



**RWSA BOARD OF DIRECTORS
Minutes of Regular Meeting
March 22, 2022**

A regular meeting of the Rivanna Water and Sewer Authority (RWSA) Board of Directors was held on Tuesday, March 22, 2022 at 3:06 p.m. via Zoom.

Board Members Present: Mike Gaffney, Jeff Richardson, Brian Pinkston, Michael Rogers, Ann Mallek, Lauren Hildebrand, Gary O’Connell.

Board Members Absent: None.

Rivanna Staff Present: Bill Mawyer, Lonnie Wood, John Hull, Jennifer Whitaker, Jeff Southworth, Andrea Bowles, Deborah Anama.

Attorney(s) Present: Carrie Stanton and Valerie Long.

1. CALL TO ORDER

Mr. Gaffney called the March 22, 2022, regular meeting of the Rivanna Water and Sewer Authority to order at 3:06 p.m.

2. STATEMENT FROM THE CHAIR

Mr. Gaffney read the following statement aloud:

“This is Mike Gaffney, Chair of the Rivanna Water and Sewer Authority. I would like to call the March 22, 2022 meeting of the Board of Directors to order.

“Notwithstanding any provision in our Bylaws to the contrary, as permitted under the City of Charlottesville’s Continuity of Government Ordinance adopted on March 25, 2020, Albemarle County’s Continuity of Government Ordinance adopted on April 15th, 2020, and revised effective October 1, 2020 and Chapter 1283 of the 2020 Acts of the Virginia Assembly effective April 24, 2020, we are holding this meeting by real time electronic means with no board member physically present at a single, central location.

“All board members are participating electronically. This meeting is being held pursuant to the second resolution of the City’s Continuity of Government Ordinance and Section 6 of the County’s revised Continuity of Government Ordinance. All board members will identify themselves and state their physical location by electronic means during the roll call which we will hold next. I note for the record that the public has real time audio-visual access to this meeting over Zoom as provided in the lawfully posted meeting notice and real time audio access over telephone, which is also contained in the notice. The public is always invited to send questions, comments, and suggestions to the Board through Bill Mawyer, the Authority’s Executive Director, at any time.”

Mr. Gaffney called the roll.

47 Ms. Lauren Hildebrand stated she was located at 305 4th Street Northwest in Charlottesville, VA.

48
49 Ms. Ann Mallek stated she was at 4829 Advance Mills Road in Earlysville, Albemarle County.

50
51 Mr. Gary O’Connell stated he was located at 1720 Yorktown Drive in Charlottesville, VA.

52
53 Mr. Brian Pinkston stated he was located at his office at 1450 Leake Drive, University of Virginia in
54 Charlottesville, VA.

55
56 Mr. Jeff Richardson stated he was located at the County Office Building at 401 McIntire Road in
57 Charlottesville, VA.

58
59 Mr. Michael Rogers stated he was located at Charlottesville City Hall.

60
61 Mr. Mike Gaffney stated he was located at 3180 Dundee Road in Earlysville, VA.

62
63 Mr. Gaffney stated the following Authority staff members and consultants were joining the meeting
64 electronically: Bill Mawyer, Lonnie Wood, David Tungate, Jennifer Whitaker, John Hull, Jeff
65 Southworth, Deborah Anama, and Attorney Valerie Long (Williams Mullen).

66
67 Mr. Gaffney stated they were also joined electronically by Carrie Stanton, (Williams Mullen)
68 counsel to the Authority.

69
70 **3. MINUTES OF PREVIOUS BOARD MEETING**

71 *a. Minutes of Regular Board Meeting on February 22, 2022*

72
73 Ms. Mallek noted line 403 of the February 22 minutes regarded Buck Mountain Creek and the
74 history of the Buck Mountain Reservoir. She asked someone to explain the reference to a street
75 survey.

76
77 Mr. Mawyer stated the line was supposed to reference a stream survey not a street survey.

78
79 Mr. Gaffney asked if there were further comments or changes to the minutes.

80
81 **Mr. O’Connell moved that the Board approve the minutes of the February 22, 2022**
82 **meeting with the amendment of line 403 from “street” to “stream.” Ms. Mallek seconded**
83 **the motion. The motion passed unanimously (7-0).**

84
85 **4. RECOGNITIONS**

86 There were no recognitions.

87
88 **5. EXECUTIVE DIRECTOR’S REPORT**

89
90 Mr. Mawyer recognized Ms. Mary Morris who passed the Class 1 Water Operator’s exam. He
91 stated Ms. Morris started working with the Authority one year ago with no operator’s license,
92 and now she had the highest level of license. He stated a Class 1 Water Operator’s license was

93 required on site at the South Fork Rivanna Water Treatment Plant (WTP) and Observatory WTP
94 24/7.

95
96 He stated Ms. Liz Coleman, Safety Manager, received a Certified Safety Professional
97 certification. He stated through her education and experience, Ms. Coleman obtained the
98 certification. He congratulated Ms. Katie McIlwee, Asset Management Coordinator, who
99 completed her Master of Informatics degree. He stated the Authority assisted these individuals
100 through education reimbursement programs.

101
102 Mr. Mawyer stated in accordance with the Virginia Water and Wastewater Authorities Act,
103 authorities are authorized for 50 years, then they have to be re-authorized. He stated the RWSA
104 was authorized in June 1972, and the authority was celebrating its 50-year anniversary. He stated
105 resolutions would be submitted to the Board of Supervisors and the City Council to re-authorize
106 the RWSA.

107
108 Mr. Richardson asked when those re-authorization resolutions would be submitted.

109
110 Mr. Mawyer responded that the resolutions would be submitted in May or in early June because
111 the authorization expired in June.

112
113 He stated easements for the South Rivanna Reservoir to the Ragged Mountain Reservoir pipe
114 project were being negotiated. He stated discussions were ongoing with the UVA Foundation
115 regarding an easement on property owned by the Foundation. He stated the project would
116 construct a waterline from the north end of the Birdwood golf course to the Westover Farm,
117 located north of Old Garth Road.

118
119 Mr. Mawyer noted that sampling of Beaver Creek Reservoir indicated high algae levels. He
120 stated the reservoir required a treatment to lower the algae levels which would affect the odor
121 and taste of the drinking water. He stated it was the earliest algae bloom in recent memory. He
122 stated a hypolimnetic oxygenation system was planned to be installed. He explained the system
123 was a pipe system laid at the bottom of the reservoir that would bubble oxygen through the water
124 to minimize the conditions conducive to algae blooms. He stated construction of the system was
125 included in the Beaver Creek Dam improvement project slated for 2024 to 2026. He stated the
126 algaecide treatments were required when the algae became excessive.

127
128 Mr. Mawyer stated the exterior lighting project at Moores Creek had garnered some concern. He
129 stated new light fixtures would be placed around the aeration basins. He stated about half of the
130 new lights had been installed, and the light levels emitted from the plant should be reduced. He
131 stated the remaining large lights surrounding the aeration basin would be installed by the end of
132 the week, weather permitting. He stated there were other lights to replace. He stated a strategic
133 lighting program would be evaluated to determine what lights needed to be on and when the
134 lights needed to be on. He stated there were safety reasons for the lights to be on all night, such
135 as staff safety around the wastewater storage basins.

136
137 Mr. Mawyer stated there were neighborhood meetings with the Fry's Spring and the Fifeville
138 neighborhoods. He stated a meeting with the Little High Street neighborhood and the

139 Charlottesville Day School was scheduled for March 30. He stated the meetings were to inform
140 the community of the plans for the Central Waterline and to receive comments from the public.

141
142 Mr. O'Connell asked what the next step in the process was after neighborhood meetings.

