


MEMORANDUM

To: Albemarle County Board of Supervisors
From: Gary O'Connell, Executive Director 
Date: July 21, 2021
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. We pride ourselves on safe, clean, reliable Albemarle water. Here are some recent updates from the ACSA:

1. **Summer Customer Newsletter** - A copy of our summer newsletter is attached for your information, that updates our MyWater project, and our new online bill payment system.
2. **FY 2022 Budget and Rates** - The proposed FY 2022 Budget and Rates were approved by the ACSA Board at their June 17th meeting. Approved is a 5% increase in monthly user rates effective July 1st. Our wholesale treatment provider RWSA is charging us a 15.5% increase, and we are using planned reserves to lessen the rate impact on our customers. The RWSA has four major treatment plant upgrades/renovations that are necessary funding to assure high quality water that can be reliably provided. This will be the first of several years of larger rate increases to support these projects. The ACSA average monthly bill continues to be below the statewide average, even with this proposed increase. See the attached "FY 2022 Budget and Rates" flyer that was mailed to all customers in May with their bills.
3. **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. We have already identified several leaks. One in particular could have been very

large, over 360,000 gallons in one month, which was stopped within a day. In our January 2019 Customer Survey, over 97% of the respondents found it important to have leak notification. We also will be adding a new customer “portal” online feature for a customer to track their water use. The initial phase has been successfully completed to install 500 new meters and communications devices. The final phase (remaining 19,500 customers) will begin in late 2021, and all installations will take over a year to complete into 2022. 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. We will be offering an “Opt-Out” for customers who do not wish to participate.

4. **Online Bill Payment** - We have gone live with a modern on-line electronic bill payment platform to take advantage of the latest technology. More of our customers have begun using on-line bill payment, and we wanted to improve our offering. This is one area from our customer surveys where customers have requested that we make improvements. We also will be eliminating our credit card fee, in an effort to encourage electronic bill payment which is more convenient for our customers.

5. **ACSA Capital Projects Update** - The approved FY 2022 Capital Improvements Program totals \$11.1 million. New projects approved for design or funding for future construction include: Briarwood Water Main Replacement; Scottsville Phase 4 Water Main Replacement (James River Road); Airport Trunk Sewer Upgrade; Bellair-Liberty Hills Sewer System Construction; Barracks West Water Main Replacement (New); Broadway Street Water Main Replacement; Raintree and Fieldbrook PVC Water Main Replacement (New) and Biscuit Run Sewer Replacement (New).

Highlights and current major projects are detailed below:

- **Camelot Water Main Replacement** - Replacement of nearly 50-year-old water mains that are also undersized and deteriorating and becoming unreliable. Work and road paving have been completed.
- **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. Design work is at the 95% stage. Easement acquisition is underway.
- **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 begun. A major

underground tunnel bore is underway for the sewer piping for this project.

- **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. Design is at 100% completed. We have completed easement acquisition. The project is planned to be bid late this summer.
- **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 underway.
- **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.
- **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 and is currently in design phase at the 100% stage. Easement acquisition is underway.
- **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. Work along Barracks Road and Georgetown Road will take place at night due to high traffic volumes during the day. Construction on this project began in late April. Most of the water mains along North Bennington Road and Woodstock Drive have been installed. The water main along Inglewood Drive is under construction.
- **Hollymead Sewer Study** - 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. About 99% of the study work has been completed.

- **Vulnerability Assessment** - As part of an on-going emergency preparedness program, the ACSA is in a multi-phase effort to reduce risk and increase resilience. Projects include additional security measures, fencing and access gate enhancements, cybersecurity measures, additional tank protection, etc. The security fence has been installed at the Avon Park Tank site and the new security fence around our Maintenance Yard has been completed.
- **Sewer Force Main Condition Assessment** - This project utilizes a computerized “SmartBall” that is flowed through the force main capturing assessment data (via acoustic monitoring technology) to determine any problem areas that require correction or further detailed investigation. Final report submitted showing some gas pockets in three force mains. Recommended pipe wall thickness measurements in these areas have been completed and a portion of the Woodbrook Pump Station force main has been identified for replacement.
- **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 are being conducted of all systems, including operation and maintenance procedures to determine where energy conservation can be improved.
- **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. Design of the site is underway at the 40% stage and, as well as coordination with the Albemarle County Planning staff. The Planning Commission has approved the Comprehensive Plan Compliance review.
- **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 is underway.

