

MEMORANDUM

To: Albemarle County Board of Supervisors
From: Quin Lunsford, Executive Director
Date: July 16, 2025
Re: Albemarle County Service Authority (ACSA) Quarterly Briefing
cc: Mr. Jeff Richardson, County Executive; Mr. Trevor Henry, Deputy County Executive; Ms. Ann Wall, Deputy County Executive; ACSA Board of Directors; ACSA Leadership Team and Operations Council

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

1. **Adoption of FY '26 Budget and Rates:** The new Budget and Rates have been Board approved and went into effect July 1st. Nearly two-thirds of the ACSA Budget and Rates go to pay the Rivanna Water and Sewer Authority (RWSA) for treatment and capital costs (bond funded annual debt service). RWSA's wholesale rate to the ACSA has an 18.9% increase, primarily driven by major water system projects and upgrades:
 - **Community Water Supply Plan Components** – the South Fork Rivanna Reservoir to Ragged Mountain Reservoir Water Pipe and Pumping Project, the Ragged Mountain to Observatory Water Pipe and Pumping Project, raising the normal pool at Ragged Mountain Reservoir and adding aeration and oxygenation systems to reservoirs.
 - **Critical Finished Water Transmission Projects** – Completion of the Airport Road Pump Station, the Central Water Line, additional crossings of the South and North Fork Rivanna River, Crozet, and Scottsville AC pipe replacement, and decommissioning of the North Rivanna WTP.
 - **Enhancement to Address Emerging Contaminants** - Additional Granular Activated Carbon Water Filtering Facilities at the Crozet and Red Hill Water Treatment Plants and upgrades to the Scottsville Water Treatment Plant.
 - **Crozet Water Supply Projects** – Modifications to the Beaver Creek Reservoir Dam, construction of a new pump station, and raw water piping.

The ACSA Budget and Rates were summarized in the attached newsletter to our customers in May. We have not received any public comments.

FY 2026 ACSA Budget and Rates:

- 8.9% average customer rate increase equating to \$6.19 per month, or \$0.21 per day.

2. **ACSA Capital Projects Update:** The approved FY 2026 Capital Improvement Program totals \$18.5 million. The ACSA's 10-year CIP invests more than \$176 million in infrastructure and upgrades. Highlights and current major projects are detailed below:

- **Scottsville Phase 4 Water Main Replacement:** This project replaces aging and undersized asbestos-cement and cast-iron water mains along James River Road, Warran Street, and several streets in downtown Scottsville. Design efforts are nearing completion and easement acquisition efforts are underway.
- **Avon Operations Center:** The Avon Street Extended property has long been held as a future location to build additional facilities in a central location, as needed. The current Maintenance Yard at our Pantops Operations Center is becoming overcrowded with equipment and materials. This project will develop the ACSA owned Avon Street property into a satellite facility for larger vehicle and materials storage. This new site will also replace some of our storage at Crozet that was lost with the water plant expansion there. This site creates the opportunity for some sustainable and conservation-oriented applications including solar energy and electric vehicle charging stations. This project is currently under construction and is expected to be completed in FY 2027.
- **Ragged Mountain Phase 1 Water Main Replacement:** This project will replace the oldest active water main remaining in our system, which was part of the water main that served customers on Reservoir Road. This cast iron pipe is over 90 years old and is severely tuberculated, which greatly reduces the flow capacity in this section. Construction activities are scheduled to begin in FY 2026 in conjunction with RWSA's Ragged Mountain Reservoir to Observatory Water Treatment Plant 36" waterline project.
- **Northfields Water Main Replacement:** This project replaces asbestos cement water mains that were part of the original well system that dates to the 1960's. The project is currently under design and easement acquisition efforts are underway. Construction will occur in FY 2027- FY 2029.
- **Briarwood Water Main Replacement:** Our Strategic Plan calls for the eventual replacement of PVC (pre-1990) water mains in our system, as they are older and made of weaker material than the current industry norm. This project will replace the PVC water mains that have been in service since the early 1980's. The design phase is complete, and construction bids were opened in April 2025. Construction activities are anticipated to be completed in FY 2026.

