

**AMHERST COUNTY SERVICE AUTHORITY BOARD
MEETING MINUTES**

AGENDA

January 9, 2020

Administration Building - 153 Washington Street - Public Meeting Room
Amherst, Virginia 24521
11:00 a.m.

- I. Call to Order**
- II. 2020 Re-Organization of ACSA Board**
 - A. Election of 2020 ACSA Board Chair and Vice Chair
 - B. ACSA Board Appointment of ACSA Treasurer for 2020
 - C. Schedule and Location for Regular ACSA Board Meetings
 - D. ACSA Resolution 2020-A-0001-R
- III. Citizen Comment**
- IV. Approval of Agenda**
- V. Approval of Minutes**
 - A. Minutes – December 3, 2019
- VI. Monthly Financial Report**
 - A. November 2019 Financial Report
- VII. Old Business**
 - A. Executive Director's Report
- VIII. New Business**
 - A. 2019 ACSA Operator Licenses
 - B. 2019 City Water and Sewer Contracts Settlements
 - C. PJM Power Shutdown Program Payment
 - D. Westbriar Wastewater Treatment Plant Polishing Pond
 - E. CVTC Shutdown vs. VC Trailer Park

F. National League of Cities Water & Sewer Service Lines Warranty Program

G. Executive Director's Schedule

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 9th day of January 2020, at 11:00 a.m., the following members were present:

SERVICE AUTHORITY (ACSA) BOARD:

PRESENT:	Claudia D. Tucker, Board Member	ABSENT: None
	Jennifer R. Moore, Board Member	
	L. J. Ayers III, Board Member	
	David W. Pugh, Jr., Board Member	
	Tom Martin, Board Member	

STAFF PRESENT: Robert A. Hopkins, PE, ACSA Executive Director/Board Secretary
Glenn Micklem, ACSA Operations Manager
Michael W. S. Lockaby, Amherst County Attorney
Regina M. Rice, Executive Assist Clerk to Boards

I. Call to Order

Board Secretary Hopkins called the meeting to order at 11:00 a.m.

II. 2020 Re-Organization of ACSA Board

A. Election of ACSA Board Chair and Vice Chair for 2020

By motion of Director Moore, and with the following vote, the ACSA Board approved Director Claudia Tucker to serve as ACSA Board Chair for 2020.

AYE:	Ms. Tucker, Ms. Moore, Mr. Pugh, Mr. Martin and Mr. Ayers
NAY:	None
ABSENT:	None
ABSTAIN:	None

Hopkins turned the gavel over to Board Chair Tucker to conduct the rest of the meeting, starting with election of the ACSA Board Vice Chair for 2020.

By motion of Director Martin, and with the following vote, the ACSA Board approved Director Jennifer Moore to serve as ACSA Board Vice Chair for 2020.

AYE:	Ms. Tucker, Ms. Moore, Mr. Pugh, Mr. Martin, and Mr. Ayers
NAY:	None
ABSENT:	None
ABSTAIN:	None

B. ACSA Board Appointment of ACSA Treasurer for 2020

By motion of Chair Tucker, and with the following vote, the ACSA Board designated the County Treasurer to serve as ACSA Board Treasurer for 2020.

AYE:	Ms. Tucker, Ms. Moore, Mr. Pugh, Mr. Martin, and Mr. Ayers
NAY:	None
ABSENT	None
ABSTAIN:	None

C. Schedule and Location for Regular ACSA Board Meetings

By motion of Chair Tucker, and with the following vote, the ACSA Board retained the 2019 schedule (1st Tuesday of each month at 11:00 am) and location (Public Meeting Room at the Amherst County Administration Building, 153 Washington St., Amherst, VA) for regular ACSA Board meetings in 2020.

AYE:	Ms. Tucker, Ms. Moore, Mr. Pugh, Mr. Martin, and Mr. Ayers
NAY:	None
ABSENT	None
ABSTAIN:	None

D. Resolution 2020-A-0001-R

By motion of Chair Tucker, and with the following vote, the ACSA Board adopted Resolution 2020-A-0001-R and its Exhibit A, Code of Ethics, and Exhibit B, Rules of Procedure.

AYE:	Ms. Tucker, Ms. Moore, Mr. Pugh, Mr. Martin, and Mr. Ayers
NAY:	None
ABSENT	None
ABSTAIN:	None

III. Citizen Comment

There was no public comment.

IV. Approval of Agenda

By motion of Director Ayers, and with the following vote, the ACSA Board approved the agenda for January 9, 2020.

