


MEMORANDUM

To: Albemarle County Board of Supervisors
From: Gary O'Connell, Executive Director 
Date: July 20, 2022
Re: Albemarle County Service Authority (ACSA) Quarterly Briefing
cc: Mr. Jeff Richardson, County Executive; ACSA Board of Directors;
ACSA Leadership Team and Operations Council

We do thank you for the continuing opportunity to share with the Board of Supervisors and the broader community what is happening at your water agency, the Albemarle County Service Authority (ACSA). We pride ourselves on safe, clean, reliable Albemarle water at a good value. Here are some recent updates from the ACSA:

1. **Budget and Rates** – The proposed FY '23 Budget and Rates was adopted by the ACSA Board on June 16th. Our wholesaler RWSA proposed a 10.6% rate increase, primarily due to new major capital projects to improve water quality and reliability. All customers in May received a newsletter on the budget and rates. The approved ACSA retail rate to our customers was a 4.6% average increase, as we have rate stabilization reserves that have been planned to offset some of the RWSA projected capital debt increases.
2. **Budget Customer Newsletter** – Went to customers as a bill insert with the May bills, and in email form to all e-bill customers.
3. **Summer Customer Newsletter** – Focus on our employees who throughout the difficult COVID period have been providing high-quality service.
4. **AMI (Advanced Metering Infrastructure)** – One of our Strategic Plan major initiatives is to utilize the various AMI technologies that are available in the water metering world. A tremendous advantage with AMI is near real time leak detection inside the customer's home or business, or water service line, a tremendous water conservation and cost savings tool. In our January 2019 Customer Survey, over 97% of the respondents found it important to have leak notification. We also will be adding in the future a new customer "portal" online feature for a customer to track their water use. The second phase was about 1,200 meters, primarily residential meters in Scottsville, and all 450 large meters in the ACSA system (1/3 of overall monthly use). The remaining 19,500 meters are the final phase. With the global chip shortages, many large quantities of our meter

deliveries have been delayed. We are told deliveries of meters will start in late 2022. In the meantime, all our antenna installations are complete. Notices go out to each customer 30 days prior to installation, and then a mailer card 5 days prior to the meter install. The meter/communications device is a quick 15 to 20-minute change-out for each customer and the 2,000 meters installed thus far have gone smoothly. We are offering an "Opt-Out" for customers who do not wish to participate.

5. **ACSA Capital Projects Update** - The approved FY 2022 Capital Improvements Program totals \$11.1 million. Highlights and current major projects are detailed below:

- **Madison Park Pump Station Upgrade** - Constructed 37 years ago, by a private development, and the original equipment is wearing down, building is undersized, and we are not able to install SCADA (computerized monitor). The plan is to replace this pump station on-site. A construction contract has been approved.
- **Oak Forest Sewer Pump Station Abandonment** - This is an aging pump station in need of rehabilitation. With the adjacent Stonefield development, we now have the opportunity to extend a sewer main via micro-tunnel and eliminate this aging pump station and avoid an expensive upgrade. Work on the construction has been completed. A major underground tunnel bore was completed for the sewer piping for this project. Project in the closeout phase.
- **Jefferson Village Water Main Replacement** - Replacing older (49 years) water mains made of inferior pipe product. Since originally part of a former well system, many of the mains are undersized. Construction contract has been approved. Awaiting pipe delivery schedule.
- **Pantops Sewer Study** - Area study to reduce wet weather infiltration and inflow (I/I). This study will likely lead to targeted sanitary sewer system rehabilitation. Flow monitoring and manhole inspections have been completed, and the investigation portion of this project, including robotic televising of the sewer lines, has been completed. Rehabilitation work is expected to be completed this month (95% complete).
- **SCADA (computerized monitoring)** - A three phased project is nearing completion for over 40 water and wastewater facilities in the ACSA system. This is another of our projects to provide emergency alerting and monitoring to assure reliable water and wastewater service. We have completed the second phase of work, with the third phase design now complete, and project in the competitive bid stage.
- **Crozet Phase IV Water Main Replacement** - Our Strategic Plan calls for the eventual replacement of all asbestos-cement water mains in our system, as they are older and made of a weaker material than the current industry norm. This project continues our systematic program to replace the aging and undersized water mains in the Crozet Water System. This is the fourth of five phases that have been defined to carry out these improvements. The design phase is complete and easement acquisition is under way. The VDOT Lickinghole Creek Bridge Replacement must be completed before we start this water main replacement.

