



AMHERST COUNTY SERVICE AUTHORITY BOARD

MINUTES

AGENDA
February 6, 2018

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

- I. Call to Order**
- II. Citizen Comment**
- III. Approval of Agenda**
- IV. Approval of Minutes**
 - A. Minutes – January 9, 2018
- V. Monthly Financial Report**
 - A. December 2017 End of Fiscal Year Financial Report
- VI. Old Business**
 - A. Director's Report
- VII. New Business**
 - A. CY2017 Budget Appropriations
 - B. CY2017 Budget Transfers
 - C. CY2017 Re-Appropriations for CY2018
 - D. Public Safety public notification software
 - E. Lanum water main to Prices Store Tank
 - F. Water & Wastewater Facility Plan update
 - G. Annual performance appraisal for Director of Public Utilities
- VIII. Matters from the Members of the Service Authority Board**
- X. Adjournment**

MINUTES

At a Regular Meeting of the Amherst County Service Authority Board and held at the Amherst County Administration building thereof on Tuesday, the 6th day of February, 2018, at 11:00 a.m., the following members were present:

SERVICE AUTHORITY BOARD:

PRESENT:	Claudia D. Tucker, Chair David W. Pugh, Jr., Supervisor Kenneth M. Campbell, Supervisor Jennifer R. Moore, Supervisor	ABSENT: L. J. Ayers, III, Vice-Chair
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STAFF PRESENT: Authority Secretary Dean C. Rodgers; Authority Deputy Secretary David R. Proffitt; Director of Public Utilities Robert A. Hopkins; Interim County Attorney Michael W. S. Lockaby; and Executive Administrative Assistant Regina M. Rice

IX. Call to Order

Chair Tucker called the meeting to order at 11:00 a.m.

X. Citizen Comment

There was no public comment.

XI. Approval of Agenda

By motion of Supervisor Campbell and with the following vote, the Board approved the Agenda for February 6, 2018.

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

XII. Approval of Minutes

A. Minutes – January 9, 2018

By motion of Supervisor Campbell and with the following vote, the Board approved the Minutes for January 9, 2018.

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

XIII. Monthly Financial Report

A. December 2017 End of Fiscal Year Financial Report

Mr. Hopkins present the December 2017 Financial Report with the following information:

Compared to YTD 12/2016:

1. Water: Sales down 0.1%
Total revenues down 2.3%
New connections down \$79,991 (39.8%)
2. Sewer: Sales up 0.7%
Total revenues down 1.9%
New connections down \$31,050 (33.1%)
3. Water & Wastewater: Sales up 0.1%
Total revenues down 2.2%
4. Including other sources, all ACSA revenues down 2.1%

Mr. Hopkins said that lack of development in the County is resulting in less water demand. Availability/connection fees for new services account for approximately 2.5% of ACSA revenues, not counting the additional volume sales from such new connections, and negative percentage figures cited above would have been positive with just the same number of new services in 2017 as we saw the previous year, again, not including additional volume sales.

XIV. Old Business

B. Director's Report

Mr. Hopkins reported to the Board as follows:

1. Proposed DEQ wastewater treatment plant discharge regulations changes – legislation has been proposed to delay this several years. Mr. Hopkins will continue to monitor the situation and keep the Board informed.
2. Real estate purchase(s) for the Source Water Protection Program – the seller of the larger tract has agreed to the ACSA offer, with closing anticipated by the end of March. The seller of the smaller tract is considering the ACSA offer to see if there would be a tax deduction, since the offer is less than what he paid, including closing costs.
3. Annual bad debt write-offs – Mr. Hopkins is addressing those annual losses with the ACSA Water Office manager by adding to the water bill a service cut-off date of five days after the late fee addition date, as well as considering other measures.
4. James River Bank Stabilization Project – The construction documents are 95% designed, with ACSA and Hurt & Proffitt participating in reviews and project meetings. The US Army Corps of Engineers has re-evaluated total project costs and is projecting an increase from \$950,000 in the original Corps-ACSA agreement to \$3 million. Mr. Hopkins compared the original estimate to the 2007 project that ACSA did inhouse and considers the original Corps estimate very low. He is awaiting a letter from the Corps regarding payment of an estimated \$700,000. Mr. Hopkins advised that the work must be done to save the Madison Heights trunk sewer and that the Federal government will pick up two-thirds of the total project cost, which will save ACSA at least \$1.5 million over doing the project in-house, as in 2007. He advised ACSA has the money in reserves and hopes this will not reduce non-dedicated reserves below the ACSA guideline of fifty percent of ACSA's current budget. He is also expecting the \$700,000 to be reduced by upcoming Corps/ACSA/H&P value engineering, construction bidding results, and over \$50,000 in credits for real estate acquisition and ACSA/H&P project assistance that are not included. The construction is scheduled to be completed in 2018.
5. Sanitary sewer extensions into previously developed areas – Mr. Hopkins is working on an extension project to replace a private pump station and sewer system in the area of the

Madison Heights American Legion Hall, eliminating a source of occasional sewage overflows and making available public sewer for at least 30 properties with aging septic systems. The project is currently scheduled for later in 2018, as the first using the joint County-ACSA funding of the past couple years.

