



**AMHERST COUNTY SERVICE AUTHORITY BOARD
MEETING MINUTES**

AGENDA

August 15, 2022

Administration Building - 153 Washington Street - Public Meeting Room
Amherst, Virginia 24521
4:30 p.m.

- I. Call to Order**
- II. Citizen Comment**
- III. Approval of Agenda**
- IV. New Business**
 - A. ACSA Availability Fees Policy
- V. Matters from the Members of the Service Authority Board**
- VI. Adjournment**

MINUTES

At a special meeting of the Amherst County Service Authority Board, held at the Amherst County Administration Building on Tuesday, the 15th day of August, 2022, starting at 4:30 p.m., the following were present:

SERVICE AUTHORITY (ACSA) BOARD:

PRESENT:	Tom Martin, Board Chair	ABSENT:	None
	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
Mark Popovich, Amherst County Attorney

OTHERS: Trent Warner, PE, Hurt & Proffitt, Inc.
Sam Patel, Rowan Holdings, LLC
Calvin Kennon, Amherst County EDA
Victoria Hanson, Amherst County EDA

I. Call to Order

Board Chair Martin called the meeting to order at 4:30 p.m.

II. Citizen Comment

Board Chair Martin opened the floor for comment by meeting attendees.

Calvin Kennons cited his appreciation for the ACSA Board considering changes to the ACSA availability fees policy, which he said is a problem for County development, since Amherst County has no access to Tobacco Fund money. He said developers oppose having to pay availability fees and then also pay to have water or sewer infrastructure installed and dedicated to ACSA. He also alleged ACSA's fees being non-competitive with neighboring utilities, which further complicates the problem.

III. Approval of Agenda

A. By motion of Board member Pugh and with the following vote, the ACSA Board voted to approve the agenda for the August 15, 2022 ACSA Board meeting:

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

IV. New Business

A. ACSA Availability Fees Policy

Executive Director Hopkins provided a brief introduction, noting that this was first discussed at the June 7, 2022 ACSA Board regular meeting, referencing the excerpt from the June meeting minutes in the agenda packet. He said he first raised the issue of modifying ACSA's availability fees policy upon reviewing the initial Patel development plan submittals and realizing the fees that the existing policy would require. He contacted Mr. Warner and started talking about how best to proceed. He said that Amherst County has never seen development of the scale of the Patel project, so the ACSA fees policy was not developed to accommodate it. Warner told Hopkins that he assisted Bedford County in a similar situation.

Hopkins reported that two alternatives have been discussed. Alternative #1 was posed by Board member Perrow and would set fees based on water meter size, which he said he has seen in some other utilities, notably Bedford Regional Water Authority. Alternative #2 was individually developed and suggested by Hopkins and Board member Woods and would expand the existing "sliding scale" of fees in the Amherst County Code to include more tiers with lower fees per unit as the total number of units increased. Hopkins recommended Alternative #2.

Perrow cited a concern from Hopkins about Alternative #1 at the June meeting (not sufficiently picked up in the audio recording to report). Hopkins agreed, and added a second: the difficulty of selecting one fee for each meter that is representative of extensive operational flow ranges and is thus fair to all new connection applicants.

There was additional Board member(s) discussion that was not audible in the audio. Mr. Warner then described his experience in helping Bedford Regional Water Authority establish availability fees assessment by meter size. He said the fees are based on the assumed flow that will go thru the meter. He plans to use a compound meter, a 4" x 1", so the 1" will be used during early leasing of the buildings and graduating to 4" when the buildings are totally occupied. But the availability fee would be based on a 4" meter.

Using his information, he determined an availability fee for the Patel development of \$142,000 total for water and wastewater using a 4" meter. He said the same project in Bedford County would have a fee of \$204,000, in Lynchburg \$186,000. He said that the fee using Alternative 2, Hopkins' recommendation, was \$405,000, which would end the project (he did not remind the Board of Hopkins' statement at the previous meeting that numbers in Alternative 2 cited at that time that resulted in that \$405,000 fee were not recommended; he was only presenting an example of how Alternative 2 might look). He requested that the Patel apartment buildings be fee-assessed as commercial buildings, not residential.

Board Chair Martin remembered previous discussions regarding the difficulty of developers determining what the fees are using the current ACSA policy, and the sliding scale suggested in Alternative 2 would only make it more complicated. Hopkins reminded the Board that the calculation is very simple: take the estimated daily water use, divide by 275, and multiply by \$3,000 (for water) or \$4,500 (for sewer), calculations which any young child can perform, and suggesting that developers cannot perform those calculations is not complimentary to developers.