143
144 Mr. Mawyer stated there would be a presentation to City Council in June. He explained feedback
145 from the community meetings would be collected and assessed, and feedback from City Council
146 and the Board of Supervisors would be assembled. He stated at the June RWSA Board meeting,
147 a recommendation would be presented as to the final location of the waterline. He stated unless
148 there was another suggestion, or more information came up requiring further study, then the item
149 would be back before the Board no later than June.

150
151 Mr. Rogers asked if the City Council would make an action on the report to provide guidance.
152 He asked what action the Council would take.

153
154 Mr. Mawyer stated during the presentation to City Council in June, he would summarize the
155 feedback received from the community about the project. He stated he planned to provide
156 Council a project update on the issues and responses to those issues. He stated feedback from the
157 Council would be requested.

158
159 Mr. Rogers asked if the RWSA would determine whether the project would move forward.

160
161 Mr. Mawyer stated in January 2020, an agreement was signed between the City, the Albemarle
162 County Service Authority, and RWSA. He stated the agreement addressed the funding for the
163 Observatory WTP improvements, along with the other pipeline improvements, to transport raw
164 water from the Ragged Mountain Reservoir to the Observatory WTP. He stated the agreement
165 addressed the commitment to complete the Central Water Line and to capitalize on the value
166 added from the raw water pipe and water treatment plant improvements.

167
168 Mr. Mawyer stated in order to capitalize on the improvements and improve the water distribution
169 system, the Central Water Line had to be completed. He stated once the water master plan was
170 completed, it would serve as the basis for consideration of the final route of the Central Water
171 Line.

172
173 Mr. Rogers asked if the City Council reviewed the report and concluded it was not comfortable
174 with the facts of the report, and the item was brought back before the Board, would the Board
175 vote to move forward with the plan or to modify the plan.

176
177 Mr. Mawyer stated the City Council comments would be brought back before the Board, and the
178 City's position could be further expressed to the Board. He stated he hoped there would be a
179 consensus that the route of the waterline was appropriate, and that most people would be in
180 agreement with the information presented.

181
182 Mr. Mawyer indicated traffic counts, street widths, water modeling (the ways different routes
183 provided varied benefits to the water system), and impacts to the neighborhoods were factors to
184 be considered in the evaluation. He stated all the neighborhoods would be impacted relatively the

185 same with a trench in the street to install the pipe. He stated emergency vehicle routes were
186 examined along 5th Street. He stated it was suggested that the Route 29 / Route 250 bypass was
187 a better route for the waterline, but he noted the far greater impact to traffic than the Cherry
188 Avenue route. He stated all suggestions would be considered and objective data would be
189 gathered to come up with a suggested route.

190
191 Mr. Rogers noted the issue was complex. He asked staff to work on a simplified explanation of
192 the process and project.

193
194 Mr. Mawyer stated the information would be made understandable to a non-technical audience.
195 He stated a one-page project information sheet had been completed, and presentations to the
196 community were made to be understandable. He stated if information was not clear, there could
197 be modifications.

198
199 Mr. Mawyer stated the last item was related to safety and confined spaces. He stated confined
200 spaces were usually manholes, communication manholes, or vaults with equipment. He stated
201 confined spaces had a regulatory meaning. He stated people had to be prepared with harnesses
202 and devices to extract workers from the spaces if they were to become ill. He stated if there was
203 a complicated space, a rescue team had to be available. He stated there was an MOU with the
204 City and County fire departments that if a rescue team was needed proactively, then the
205 departments would support the authority. He stated our Safety Manager, Ms. Liz Coleman was
206 effective in establishing the agreements.

207
208 Ms. Mallek asked if the water quality association provided research as to the causes of the algae
209 blooms. She stated the use of certain chemicals that came from runoff changed the way aquatic
210 plants absorbed phosphates which exacerbated growth. She stated changes in the uses of the
211 chemicals around the reservoir could aid in mitigating the blooms. She asked if the possibility of
212 motion sensors for the Moores Creek lighting had been considered.

213
214 Mr. Mawyer stated studies had been done. He stated they were aware of phosphates from
215 fertilizers and how they created algae blooms because they promoted plant growth. He stated a
216 phosphate study for the South Fork Rivanna Reservoir was underway. He stated the study was on
217 the impact of piping water from the South Fork Rivanna Reservoir to the Ragged Mountain
218 Reservoir versus constructing a treatment plant to remove the phosphates and sediment. He
219 stated the Water Manager worked with watershed protection projects and phosphate
220 management. He stated motion sensors could be a suggestion to work into the strategic lighting
221 operations at Moores Creek. He stated motion sensors could be a good way to turn the lights on
222 and off as needed.

223
224 **6. ITEMS FROM THE PUBLIC**

225 Mr. Gaffney opened the meeting to the public. He asked speakers to identify their name and
226 where they live, and to keep in mind the three-minute time limit.

227
228 Mr. Hull stated there were four people with comments.

229

230 Mr. Justin Thomas Beights stated he lived at 1 Canterbury Road, Charlottesville, Virginia. He
231 stated he was speaking on behalf of his wife's family, Colleen Kovac Beights and Michael and
232 Kathleen Kovac—the former owners of the parent parcel of the 2.2 acres in the Buck Mountain
233 Reservoir Property. He stated the RWSA indicated it was interested in selling the parcel. He
234 stated he and his father-in-law had been in contact with the Board. He stated he and his wife's
235 family were interested in buying the 2.2-acre land back. He explained the land was sold by his
236 in-laws in 1983 to the RWSA. He stated the property was sold at a fair market value, and the
237 family was interested in buying the property at fair market value.

238
239 Mr. Beights stated adjacent landowners were interested in the future of the property. He stated a
240 group of Free Union residents expressed interest in preserving the house on the land, the former
241 Elliot House. He stated Mr. Bruce Bateman, a friend of the family, had been consulted and had
242 sent correspondence to the Board regarding his opinions on the future use of the land. He stated
243 Mr. Bateman was responsible for two of his children.

244
245 Mr. Beights stated a negotiated sale to a former landowner was the best way for the RWSA to
246 ensure the architectural integrity of the final protect and the water quality of the adjacent
247 property and the County. He stated the vision for the property was a small-footprint, barn-style
248 architecture similar to the existing house. He stated he could provide more detail regarding the
249 design. He stated the family was ready and willing to pay fair market value. He stated a sealed-
250 bid process could lead to an architectural eye-sore.

251
252 Mr. Gaffney told Mr. Beights he was over his time limit.

253
254 Mr. Matthew Lucas stated he lived at 1966 Buck Mountain Road, two doors down from the
255 Elliot House. He stated he had discussed at a prior meeting about adjusting his property line
256 between his house and TMP 29-36A, a 66-acre lot owned by the RWSA for the reservoir. He
257 explained at the last meeting, it was indicated that after the boundary adjustment, the plan was to
258 lease the balance of the lot, TMP 29-36A, and combine it with three other lots and offer it as one
259 aggregate parcel for lease. He requested that the parcels be leased individually.

260
261 Mr. Lucas stated he was interested only in leasing TMP 29-36A because it was originally part of
262 his farm, and he wanted to lease the parcel for his farm. He stated some of the parcels up for
263 lease were behind his neighbor's property. He stated those neighbors might be interested in the
264 other lots of the bundle because they were closely connected to their property. He stated TMP
265 29-36A was closely connected to his property.

266
267 Mr. Lucas stated he would take care of land and clean up debris. He stated he had a long-term
268 view for the property. He stated his neighbor was interested in the two lots behind his own house
269 that were part of the aggregate bundle. He stated if the bundle were broken up, the same result
270 would be achieved as bundling. He stated if the Board looked for a Buck Mountain community
271 liaison, he was willing to fill the role.

272
273 Ms. Dede Smith stated she lived at 2652 Jefferson Park Circle, Charlottesville, Virginia. She
274 stated she was concerned about the Central Waterline project because it would cut through the
275 City on the route to Pantops in the northern urban area. She stated the pipeline was a new

276 construction project, not a reimagining. She stated Mr. Mawyer emailed a City Councilor,
277 stating, “the Central Waterline project was not included in the original community water supply
278 plan, but was added in recent years by RWSA as a necessary project to, among other things,
279 increase the drinking water supply of the community.”

