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4 **RWSA BOARD OF DIRECTORS**  
5 **Minutes of Regular Meeting**  
6 **May 23, 2017**  
7  
8

9 A regular meeting of the Rivanna Water & Sewer Authority (RWSA) Board of Directors was held  
10 on Tuesday, May 23, 2017 at 2:00 p.m. in the 2<sup>nd</sup> floor conference room, Administration Building,  
11 695 Moores Creek Lane, Charlottesville, Virginia.  
12

13 **Board Members Present:** Mr. Mike Gaffney – Chair, presiding, Ms. Kathy Galvin, Mr. Maurice  
14 Jones, Mr. Gary O’Connell and Dr. Liz Palmer.  
15

16 **Board Members Absent:** Mr. Doug Walker.  
17

18 **Staff Present:** Mr. Tim Castillo, Ms. Victoria Fort, Dr. Richard Gullick, Ms. Teri Kent, Mr. Doug  
19 March, Mr. Bill Mawyer, Ms. Betsy Nemeth, Ms. Cindy Polaro, Mr. Scott Schiller, Ms. Michelle  
20 Simpson, Ms. Jennifer Whitaker and Mr. Lonnie Wood.  
21

22 **Also Present:** Mr. Kurt Krueger, RWSA counsel; members of the public; and media  
23 representatives.  
24

25 **1.0 Call to Order**

26 The regular meeting of the RWSA Board of Directors was called to order by Mr. Gaffney on  
27 Tuesday, May 23, 2017 at 2:23 p.m., and he noted that a quorum was present.  
28

29 **2.0 Minutes of Previous Board Meeting**

30 *a) Minutes of the Regular Meeting of the Board on April 25, 2017*  
31

32 Mr. Gaffney asked if there were any changes or comments to the minutes. There were none  
33 provided.  
34

35 **Mr. Gary O’Connell moved to approve the minutes of April 25, 2017 as presented. Mr. Jones**  
36 **seconded the motion, which passed 5-0. Mr. Walker was absent from the meeting and the**  
37 **vote.**  
38

39 **3.0 Recognition**

40 There were no recognitions presented.  
41

42 **4.0 Executive Director’s Report**

43 Mr. Mawyer reported that Rivanna had received a certificate of achievement for excellence in  
44 financial reporting for the 2016 Comprehensive Annual Financial Report (CAFR), the highest  
45 recognition in the area of governmental accounting and financial reporting, awarded by the  
46 Government Finance Officers Association. He congratulated Mr. Wood and his staff for their  
47 work.

48  
49 Mr. Gaffney asked Mr. Wood how many consecutive years Rivanna had received the award.

50  
51 Mr. Wood responded that it had been at least 19 years.

52  
53 Mr. Mawyer reported that RWSA continued to look at the drinking water infrastructure plan in  
54 Crozet, and was in negotiations with an engineering firm to complete the study. He stated that  
55 RWSA had begun communicating with the community about the plan and had met with White  
56 Hall District Supervisor Ann Mallek and County planning staff, and have planned a meeting with  
57 the Crozet Community Advisory Committee for June 21. He noted that Mr. O’Connell and County  
58 staff were working with Rivanna as part of that effort.

59  
60 Mr. Mawyer reported that all of Rivanna’s reservoirs were currently full, and the transfer from  
61 Sugar Hollow to Ragged Mountain had been substantially completed, with levels within an inch  
62 of capacity. He stated that there were three reservoirs supplying the urban area – Sugar Hollow,  
63 South Fork Rivanna, and Ragged Mountain – holding a total of 2.7 billion gallons. Mr. Mawyer  
64 stated that if the population uses on average 10 million gallons per day, there would be a supply in  
65 the reservoirs for more than 9 months. He stated that the Beaver Creek Reservoir has a more than  
66 two-year supply for the Crozet area, and Totier Creek has more than eight years of supply for the  
67 Scottsville area.

68  
69 Mr. Mawyer reported that Rivanna continues to do community outreach, hosting a “meet your  
70 reservoir” session at the Ivy Creek Natural Area in conjunction with National Drinking Water  
71 Week from May 7-13, with fliers posted at the reservoirs and tours of wastewater plants for UVA  
72 students. He mentioned that Rivanna staff members Teri Kent and Andrea Terry spearheaded those  
73 events.

74  
75 Mr. Mawyer reiterated that Rivanna is continuing to move forward with the strategic planning  
76 process for the Authorities.

77  
78 Mr. O’Connell asked if he expected a recommendation on the strategic plan at the next RWSA  
79 Board meeting, and if there would be a separate strategic plan for the RSWA.