Martin commented that he does not believe that development occurs in Amherst County with \$3,000 and \$4,500 availability fees. Hopkins replied that those fees are lower than the two neighboring county utilities (Bedford and Campbell). Board member Pugh noted that the fees are much less expensive than drilling a private water well or installing a private septic drainfield; Martin acknowledged that.

Warner cited his research of three similar sites that average 12.7, 11.9, and 10.8 gallons per minute. These are low flows and he repeated that the compound meter is proposed because of low flows initially, increasing to higher flows later. Martin questioned the need for a 4" meter; Warner replied that public facilities in the buildings require a larger line.

Warner confirmed for Martin that the apartment buildings will be sprinklered. Hopkins added that ACSA does not bill customers for fire protection water, why there are two lines to each building: one for domestic service, one for fire flow.

Martin noted that Perrow earlier in the meeting said that his procedure would result in a total water and wastewater availability fee of \$150,000, which is lower than Bedford County and Lynchburg and very close to Warner's \$142,000 figure.

Martin expressed concern about the impact of the proposed change on the ACSA budget; Hopkins agreed and added a concern about the increase in complaints, from applicants upset about having to pay the same fee as another applicant that will use much more water. Pugh stated a concern that the change should ensure that ACSA remains competitive with neighboring utilities without being excessively low in fees.

Martin said he supports Perrow's suggestion, that it will bring ACSA much more in line with other localities. He asked about the procedure to make the change, which involves changing the County Code by ordinance. This requires a public hearing at a Board of Supervisors meeting.

Martin asked how Campbell County's utility assesses fees; Warner said CCUSA does it similar to ACSA's current policy.

Warner asked how quickly the Patel fee could be determined. After brief Board members' discussion, a total water and wastewater availability fee in the area of \$180,000 was proposed.

Warner then proposed that water and wastewater infrastructure constructed by the developer and dedicated to ACSA should be cost-estimated and the availability fees reduced by that amount. Hopkins proposed ACSA install the public water lines for the project. Martin noted the cost to ACSA of maintaining the new infrastructure.

Warner noted that existing water supply infrastructure for the project will require the developer to put \$210,000 booster pumps in the buildings to ensure flow to the top floors of the apartment buildings. He said the water main under Rte. 29 is 8" diameter from Dillard Rd to James River. Hopkins responded that ACSA recognizes the need to upgrade that line to 12" and has mentioned in the meetings for the Madison Heights Master Plan, but does not have the funding and also needs the results of a current VDOT improvements study for Rte. 29 before proceeding. Perrow added that that is much of the reason for the availability fees – to be able to upgrade existing infrastructure to handle new development. Warner posed the possibility that water main valve(s) may be partially closed, causing low flows and pressures during the hydrant tests; Hopkins replied that ACSA will exercise all the valves between Dillard Rd. and the Patel site to ensure all are completely open. He added that the Patel site is at a high point topographically, which will reduce water pressures. Martin concluded the discussion by pointing out that this is an engineering issue and does not need to be included in the availability fees issue.

Mr. Patel then spoke to suggest that Amherst County needs to change some of its policies to encourage development, including consideration in the fees assessments of the water and sewer infrastructure that he will pay to construct and then give to ACSA. Martin compared the ACSA infrastructure with the VDOT roads that Patel will construct and give to VDOT; ACSA will take infrastructure Patel constructs and operate and maintain it, just like VDOT will take infrastructure Patel constructs and operate and maintain it. He added that today's discussion resulted in substantial benefit to the Patel project and he is not ready to go beyond that now.

Martin asked how quickly an availability fees policy change ordinance could be prepared. Pugh suggested doing this carefully; Hopkins agreed and requested a couple weeks at least to work on this and hopefully be able to bring this to the 9/6 ACSA Board meeting and a public hearing at the 9/20 Supervisors meeting. Martin noted the Board consensus that the change will be to assess availability fees based on meter size and try to stay competitive with Bedford County and Lynchburg.

There was much additional discussion which was not audible in the recording.

IV. Matters from the Members of the Service Authority Board

This was bypassed by the Board.

VI. Adjournment

By motion of Board member Pugh and with the following vote, the Board adjourned the meeting at 5:30 p.m.

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



Tom Martin, ACSA Board Chair



Robert A. Hopkins, PE, Board Secretary