280
281 Ms. Smith stated the goal of the Central Waterline project was different then the southern loop
282 agreement. She stated there was another reference in the materials to the Central Waterline, “it
283 was decided in the August 2018 Board meetings that we should complete the finished water
284 master plan prior to moving forward with final design and construction of the central waterline.”
285 She asked why the Board was moving forward with the project before the urban water master
286 plan was released.

287
288 Ms. Smith stated she had read the draft master plan. She stated in the master plan, besides the
289 Central Waterline project, a 30-inch pipeline running water from Observatory to Pantops, there
290 was another 30-inch pipeline in the master plan to run water from Observatory north along
291 Emmet Street. She stated the Emmet Street pipeline would connect the two water treatment
292 plants, a different pipeline than the pipeline to connect the two reservoirs.

293
294 Ms. Smith stated there were three new pipelines and associated infrastructure planned within the
295 next decade. She asked how the projects would be funded. She noted that in 2022, less water was
296 used per day than in the 1990s. She asked how the million dollars in pipelines would be funded if
297 there was no demand.

298
299 Mr. Michael Kovac stated he and his wife Kathleen Kovac were the former private owners of the
300 Elliot house. He echoed Mr. Beights’ comments and asked for the consideration of the Board to
301 negotiate the sale of the property to the original owners, including the Kovac-Beights family. He
302 stated the family respected the land and the adjacent property owners.

303
304 Mr. Steven Blaine stated he was speaking on behalf of the Hefner property owners who owned
305 property south of TMP 29-33F, one of the parcels the RWSA considered leasing. He stated his
306 clients supported the sale of the 14-acre parcel to Mr. Matthew Lucas and supported Mr. Lucas
307 leasing the balance of TMP 29-36A. He stated the interests of his clients were in alignment with
308 Mr. Lucas.

309
310 Mr. Blaine stated the Kovac family was interested in preserving the surrounding property. He
311 stated his clients were interested in leasing TMP 29-33F and 33C. He stated his clients were not
312 interested in bidding against Mr. Lucas over the leasing of the balance of the remaining parcels,
313 including TM 29-35D.

314
315 Mr. Blaine stated the clients’ interests were in preserving the land and in security. He stated there
316 had been activity that concerned the landowners, such as nighttime firearm discharges. He stated
317 if the adjoining property owners controlled the parcels, they could better protect and monitor the
318 area. He stated there was a consistency among the other speakers in having a past connection to
319 the parcels and preserving them.

320
321 Ms. Anama read the following letter from Dr. Bruce Bateman into the record:

322 *“Justin and Colleen Beights have been in touch with me regarding their interest in purchasing*
323 *the Elliot house. I have known them for many years and I know Colleen's parents. They are fine*
324 *people. I fear that they may overestimate my influence with regard to the fate of Elliot*
325 *property.*

326
327 *On their behalf I will make 2 points. First- Having taken the position that restoration of the*
328 *house would be desirable, to maintain the rural character of Free Union, the reality that we all*
329 *learned from Matt Lucas is that the house has negative value. Therefore, restoration is quite*
330 *unlikely. Second- The best I can hope, as a neighbor, is a new house with a small footprint and*
331 *casual country style that is in keeping with the area. Justin and Colleen describe a home a*
332 *keeping with those qualities. Thank you for your time. Bruce Bateman”*

333
334 Ms. Anama read the following letter from Ms. Nancy Chamberlin and Mr. Allan Mayer into the
335 record:

336
337 *“Comments and Questions about Allen Farm Lane Bridge and Land, submitted by Nancy*
338 *Chamberlin and Allan Mayer, owners/residents of 1358 Allen Farm Lane for the March 22,*
339 *2022, RWSA Board of Directors Meeting.*

340
341 *Based on the minutes of the last meeting, it is clear that RWSA wants to rid itself of responsibility*
342 *for the Allen Farm Lane bridge, even if that means going against its stated values and causing a*
343 *deleterious impact on the environment. RWSA doesn't want responsibility for the bridge, so*
344 *what makes Mr. Mawyer think someone else will want it? Will it be by allowing the buyer to*
345 *build a number of houses so they can make more profit? What kind of division rights are you*
346 *proposing for the land that would be sold with the bridge?*

347
348 *Building one house would be bad enough but building multiple houses would increase traffic and*
349 *create an even bigger risk for the creek and the spiny mussel. It seems your priority here is how*
350 *much money you can make rather than what is best for the environment. This does not support*
351 *RWSA's goal of environmental stewardship and its standing as a non-profit agency.*

352
353 *In the minutes, Ms. Bowles states that “after the mitigation plan has been deemed compliant by*
354 *DEQ (which should happen in 2024), RWSA would plan to offer land and the bridge for sale to*
355 *the public.” What mitigation plan is being referenced and is a copy of that plan available for*
356 *sharing with the public?*

357
358 *Note that the land RWSA owns near the bridge is technically unsuitable for building. First, the*
359 *bridge lies right in the middle of a 100 year flood plain. Approximately half a dozen times a year,*
360 *we see water levels well over the top of the bridge. So where would you carve out a parcel that*
361 *included the bridge and included an appropriate building site? Second, there is a hazard zone*
362 *from the underground tank on parcel 18-19A that directly impacts your parcel 18-19A3.*
363 *Attached is an Albemarle GIS map that shows these issues.*

364
365 *RWSA is misinformed about many aspects of the bridge and land. The number of trucks going*
366 *through the ford is not even remotely close to the number Ms. Mallek suggested when she said*
367 *“dozens of big trucks go through this stream every day.” The only trucks that use the ford are*

368 *those that are too wide or too heavy for the bridge. At a maximum, only a handful of vehicles use*
369 *the ford per month, All USPS, UPS, and FedEx vehicles can and do use the bridge to cross the*
370 *creek.*

371
372 *Ms. Mallek also stated “the biggest environmental crisis is the fact that there is a sign there that*
373 *tells drivers of vehicles over the size of a Prius to drive through the stream.” Attached is a photo*
374 *of the sign near the bridge. Also, is Ms. Mallek aware that on Buck Mountain Ford Lane, less*
375 *than a mile upstream, there are two places where all vehicles must go through the creek because*
376 *there is no bridge?*

377
378 *We would also like to understand how LPDA came up with the new lease rates. In the minutes,*
379 *Ms. Bowles states that “the new lease rates come from what was recommended by LPDA.”*
380 *Hopefully, LPDA used a more accurate methodology than the one they used to come up with the*
381 *ridiculous valuation of \$325,000 for the Elliot house with only two acres of land.*

382
383 *“Ms. Bowles stated LPDA gave them a range, and the rates shown in the right-hand column on*
384 *the screen are those that Rivanna wants to use now.” Based on the range shown in the February*
385 *minutes, the rates chosen are on the high end of that range. The range for the total market lease*
386 *value shown is \$6,300 to \$8,800 and the new lease rates are \$8540. As a non-profit agency that*
387 *pays no taxes on the land, shouldn’t you be on the low end of that range?*

388
389 *Ms. Mallek stated “regarding the leases, she is all in favor of updating the cost of leases, as*
390 *farmers who use it to bale and for graze land pay almost nothing for it, which carries through*
391 *with a lot of other mismanagement.” What mismanagement are you referencing?*

392
393 *You promised us you would hold a neighborhood meeting last summer and that never happened.*
394 *You contracted for a structural engineering review of the bridge that identified maintenance*
395 *needed in a report dated 11/8/2019 and those repairs never happened. You have numerous*
396 *plastic tubes attached to wooden stakes for the 75 percent of trees you planted that were*
397 *unsuccessful. Those need to be removed and that never happened.*

398
399 *Now, you are proposing to sell the bridge and some of the surrounding land so you can rid*
400 *yourselves of responsibility for the bridge without any concern for how it impacts the*
401 *environment. It appears that you are uninterested in our views and our environment. Perhaps*
402 *our local government representatives, the local news teams, and the environmental bodies*
403 *overseeing you will be interested.*

404 *Fix the bridge, remove the tree tubes, and don’t pursue massaging the zoning on a parcel near*
405 *the bridge to try and make it “attractive” enough so that a developer buys it and destroys the*
406 *environment. As residents of Allen Farm Lane, we ask that you allow us to continue our*
407 *peaceful enjoyment of our property.”*

408
409 *Mr. Gaffney closed the meeting to the public.*

410
411 **7. RESPONSES TO PUBLIC COMMENT**

412 *Mr. Gaffney asked Mr. Mawyer if he had a response to the public comment.*

413

414 Mr. Mawyer stated there would be a presentation on Buck Mountain. He stated there was a
415 meeting with the Beights family and the Kovac family the week prior regarding their concerns.
416 He stated staff had kept in contact with Mr. Matthew Lucas and Mr. Steven Blaine.