- **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 underway at the 50% stage. We are researching the feasibility of including the design of some sanitary sewer extensions as part of this project, specifically in areas along the road.
- **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 421, with about 75 replaced thus far, or about 15%.
- **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 to be undertaken with our in-house capital project crew.
- **Scottsville Phase IV (James River Road) Water Main Replacement** - Continues our systematic program to replace undersized and deteriorating water mains in the ACSA system.
- **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 is underway.
- **Lewis Hill–West Leigh Water Connection** - The existing PVC water main that serves as the primary connection between West Leigh subdivision and Lewis Hill subdivision is at risk for failure due to the encroachment of a nearby stream. The water main has been taken out of service to avoid a catastrophic failure and the resulting large volume of lost water. This project re-establishes the connection from West

Leigh by taking advantage of the recent water main replacement along Sheffield Road with an 8" diameter pipe. Discussion is underway with the HOA on an easement.

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.

Attachments:

- ACSA Summer Customer Newsletter
- FY 2022 Budget and Rates flyer to customers

news & updates

A New - and Improved - Normal

Dear Customer,

I was almost afraid to write those two words in the headline - "New Normal" - for fear they would make you roll your eyes and toss this newsletter aside. I wanted to use them for a very simple reason, to emphasize that the more things changed in our lives because of Covid, the more things stayed the same when it came to the delivery of your services. It bears repeating: Your water service was not impacted due to the virus and your wastewater services stayed as reliable as ever as we stayed home more than we ever hoped.

We were all able to count on our services because of the investments you've enabled us to make in recent years. Those investments continued to be made during Covid, even though we stopped, then slowed our rate increases. As you will see throughout this newsletter, we continue our work to make significant progress on multiple future-focused efforts.

Our MyWater utility innovation program is picking up steam. The first phase of our advanced meter installations has gone well and will continue again in the fall. At the same time, we've also made improvements to our online bill payment system to make it more secure and customer friendly.

We hope our efforts to improve your services, while keeping them affordable, demonstrate our care for you, our customer, as we adjust to our "new normal."



Gary O'Connell, Executive Director



As Gary mentioned, our MyWater utility innovation program is successfully moving through its initial stages. Advanced meter installations began in April and will continue again in the fall, providing us with important information as we move toward full system implementation.

Customers will receive notice before the meter installations take place. You do not need to be present and a door hanger will be left behind after the upgrade.

As always, we invite you to visit the MyWater section of our website, serviceauthority.org. You will find details about the full program, as well as information on the meter upgrades.



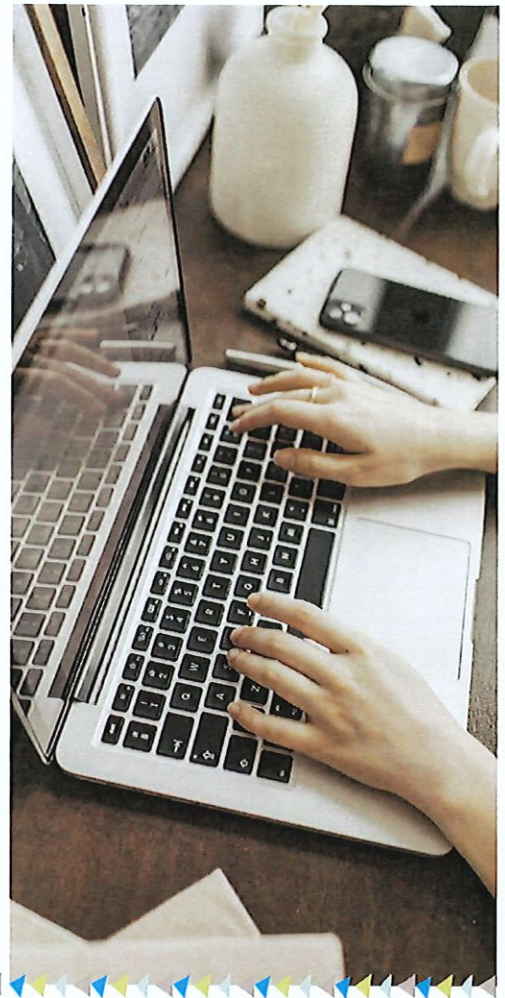
Changing the Customer Experience

We are excited to share some great news about the ACSA's new customer portal and payment system, which will enable you to review your account information online and securely pay your bills.

Partnering with Paymentus, you will be able to pay your bill online or set up auto payments using a credit or debit card, a checking or savings account, PayPal, or Venmo.

To take advantage of our new system, you are required to set up an online account using a prior billing statement. You can complete this one-time process by visiting our website at www.serviceauthority.org or by going directly to the portal at www.serviceauthority.org/pay-my-bill

We hope you find these customer service improvements beneficial. For more help, contact our Customer Service Department by email at custserv@serviceauthority.org or by calling (434) 977-4511.



FY '22 RWSA Cost Increase charged TO the ACSA

15.5%



5%

FY '22 Proposed Rate Increase charged BY the ACSA

FY 2022 Budget & Rates Set

Before Covid struck, the ACSA was about to institute a series of responsible rate increases so we could support Rivanna Water & Sewer Authority's required upgrades. We remain mindful of Covid's impacts on our customers. That's why we applied funding reserves to keep this year's rates lower, reducing the RWSA's 15.5% move into a 5% one, with more increases spread out over several years.