80  
81 Mr. Mawyer responded that if the fees were lower than \$100,000, he could approve the project to  
82 engage in a contract with a consultant without coming to the Board for approval. He stated that the  
83 Rivanna Authorities would jointly work together but would need to determine how the RWSA and  
84 RSWA integrated and separated, and they would need to make that clear when negotiating with  
85 consultants.

86

87 Mr. O’Connell asked if the transfers to Sugar Hollow had stopped and would not continue until  
88 fall or early winter.

89  
90 Mr. Mawyer responded that the transfers would stop over the next week or so and Rivanna would  
91 be closing the valve to stop the transfer. He stated that unless the weather and circumstances  
92 changed, Rivanna did not expect to open the valve again until the fall, given that there was nine  
93 months of storage. He added that Rivanna had considered opening it to try to top off Ragged  
94 Mountain, but that would likely yield minimal benefit.

95  
96 Dr. Palmer asked why Rivanna would want to top Ragged Mountain off.

97  
98 Mr. Mawyer replied that it would be an effort to keep Ragged Mountain’s level as high as possible  
99 for as long as possible, so that an end-of-year drought could be addressed by maximum capacity  
100 in Ragged Mountain. He stated that Rivanna expected to close the valve and keep it closed until  
101 Rivanna refills Ragged Mountain in the next cycle.

102  
103 Dr. Palmer asked if there was a point in the levels at which Rivanna would decide to do that, or if  
104 there were considering other variables.

105  
106 Mr. Mawyer explained that Rivanna’s staff was looking at other factors and would be meeting  
107 internally to discuss drought planning, then bring a presentation to the Board in the near future  
108 about how Rivanna uses the reservoirs and what the strategy would be for using Sugar Hollow  
109 specifically. He stated that generally when all the reservoirs are full, there is not achieve much  
110 additional value to start adding to Ragged Mountain, unless there is a reason to lower Sugar  
111 Hollow, such as in the event of a significant storm. Mr. Mawyer noted that when Rivanna closes  
112 the valve at Sugar Hollow, the pipe all the way to Ragged Mountain was empty, and there were  
113 places it crossed under and through streams, so there is no water in it. He stated that Rivanna may  
114 want to fill that pipe and have water running through it to stabilize it, in the event of a storm, and  
115 that’s one of the reasons Rivanna might open the valve. He added that staff would present more  
116 details in the future about how they use the reservoir as part of an overall plan, but in general they  
117 try to keep Ragged Mountain full. Mr. Mawyer stated that the future pipeline from Rivanna  
118 Reservoir to Ragged Mountain can pump back and achieve maximum storage and maximum  
119 treatment capacity. He noted that Observatory Treatment Plant cannot produce enough drinking  
120 water to supply the urban area by itself, so the North Rivanna and South Rivanna plants must be  
121 used.

122  
123 **5.0 Items from the Public**

124 There were no items from the public presented.

125  
126 **6.0 Responses to Public Comments – No Responses This Month**

127 There were no responses to public comments this month.

128  
129 **7.0 Consent Agenda**

130 a) *Staff Report on Finance*

131

132 b) *Staff Report on Operations*

133

134 *c) Staff Report on Ongoing Projects*

135

136 *d) Approval of Personnel and Personnel Manual Changes*

137 Mr. O'Connell asked if the changes to the personnel manual were the positions in the budget that  
138 the Board would consider later.

139

140 Mr. Mawyer stated this action would put the additional positions in the manual and also included  
141 administrative changes to the Family Medical Leave Act and sick leave changes.

142

143 The Board asked if he would discuss the additional positions.

144

145 Mr. Mawyer reported that the first priority position was an additional water plant operator for the  
146 South Rivanna Treatment Plant, which has been operated under a waiver from the health  
147 department because Rivanna does not have two operators onsite at all times. He stated that Rivanna  
148 has achieved this by having an operator at Observatory and an operator at Rivanna at night, and  
149 they would coordinate by phone. Mr. Mawyer stated that this was not the preferred way to operate  
150 in terms of security of the plant, safety at the plant, and operation technique. He stated that because  
151 of this, staff has asked to implement an additional position, and as part of this have leveraged  
152 automation of equipment to reduce the number of wastewater plant operators needed. Mr. Mawyer  
153 mentioned that Rivanna has installed two centrifuges in the solids handling facility, which was  
154 previously a filter press that an operator had to watch and squeeze water out of, but now the  
155 centrifuge spins them like a dryer and doesn't require as much staff oversight. He noted that those  
156 two dewatering operating positions would be transferred: one to water and one remaining within  
157 wastewater.

158

159 Mr. Mawyer stated that Rivanna was also proposing the addition of an engineer to the engineering  
160 group, with that position to provide asset management of the facilities – especially between water  
161 treatment plants, pipes, pump stations, and wholesale meters, as well as managing some CIP  
162 projects as needed and supervising inspectors. He stated that the third recommended position is an  
163 additional inspector for construction purposes, and he feels that this position will pay for itself and  
164 reduce expenses by not having to pay consultant engineers.