417
418 Mr. Mawyer stated criteria were being crafted to determine the appropriate process to lease and
419 sell property. He stated a reasonable plan would be crafted so parties were treated fairly through
420 the leasing and sale process. He stated the RWSA attorneys were being consulted. He suggested
421 a presentation would be made to the Board in May regarding the criteria for feedback on the
422 process. He stated feedback regarding preference for former owners would be appreciated.

423
424 Mr. Mawyer stated in response to the letter from Ms. Nancy Chamberlin and Mr. Allan Mayer,
425 the mitigation plans to Buck Mountain were approved in 2012 to mitigate the environmental
426 impacts of the Ragged Mountain Reservoir dam. In response to Ms. Smith's question, the Urban
427 Finish Water Master Plan would be finished in April and there would be a presentation before
428 the Board in May.

429
430 Mr. Mawyer stated there was a copy of the 2006 conceptual mitigation plan on our website that
431 described how Buck Mountain stream preservation would be used to mitigate the impacts of the
432 Rivanna Reservoir Dam. He stated there had not been a neighborhood meeting, but there would
433 be one planned for the next month regarding Allan Farm Lane, the bridge, the Elliot house, and
434 the lease rates.

435
436 Mr. Gaffney asked if other members would like to respond.

437
438 Ms. Mallek stated in regard to the letter from Ms. Nancy Chamberlin and Mr. Alan Mayer, the
439 information regarding the trucks crossing the bridge was given to her by a UPS driver and
440 several other different drivers. She stated the drivers stated the companies would not allow
441 drivers to use a bridge that was marked as unsafe. She stated she would send staff a link to
442 Winchester Precast who constructed several bridges in the area. She suggested traffic counts at
443 the location be done to provide data beyond anecdotal information.

444
445 Mr. Rogers stated regarding the request to transfer property ownership to a previous owner, he
446 wanted to know the process for disposition of authority property.

447
448 Mr. Mawyer stated they were currently working out the process. He stated the Virginia Water
449 and Wastewater Authorities Act, Virginia Public Procurement Act, and other state codes were
450 reviewed. He stated the RWSA had authority to adopt its own process as long as it was in
451 compliance with Virginia code. He stated if the authority wanted to give priority to existing
452 owners, it could. He stated details could be discussed, such as a more formal definition of
453 "former owners."

454
455 Mr. Rogers stated he was concerned because the property was acquired with public resources,
456 and the RWSA was a public authority, so it should follow a published public procurement
457 ordinance, law, or policy. He stated he inferred the RWSA did not have a set of procurement
458 rules it followed, and state law had to be consulted to determine the authority.

459

460 Mr. Mawyer explained there was a detailed purchasing manual that directed the authority with
461 procedures to buy and sell most items, but it specifically did not apply to real estate which was
462 why the state code had to be consulted. He stated direction was required from the Board to create
463 criteria to give prior property owners priority.

464
465 Mr. Gaffney asked if there were further comments.

466
467 Ms. Mallek asked if there were different rules if the property was purchased through the eminent
468 domain process. She noted the Elliot house was not purchased through eminent domain. She
469 asked if there was a VDOT process.

470
471 Mr. Mawyer stated the obligation to sell property to prior owners was primarily a VDOT
472 process. He explained in the Virginia Water and Wastewater Authority Act, there was authority
473 to condemn property, but it did not state an obligation to resell property to owners that were
474 previously condemned. He stated most of the properties at Buck Mountain were not condemned.

475
476 **8. CONSENT AGENDA**

477
478 *a. Staff Report on Finance*

479
480 *b. Staff Report on Operations*

481
482 *c. Staff Report on Ongoing Projects*

483
484 *d. Staff Report on Wholesale Metering*

485
486 *e. Staff Drought Monitoring Report.*

487
488 Mr. Gaffney asked if there items from the consent agenda that Board members would like to pull
489 for comment or questions.

490
491 **Mr. O’Connell moved that the Board approve the Consent Agenda. Ms. Mallek seconded**
492 **the motion, which passed unanimously (7-0).**

493
494 **9. OTHER BUSINESS**

495 *a. Presentation: Northern Urban Area Utilities Update; Jennifer Whitaker, Director of*
496 *Engineering and Maintenance*

497 Ms. Jennifer Whitaker, Director of Engineering and Maintenance, stated a version of the
498 presentation had been presented at the December Board meeting. She stated after receiving
499 questions concerning the potential rezoning of the North Fork research park, and because several
500 members of the Board had turned changed, this presentation would be an update on the process.

501
502 Ms. Whitaker stated the County had been approached along the Route 29 North corridor about
503 potential projects and future needs for utilities. She listed the UVA research park, also known as
504 the Discovery Park, the National Ground Intelligence Center, and the Airport. She stated those

505 areas made up a part of the County Comprehensive Plan called the Places29 master plan. She
506 stated growth was envisioned in the areas. She stated the envisioning was done prior to the 2008
507 Great Recession. She stated the County had been approached by the research park regarding
508 future development and rezoning in the area.

509
510 Ms. Whitaker stated RWSA, ACSA, and the City had plans and routinely updated those plans to
511 systematically improve the drinking water and sewer infrastructure. She stated improvements
512 were balanced so water and wastewater needs were met. She stated there was a 10-to-15-year
513 plan to serve the northern area of the County. She stated the significant utility demands proposed
514 could necessitate one of two choices: accelerate the utility plan or incorporate project phasing so
515 there was no unmet need in the future.

516
517 Ms. Whitaker highlighted the service area within the urban water system. She stated the area
518 included the City, the County's urban ring, along Route 29, east to Glenmore and west towards
519 Ivy. She highlighted the urban wastewater system. She stated the system included the Crozet
520 sewer system. She stated the Crozet system was connected via four pump stations to the urban
521 area and connected to the Moores Creek AWWRF. She stated two-thirds of the system was
522 directed to the Rivanna pump station, and the other third was directed to the Moores Creek pump
523 station. She stated both stations connected to the Moores Creek wastewater treatment plant.

524
525 Ms. Whitaker stated one of the six goals from the strategic plan was infrastructure and master
526 planning, due to the large capital infrastructure investment and the time spent planning projects.
527 She stated the RWSA was charged to plan, deliver, and maintain dependable infrastructure in a
528 financially responsible way. She stated projects were spaced out to meet community needs while
529 not being a financial burden.

530
531 Ms. Whitaker noted that from September 2016 to April 2022, there were a series of master
532 planning documents compiled. She noted the documents included sanitary sewer modeling
533 reports, demand forecasts, safe yield reports, wastewater cost analysis, master plans for the
534 Moores Creek facility, and the Urban Finish Water master plan. She stated there was flow
535 metering in the water and wastewater systems which are monitored on a month over month basis.