- **Hessian Hills Water Main Replacement** - The water mains in the Hessian Hills area have major deterioration, and they are also undersized throughout most of the subdivision. This project follows our Strategic Plan goal to replace aging and undersized water mains throughout our system. It will also eliminate a small amount of plastic pipe installed in the early 1980's. Water line replacement on this project is complete. Barracks and Georgetown Road are being fully restored with milling and paving.
- **Hollymead Sewer Rehabilitation** - ACSA staff has identified other large drainage basins to be evaluated for infiltration and inflow (I/I) to continue our efforts to maintain the integrity of our wastewater collection system. This study area includes the oldest portions of the Hollymead Subdivision, as well as the offsite portion of the sewer main that serves the westernmost area of Forest Lakes South. The Forest Lakes Offsite Sewer will be the primary collector for the upcoming Brookhill development, and an evaluation of this trunk main will provide an excellent baseline of pipe integrity in advance of the future construction activities around this sewer. All of the manholes have been inspected, flow monitoring and smoke testing have been completed. Rehabilitation work has begun and work is at the 24% stage.
- **Energy Audit** - This project will consist of a comprehensive energy audit of the Operations Center and all pump stations (20). It will evaluate current energy consumption and the factors that drive it, as well as an analysis of utility rate structures to identify potential cost savings. Surveys were conducted of all systems, including operation and maintenance procedures to determine where energy conservation can be improved. An evaluation of infrastructure needed to convert our fleet to electric vehicles (EV) has been added to the scope of the audit. The project is at 85% completion.
- **Avon Street Maintenance Yard** - The Avon Street property has long been held as a future location to build additional facilities in a central location, as needed. The current Maintenance Yard at our Pantops Operations Center is becoming overcrowded with equipment and materials, causing us to relocate some equipment and larger materials to the former ACSA Maintenance Yard at the Crozet Water Treatment Plant, which we lease from RWSA. This project will develop the ACSA owned Avon Street property into a satellite facility for larger vehicle and materials storage. The Planning Commission has approved the Comprehensive Plan Compliance review. Design of the site is under way at the 65% stage, and the initial site plan has been submitted to the Albemarle County Planning staff. This site work being coordinated with a County sidewalk project on Avon.
- **Ragged Mountain Phase 1 Water Main Replacement** - This project will replace the oldest active water main remaining in our system, which was part of the water main that served customers out Reservoir Road. This cast iron pipe is over 90 years old and is severely tuberculated, which greatly reduces the flow capacity in this section. Design work is 90% complete. We are coordinating with VDOT where their road improvement project overlaps with ours. Easement acquisition has been completed.

- **Northfields Water Main Replacement** - This project addresses the goal in our Strategic Plan for the eventual replacement of all asbestos-cement water mains in our system. The existing water mains are approximately 54 years old and have reached the end of their useful life. As a former well system that was connected to public water, most of the mains are also undersized. Field surveying is complete, with design under way at the 50% stage. The design of some sanitary sewer extensions as part of this project, specifically in areas along the road, has been added to our consultant's scope of work.
- **Exclusion Meters Replacement** - In the mid 1990's with the development of Glenmore, many new customers installed irrigation systems for their properties and wanted to have their sewer bills reduced by the amount of water that was diverted to irrigate their properties. Private meters were installed behind their ACSA meter to record this volume and it was "excluded" from the calculation of their sewer charges and these became known as exclusion meters. On January 1, 2006 the ACSA Rules and Regulations were modified to no longer allow exclusion meters, and required that all future irrigation meters would be tapped separately off our water mains to be owned and controlled by the ACSA. This project is a multi-year replacement program by our in-house CIP Crew to install dedicated, ACSA owned irrigation meters that will eliminate all remaining private exclusion meters in our system. The number of exclusion meters in the ACSA system has been reduced to 370, with about 126 replaced thus far.
- **Pipe Saddles Replacement** - The ACSA Maintenance Department has discovered in recent years that pipe saddles used to make water service line connections to PVC water mains have been failing. Either the zinc-coated straps or the cast iron saddle bodies are deteriorating. This project is a multi-year replacement program.
- **Scottsville Phase IV (James River Road) Water Main Replacement** - Continues our systematic program to replace undersized and deteriorating water mains in the ACSA system. At the 90% design stage.
- **Briarwood Water Main Replacement** – Our Strategic Plan calls for the eventual replacement of PVC (pre-1990) water mains in our system, as they are older and made of weaker material than the current industry norm. This project will replace the PVC water mains that have been in service since the early 1980's. The field surveying work has been completed. Design work is nearing the 90% stage.
- **Broadway Street Water Main Replacement** – This project will replace the ductile iron water main that was installed in the early 1970's and has been found to be in deteriorating condition based upon recent excavations. With the redevelopment of the Woolen Mills Factory and Albemarle County's increased attention on economic revitalization of this corridor, replacement of this water main is crucial to transforming this area. Project is at the 90% design stage.
- **Bellair – Liberty Hills Sewer** – Over the past several years there has been an increase in residents of the Bellair Subdivision seeking to connect to public sanitary sewer service since most residents are currently served by private septic fields. In an effort to gauge community interest for such a