6. Replacement of water mains by ACSA – Mr. Hopkins is looking at a project to replace an existing small water main with new 6" lines to correct pressure and flow problems and provide fire protection in, the area of Ridge St. in Madison Heights. The existing 1.5" and 2" water mains are aging and there are too many existing service connections for those size lines. The project is preliminarily scheduled for later in 2018.

7. Cold weather water leaks – ACSA had several dozen leaks in the last several weeks and those have been addressed. Only one service outage lasted more than a few hours, but two repairs had to be done by our contractor (see New Business, CY2017 End-of-Year Budget Appropriations), due to the locations (both in Rte. 29) and the volume of repair work for the ACSA crew.

8. Current drought – central Virginia should be close to the normal annual rainfall for the year and ACSA is back on the Harris Creek intake, but also on the reservoir and blending the water. The reservoir is full and there are no anticipated problems for 2018 unless the current lack of precipitation continues through the summer.

XV. New Business

H. CY2017 Budget Appropriations

Mr. Hopkins explained that there were two leaks in December on Route 29 and ACSA contracted those repairs out, due to the volume of leak repair work and the lack of inhouse safety equipment for highway work. He also advised that ACSA is contracted with the City of Lynchburg regarding wastewater treatment and ACSA is billed \$19,500 monthly. Each year there is an end-of-year reconciliation and ACSA has now received a bill for \$30,880 for 2017 from the City. These two matters were unforeseen when the CY2017 Budget prepared and are causing end-of-year budget line item deficits that need to be corrected to comply with audit requirements.

By motion of Supervisor Pugh and with the following vote, the Board appropriated \$58,970.34 from the Service Authority non-dedicated reserved for the purposes indicated in the attached appropriation request form.

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

I. CY2017 Budget Transfers

Mr. Hopkins explained that a Board appropriation for real estate purchases was placed in one budget line item, but the purchases were actually made from another. The transfer is needed to move the appropriation to the line item from which the purchases were made to eliminate an end-of-year deficit in that line item, to comply with audit requirements. The transfer was brought to the Board because the amount exceeds the \$15,000 limit for Director transfers established by the Board in 2017.

By motion of Mr. Campbell and with the following vote, the Board approved the transfer for CY2017 Budget line items that has an excess of appropriated resources to a line item where

funds are needed to cover actual expenses and eliminate an end-of-budget-year deficit, as described in the agenda attachment.

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

J. CY2017 Re-Appropriations for CY2018

Mr. Hopkins explained that these re-appropriations are needed for projects funded, but not completed, in 2017, to keep the projects moving toward completion. No new revenue is requested.

By motion of Supervisor Moore and with the following vote, the Board appropriated \$185,600 from the CY2017 budget to the CY2018 Budget for the projects listed in the request.

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

K. Public Safety public notification software

Mr. Hopkins explained that this notification software is being considered for purchase by the County Public Safety Department and might also benefit ACSA customers with notices of water and sewer leaks, repairs, water quality issues, and other matters. He advised that no Board action is required at this time, but an appropriation later in 2018 may be requested to assist the Public Safety Dept with the software purchase.

L. Lanum water main to Prices Store Tank

Mr. Hopkins explained that bridge hangers for the twelve-inch waterline along Elon Road to Madison Heights where it crosses the railroad tracks are deteriorating and need to be replaced. He is also investigating insulating and/or heat tracing that line to prevent it from freezing. He advised the Board that no action was needed at this time, but an appropriation later in 2018 may be requested.

M. Water & Wastewater Facility Plan update

Mr. Hopkins explained that the last update was completed in 2011 and should be repeated every five years. He requested direction from the Board for him to prepare and update this plan for adoption for the last quarter of 2018.

It was the Board's consensus to proceed preparing the Water and Wastewater Facility plan update.

N. Annual performance appraisal for Director of Public Utilities

Supervisor Pugh requested a hard copy of the evaluation form.

Chair Tucker asked to set the date for Mr. Hopkins performance evaluation for April 3, 2018. Mr. Hopkins's performance appraisal will be done in a closed session on that date.

XVI. Matters from the Members of the Service Authority Board

Supervisor Moore had no matter to discuss.

Supervisor Campbell had no matter to discuss.

Supervisor Pugh had no matter to discuss.

Chair Tucker commented on the upcoming performance appraisal process for Mr. Hopkins and advised that Board members will get the forms from Mr. Rodgers and input from Mr. Hopkins. Chair Tucker advised the Board will be prepared on April 3rd with its recommendation.

Chair Tucker asked Mr. Hopkins how many hours he has consulted with Mr. Dan French. Mr. Hopkins advised it has been approximately five hours.

X. Adjournment

By motion of Supervisor Campbell and with the following vote, the Board adjourned at 11:33 a.m.

AYE:	Mrs. Tucker, Mr. Ayers, Mr. Pugh, Mr. Campbell and Ms. Moore
NAY:	None
ABSTAIN:	None

Claudia D. Tucker, Chair
Amherst County Service Authority Board

Dean C. Rodgers, Secretary