536
537 Ms. Whitaker stated the slide displayed (1.) how demands would grow and (2.) how the raw
538 water safe yield could meet the demands. She stated there was a crossing of the lines in 2060
539 based on the previous set of demand data from ACSA, the County, the City, UVAF, UVA,
540 VDOT, and the Weldon Cooper Center. She stated community developments and the state of the
541 reservoirs were considered. She stated an increase of 86,000 gallons per year was projected with
542 a steady incremental increase over time.

543
544 Ms. Whitaker stated the safe yield report examined demand growth versus what was available in
545 the reservoirs. She stated good planning from an infrastructure standpoint meant not building at
546 the last minute, because the exact future conditions could not be predicted. She stated the best
547 available information was used. She stated the goal was to proceed with construction of new
548 infrastructure when the demand reached 80% to 85% of capacity. She stated it was geared to the
549 raw water supply and community water supply plan. She stated by 2035, the South Fork to
550 Ragged Mountain pipeline system should be built to provide an adequate supply of raw water.

551
552 Ms. Whitaker stated the existing drinking water infrastructure in the northern Albemarle area
553 was important to understand. She stated the North Fork Rivanna WTP currently served the area.
554 She stated the plant was augmented with an above-ground diesel pump connected with above-
555 ground hoses. She stated the pump was the backup system to the North Fork WTP.

556
557 Ms. Whitaker stated the North Fork WTP could produce one million gallons per day. She stated
558 the demand was about 500,000 gallons per day. She stated that more recent analysis as to what
559 water was available in the river was completed. She stated during a drought, there was an
560 available supply of about 750,000 gallons per day. She stated as the area grew, there had to be
561 another way to supply water because the North Fork Rivanna River could not supply the entire
562 demand.

563
564 Ms. Whitaker stated there was a North Fork WTP alternative analysis that identified upgrades to
565 the plant would cost \$13 million to \$15 million. She stated the approved plan was to
566 decommission the North Fork WTP and tie the Northern system into the South Fork WTP and
567 the remainder of the urban system. She stated in order to meet the future capacity, the North Fork
568 WTP would be decommissioned, and pipelines and tanks would be constructed to meet the need.
569 She stated now that the need had increased at the North Fork research park and other northern
570 Albemarle areas, the speed of the plan implementation was being reevaluated.

571
572 Ms. Whitaker stated there were several projects planned to be built in the urban system to supply
573 the northern area. She noted the Airport Road pump station, the second crossing of the South
574 Fork Rivanna River, and the second crossing at the North Fork Rivanna River for redundancy.
575 She stated the Observatory and the South Fork WTPs were being updated. She stated the Central
576 Water line project was needed. She stated new raw water pipelines were required from Ragged
577 Mountain Reservoir to Observatory WTP and from South Rivanna Reservoir to Ragged
578 Mountain Reservoir.

579
580 When referencing the wastewater system, Ms. Whitaker stated there were ACSA pipelines and
581 pump stations and RWSA pipelines and pump stations. She stated the sewer system would have
582 to be upgraded between 2045 and 2065. She stated as future growth was evaluated, the upgrades
583 could be accelerated. She stated the data came out of the sewer master plan and regarded the
584 upgrade of ACSA pipes and the remainder of the RWSA collection/interceptor system. She
585 stated the pipes were the limiting factor in the sewer system, and the plan showed how and when
586 to upgrade the pipes. She stated if more demand were placed on the pipes than anticipated, they
587 would have to be upgraded sooner.

588
589 Mr. Gaffney asked if the Rivanna river was between the blue and yellow marked pipes.

590
591 Ms. Whitaker stated that was correct.

592
593 Mr. Mawyer asked if the pipes marked green were existing.

594
595 Ms. Whitaker stated all the pipes were existing. She stated the green pipes were the RWSA
596 interceptor collector sewer system that brought the flow to the Moores Creek facility.

597

598 Mr. Gaffney clarified that the pipes did not need to be updated except for the last section of the
599 Schenks Branch.

600

601 Ms. Whitaker stated there were small projects, but out of the master plan as it related to the
602 northern area, the last parts to be completed were the Powell Creek areas. She stated there was a
603 plan, and the RWSA was considering the past flows and the future needs. She stated the RWSA
604 considered what was needed from a regulatory standpoint, demand standpoint, and community
605 standpoint.

606

607 Ms. Whitaker stated the work was planned so that there was infrastructure to be built within
608 adequate time. She stated the recent growth in the northern area of the County required the
609 authority to reevaluate plans. She stated there were discussions with UVAF regarding its desires
610 with rezoning, what could be done to serve them, and what limitations might exist. She stated a
611 discussion about the best path forward should follow.

612

613 Mr. Pinkston asked if UVAF had indicated a sense of whether the proposed housing at North
614 Fork would be the tipping point for demand.

615

616 Ms. Whitaker stated the desires of the UVAF from a phasing standpoint were discussed. She
617 stated modeling of the phasing was being examined. She stated all the housing would be able to
618 be served, the question was regarding how quickly the housing would be brought online.

619

620 Mr. Pinkston asked if UVAF had indicated where the housing would be located.

621

622 Ms. Whitaker stated according to the public documents and discussions, the University of
623 Virginia had one set of housing projects, and the UVAF research park had a separate but mildly
624 overlapping housing discussion. She stated the plans did not appear to be the same.

625

626 Mr. Pinkston asked if the team working on the issue understood the importance of the decisions
627 on the water system.

628

629 Ms. Whitaker stated they were aware of the importance. She stated the discussions had focused
630 on how the system needed to evolve to serve the residents along the Route 29 North corridor.

631

632 Ms. Mallek stated housing projects used to contribute funds to speed up the delivery of services
633 to the area. She asked if the funds only came from the rate payers and hook up fee.

634

635 Ms. Whitaker stated there were a few proffers she was aware of that had come to RWSA. She
636 stated whether proffers had gone to other utility processes, she did not know.

637

638 Mr. O'Connell stated regarding wastewater, there was a sewer improvement accomplished with a
639 special rate district—a special connection fee as new development came online to serve future
640 development. He stated the project was \$10 million and was completed a decade ago.

641

642 Mr. O'Connell mentioned that there were a number of housing developments, potential rezoning

643 projects, and commercial developments throughout the system and not just in the northern area.
644 He stated all the developments could have a significant effect on the urban system. He stated as
645 the system adjusted to two water treatment plants and Observatory's expansion, they could have
646 a large effect on other regional water facilities. He stated the whole system should be considered.

647
648 *a. Presentation and Public Hearing: Approval of the Buck Mountain Property Management*
649 *Plan; Bill Mawyer, Executive Director*

650
651 Mr. Mawyer stated last month, Andrea Bowles had given a presentation about the Buck
652 Mountain Property Management Plan. He stated they advertised the public hearing today on the
653 plan, which was step one in a very conservative approach of how to follow the Virginia code and
654 sell real estate. He stated last month, Andrea told them of the history of the completion of a
655 master plan based on their Strategic Plan goals. He stated they identified the Elliott house as a
656 property that was a liability to them that they wanted to dispose of since they no longer could
657 rent it. He stated they worked with a surveyor to carve off 2.2 acres of the 1,300 acres at Buck
658 Mountain to be the subdivision of the house to make it available for sale.

659
660 Mr. Mawyer stated they also proposed and recommended that they could carve off almost 14
661 acres at the cross-hatched area to make a boundary line adjustment for Mr. Lucas, who spoke
662 earlier, which was recommended last month and approved by the Board to transfer the cross-
663 hatched area through the boundary adjustment to Mr. Lucas. He stated third was to take the four
664 parcels shown in light brown and put them together into a lease that they would advertise to the
665 public for public leasing. He stated they had heard comments today about separating these
666 parcels and working with the Hefners and Mr. Lucas to reduce these four parcels to two that
667 would be leased to them and two that would be leased to the public. He stated they had a strategy
668 of including the small parcel #29-35D to give road frontage so that a new lessee could have
669 access to these parcels, otherwise they were landlocked.