AYE:	Ms. Tucker, Ms. Moore, Mr. Pugh, Mr. Martin, and Mr. Ayers
NAY:	None
ABSENT	None
ABSTAIN:	None

V. Approval of Minutes

By motion of Director Ayers, and with the following vote, the Board approved the minutes of the December 3, 2019 Board meeting:

AYE:	Ms. Tucker, Ms. Moore, Mr. Pugh and Mr. Ayers
NAY:	None
ABSENT	None
ABSTAIN:	Mr. Martin

Note: Director Martin abstained from voting on the December 3, 2019 minutes since he was not a Director at that time.

VI. Monthly Financial Report

A. November 2019 Financial Report

Compared to November 2018:

1. Water

Revenues: Sales +0.5%
(+0.7% in October 2019 financial report)
(would be +3.6% with 2018 CVTC prepayment)

Total Revenues -2.5%
(-2.6% in October 2019 financial report)
(would be -0.5% with 2018 new services)
(would be +1.5% with 2018 CVTC prepayment)
(would be +2.2% with 2018 new services and
2018 CVTC prepayment)

Connections: -33.9% (-\$64,208 (-37.9% in October 2019 financial report)
31 new connections so far in 2019; 2 in November.
2019 new water connections:
46.0% of 2018 total of 63
135.5% of annual 5-year average of 21.4
44.6% of pre-recession average of 65

2. Wastewater

Revenues: Sales: -16.7%
(-17.8% in October 2019 financial report)
(would be +7.3% with 2018 CVTC payment)

Total Revenues: -12.4%
(-16.3% in September 2019 financial report)
(would be -13.5% with 2018 new services)
(would be 6.5% with 2018 CVTC prepayment)
(would be 6.5% with 2018 new services and
2018 CVTC prepayment)

Connections: +8.9% (\$6,018)
(14 new connections in 2019; 2 in November)
2019 new sewer connections:
63.6% of 2018 total of 22
127.3% of annual 5-year average of 11
93.3% of pre-recession average of 15

3. Combined Water and Wastewater

Sales: -3.8% (-3.9% in October 2019 financial report)
(would be +4.5% with 2018 CVTC prepayments)

Revenues: -5.2% (-5.6% in October 2019 financial report)
(would be -3.9% with 2018 new services)
(would be +1.9% with 2018 CVTC prepayments)
(would be +3.2% with 2018 new services and 2018

CVTC prepayments)

All Revenues: -5.2% (-5.6% in June 2019 financial report)
 (would be -3.8% with 2018 new services)
 (would be +1.8% with 2018 CVTC prepayments)
 (would be +3.1% with 2018 new services and 2018
 CVTC prepayments)

Summary: As reported in meetings since June 2019, the 2019 revenue percentage "deficits" compared to the same month in 2018 result from two issues: (1) 2019 growth has only been a fraction of 2018 growth, causing a big drop in ACSA revenues from new water and sewer service connections, and (2) the lack of Central Virginia Training Center's historic large pre-payment of ACSA water and sewer bills (in 2018, \$82,630 for water, \$215,740 for sewer), due to the imminent (mid-2020 closure of CVTC), opting instead to pay monthly ACSA utility bills.

Hopkins also reported on the drop in CVTC monthly billings and presented 2 charts from the City of Lynchburg, from which water is purchased for CVTC. The charts show a 75% drop in water purchases since early 2017. Hopkins noted that water billings will drop to almost nothing in mid-2020, but also reported recent information that the Lower Rapidan area of CVTC will remain open for at least another year to provide dentistry services for relocated CVTC patients.

Director Martin pointed out that the drop in CVTC water billings also results in a drop in City water sales to ACSA, which balances the lost revenue. Hopkins and Micklem pointed out that this is not the case, noting that the CVTC sewer system has inflow/infiltration problems which will require continued billings to the State, without knowing if the State will pay them, and that ACSA must perform all of the same activities without the CVTC revenue that it has always performed with the CVTC revenue.

VII. Old Business

A. Director's Report

Hopkins provided the Board updates on items from past meeting discussions.

1. James River Bank Stabilization

- * Hopkins continues to monitor new erosion areas on both side of the finished project and talk to the Corps about possible future project(s). He is also still waiting for the Corps to respond to his questions about ACSA O&M duties and responsibilities for the completed project. He is also working with Hurt & Proffitt on the erosion problems.
- * The VA Dept. of Environmental Quality submitted to the Corps of Engineers a project closeout/permit vacation letter (attached).
- * Hopkins continues to work with the Central VA Planning District Commission on its draft Hazard Mitigation Plan.