project, ACSA staff mailed out a survey to the residents seeking feedback on their interest. Based on initial feedback received, a majority of the property owners are interested in connecting to public sewer if it was made available. The project is in the preliminary design phase with additional field surveying under way.

- **Raintree and Fieldbrook Water Main Replacement** – Planned replacement of aging PVC water mains that have failing service line pipe saddles due to corrosion. Project is in the initial design phase.
- **Barracks West Water Main Replacement** – This project will replace undersized and aging water pipe that are over 60 years old. Project design is at the 50% design phase.
- **Airport Trunk Sewer Upgrade** – With the continued growth in the Hollymead Town Center area, the existing sewer collector serving the airport and the area west of Route 29 is in need of upgrading to handle full build-out. The existing sewer was originally sized to serve the light industrial zoning designated for that area at the time of construction. The increased density specified in the County Comprehensive Plan for the same drainage basin will exceed the capacity of the existing sewer. Easement acquisition is underway. Project design is at the 90% stage.

Let us know if you have further questions or comments. We are more than glad to meet with you or hold a virtual meeting to talk about any of our projects, or facilities, or provide a tour if that would be useful.

Attachment:

- Summer ACSA Customer Newsletter/E-newsletter
- FY '23 Budget/Rates Customer Newsletter/E-newsletter

FY '23 Budget & Rates

July 1, 2022 - June 30, 2023

Continued Responsibility During Uncertain Times

Dear Customer,

As we emerge from Covid, the ACSA continues down our path of instituting necessary rate increases to support the Rivanna Water and Sewer Authority (RWSA), our wholesale provider of water and wastewater services, as they invest in upgrades to their systems. The estimated cost for their improvements is more than \$200 million over the next five years.

Once again, the ACSA will use our financial tools to reduce your financial burden. However, the RWSA's work must be supported with funding beyond the help that our reserves can provide; they must pass down to the ACSA a 10.9% cost increase for the next fiscal year to fund the essential water and wastewater system upgrades.

The ACSA is responsible for approximately 60% of the RWSA's annual debt service, and charges from the RWSA make up about 62% of our annual operating budget. As a result, we must raise our rates in Fiscal Year 2023, and in the future, to ensure proper funding for all the important work.

The mission of the ACSA is to provide safe, reliable water for an excellent value. As I hope you noticed throughout the last couple of years, delivering safe water to you was a responsibility our employees held dear.

We at the ACSA remain mindful of the uncertain economic times. That's why we are again applying cash reserves to lower this year's proposed rate increase for you. The RWSA's cost increase to the ACSA is 10.9%; our proposed rate increase is 4.6% for our residential customers. It will be slightly higher for our multi-family and non-residential customers who use a greater volume of water.

Once again, the staff of the ACSA and I are extremely grateful for your patience and understanding during the last couple of years, and as we continue taking the right financial steps to protect your systems.

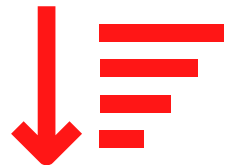


Gary O'Connell
Executive Director, Albemarle County Service Authority

**FY '23 RWSA cost increase
charged to the ACSA**

10.9%

ACSA's Use
of Fund
Reserves



4.6%

**FY '23 Proposed ACSA
Residential Rate Increase**

ACSA Obligations



62%

**% of ACSA's Operating Budget
allocated to RWSA's charges**



60%

**% of RWSA debt service
paid for by the ACSA**

FY '23 Budget Facts & Figures

July 1, 2022 - June 30, 2023

ACSA Infrastructure Obligations

The ACSA is obligated to provide our wholesale service provider, the Rivanna Water and Sewer Authority, with funding for essential plant upgrades.

Below are the costs for the RWSA's upgrades, which must be paid for by rate increases charged by the ACSA and other regional partners and with the proper use of the ACSA's funding reserves.