165

166 **Mr. Jones moved to approve the Consent Agenda as presented. Dr. Palmer seconded the**  
167 **motion, which passed by a 5-0 vote. Mr. Walker was absent from the meeting and the vote.**

168

## 169 **8.0 Other Business**

170

171 *a) Public Hearing and Resolution for Certificate of Take–Route 29 Water Pump Station Project*

172 Mr. Doug March addressed the Board and stated that he has been working on the Route 29 Pump  
173 Station and pipeline project for several years, and he would discuss the property acquisition  
174 process involved in finding a site for the pump station. Mr. March stated that the project consists  
175 of a new drinking water pipeline, a booster pump station, and groundwater storage tanks, at the  
176 southern portion of a property along Airport Road just north of Hollymead Town Center, tax map  
177 parcel 32-41. He reported that in 2007, a consultant did a study identifying this location as the  
178 optimum place to put a new pump station, with the general idea of the project being to put a second

179 source feed from the South Rivanna Water Treatment plant to the northern region, making a second  
180 redundant supply source. Mr. March explained that this site was chosen in that study due to a high  
181 existing ground elevation, which was optimal for ground storage tanks – a preferred option by the  
182 County – and allowed for avoidance of elevated storage tanks. He stated that the site also provided  
183 close proximity between the North Rivanna and South Rivanna pressure zones, with the two zones  
184 meeting in the Hollymead Town Center area, so this is the ideal location for a new pump station.  
185

186 Mr. March stated that the project would provide an interconnection between the two existing  
187 pressure zones and improve the overall infrastructure by adding a separate source supply from the  
188 south, providing redundancy of service and eliminating temporary pump conditions at the Kohl's  
189 department store. He noted that currently if there is a problem at the North Rivanna plant, Rivanna  
190 has to shut it down to work on it and maintain it, and the supply source for the entire north end of  
191 the county is lost. Mr. March stated that when Rivanna does that, Rivanna has to bring in a  
192 temporary trailer pump at Kohl's, run firehouses on the ground, pump from one low-pressure  
193 hydrant into another high-pressure hydrant, in order to feed the north end, sometimes for days at a  
194 time. He stated that this project would create a permanent pump station so Rivanna won't have to  
195 do that anymore.  
196

197 Dr. Palmer asked when Rivanna had to enact the temporary approach.  
198

199 Mr. March responded that when Rivanna has to shut down the plant for work, such as they were  
200 doing now for the granular activated carbon process now being installed, Rivanna has to use the  
201 temporary measures. He stated that another issue is the possibility of a line break in that area that  
202 must be isolated, because if the break is between the treatment plant and the airport, there is no  
203 water by the airport – and that's when Rivanna brings in a southern feed. Mr. March stated this  
204 project would put a new building at the southern feed that would always enable pumping from  
205 South Rivanna.  
206

207 Mr. O'Connell asked if that would happen sooner than the rest of the project, and if the project  
208 was phased.  
209

210 Mr. March replied that it was not phased at this point, but once RWSA acquired the land the  
211 Authority would move into design of the pump station. He stated that part of the project is the 24-  
212 inch line they completed on Route 29 North as part of the widening project, and a line must be  
213 brought from South Rivanna to this area in order to pump into the northern area. Mr. March stated  
214 that RWSA still had a small amount of pipe through the Kohl's area and Meeting Street left to do,  
215 but RWSA would proceed with design of all of it.  
216

217 Mr. March reported that the Route 29 Pump Station project would provide more capacity of water  
218 to feed the growing needs of the northern service area, and in the future Rivanna would be able to  
219 lower the higher operating pressures there. He stated that pursuant to the 2007 study, this project  
220 was inserted into Albemarle County's Comprehensive Plan, and it remained in the most recent  
221 version adopted in 2015. Mr. March presented a map and noted the proposed location of the pump  
222 station, stating that the property frontage is on Airport Road, but RWSA was building in the back  
223 of the parcel – away from the front of Airport Road – and would access the site through Meeting  
224 Street. He stated that Meeting Street currently dead-ends at the southern boundary line of that

225 parcel. Mr. March mentioned that the County wants to take Meeting Street and extend it through  
226 the parcel, making a four-way intersection at Innovation Drive and Airport Road.

