using 55 gpm would have a daily water usage of 26,400 gallons and water and wastewater availability fees of \$720,000. Selecting a fee to be assessed for any water usage in that range would either be low, benefiting developers but costing ACSA revenue, or high, guaranteeing ACSA revenue but overcharging lower water users, or somewhere in the middle, giving ACSA a reasonable average income and benefiting higher water users, but overcharging lower water users.

Alternative 2: Extending the existing sliding scale in the County Code

Tables 1 and 2 in County Code Section 15-124 include a modest sliding scale for multifamily development. For up to 3 units, the water and wastewater availability fees are \$3,000, water, and \$4,500, wastewater, per unit. After 3 units, the fees per unit drop to \$2,475 and \$3,240, respectively. The attached chart includes one possible modification of that sliding scale to provide blocks of 10 units, with fees dropping \$250 for water and \$375 for wastewater per block. Over 50 units, the base availability fees would be halved to \$1,500 for water and \$2,250 for wastewater for as many units as are constructed.

This would work for multifamily residential, but a separate sliding scale is needed for large commercial and industrial development, such as the MIN Medical Clinic.

Hopkins expressed the need for adjustments to the existing ACSA policy regarding Availability Fees, by elucidating different examples / alternatives provided in Item VII C. Hopkins did not recommend using Alternative 1, From Estimated Average Daily Water Usage to Meter Size. Hopkins recommended Alternative 2, Modifying Modifying and Extending Sliding Scale in County Code.

Board Chair Martin asked the purpose of availability fees. It was explained by Hopkins that availability fees serve to repay costs and debt services for expansions already made to the system to provide connections to current developments, and supports new expansions into undeveloped areas for connections to future developments. Martin began deliberating the method of charging fees according to meter size, stating regardless of the fee based on the size of a meter, water usage will be captured in established rates. Hopkins further explained that, in the past, availability fees have been based on the amount of water usage.

Board member Pugh suggested comparing other utility procedures for charging availability fees to assist ACSA to find something that works. Pugh agreed that a \$600K fee to provide a connection for a development is exorbitant. In the past, the County has sometimes assisted the developer with development availability fees; the Phelps Road School Re-Development is an example (a fee of about \$400K). This policy needs to be changed.

Mr. Trent Warner, P.E., Vice President, Land Development, Hurt & Proffitt, Inc., was invited to present and participate in discussions concerning availability fees. Warner is currently involved in a design of the planned Madison Heights Town Center and has previously completed design of other developments in surrounding localities in the past.

According to Warner, one development in an adjacent locality (Campbell Co.) was cancelled due to the method of calculating availability fees. A residential multi-family complex was to be charged an availability fee according to the number of living units in the complex, counting each unit as an individual residence. The same issue of calculating an availability fee by each unit in a multi-plex residential building, in another adjacent locality (Bedford Co.) led to adjusting the method of calculating availability fees to be based on the amount of estimated consumption, treating a multi-plex residential unit as a commercial entity. An example, according to Warner, was a laundromat charged an availability fee according to the estimated amount of water consumption, while a multi-plex residential building was charged an availability fee according to the estimated consumption through a master meter.

The development Warner is currently designing includes a 108-unit apartment complex (two apartment buildings) on 185 acres in Madison Heights. The estimated availability fee provided by ACSA for water and sewer for the apartment buildings, based on existing ACSA policy, is \$850K. The plan is to build an additional twelve apartment buildings after the first two. This amount of the estimated availability fee is not budgeted and could stop the project. Martin added that, after constructing the first two buildings, additional availability fees will be charged for the additional buildings being constructed on infrastructure provided by the developer to be turned over (to ACSA). Warner explained that a legitimate availability fee should be charged up front, based on the size of the meter, considering higher billings will occur in the future for larger consumption.