2. Water and Sewer Projects

- * Old Town Madison Heights Sanitary Sewer CDBG Grant Rehabilitation
 - Project is done; project closeout will be done in January 2020.
 - * Woodvue Dr. Water Line Replacement
 - Phase 3, water line extension down Woodvue Dr., relocations of existing services, installation of fire hydrants, and abandonment of existing water line scheduled for 2020; Hopkins is working on acquiring easements. with
 - Phase 1 Rte. 29 pavement problem: ACSA contractor and Hopkins are working with VDOT and VDOT's paving contractor on scope of work and schedule for the repair. No cost to ACSA; ACSA's contractor's insurance to pay for it; ACSA only involved because VDOT's permit was issued to ACSA.
 - * Sanitary Sewer Extensions – American Legion Hall Area
 - Easement acquisitions were on hold for Woodvue Dr. water line project, but have resumed.
 - VDOT approved site plans.
 - Phase 1 construction scheduled for winter 2019 and spring 2020.
3. Business Friendliness Initiative (Board-adopted priorities)
- * Priority 1a Complete evaluation of water and sewer availability fees
 - 2020 benchmarking study comparing ACSA rates and fees to other similar size and type utilities will be done first quarter of 2020.
 - * Priority 1b Publicize methods of calculating availability fees. ACSA does all four if the information is available, assessing the lowest resulting fee.
 - 4 methods used:
 - * County Code Tables 15-124;
 - * Determination by ACSA of expected average daily water use from plumbing fixture counts submitted by developer;
 - * Submittal of expected average daily water use under engineer's or architect's seal and on their letterhead; ACSA can assess more fees later if actual water usage significantly exceeds submitted estimate;
 - * Submittal of daily water use for past 2 years (min.) by 3 (min.) similar type and size facilities under engineer's or architect's seal and on their letterhead; ACSA can assess additional fees later if actual water usage significantly exceeds submitted estimate.
 - Hopkins noted that County Attorney Lockaby recommends removing ACSA policies from County Code and using them to create an ACSA Rules and Regulations Manual. Lockaby briefly described his idea.
 - * Priority 1c Policy for payment of high availability fees over multiple years
 - Note: Availability fees are required by County Code in accordance with system capacity; they cannot be waived and must be paid.
 - Purpose of fees:
 - * Reimburse ACSA for expenditure or debt service for installation of infrastructure (making it available);
 - * Provide ACSA funding for future infrastructure installation for others (paying it forward);
 - * Ensure developers pay for infrastructure improvements from which

- they will profit, to prevent rate increases on ACSA customers (ACSA Board policy);
- * Maintain ACSA financial stability.
- New policy considerations:
 - * MSA service authority and most authorities state-wide charge fees;
 - * ACSA is not a bank or lender;
 - * ACSA customers should not subsidize private development;
 - * Ensure that fees are paid;
 - * Fees cannot be passed on to successor entity without ACSA approval;
 - * Ensure fees are paid in case of developer bankruptcy or similar event.
- Proposed policy:
 - * If development is of sufficient value to County (taxes, jobs, other):
 - Economic Development Authority pay part or all of fees
 - Board of Supervisors pay part or all of fees
 - * Developer execution of bond with ACSA as payee, to guarantee fee payments in monthly installments until paid in full; developers likely to balk as an additional cost of development.
 - * Case-by-case basis in keeping with ACSA policy. Example: W4 Car Wash. Range in water usage from engineer is 2,125 gpd to 12,750 gpd. Fees to be paid based on system capacity (12,750 gpd) = \$350,000. Large range due to water re-use system at site; 2,125 gpd is estimated daily makeup water; fees would be \$60,000. Hopkins suggested to developer that fees be paid based on 2,125 gpd, with execution of agreement whereby exceeding water use ceiling set in agreement will require additional fee payment set in agreement, until fees are paid in full, decades from original fee payment/agreement execution. Hopkins is waiting to hear back from developer. Agreement would require ACSA Board approval.
- * Priority 2 Major upgrade to communications efforts:
 - Hopkins working with Hurt & Proffitt on web site rework assistance, and will also contact County staff.
- * Priority 3 Clear policy regarding ACSA construction of water & sewer lines
 - Nothing since last Board meeting.
- * Priority 5 ACSA Board re-organization
 - 2020 re-structuring of ACSA Board
 - * Board of Supervisors to decided at 1/9/2020 meeting who to interview and when, where, and if interviews will be open or closed session. Director Tucker recommends open session, since Board members must be used to public speaking.
 - * Hopkins submitted to Supervisors on 12/20 a letter and chart ranking candidates' submitted data in categories appropriate for Board service.
 - Revised ACSA Board Charter
 - * Latest draft reviewed by County Attorney, whose comments were added to draft 12/31/2019. Latest draft attached for ACSA Board adoption

or further consideration.