227  
228 Mr. March stated that Rivanna was only seeking to purchase a 1.6-acre lot at the back of the entire  
229 7.5-acre parcel. He stated that David Turner, a local businessman, owns the property and has been  
230 the point of contact in discussions regarding acquisition of the necessary land. Mr. March stated  
231 that to figure out how much land was needed, Rivanna hired a consultant to do a conceptual site  
232 plan, and he presented the drawing as done by the consultant, noting the location of Airport Road  
233 to the north and Meeting Street to the south. He stated that the drawing shows two large storage  
234 tanks and a small building toward Meeting Street, which is where the pump station will be, and he  
235 noted the location of an existing cell tower on the property. Mr. March emphasized that the parcel  
236 needed by Rivanna was just south of that and would not impact the cell tower, building around it.  
237 He stated the entire property is currently zoned Rural Area and has not been rezoned, with most of  
238 the property wooded and raw land, except for the cell tower and a rental house onsite.

239  
240 Mr. O’Connell asked if the property was higher than adjacent properties.

241  
242 Mr. March responded that it was, noting that the cell tower is located on the property’s highest  
243 point, which is also the highest point on Airport Road. He pointed out the location in the wooded  
244 area where Rivanna would build the pump station, stating that it would be built in front of the cell  
245 tower.

246  
247 Mr. March presented a timeline of Rivanna’s meetings with Mr. Turner, stating that he met with  
248 him in November 2011 and had general discussions about purchasing the property. He noted that  
249 there was no detailed mapping at the time, but Mr. Turner understood the project and the need for  
250 it. Mr. March stated that in 2013, Rivanna sent him a right of entry request to do a boundary survey  
251 and topographic mapping updates, which he granted. He stated that Rivanna met with him again  
252 in April 2016 and reviewed a conceptual site plan that had been developed, along with a phase one  
253 environmental site assessment. Mr. March stated they talked about his existing site zoning, the  
254 appraisal process, and the entire negotiation process for obtaining this property.

255  
256 Mr. March stated that they met again in December of 2016, and at that point Rivanna had hired  
257 the appraisal company CRES of Warrenton, which had done a land appraisal – which resulted in  
258 a value of \$4.50 per square foot. Mr. March stated that a few weeks after that meeting, in January  
259 2017, Mr. Turner sent Rivanna a letter expressing his disagreement with the appraisal and stating  
260 that he felt the land was worth \$18-20 per square foot. Mr. March stated that Mr. Turner never  
261 sought a third-party appraisal but instead put together his own figures.

262  
263 Mr. March stated that in March of 2017, Rivanna revised the plan because they had changed the  
264 lot limits and got an updated appraisal – but the \$4.50 per square foot had not changed. He stated  
265 that he sent the updated plan and appraisal to Mr. Turner, who responded by saying that he still  
266 disagreed with the appraised value. Mr. March stated that in April 2017, Rivanna sent him a final  
267 offer letter by certified mail, making an offer for the 1.6-acre lot at \$4.50 per square foot, with the  
268 total offer at \$313,713. Mr. March stated that Mr. Turner refused that offer also, so Rivanna  
269 convened with Mr. Krueger and McGuire Woods to develop condemnation documents, the subject  
270 of this public hearing.

271  
272 Mr. Krueger stated that Rivanna designed the property borders of the parcel to be the minimum  
273 amount necessary to take while complying with what needed to be built there, as well as setback  
274 and screening requirements for the tanks. He stated Rivanna was not proposing to take any more  
275 property than necessary to do the project, as the law stipulates. Mr. Krueger stated that property  
276 must only be taken if it is a public necessary, and one of the resolutions to be adopted by the Board  
277 is a finding that it is a public necessity. He noted that it was difficult for staff because although  
278 Mr. Turner greatly disagreed with the property valuation, Rivanna had an appraisal done by a  
279 professional appraisal firm but the only thing staff received in return was the owner's estimate  
280 range of what he thought it was worth. Mr. Krueger stated that staff went through the negotiating  
281 process as best they could to try to arrive at a number.  
282  
283 Mr. O'Connell asked if Mr. Turner's figure was based on sales in that area.  
284  
285 Mr. Krueger responded that it was loosely based on sales of properties in that area that were not  
286 zoned RA, and also based in part on what Mr. Turner had settled with VDOT for in the taking of  
287 a strip of road frontage on Airport Road in the past.  
288  
289 Dr. Palmer asked staff if they recalled how much he had received per square foot for that frontage  
290 piece.  
291  
292 Mr. March responded that it was around \$10 or \$11, and that was in 2004 or 2005 when they  
293 widened Airport Road and took strips of property.  
294  
295 Mr. O'Connell asked if the cell tower sat completely on his property and whether it was a long-  
296 term lease.  
297  
298 Mr. March responded that it was a lease.  
299  
300 Mr. O'Connell noted that the lease would impact anything that could occur on the adjacent  
301 property.  
302  
303 Ms. Galvin asked if there would be another appraisal done as part of the condemnation  
304 proceedings.  
305  
306 Mr. Krueger responded that the next step would be for Rivanna to file a petition in condemnation,  
307 and they have agreed with Mr. Turner's attorney to go ahead and do that since he will not accept  
308 the offered amount. He stated that either party could start a suit and it would go into court, with  
309 each party being able to present evidence on the property value – with Rivanna using the CRES  
310 appraisal. Mr. Krueger noted that Mr. Turner and The Marketplace of Virginia, L.C., the co-owners  
311 of this property, could choose whether or not to get an appraisal, but they can present evidence as  
312 to why they feel the Rivanna appraisal is inaccurate.  
313  
314 Dr. Palmer asked when the Rivanna appraisal was done.  
315  
316 Mr. Krueger responded that it had been updated in March 2017.