670
671 Mr. Mawyer stated last month, the Board approved that they move forward with a process to
672 proceed with the legal and financial procurement processes necessary to offer the 2.2-acre parcel
673 with improvements including the Elliot House for sale to the public, offer about 14 acres to the
674 adjacent neighbor for the boundary line adjustment, and offer four parcels as a combined single
675 lease for passive enjoyment activities. He stated the most conservative process they had found in
676 the Virginia code stated they should start with a public hearing before they would execute these
677 transfers. He stated they could then take comments. He stated a number of people had spoken to
678 this topic already today, and his suggestion was that if there were other speakers who had not
679 already spoken, this would be the time to invite them to speak at the public hearing.

680
681 Mr. Gaffney stated in reading this again, he supposed they should have deferred those public
682 speakers to this time.

683
684 Mr. Gaffney stated he agreed they should open the public hearing to see if there were others that
685 would like to speak and recognize that those who spoke earlier would have their comments
686 added to this public hearing and recognize they forgot this when looking at the minutes. He
687 opened the floor to public comment on the Buck Mountain Property Management Plan. He asked
688 Mr. Hull if there was anyone who wished to speak.

689
690 Mr. Southworth stated he was sitting in for Mr. Hull and that there were no hands raised to
691 speak.
692
693 Mr. Gaffney stated he would guess that those who wanted to speak about this plan thought it was
694 the appropriate time earlier. He stated they would now close the public hearing and go to
695 comments and questions regarding the Buck Mountain Property Management Plan.
696
697 Ms. Mallek asked if this was the appropriate time to talk about the combined lease.
698
699 Mr. Gaffney stated yes.
700
701 Ms. Mallek stated having non-resident people in there “recreating,” whatever their chosen
702 passive recreation was, had not been a happy circumstance for people living on all sides of the
703 ravine. She stated the stream protection was the most important thing, and it was difficult for
704 anyone to see from the road, and difficult for the police department to assist with people who
705 were trespassing with weapons. She stated it created concern on the part of neighbors as well, so
706 she would like separate leases to be possible, and if someone was willing to pick up something in
707 addition to what they asked for originally to get all four of them assigned, that was fine. She
708 stated she thought having the access off of Catterton Road to a landlocked area of vital stream
709 was dangerous, so she hoped they would not do that.
710
711 Mr. Gaffney asked Mr. Mawyer if it had been determined if the straight line on #29-26A was not
712 the right line for that property. He asked if it had been recalculated that.
713
714 Mr. Mawyer stated they had not recalculated it, but they had looked at it on a map. He stated
715 their intent was that they were going to retain all property that would be in the normal pool,
716 which was elevation 464, plus ten feet vertical, so they were working with their surveyor to
717 establish that elevation as property they would not consider for sale. He stated that would make
718 that straight line, particularly to the left, be more segmented to retain the property that they
719 would envision for a future reservoir.
720
721 Mr. Gaffney stated he thought the property owner probably would think about a fence back
722 there, so as straight or as regularly curved as they could put on that would make sense.
723
724 Mr. Mawyer stated they would work with their surveyor and try to come up with a practical
725 property line that would work with Mr. Lucas as best they could.
726
727 Mr. Gaffney asked if there were any other comments or questions from the Board. He asked if
728 Mr. Mawyer was asking for approval of the Buck Mountain Property Management Plan at this
729 time.
730
731 Mr. Mawyer stated he would recommend they come back next month with some more detail on
732 this process and a clearer recommendation that the Board could consider on how they offered
733 leases and sales, because they were working on some criteria for the processes they would use to
734 lease or sell property, and inclusion of the comments they heard recently, including today, about

735 the desires of adjacent property owners. He stated they were looking at leases that would start
736 with the existing lessees, because they had a number of properties that were leased which they
737 were renewing, and a second criterion was that they would lease to adjacent property owners, but
738 if there were more than one, they would solicit all of the adjacent property owners and let them
739 have an opportunity, and the third option would be that they go to a public offering for the lease.
740 He stated on the sale side, there was a little less dealing with existing owners and more making it
741 available to the public, and that was where the Board could offer its comments next month on
742 giving the adjacent property owners and prior property owners priority as far as the sale goes.

743
744 Mr. Pinkston asked if he were talking about coming back with a proposal for how selling might
745 work in terms of a process of what he thought was accessible legally in terms of what the
746 Authority could do.

747
748 Mr. Mawyer stated yes. He stated it would be in terms of what was practical and reasonable, and
749 the Board could add its input.

750
751 Mr. Pinkston stated he was sympathetic to the comments that were made earlier by people who
752 had their property taken through eminent domain years ago, and he did not know how to square
753 that with what Mr. Rogers was saying about the Virginia Public Procurement Act and ensuring
754 that they got the best value and those sorts of things. He stated he assumed their team and legal
755 counsel would help with that.

756
757 Mr. Mawyer stated they would as best they could. He stated he knew there would be an issue,
758 because it was easy to go to a prior owner and give them the first right of refusal, but then a fair
759 and reasonable price must be established. He stated they could use market value, do an appraisal
760 to establish market value, but there had been inferences that somehow they should give prior
761 owners a discounted price because of the challenges when they were, in their words, forced to
762 sell 35-40 years ago. He stated that made it much more difficult to come up with an equation to
763 which they could calculate that fairly for everyone.

764
765 Ms. Mallek stated she thought fair market value was the best way to go because it was best
766 grounded in law, and therefore no special privilege was given, because their dollars were just as
767 good as someone else's, and that made it better from everyone's point of view, and it was ancient
768 history and anyone who was part of that decision was a part of it long ago, and she certainly was
769 not, so she thought it was easier for us to deal with the current values and current state of things.

770
771 Mr. Gaffney stated if they looked at highest and best offer, they may look at legal precedent for
772 allowing past owners to match that highest and best offer.

773
774 Mr. Mawyer asked if he was referring to under a bid scenario.

775
776 Mr. Gaffney stated if they put it on the market and they got multiple bids. He stated sometimes
777 people would put bids on houses that went above the asking price. He asked if there was a way to
778 allow a previous owner to match the highest bid on the house.

779
780 Mr. Mawyer stated that sounded like a great suggestion. He stated they could allow the public to

781 participate but give some priority to the prior owner, if that was what the Board would like to do,
782 but it would not be at a discounted rate.

783
784 Ms. Mallek stated she was not proposing a bidding war, and she was assuming the Authority
785 would establish a sale price for this. She stated she thought there were some elements of use of
786 the property that were described at previous meetings that were very important, and discussion
787 on the site as well of some similarity to the footprint size and tree preservation that she hoped
788 would be hammered out by this Board before anything was offered to the market, because it
789 would be sad to lose those hundreds of big trees and not have the stormwater protection they had
790 there now as well as reuse of the property as it fit into the neighborhood.

791
792 Mr. Mawyer stated if it suited the Board, they would come back next month with more
793 information.

794
795 Mr. Gaffney stated that sounded like a great plan. He asked if there were any other questions or
796 comments to that effect. Hearing none, he introduced the next item.

797
798 *b. Presentation and Approval: Introduction of the FY 2022 – 2023 Operating Budget and*
799 *Adoption of the Preliminary Rate Schedule for Public Hearing: Bill Mawyer, Executive*
800 *Director*

801
802 Mr. Mawyer he stated for the Water and Sewer Authority, they based their budget on their five
803 strategic plan goals: operational optimization, communication and collaboration, workforce
804 development, environmental stewardship, and infrastructure master planning. He stated what
805 they proposed and estimated for next year on the Water and Sewer side was a total budget of
806 about \$41.8M, a \$2.9M increase or 7.4%. He stated their debt service was estimated to increase
807 6.9% or \$1.3M, and their expenses of \$22.1M were estimated to increase 7.8% or \$1.6M and
808 they intended to contribute reserves of \$150K. He stated that had been their practice in the last
809 several years to support the transition of the expense of the GAC material for their new GAC
810 system, but this would be the last year they would be making that contribution from the reserves.