* With no motion for adoption, ACSA Board tabled this for next meeting.

* Priority 6 Update ACSA Water Office building

- Hopkins met with architect 12/27 for proposal to update old building, based on ACSA improvements list and other requirements from inspection. He continues to work on site improvements along Phelps Road for water line extension for Phelps Road School Re-development project and future Water Office customer convenience drive-thru window.

4. Asset Management Plan

* Infrastructure improvements

- Little since last meeting.

5. Amherst County High School Water-Sewer Operator Apprentice Program

- Nothing since last meeting.

VIII. New Business

A. 2019 Water Operator Licenses

- Hunter Glass Class III Water Operator February 2019
- Dylan Byers Class II Water Operator November 2019
- Revised ACSA Organizational Chart (attached)

* Tucker asked about the large number of empty position boxes. Hopkins replied that this chart is a carryover from the previous Executive Director and he is in the process of consolidating it and removing unnecessary boxes. For example, the Maintenance Specialist and subordinate Senior Utility Mechanic positions are no longer needed. He expects to proposed chart revisions later in 2020.

B. 2019 City Water and Sewer Contracts Settlements

- ACSA has 3 contracts with City of Lynchburg: potable water purchase for resale to CVTC and VC Trailer Park; wastewater treatment and disposal; wastewater treatment plant capital improvements. End of each year requires a reconciliation and settlement payment or credit for each contract.
- Water: In 2019, ACSA owed \$1,702.00; with sufficient money remaining in the budget line item, the bill has already been paid.
- Wastewater: In 2019, ACSA overpaid and was due a credit of \$17,253.00.
- Treatment plant: In 2019, ACSA owed \$29,350.50 as its 11.36% cost share for plant capital improvements. Hopkins got the City to subtract the wastewater treatment credit, resulting in a final amount owed of \$12,097.50; with sufficient money remaining in the budget line item, the bill has already been paid.

C. PJM Power Shutdown Program Payment

- Hopkins described the program for the benefit if the new ACSA Board member, then related the receipt and delivery to the ACSA Treasurer of the first half of the 2020 fiscal year payment of \$1,193.84. The second half will be paid before July

2020.

D. Westbriar Wastewater Treatment Plant Polishing Pond

- Hopkins described ACSA's 2 small, neighborhood wastewater treatment plants, noting that Westbriar has a polishing pond that the other does not. Because of the pond, Westbriar requires twice the electricity and bill as the other. He wants to remove the pond to save money, about \$2,500 annually. He is in the midst of renewing the Westbriar discharge permit thru DEQ and has asked for the permit to be modified to allow ACSA to remove the pond. If approved, ACSA will install a bypass of the pond spring 2020 and test the plant performance for permit compliance and hopefully drain the pond, take the sludge to the County landfill before it closes, and backfill the pond, all in 2020. Hopkins plans to replace the plant with a pump station within the next 10 years; removing the pond now would save ACSA close to \$25,000 during that time period.

E. CVTC Shutdown vs. VC Trailer Park

VC Mobile Home Park is a 71-unit residential area between CVTC and James River. Potable water is supplied via a 6" water line off the City's 8"/10" supply line to CVTC; ACSA buys the water to sell to its customers in the park. CVTC is scheduled to be closed in mid-2020 (for a possible delay, see the Summary in VI.3 above). Without CVTC, there will be insufficient use of water to prevent the water in the 2 mile long service line from the City from going stale, with taste and odor problems, depletion in disinfection protection, and possible development of disinfection byproducts. Hopkins has been seeking a way to continue providing water to park residents and believes he have found it, working with the CVTC Utilities Director and Hurt & Proffitt engineer.

ACSA has a 6" water line to a meter at the CVTC entrance on Colony Road; the line is currently closed. If opened after CVTC closure, the highlighted water line on the attached CVTC water system map could be used to provide water to the park. The only necessary changes would be upgrading the existing short stretch of 4" water line immediately downstream from ACSA's meter to at least 6" and installation of a few valves on branch lines to isolate the line to be used.