317  
318 Mr. O'Connell noted that when you file a certificate, you actually take control of the property.  
319

320 Mr. Krueger stated that when Rivanna tenders the Certificate of Take with the check for \$313,713,  
321 the property becomes Rivanna's – with Mr. Turner having a short period in which he can contest  
322 the procedure used to actually condemn the property, but his counsel noting they don't have an  
323 issue with that aspect. Mr. Krueger stated at that point, it becomes Rivanna's property because  
324 they are condemning a fee-simple interest property, not an easement, and the only step left is the  
325 court determination as to whether the CRES value is the right value or some other value is correct.  
326

327 Dr. Palmer asked if Rivanna could proceed with the project while that valuation process is  
328 underway, and how long the contestation could take.  
329

330 Mr. Krueger confirmed that Rivanna could proceed with the project, and the process could take a  
331 few months depending on what kind of evidence Mr. Turner wants to present and the court's  
332 schedule in terms of discovery and hearings.  
333

334 Dr. Palmer noted this property was in the County and she was assured that Rivanna had done its  
335 due diligence, and the inclusion of this in the County's Comprehensive Plan also made her feel  
336 comfortable about proceeding.  
337

338 Mr. Krueger noted that Mr. Turner knew this was coming for quite some time. He explained that  
339 the next step was to hold the public hearing, then adopt the resolutions authorizing the taking of  
340 the property and authorizing Mr. Mawyer to sign the Certificate of Take.  
341

342 Mr. Gaffney opened the public hearing for the certificate of take for the Route 29 Pump Station.  
343 There were no public comments provided, and he closed the public hearing.  
344

345 **Dr. Palmer moved to adopt the resolutions as presented, authorizing the taking of the**  
346 **property for the Route 29 Pump Station and authorizing Mr. Mawyer to sign the Certificate**  
347 **of Take. Mr. O'Connell seconded the motion.**  
348

349 **Mr. Krueger called for a roll-call vote, with the Board voting as follows: Mr. Jones – aye;**  
350 **Ms. Galvin – aye; Mr. Gaffney – aye; Dr. Palmer – aye; and Mr. O'Connell – aye. Mr.**  
351 **Walker was absent from the meeting and the vote.**  
352

353 Mr. Krueger noted that Mr. Doug Walker was absent from the Board meeting, but the RWSA had  
354 amended its articles and filed them with the State Corporation Commission, which has not yet  
355 processed them, to change the position for the other city representative from the Director of Public  
356 Works to the Director of Utilities, which would be Lauren Hildebrand. He stated that Ms.  
357 Hildebrand would not have been eligible to vote yet, and Mr. Walker was absent from the vote.  
358

359 (The resolution as adopted is presented below.)  
360

361 RESOLUTIONS REGARDING ACQUISITION OF A FEE SIMPLE INTEREST  
362 IN PROPERTY BY EMINENT DOMAIN PROCEEDINGS



363 RTE. 29 WATER PUMP STATION PROJECT

364

365 May 23, 2017

366

367 WHEREAS, the acquisition of a certain fee simple interest in a portion of the property identified  
368 below is required to complete the Rte. 29 Water Pump Station Project (the  
369 “Project”);

370

371 WHEREAS, the Project is required in order for the Authority to provide an interconnection  
372 between portions of the Authority’s potable water distribution system presently  
373 served by the South Rivanna Water Treatment Plant and the North Rivanna  
374 Treatment Plant to (a) provide redundancy of service in the event of an emergency  
375 and during drought conditions, (b) adequately serve the growing needs of the area  
376 of the County of Albemarle along Virginia State Route 29 generally north of its  
377 intersection with Airport Road, and (c) improve infrastructure conditions in the  
378 northern service area by lowering excessive operating pressures and is therefore a  
379 public necessity;

380

381 WHEREAS, the acquired fee simple interest in the property will be put to public use for the  
382 provision of potable water to the residents and businesses of Albemarle County;