Martin requested from County Administrator Dean Rogers an explanation of how availability fees were established in a different locality Rogers was employed by in the past. Rogers explained this particular locality did not charge availability fees. Debt service was established to pay for additional infrastructure to promote growth. The developer provided the internal infrastructure. Rogers added a perspective to consider: the internal infrastructure provided by the developer is to be turned over to the Authority; "This becomes the availability fee." Board member Pugh did not agree with Rogers' assessment, stating increased infrastructure requirements for more water, added chemicals for treatment, etc. will be taxing on the system, creating more things to consider in assessing the fees.

Warner continued using the table provided by Hopkins in Alternative 1, explaining this method continues to be exorbitant and could stop development. Warner said the proposed alternative calculates an availability fee of \$405K, when compared to Bedford Regional Water Authority's \$204K and the City of Lynchburg's \$186K for all 14 buildings. These are costs a developer should expect (Bedford & Lynchburg). Hopkins explained that the alternatives were not proposed, just provided to start conversations.

Martin suggested the cost of the internal infrastructure that is being turned over to ACSA could become a portion of the availability fee.

Hopkins presented additional examples to consider when calculating fees according to meter size, citing this method is not recommended: 1) two apartment developers request 4" master meters; one builds less units than the other, but pays the same fee, which is unfair to that developer. Or an industrial development requests a large meter for peak flows, but is not a normal large consumer; the fee for the peak flows would be larger, but normal water use would justify a lower fee.

Warner presented another scenario where a low flow and a high flow rate are used for billing purposes.

Martin discussed timelines, as the Board will not meet again until August, 2022. He asked if the availability fees would cause the developer to stop development. Warner expects to begin excavation mid-August, 2022. The application for water for this project will not be presented until the end of August, possibly mid-September, 2022. The developer intends to have these two apartments under roof by spring 2023.

Martin ended discussions concerning availability fees, recognizing the need for policy adjustments. However, Martin does not want to vote on any changes without all Board members present. The next opportunity for discussions is in the up-coming August, 2022 ACSA Board meeting.

There were no other Board member comments.

B. ACSA Water Infrastructure Improvements

The Board is being asked to participate in staff planning for improvements to ACSA water infrastructure, including distribution system expansions.

Blue Lines: Planned Water Main Extensions

1. Colony Road Water Main Extension, Phase 1

Currently under construction, funded by a Virginia General Assembly appropriation of \$250,000, for the purpose of connecting to the Central Virginia Training Center private water system to maintain water service to the CVTC buildings still in use and VC Mobile Home Park.

2. Monacan Indian Nation Office Building / Senior Center / Medical Clinic Water Main Extension

Scheduled to be constructed in June, for the purpose of providing domestic water service and fire protection to these three new buildings at the intersection of Rte. 29 and Dixie Airport Road in Madison Heights.
3. Ned Brown Road Water Main Extension

Scheduled to be constructed in April, but delayed by the developer, this extension will facilitate the construction of 8 new homes in Monroe.
4. Monacan Park Road Water Main Extension

Residents in the area have approached ACSA about a second project funded by the residents (50%) and ACSA (50%) due to failing private wells.
5. Cedar Gate Road / Winesap Road Water Mains Extensions

This project would connect two currently deadend large water mains, (1) looping them to provide better operation and service; (2) provide the ability to backfeed the Elon area when the Elon Rd. water main breaks (3 times in the last 6 years), shutting down the water supply to the area, for which an elevated water tank has long been planned in Elon and can possibly be eliminated with these water main extensions; (3) extending water supply toward the Monacan Indian Nation development of Laurel Cliff Farms; and (4) opening more of the area east of Elon to development, for which revision to the Designated Public Water Growth Area would be required.
6. North Coolwell Road / South Coolwell Road / Izaak Walton Road Water Main Extensions

This project would connect three currently deadend large water mains, looping them to provide better operation and service, and opening the area for development. A water storage tank and booster pump station would be required and is planned on ACSA-owned property near the County Coolwell Rd. recreation center.
7. Dillard Road Water Main Extension

This project would connect two currently deadend large water mains, looping them to provide better operation and service, and opening the area for development.
8. ACSA – City of Lynchburg Water Systems Interconnection

Extension of a 12" water main from the County end of the John Lynch Bridge on S. Amherst Hwy. to the main water distribution main along the Rte. 29 corridor in Madison Heights.
9. Various small water main extension projects to loop dead end mains to provide better service.