811
812 Mr. Mawyer stated the total effect was that City charges would be \$16.5M, which was a 6.9%
813 increase above the current year, ACSA charges would be \$23.6M, a 9.6% increase above this
814 year, and they noted with an asterisk that they set the water and wastewater operating cost
815 proportionally based on the retail flow that the City and Service Authority reported to them, so
816 the retail wastewater flows in the urban area for FY 2021 resulted in a \$116K shift in those
817 expenses, or 0.73% decrease for the City and a 0.6% increase for the Service Authority. He
818 stated in their simple pie chart of their \$41.8M budget, 47% was debt service to pay their bonds
819 and 53% was for their expenses.

820
821 Mr. Mawyer stated the next slide showed a pie chart of their estimated expenses. He stated
822 personnel was the single largest expense for them, and buildings, grounds, instruments, and
823 maintenance, at \$2.6M, or 12%, was their second highest slice of the pie. He stated chemicals
824 were a large cost for them as well as utilities. He stated there was also professional services,
825 wastewater odor control which was for a turnkey operation to put chemicals in the wastewater on
826 its way from Crozet to Moores Creek to reduce odors and corrosion. He stated they shipped their

827 biosolids to the McGill Composting Facility in Waverly, Virginia, which costs \$735K per year,
828 or 3% of the budget.

829
830 Mr. Mawyer stated technology was a growing component of their expenses, with the Supervisory
831 Control and Data Acquisition System, which ran most of their processes. He stated cybersecurity
832 was a major issue that they were on high alert due to the events with Russia and with the
833 warnings they were receiving from government sources. He stated they had to have the staff and
834 systems to deal with that as well as manage all of their assets and document management and
835 other electronic systems. Information technology was a growing component of their budget as
836 he was sure it was with the City and the County.

837
838 Mr. Mawyer stated in their 17-year history, they saw a pretty straight line of a growing budget.
839 He stated \$41.8M was projected for next year. He stated they had about \$390M in facilities and
840 equipment in their assets, ranging from reservoirs, treatment plants, and miles of water and
841 wastewater piping. He stated they had diversified assets which include a stormwater facility with
842 the Lickinghole Creek Basin they managed and owned. He pointed out a photograph of the
843 aeration basins, which was where they had the biggest challenge with the lighting. He stated they
844 were procuring replacement fixtures now.

845
846 Mr. Mawyer stated some of their major achievements this year included getting the urban water
847 master plan finished next month and presented to the Board in May. He stated they had a
848 wastewater master plan for this plant about which they would present information in June. He
849 stated they had completed the transition from their water corrosion inhibitor product. He stated
850 there always had been a product used, but they transitioned over the last two years to a different
851 product. He stated that was done successfully and without customer concerns or complaints
852 about any issues with drinking water, so it was seen as a success.

853
854 Mr. Mawyer stated they replaced the rubber bladder that sat on top of the concrete dam at Sugar
855 Hollow Reservoir. He stated they had almost completed the Crozet wastewater storage tank,
856 where they took wastewater out of the pipe on its way from Crozet to Moore's Creek, and they
857 stored it in this tank so the piping was not overwhelmed and caused sewer overflows when there
858 was a rain event. He stated they produced well over 3 billion gallons of drinking water and
859 processed over 3 billion gallons of wastewater.

860
861 Mr. Mawyer stated for the next fiscal year, they were going to be completing their water
862 treatment plant renovations at South Rivanna and Observatory WTPs. He stated the Airport Road
863 pump station was under construction, and the Birdwood to Old Garth waterline would be
864 constructed over the next year and were working on the design for the Beaver Creek Dam pump
865 station and piping project that was a major project in Crozet. He stated the design of the central
866 waterline was ready to move forward as they finalized the route. He noted that they would begin
867 to think more about climate change considerations and the possible impacts on our projects.

868
869 Mr. Mawyer stated the newspaper was full of articles about drought in the west and the Glen
870 Canyon Reservoir may not be able to produce enough electricity through its hydroelectric facility
871 for millions of people in the west. He stated in their package this month, they included the
872 drought monitor report, which detailed that they ended last year eight inches below normal

873 precipitation in their area, so they were monitoring the rainfall carefully every month to stay
874 attuned to whether they may be close to a drought.

875
876 Mr. Mawyer stated some of the expenses that increased were due to investments and inflation.
877 They were proposing a 4% merit increase for their workforce, which was in combination with
878 the 6% that was approved by the Board in February. He stated they also considered retirement,
879 taxes, life insurance, and health insurance costs that could increase. He stated they were not
880 proposing any additional positions for the first time in his six-year career, because they wanted to
881 focus on their existing staff and recognized that the collective 10% increase over the last six
882 months was significant. They also had bid out chemicals and were seeing an almost \$300k
883 increase.

884
885 Mr. Mawyer stated also through the bidding process, their biosolids transportation and disposal
886 costs had increased almost 27%, and wastewater odor control costs increased 13%. He stated
887 technology costs went up because they needed to reprogram SCADA screens to provide
888 consistency and optimization. He stated they currently had different screens at different
889 locations, so they were trying to standardize for operational efficiency. He stated they were
890 starting a new program to have a contractor service their aeration equipment. He stated that
891 summarized the \$1.6M they proposed in additional expenses for the next year.

892
893 Mr. Mawyer stated there was no change to their organization chart, with no additional staff for
894 the next year in Water and Sewer. He stated their financial forecast was a 6.9% increase to the
895 City next year and 9.6% to the Service Authority. He stated the chart indicated how those
896 charges may increase over the next five years. He stated they had a capital budget of \$25.8M
897 next year, and their five-year CIP was \$205M, for which they planned to borrow over \$120M,
898 which would create new debt. He then showed a chart that showed historical charge increases to
899 the City and the County. He stated the dip in 2020 was during the Covid-19 pandemic when
900 there were zero charge increases. He stated it rebounded the next year, but they could see the
901 City charge increase forecast was about 7% for a few years, and the Service Authority's was
902 between 8% and 10% for a few years. He warned that the reduction in those rates shown after
903 2028 may or may not occur as they identified needs, particularly in the CIP program.

904
905 Mr. Mawyer stated their outstanding debt was currently about \$204M. He stated it would need to
906 grow to finance the projects planned. He showed a slide with the debt curves provided to the
907 Board in 2018. He stated the light green showed the current debt and the dark green showed
908 projected debt increases based on borrowings they would need to pay for their capital programs.
909 He stated in 2018 when they were reviewing the Rivanna to Ragged pipeline project, one of the
910 alternatives was that they went below the debt payment line around 2030, and that was when
911 they would have capacity to add debt for that project.

912
913 Mr. Mawyer stated when they looked at the debt profile their current debt service was proposed
914 to be \$19.7M. He stated that the light green was the current debt and the dark green was what
915 would be added when they borrowed, which was typically every other year to not create more
916 debt service requirement than they needed, but at the same time to have the capital to pay the
917 capital construction bills.

918

919 He stated in summary, there was a budget of \$41.8M, which was a \$2.9M increase, or 7.4%. He
920 stated their debt service was projected to increase and their expenses would increase largely due
921 to inflation issues, and their charges to the City would increase 6.9%, and to the Service
922 Authority, 9.6% next year. He stated they were asking for adoption of the resolution that would
923 allow them to publish the preliminary rate schedule and advertise a public hearing for those
924 wholesale charges to the Service Authority and to the City to be held in May.

925
926 Mr. Gaffney asked if there were any comments or questions from the Board.

927
928 Mr. Pinkston asked to see the chart that showed the rate of increase for the County and the City.
929 He asked why the City's was less.