383

384 WHEREAS, the Authority has negotiated in good faith for several months with the property  
385 owners affected by the Project to obtain the fee simple interest in a portion of the  
386 property for the Project;

387

388 WHEREAS, the Authority has made a bona fide offer to purchase for just compensation the fee  
389 simple interest in a portion of the property described below as shown on the  
390 attached plat (the “Property”), and the owners of the Property named below (the  
391 “Property Owners”) have rejected the Authority’s good faith offer to purchase the  
392 Property;

393

394 WHEREAS, the Authority believes that the offer amount listed below (the “Offer Amount”),  
395 which is based upon a third-party appraisal and subsequent negotiations with the  
396 Property Owners, constitute just compensation for the acquisition of the fee simple  
397 interest in the Property; and

398

399 WHEREAS, in an effort to timely and efficiently complete the Project, the staff of the Authority  
400 has advised the Board of Directors of the Authority (the “Board”) that it is in the  
401 best interest of the Authority to immediately institute eminent domain proceedings  
402 to acquire the fee simple interest in the Property for the Offer Amount by depositing  
403 such amount and filing a certificate of take in the Circuit Court for the County of  
404 Albemarle, Virginia (the “Eminent Domain Proceedings”).

405

406 NOW, THEREFORE, be it:

407

408 RESOLVED, that the Board adopts and approves the factual findings set forth above;

409  
 410 RESOLVED, that the Board finds that bona fide efforts have been made to purchase the fee simple  
 411 interest in the following Property for just compensation from the Property Owners,  
 412 and that the Property Owners have rejected the Authority’s good faith offer;  
 413

Project Parcel No.	Tax Map/ Parcel No.	Jurisdiction	Property Owner(s)	Interest To Be Acquired	Offer Amount
N/A	32-41	Albemarle County	David P. Turner and The Market Place of Virginia, L.C.	Fee Simple (approx. 1.6004 ac.)	\$313,713.00

414  
 415 RESOLVED, that the Board finds that the Offer Amount represent just compensation for the  
 416 acquisition of the fee simple interest in the Property;  
 417

418 RESOLVED, that the Board finds that it is in the best interest of the Authority to immediately  
 419 institute the Eminent Domain Proceedings to acquire the fee simple interest in the  
 420 Property;  
 421

422 RESOLVED, that William I. Mawyer Jr., as Executive Director of the Authority (the “Executive  
 423 Director”), is authorized to execute in the name of the Authority, to acknowledge  
 424 where required, and to deliver to the parties entitled thereto, the certificates, notices  
 425 and other instruments and documents required by the Eminent Domain  
 426 Proceedings; and  
 427

428 RESOLVED, that the Executive Director is authorized to take such further actions in the name  
 429 and on behalf of the Authority, including without limitation, the preparation,  
 430 execution, acknowledgment and delivery of such additional agreements,  
 431 instruments, documents and certificates under the Eminent Domain Proceedings  
 432 and the transactions contemplated therein, as the Executive Director may deem  
 433 necessary or appropriate to carry out the intended purposes of the foregoing  
 434 resolutions.  
 435  
 436

437 *b) Proposed FY2017-2018 Operating Budget and Rate Schedule*

438 Mr. Mawyer reported that staff had introduced this budget at the Board’s March 28, 2017 meeting  
 439 and mentioned at that time that the total budget was \$31,010,000, with \$16.5 million for the  
 440 operating budget – including staff salaries, vehicles, chemicals, etc., and \$14.5 million for debt  
 441 service – paying for projects such as the GAC, odor control projects, etc. He stated that Rivanna  
 442 had issued a public notice to advertise the operating rates for water and wastewater, and they were  
 443 included in the newspaper on April 9 and May 7, 2017, with no comments received from the public  
 444 on those rates. Mr. Mawyer noted that Rivanna also sent the proposed rates to the City and the  
 445 County.  
 446

447 Dr. Palmer asked if it was common to have debt service charges represent half of the entire budget,  
448 and whether that was the way a lot of authorities around the state operated.

449  
450 Mr. Wood responded that it was not, but Rivanna was one of the few wholesale Authorities and as  
451 such did not have a lot of comparables for Rivanna – other wholesales had a retail arm. He stated  
452 that a lot of service authorities gain assets through projects that developers do, so they gain assets  
453 without gaining debt, but there is no other way to build projects locally except to acquire debt.

454  
455 Mr. O’Connell asked if just the treatment part comprised a significant part of the debt, since those  
456 were such large facilities.

457  
458 Mr. Wood confirmed this, stating that a lot of assets and facilities are procured by a developer and  
459 donated, and he suggested that staff present a financial picture that combined the city, county, and  
460 Rivanna as if they were one financial entity.