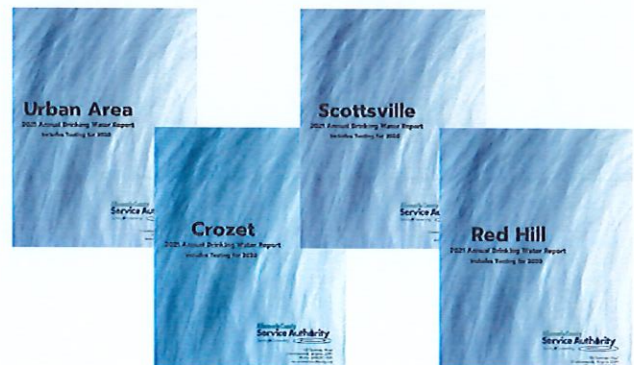
Combined Monthly Bill Comparison

Single-Family Residential, 4,000 Gallons



Water Quality Reports Available

The ACSA's four Water Quality Reports for the calendar year 2020 are now available online! They provide important details about your drinking water, including how well we perform when it comes to lead and PFAS compounds. You'll see how, once again, we met or exceeded safety and quality standards as set by the EPA.



FY'22 Budget & Rates

July 1, 2021 - June 30, 2022

Responsibly Financing a Sustainable Future

Dear Customer,

Before COVID-19 impacted all of us, the ACSA was preparing to institute a series of responsible rate increases to support our wholesale provider of water and wastewater services, the Rivanna Water and Sewer Authority (RWSA), with their need to continue to invest in their systems. Upgrades to their treatment plants alone are slated to cost more than \$165 million over the next five years.

Raising rates last year simply would've been the wrong thing to do. Working collaboratively with the RWSA, we adjusted our FY'21 budget in a matter of days and moved forward without a rate increase, using reserves the ACSA has built up for this kind of unanticipated emergency.

As we enter a new fiscal year, it's clear that the RWSA's work must be supported beyond what our reserves can do. They must pass down to the ACSA a 15.5% cost increase to fund their essential water and wastewater system upgrades.

The ACSA is responsible for nearly 57% of the RWSA's annual debt service, and charges from the RWSA make up more than 62% of our annual operating budget. As a result, we must propose raising our rates in Fiscal Year 2022 and in the future.

The mission of the ACSA is to provide safe, reliable water for an excellent value. As I hope you saw throughout 2020, delivering safe water to your tap was never more important than during the pandemic.

We at the ACSA remain mindful of COVID's impacts on you and your families. That's why we are applying more funding reserves to keep this year's proposed rates lower, reducing the RWSA's 15.5% move into a 5% one for our customers, with more increases spread out over several years.

The staff of the ACSA and I thank you for your patience and understanding as we continue to recover from COVID's effects over the course of 2021.



Gary O'Connell
 Executive Director, Albemarle County Service Authority

**FY' 22 RWSA Cost Increase
 charged TO the ACSA**

15.5%

ACSA's Use
 of Fund
 Reserves



5%

**FY' 22 Proposed Rate Increase
 charged BY the ACSA**

ACSA Annual Obligations



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



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

FY '22 Budget Facts & Figures

July 1, 2021 - June 30, 2022

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.



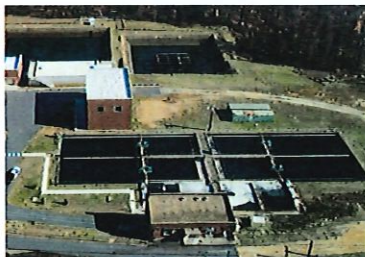
South & North Fork Rivanna Water System

\$23.25 Million



Crozet Water System

\$27.8 Million



Observation Water Treatment Plant & Ragged Mountain/Sugar Hollow Reservoir System

\$24.9 Million



Moores Creek Advanced Water Resource Recovery Facility (Wastewater)

\$25.4 Million

Proposed ACSA Fy '22 Water & Sewer Monthly User Rates

Rates and Charges	FY '21	FY'22
Service Charge	\$8.57	\$9.00
Volume Charge: Single-Family Residential (per 1,000 gallons)		
Level 1: Up to 3,000 gallons	\$4.48	\$4.70
Level 2: 3,001 to 6,000 gallons	\$8.98	\$9.43
Level 3: 6,001 to 9,000 gallons	\$13.46	\$14.13
Level 4: More than 9,000 gallons	\$17.96	\$18.86
Multi-Family/Non-Residential (per 1,000 gallons)	\$8.66	\$9.09
Sewer: All Users (per 1,000 gallons)	\$9.47	\$9.94

Combined Monthly Bill Comparison

Single-Family Residential, 4,000 Gallons



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

Thursday, June 17 @ 9 am

www.serviceauthority.org