**South & North
Fork Rivanna
Water System**

\$23.2 Million



**Crozet Water
System**

\$31.8 Million



**Observatory Water
Treatment Plant &
Ragged Mountain/
Sugar Hollow
Reservoir System**

\$23 Million



**Moores Creek
Advanced Water
Resource Recovery
Facility (Wastewater)**

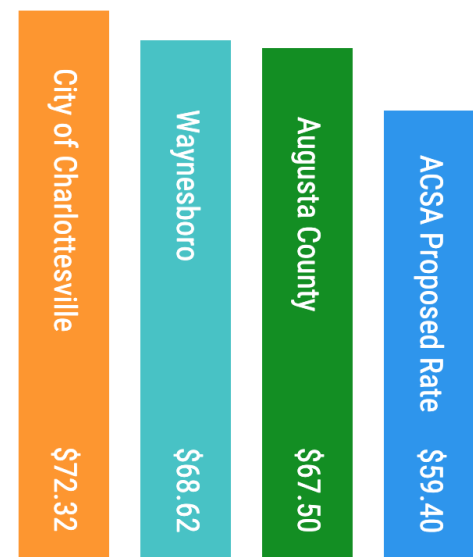
\$31.8 Million

Proposed ACSA FY '23 Water & Sewer Monthly User Rates

Rates and Charges	FY'22	FY'23
Service Charge	\$9.00	\$9.45
Volume Charge: Single-Family Residential (per 1,000 gallons)		
Level 1: Up to 3,000 gallons	\$4.70	\$5.05
Level 2: 3,001 to 6,000 gallons	\$9.43	\$10.14
Level 3: 6,001 to 9,000 gallons	\$14.13	\$15.19
Level 4: More than 9,000 gallons	\$18.86	\$20.27
Multi-Family/Non-Residential (per 1,000 gallons)	\$9.09	\$10.14
Sewer: All Users (per 1,000 gallons)	\$9.94	\$10.24

Combined Monthly Bill Comparison

Single-Family Residential, 3,200 Gallons



ACSA Proposed Budget & Rates
Public Hearing (Virtual Details TBD)

Thursday, June 16 @ 9am
www.serviceauthority.org

news & updates

80 Employees Delivering High Quality Services

Dear Customer,

The results of a recent American Water Works Association survey both surprised and troubled me. AWWA – the largest organization for water professionals in the world – found that just 28% of water and wastewater customers could remember communication from their utility during #Covid.

While we at ACSA did our best to keep you informed during the pandemic, we understand that you had other priorities when our world was turned upside down. And you never had to question if Covid was affecting the quality of your services.

In May, the ACSA released our 2021 Water Quality Reports. They provide important details about the drinking water provided to the four distinct areas we serve. You will again find your drinking water met or exceeded the standards for safety and quality as set by the U.S. EPA.

Our high-quality water doesn't just reflect well on our water team; it is revealing of all our 80 hard-working employees at the ACSA. Our departments support one another so we can all perform at a high level, whether it's our operations, engineering, and customer service staff or our administrative, information technology, and finance teams.

I couldn't be prouder of the people of the ACSA. I hope you can take a moment to review the water quality report for your area because I believe it will show how much we care about your health and safety.



Gary O'Connell, Executive Director



Added Customer Service Features



The ACSA wants to make sure you know about a couple of features we've added to help improve our customer service. First, there's ACSA's "Service Request" webpage, found by clicking on the "Service Request" link on our homepage. The page enables customers to create a separate Service Request account and submit a problem, concern, or question using a simple online form.

While submitting the service request, customers can set up status updates within the platform and receive automated emails when changes are made. The Service Request form is not for emergency use; customers in the middle of an emergency should call the ACSA at (434) 977-4511, 24 hours a day, 7 days a week.

The ACSA is also pleased to report we have installed a new drive-up payment drop box at our office at 168 Spotnap Road. Customers can use the box to make convenient payments but payments due that day should be made inside at the Customer Service office.

Get A Rain Barrel, Get a Rebate!

The ACSA supports and encourages water conservation through several initiatives, including free conservation kits & toilet rebates.

One of our more unique efforts is our Rain Barrel Rebate Program. It offers you \$30 for each barrel you purchase (up to two) and install at your home. Rainwater harvested from the barrels can be used to water your lawn or garden, or for other uses.

Customers seeking a rebate will need to use our Rain Barrel Rebate Form found at www.serviceauthority.org/customerservices/water-conservation. Please call the Administration Department at (434) 977-4511 for more details.