461  
462 Dr. Palmer stated she would really appreciate that kind of assessment.

463  
464 Mr. O’Connell noted that both the Albemarle County Service Authority and Rivanna have budgets  
465 of \$31 million, and both have about 75 employees. He stated that Rivanna’s five-year capital  
466 program is \$136 million, whereas the ACSA’s is about \$26-28 million, plus product development  
467 costs.

468  
469 Mr. Gaffney asked how much of the ACSA’s revenue came to Rivanna.

470  
471 Mr. O’Connell responded that it was about 60%.

472  
473 Mr. Jones confirmed that the City’s percentage was close to that.

474  
475 Mr. Gaffney noted that it’s one revenue paying for both.

476  
477 Mr. Mawyer stated the estimated charge to the Service Authority for next year is \$16.2 million,  
478 and the City’s is \$13.7 million, with other revenue including \$2 million from the nutrient credit  
479 exchange, Buck Mountain rent, and a few other smaller sources such as retail from septage haulers  
480 who bring septage here.

481  
482 *c) Public Hearing and Adoption of FY2017-2018 Operating Budget and Rate Resolution*

483 Mr. Gaffney opened the public hearing.

484  
485 Mr. John Martin addressed the Board and stated that he is a resident of Free Union. Mr. Martin  
486 stated that the word “suburban” has come into budget discussions, changing the name from “rural  
487 rate centers” to “suburban rate centers,” but there are no suburbs. He explained that there is an  
488 urban area with hard edges around it, a rural area, and the town of Scottsville – but there are no  
489 suburban areas. Mr. Martin suggested using “town/settlement area rate centers” or something  
490 similar, but not “suburban.”

491

492 Mr. O’Connell stated that it may be best just to name them, which is what the Service Authority  
493 ended up doing – Glenmore, Scottsville, Crozet, etc.

494  
495 Dr. Palmer agreed.

496  
497 Mr. Gaffney commented that Mr. Martin’s point was interesting.

498  
499 Dr. Palmer stated that she has tried to come up with another word for “suburban,” but it may be a  
500 matter of perception as to what that word connotes, and naming the areas may be the best approach.

501  
502 Mr. O’Connell stated that the resolution before them actually does name the areas and the  
503 associated rates and monthly costs.

504  
505 Mr. Krueger noted that it still called them “urban rate centers” and “rural rate centers.”

506  
507 Dr. Palmer stated they had to because that’s what they were called in the four-party agreement.

508  
509 Mr. Mawyer stated that the urban centers are in the agreement, but he could not find the reference  
510 to rural.

511  
512 Mr. O’Connell noted that Crozet is 8,000 people versus Scottsville with 800.

513  
514 Dr. Palmer noted the resolution just named them and didn’t include the word “suburban,” but it  
515 was easier to have one consistent term.

516  
517 **Mr. Jones moved to approve the FY2017-2018 Operating Budget and Rate Resolution. Dr.**  
518 **Palmer seconded the motion, which passed by a 5-0 vote. Mr. Walker was absent from the**  
519 **meeting and the vote.**

520  
521 *d) Overview of Crozet and Scottsville Water Treatment Plants*

522 Mr. Mawyer stated that the Sugar Hollow, South Rivanna, and Ragged Mountain Reservoirs feed  
523 the urban water system through the Rivanna Water Treatment Plant, and the Observatory  
524 Treatment Plant. The North Fork Water Treatment Plant is supplied directly from the North Fork  
525 of the Rivanna River. He explained that the Crozet plant is fed by Beaver Creek, and Scottsville is  
526 fed by Totier Creek, with both supplying their respective communities.

527  
528 Mr. Mawyer presented a profile of the Scottsville Water Treatment Plant, noting the operator’s  
529 area and laboratory on the top level, and the pipe gallery and pumping on the bottom level. Mr.  
530 Mawyer stated that the Scottsville plant was constructed in 1964, with maximum capacity of about  
531 one million gallons per day and Totier Creek serving as the source. He noted that the reservoir was  
532 not used as the water source except as backup during dry periods. Mr. Mawyer stated that the  
533 Scottsville plant is operated only during the day, seven days per week, and there is a storage tank  
534 of about 250,000 gallons that works collaboratively with the Service Authority tank in the area,  
535 which stores about 300,000 gallons. Mr. Mawyer reported that the Scottsville plant only produces  
536 about 50,000-60,000 gallons per day, making it the smallest plant by production. He presented

537 pictures showing the lab area, chemical storage area, and a new GAC building to contain one GAC  
538 contactor.

539  
540 Dr. Palmer noted that the picture of Totier Creek shows that it is downstream from the dam.

541  
542 Ms. Whitaker pointed out that it is, with a rock-cut spillway at the dam.