930
931 Mr. Mawyer asked to see the project list for 2023. He stated the major pipeline from Rivanna to
932 Ragged Mountain reservoirs was funded 80% by the Service Authority. He stated the Beaver
933 Creek Dam project was 100% funded by the Service Authority. He stated that was generally why
934 there was a difference in the charge increases to the Service Authority and the City. There were
935 agreements in place about the allocation of capital projects costs which impacted the charge
936 increases.

937
938 Mr. Pinkston stated that it was important that the County and City were in this together in terms
939 of having a system that served the whole region.

940
941 Mr. Mawyer stated that was the message communicated at neighborhood meetings. He stated
942 Rivanna's mission was to provide for the entire area, not only the City or the County, but for
943 both. He stated there were pipes located 100% within the County that served the City and the
944 County, and the central waterline was 100% in the City and served the City and the County. He
945 stated that was their mission with the reservoirs, water treatment plants, major pipelines, and the
946 wastewater systems, to serve the entire community.

947
948 Mr. Pinkston asked if 6.9% was basically what the wholesale rate increase would be for the City,
949 and he assumed that increase was what was reflected in the final preliminary rate schedule which
950 was much more detailed.

951
952 Mr. Mawyer stated the preliminary rate schedule included their operating expenses of producing
953 and selling water. He stated the debt service was an annual payment made that was collected
954 through the charges. He stated the 6.9% was an overall charge increase to the City and would not
955 be seen on the preliminary rate schedule. He asked if Mr. Wood could discuss this.

956
957 Mr. Wood stated the debt service payments were basically those different allocation amounts
958 tallied up by different projects and different bond issues. He stated it was a pretty extensive table,
959 but they would tally it up for the annual payment needed and divided it by twelve, so there was
960 one charge that was a monthly amount and one that was an operating charge per thousand
961 gallons based on the consumption.

962
963 Mr. Pinkston asked if the 6.9% increase for the City charge was a total charge.

964

965 Mr. Wood stated yes, it included all services and was based on an estimated flow they may have.
966 He stated the flow would vary almost every year, but it was an estimate based on what they
967 estimated the flow would be.

968
969 Mr. Gaffney clarified that Mr. Mawyer stated that there was pipe that was 100% in the County
970 that benefited both the City and the County, and the central waterline that would be 100% in the
971 City would benefit the City and the County.

972
973 Mr. Mawyer stated that was correct.

974
975 Mr. O'Connell noted that the wholesale rate that was shown there was not what the retail rate
976 would be for the Service Authority and the City, but it would be a significantly lesser amount in
977 the retail rate that would be announced by the ACSA at its April 17 meeting. He stated the
978 Service Authority budget included some reserves they had been planning to use to create a rate
979 stabilization reserve.

980
981 Mr. Richardson asked about earlier in the presentation when they projected water availability all
982 the way out to 2120.

983
984 Mr. Mawyer stated with the pipeline from Rivanna Reservoir to Ragged Mountain Reservoir,
985 they projected they would have adequate water supply for approximately 100 years.

986
987 Mr. Richardson stated he would like him to discuss this further, because he knew Mr. Mawyer
988 had been doing this for a while, and that was not normal for many communities. He stated if they
989 went across other areas in the United States, there were a lot of communities that did not have a
990 100-year water supply looking out, and he caveated that by saying it would be true once they had
991 the pipeline from Rivanna to Ragged Mountain Reservoir finished. He asked if that was correct.

992
993 Mr. Mawyer stated yes, and that they were very fortunate. He stated the State acknowledged in
994 its water supply report that Rivanna was doing a good job storing water with the multiple
995 reservoir system. He stated in order to create extra water, a reservoir must be constructed to hold
996 water for when it was needed, but the reservoir must be filled, and that was what the pipeline
997 from the Rivanna Reservoir to the Ragged Mountain Reservoir did. He stated it allowed them to
998 fill their largest reservoir at Ragged Mountain. They could add up to 700 million gallons to the
999 current water level after they got the pipeline built. He stated if our community was using ten
1000 million gallons a day from Ragged Mountain, the additional 700 MG gave them 70 days of
1001 additional water supply. He stated when there were drought conditions, like what was
1002 experienced in the west, a 70-day supply was significant. He stated that was why it was so
1003 important to get the pipeline project built.

1004
1005 Mr. Mawyer stated the community experienced the drought in 2002, and as a result they
1006 collectively decided to build a new dam at Ragged Mountain to make the reservoir larger, but
1007 they had not increased their ability to fill that reservoir and make use of it, which was what the
1008 pipeline would allow them to do. He stated they must be able to fill and refill the Ragged
1009 Mountain Reservoir, which could only be done in a timely manner with this pipeline. He stated
1010 essentially all of the rainwater west of Route 29 from Green County to Israel Mountain in

1011 Batesville theoretically drained to the South Rivanna Reservoir, which was why they were piping
1012 out of that reservoir with the largest watershed to fill Ragged Mountain. He stated Ragged
1013 Mountain ironically was the largest reservoir and yet had the smallest watershed. He stated that
1014 was acknowledged in the 2012 Community Plan, but they cured the issue of putting the bigger
1015 reservoir at Ragged Mountain by installing this pipeline.
1016

1017 Mr. Richardson stated that overlaying Mr. Mawyer's remarks with the debt management
1018 program, when looking at the new pipeline in place in that 2032 – 2033 timeline, that was about
1019 the time when they would retire some debt and would maintain their debt service, so it appeared
1020 that was happening at an ideal time. He stated a final thing he would say was thanks to Mr.
1021 O'Connell and the Service Authority for the rate softening by creating reserves so that the
1022 ratepayer did not see the rates go up 9.6% in one year.
1023

1024 Ms. Mallek stated there was much work to be proud of from the past forty years. She stated the
1025 downzoning that happened in that area west of 29 from the north to the south that drained into
1026 the South Fork Reservoir, it was a significant sacrifice on the part of Albemarle County
1027 landowners to restrict their development considerably, and it was a great decision and supported
1028 with court appeals. She stated it was what allowed this availability of this water resource they
1029 were planning for in the future, and she was appreciative of those before them who made that
1030 hard decision and followed up with it for these forty years. She stated they had the capability to
1031 stay a little more cautious. She stated in 2017, a 70-day supply evaporated overnight in a way,
1032 because it took them five or ten days to figure it out. She stated her pastures were concrete right
1033 now from lack of rain in the northwest part of the County, and that was part of the prime rain
1034 band. She stated they were supposed to be providing water to the reservoir and they were not
1035 because there was not enough rain.
1036

1037 Mr. Mawyer stated they would discuss that more when they talked about climate change,
1038 because the concern was that they needed to have the most stored water they could as soon as
1039 possible, and it was unclear if they could really wait until 2033 to complete expansion of their
1040 water storage. He stated that was the concern. He stated they would roll the dice for ten years and
1041 hope they did not have the next drought of record in that period.
1042

1043 Mr. Gaffney asked if there were any other comments or questions. Hearing none, he asked if
1044 there was a motion.
1045

1046 **Ms. Mallek moved to adopt the preliminary rate schedule. Mr. O'Connell seconded the**
1047 **motion, which passed unanimously (7-0).**
1048

1050 ***10. OTHER ITEMS FROM BOARD/STAFF NOT ON AGENDA***

1051 There were no additional items from the Board. Mr. Mawyer stated there were no items from
1052 staff.
1053

1054 ***11. CLOSED MEETING***

1055 There was no closed meeting.

1056

1057 **12. ADJOURNMENT**

1058 **At 5:05 p.m., Mr. Pinkston moved the meeting be adjourned. Mr. O'Connell seconded the**
1059 **motion, which passed unanimously (7-0).**

1060

1061 **Respectfully submitted,**

1062


1063

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1067



Mr. Lonnie Wood
Assistant Secretary - Treasurer