Service Authority
AMHERST COUNTY | VIRGINIA

AMHERST COUNTY SERVICE AUTHORITY BOARD

MINUTES

May 7, 2024
1:30pm

Members Present: Edgar J. T. Perrow, Jr., Chairman
Tom Martin, Member
David Pugh, Jr., Member

Members Absent: Wesley Woods, Vice Chairman
Drew Wade, Member

Staff Present: Timothy Castillo, Executive Director
Richard Hall, Assistant Director

Mark Popovich, ACSA Attorney

I. Call to Order – Chairman Perrow called meeting to order at 1:42 pm.

II. Approval of the Agenda –

By motion of Mr. Pugh and with the following vote, the Board voted to approve the agenda for the May 7, 2024, ACSA Board meeting.

AYE: Mr. Perrow, Mr. Martin, Mr. Pugh
ABSENT: Mr. Woods, Mr. Wade

III. Citizen Concerns / Comments –

There were no citizens wishing to speak.

IV. Consent Agenda

i. Draft Meeting Minutes for the May 7, 2024, ACSA Board of Director's Meeting.
ii. Draft Monthly Financial Report – March 2024, Financial Report
iii. Lyttleton Lane Water Storage Tank Maintenance Contract
iv. James River Streambank Stabilization Phase II Engineering Services Contract.

By motion of Mr. Martin and with the following vote, the Board voted to approve the Consent Agenda.

AYE: Mr. Perrow, Mr. Martin, Mr. Pugh
ABSENT: Mr. Woods, Mr. Wade

Mr. Perrow reiterated his absence at the April 2, 2024, Board meeting – the approved meeting minutes in the Consent Agenda reflect his absence.

V. Action Items

A. Town Center Developer Agreement

Due to agenda attachments that were not published with the packet, Mr. Castillo discussed Item V. B FY 25 Operating and Capital Budgets ahead of V. A Town Center Developer Agreement (*...while copies of a Developer Agreement and the City of Lynchburg's Cornerstone Infrastructure Agreement were being printed for Board discussions. These documents are not a part of these meeting minutes, however, are available by request to ACSA's Executive Director*)

Mr. Sam Patel began presenting with a copy of a Developer Agreement the City of Lynchburg executed for the Cornerstone Development, in which 50 percent of the infrastructure cost was reimbursed in addition to not assessing fees for connections. He also shared a revised Master Plan of the Town Center Development to be presented to the Amherst County Board of Supervisors later. With these presentations, he is requesting the Board to not charge him to connect to infrastructure he has built and paid for in his Town Center Development. He explained the current model requires him to pay to build infrastructure and pay to connect to it. He is asking for a fair resolution and not charge him to connect to utility infrastructure he is providing.

Mr. Perrow applauds Mr. Patel for the development he is providing. He explained Lynchburg's utility infrastructure is embedded in the city government, which gives them options and flexibility. ACSA independently provides water and sewer utilities in its service area as a stand-alone sustainable entity. System Development Fees are needed to support debt service payments required to provide the system infrastructure outside of and serving the development being constructed by Mr. Patel. Mr. Patel's request is more of an Economic Development investment or concern.

Mr. Pugh explained his stance on the Gateway Project – he has never approved of the County's role in this development due to other developers requesting the same for their endeavors. He is not in favor of placing the costs of developments on the citizens and rate payers.

Mr. Martin requested clarification concerning System Development Fees and infrastructure costs. Mr. Castillo explained these fees pay for the water filtration plant, water tanks, transmission & distribution lines, etc. to provide adequate water to the customers.

Mr. Patel explained he understood the previous ACSA Director agreed to absorb utility costs he is being charged for under the administration of the current Executive Director. He has emails that support this arrangement. Mr. Martin requests this documentation be looked at in a separate meeting with Mr. Castillo.

Mr. Perrow encourages Mr. Patel to make a request to the Amherst Economic Development Authority for the assistance he is requesting.

No Board Action was taken concerning the request of Mr. Patel.

B. FY25 Operating and Capital Budgets

Mr. Castillo reiterated the financial goals that were presented at the previous Board meeting have not changed. Mr. Castillo presented information from financial tables and consumption trends provided in the form of a visual presentation to the Board. (*These financial tables & trends are not a part of meeting minutes, however, can be available by request to the Executive Director*) The remainder of Mr. Castillo's presentation followed items provided in the form of a list that is attached to the agenda packet, section V. B. FY 25 Operating and Capital Budgets.

Mr. Perrow requested additional information concerning budget payments for debt service and how these are currently funded. Mr. Castillo explained these are made from revenue accounts and will have future budget representation.

Mr. Perrow feels it is favorable to hold the rates flat with the explanation to the public that recent substantial increases in prior years were in an anticipation of future debt service to cover project costs. He would like ACSA to assess the need for the requirement to have a "Rate Adjustment Fund," and if it can be eliminated.

Mr. Pugh said that it is an excellent reprieve from the substantial rate increases that have occurred in several previous years.

Mr. Castillo reminded the Board that a mid-year rate increase could occur if it becomes necessary. He will bring a final budget for approval at the June Board meeting.

VI. Informational Report

Mr. Castillo presented the Informational Report as written in the Agenda Packet. Mr. Perrow commended the induction of uniforms.

VII. Citizen Concerns/Comments

There were no citizens wishing to speak.

VIII. Matters from the Members of the Service Authority Board

Mr. Perrow reminded the Board of the upcoming annual performance evaluation of the Executive Director and commented he (Mr. Castillo) is a refreshing addition to the team.

IX. Adjournment –

Mr. Perrow announced the meeting adjourned at 2:41 pm.

Edgar J.T. Perrow, Jr. ACSA Board Chair

Timothy E. Castillo, Board Secretary