Orange Lines: Planned Water Main Replacements

1. Rte. 29 Corridor Water Main Replacement

The existing water main paralleling Rte. 29 in Madison Heights is almost 70 years old, with an expected service life of 80 years. It consists of 8", 10" and 12" water mains, which also need to be upsized to facilitate development planned in the Madison Heights Master Plan, Madison Heights Town Center Master Plan (County version), and Madison Heights Town Center Master Plan (Patel version). The project will extend to connect to the water main extension from the John Lynch Bridge (see #8 above), be coordinated with VA Dept. of Transportation plans to upgrade the Rte. 29 corridor in Madison Heights, and should ideally include parallel water mains on each side of Rte. 29 to improve fire protection by having hydrants on both sides of the highway and facilitate development without having to bore under the highway for new service connections.

2. CVTC Water Supply Line Replacement

The existing water main from the John Lynch Bridge to CVTC is about 2 miles long, 8" and 10" diameter pipe, and almost 50 years old. Replacement of this pipe with a 12" main will provide better water supply to redevelopment of the CVTC campus and provide a second main to get water from the City to Madison Heights in an emergency.

3. Various small (2" and 4") neighborhood water main replacements, due to age, deteriorating condition, more service connections than were planned for the small mains, and inability to provide neighborhood fire protection.

ACSA Executive Director Bob Hopkins presented proposed water line improvements as outlined in VII D, while referring to the Hurt & Proffitt Designated Public Water Growth Area Map, dated January 2020.

Blue Lines: Planned Water Main Extensions

#1 to be complete by the end of this year.

#2 to be complete within the next 30 to 60 days. Mr. Martin asked who is paying for this line installation? Mr. Hopkins replied, ACSA is paying for the Monacan Indian Nation water line extension, since it is a small line. Mr. Martin mentioned the developer of the Madison Heights Town Center is paying for their line extension, in addition to paying availability fees. Should the cost of the line extension be deducted from the availability fee? Mr. Pugh interjected that a neighbor wishing to connect to ACSA water would have to pay for a line extension- he finds this odd (that this particular line extension is being paid for/provided by ACSA).

#3 Same as above

#4 Same as above

#5 Same as above. The length of this line was mentioned- 1 mile from the end of the line to Winesap Road along Cedar Gate.

#6 Same as above.

#7 Same as above

#8 Same as above

#9 Same as above

Mr. Martin asked if proposed water main extensions were discussed with Jeremy Bryant, Amherst County Director of Community Development. Mr. Hopkins replied "Yes."

Orange Lines: Planned Water Main Replacements

#1 Same as above

#2 Same as above

#3 Same as above

Mr. Martin suggests prioritizing new lines and replacement of existing older lines, considering new developments (e.g., Town Center), providing estimated costs, and keeping in touch with the Director of Community Development. Mr. Pugh agreed.

There were no other board comments.

VIII. Citizen Comment

Board Chair Martin opened the floor for comment by meeting attendees and closed Citizen Comment when no meeting attendee wished to speak.

IX. Matters from the Members of the Service Authority Board

Board member Wade had nothing to discuss.

Board Chair Martin had nothing to discuss.

Board member Pugh had nothing to discuss.

X. Adjournment

By motion of Board member Pugh and with the following vote, the Board adjourned the meeting at 2:26 p.m.

AYE: Mr. Martin, Mr. Pugh, Mr. Wade

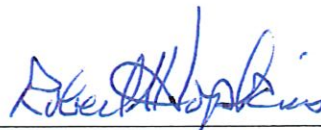
NAY: None

ABSENT Mr. Perrow, Mr. Woods

ABSTAIN: None



Tom Martin, ACSA Board Chair



Robert A. Hopkins, PE, Board Secretary