543  
544 Dr. Palmer stated the intake for the creek is above the dam, and staff has noted that there were  
545 several years of supply from the Totier Creek reservoir. She stated that staff has also mentioned  
546 that the water quality from Totier Creek is not ideal, and asked how often Rivanna had to go into  
547 the reservoir during a drought.

548  
549 Dr. Gullick stated that Rivanna actually used the reservoir about two hours per week in order to  
550 test the pumps, but it had been a few years since Rivanna used it as a regular water supply – and it  
551 was just for general usage, not for drought.

552  
553 Ms. Whitaker stated Rivanna used to use the reservoir much more often, but found the creek  
554 provided higher water quality and easier treatability. She noted that since Rivanna switched to the  
555 creek, Rivanna has not had to use the reservoir for drought purposes, only to keep the infrastructure  
556 operational – and during the 2000-2002 drought period, Rivanna was using the reservoir mostly.

557  
558 Mr. O’Connell asked about 2007, another drought year, and whether the switch had been made in  
559 the last four or five years.

560  
561 Ms. Whitaker responded that it had been within the last 10 years, and she could provide a more  
562 definitive timeframe if desired.

563  
564 Mr. O’Connell commented that at this point, Scottsville was largely a residential system – with a  
565 big plant that once used water but is now closed.

566  
567 Dr. Palmer asked if the brewery ended up using the water.

568  
569 Mr. O’Connell responded that the brewery was not a very big customer.

570  
571 Mr. Mawyer reported that the Crozet Water Treatment Plant was also built in 1965 and had a  
572 capacity of one million gallons per day, typically producing about a half-million gallons per day  
573 but peaks of over 800K gallons per day. He stated that the Crozet plant’s raw water source is  
574 Beaver Creek Reservoir, and the plant operates at a minimum of 12 hours per day – sometimes  
575 longer if the Crozet demand is up – and this is an increasing usage facility. Mr. Mawyer noted that  
576 there is two-million gallons of storage in the Buck’s Elbow Storage Tank. He pointed out the  
577 location of the tank, the water treatment plant, and the site for the new finished water pump station,  
578 and noted the boundaries of the Crozet service area. Mr. Mawyer presented photos showing the  
579 lab inside the plant where the operator does lab testing, the sediment basin where solids are settled  
580 out, and a lower-level basement where there are chemical storage and piping to take the rinse water  
581 off the filters. He stated the Crozet plant would have two GAC contactor vessels, as part of the  
582 new GAC implementation.

583  
584 Dr. Palmer stated that the areas Crozet Water Treatment Plant serves are not equal to the growth  
585 area boundaries, and asked how Rivanna factored in projections of population growth, noting that  
586 the County has typically expanded the growth area to match the jurisdictional area.

587  
588 Mr. O’Connell responded that this has historically been where the water system has extended and  
589 at one point was serving fewer people, but with development in that area it had increased – with  
590 the biggest area of consumption being along Route 250. He stated that there was about a 2,000-  
591 person difference between Albemarle County’s official growth plan and the service area.

592  
593 Dr. Palmer noted that the County had encountered several different situations recently in which  
594 the County has changed the growth area to match the jurisdictional area, and that could possibly  
595 result in upzoning there – which is contradictory to the Crozet Master Plan’s recommendation that  
596 development taper out on the edges.

597  
598 Mr. Mawyer stated that the drinking water infrastructure plan is based on following development,  
599 so the County would decide on zoning and density, and Rivanna uses predictive measures to build  
600 the facilities and get them in place before the growth happens. He stated that Rivanna uses factual  
601 numbers of production along with consumption data to assess how much water the Crozet area is  
602 going to need.

603  
604 Mr. O’Connell stated that those conversations are underway, but there is a lot of development in  
605 places that are outside the growth area, and the challenge will be planning for water in a  
606 commercial district with a multitude of uses. He added that the Crozet Community Advisory  
607 Committee meetings usually use a different map, and stated that County staff has deferred to the  
608 Board of Supervisors on questions related to jurisdictional area boundaries.

609  
610 Mr. Mawyer stated that Rivanna has met with White Hall District Supervisor Ann Mallek and  
611 County Planning staff to discuss this.

612  
613 Dr. Palmer stated that she has mentioned it to Ms. Mallek as well.

614  
615 **9.0 Other Items from Board/Staff not on Agenda**

616 There were no additional items presented.

617  
618 **10.0 Closed Meeting**

619 There was no closed meeting held.

620  
621 **11.0 Adjournment**

622  
623 **Mr. Jones moved to adjourn the RWSA Board meeting. Ms. Galvin seconded the motion,**  
624 **which was approved by a vote of 6-0.**

625  
626 There being no further business, the meeting adjourned at 2:33 p.m.