This would not provide fire protection; 500 gpm fire use in the line in question would implode the 6" line to the park. Hopkins is working with the County Public Safety Director on this matter. Alternate options:

- Continue using the City line or onsite water tanks to ensure sufficient water for fire protection, and waste more water to keep it fresh than is sold to park residents – not preferable.
- Replace the entire 6" ACSA water line from Rte. 210 with a new 12" pipe, which would provide 500 gpm of fire water at suitable pressure, but would be costly and time-consuming – not preferable.
- Install a new line to the park parallel to the existing line from a water tank, and use it solely as a fire protection line; possible, but costly – not preferable.
- Install a dry hydrant in James River for fire protection. Possible, but the distance of the park from the river is a problem – preferable, if possible.
- Director Tucker suggested using a storage tank with the line in question, keeping the tank isolated until needed. Hopkins explained that the long storage time would result in the same water problems, contaminating the water supply line, requiring it to be disinfected again and possibly not adequately succeeding, and the Health Dept. would almost certainly veto this

idea – not preferable.

- Director Martin suggested using a storage tank, keeping it isolated from the line in question, with a hydrant installed at its base for use by fire fighters to fill their pumper trucks – possible, but not optimum for fighting fires because of the distance of the tank from the trailer park.
- Director Tucker suggested refreshing the water stored in a tank with chlorine tablets to keep it potable, so the tank can be used for potable water and fire protection. Possible, but costly, time-consuming, would require constant water quality monitoring, and the Health Dept. likely would not like it – not preferable.
- The County Administrator suggested a chlorination polishing station at the entrance to the park, to refresh the disinfection of the water stored in a tank. This might be possible, but would be very costly in equipment, chemicals, operation, and monitoring, and would not be adequate for large quantities of long-storage tank water coming down the line to fight a fire, so the Health Dept. would likely not like this idea – not preferable.
- The County Administrator then suggested “just buy out park residents and cut them off” from ACSA water service. Hopkins opposed that idea due to public health reasons and ACSA’s history of providing them water – this is a very bad idea for trailer park public health and ACSA public relations.

Hopkins said he would keep working on a solution and report back to the Board at a future date.

F. National League of Cities Water & Sewer Service Lines Warranty Program

ACSA has many low- and fixed-income customers, who often call to seek help with paying their water & sewer bills or dealing with service line repairs and inflated water bills from leaks. Hopkins started working to address this 2 years ago with a fund from which ACSA could draw to help such customers. The account would be funded by requesting customers to “round up” their bill payments to the next whole dollar. For additional funding, ACSA’s cell tower lease rent could be used, along with ACSA scrap metal sales, ACSA’s PJM payments (see above), and other sources to be developed. He talked to the County Attorney and was told that the State may not allow such a program; at today’s meeting, the County Attorney said it is his understanding that such a program would now be acceptable.

Hopkins then described his positive experience with electrical and exterior water service line warranties with HomeServe. He called the company about a utility program and was told about a HomeServe program thru NLC which serves many hundred towns and cities and millions of customers. It would cost ACSA nothing; HomeServe would contact ACSA’s customers on their own. The County Attorney said ACSA would have to go thru the public procurement process anyway.

Hopkins asked the HomeServe president about a modification of that program to contract with a utility and get paid a certain annual “premium”, for which the utility would get a certain number of repairs. The president said this had never occurred to his company, but he liked the idea and would take it to his staff. He reported to Hopkins later that staff liked the idea and is working on developing it; the president would get back to Hopkins later.

Hopkins will continue to work and develop the concept, reporting back to the Board as events unfold, especially for authorization to establish a program and contract with HomeServe or another company if things get that far. Tucker

thanked Hopkins for his commitment to ACSA's customers.

G. Director's Schedule

- 1/3 Hurt & Proffitt projects meeting
- 1/8 Leadership Group (County staff) meeting
- 1/9 ACSA Board and Bos meetings
- 1/16 County staff meeting
- 1/16 CVPDC Hazard Mitigation Plan meeting
- 1/17 Dentist first thing in morning
- 1/21 EFCN webinar: Asset Management
- 1/21 Evening BOS meeting

IX. Matters from the Members of the Service Authority Board

Director Tucker had no matter to discuss.

Director Moore had no matter to discuss.

Director Pugh had no matter to discuss.

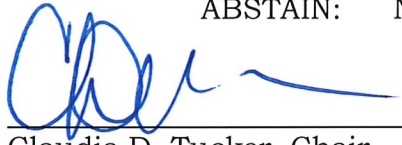
Director Martin had no matter to discuss.

Director Ayers had no matter to discuss.

X. Adjournment

By motion of Director Pugh and with the following vote, the Board adjourned at 12:12 p.m.

AYE:	Ms. Tucker, Ms. Moore, Mr. Pugh, Mr. Martin, and Mr. Ayers
NAY:	None
ABSENT	None
ABSTAIN:	None



Claudia D. Tucker, Chair
Amherst County Service Authority Board



Robert A. Hopkins, PE, Secretary
Amherst County Service Authority Board