- **Broadway Street Water Main Replacement:** This project will replace the cast iron water main that was installed in the early 1970's and have been found to be in deteriorating condition based upon recent excavations. With the redevelopment of the Woolen Mills Factory and Albemarle County's increased attention on economic revitalization of this corridor, replacement of this water main is crucial to transforming this area. The Notice to Proceed was established as of March 2025, and construction activities are expected to begin in FY 2026.
- **Raintree and Fieldbrook Water Main Replacement:** This project will replace the PVC water mains that have been in service since the 1980s. The design phase is currently underway and will continue through FY 2026. Construction is expected to take place in the FY 2028 - FY 2029 timeframe.
- **Airport Trunk Sewer Upgrade:** With the continued growth in the Hollymead Town Center area, the existing sewer collector serving the airport and the area west of Route 29 needs upgrading to handle full build-out. The increased density specified in the County Comprehensive Plan for this drainage basin will exceed the capacity of the existing sewer. Design on ongoing and easement acquisition is underway. Construction is anticipated to begin in FY 2027.
- **Albemarle High School Water Main Replacement:** This project will replace the remaining asbestos cement water mains at Albemarle High School, in conjunction with the County's AHS Center II construction project. Construction is expected to take place in FY 2026.
- **Bellair – Liberty Hills Sewer:** Over the past several years there has been an increase in residents of the Bellair Subdivision seeking to connect to public sanitary sewer service, since most residents are currently served by private septic fields. Design efforts are underway and construction is expected to begin in late FY 2026.
- **Buckingham Circle Sewer:** In 2012, the ACSA completed the Buckingham Circle water main replacement project. At that time, the feasibility of installing a sanitary sewer system was explored but there was insufficient interest from the neighborhood. Recent communications with the community indicate a strong interest in extending public sewer into the neighborhood. The design process has begun and construction activities will begin in late FY 2026.
- **Northfields Phase 5 Sewer:** During the design of the Northfields water main replacement project, staff identified sections of sanitary sewer that could be installed along the roadway in coordination with the water main replacement work. These efforts will provide sanitary sewer service to existing neighborhood properties currently served by private septic fields. The project is currently under design and construction is expected to begin in FY 2028 - FY 2029.

- **Barracks West Water Main Replacement:** This project will replace the undersized and aging cast-iron and galvanized water mains that were installed in the late 1960s. These water mains are original to the Old Salem Apartments development, now called Barracks West. The design phase is nearing completion and construction is anticipated to occur in FY 2026.
- **Townwood Water Main Replacement:** This project continues our systematic program to replace PVC water mains that have been in service since the early 1980's and have recently experienced several water main breaks causing water service disruptions. The design phase is nearing completion and construction is expected to take place in the FY 2026 - FY 2027 timeframe.
- **Customer Information System (CIS) Replacement:** This project includes an update to the ACSA's website and telephony system (completed) and implementation of a new Customer Information System. In alignment with our strategic plan, this implementation will improve the different ways our customers are able to interact with the ACSA. An RFP for a new CIS has been advertised and proposals will be considered this summer. We anticipate awarding to the highest rated proposer in early FY 2026 with design, testing, and deployment to occur in FY 2026 - FY 2027.

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

Attachments:

- Customer FY 2026 Budget and Rates Newsletter
- Summer Customer Newsletter

Investing in our Water Future

Dear Customer,

ACSA's mission is to provide you with clean, safe, reliable water every day. Our recent Consumer Confidence Reports (available on our website) confirms that your drinking water meets or exceeds all state and federal standards—proof of our commitment to water quality.

Sustaining this level of service requires ongoing investment. Working alongside the Rivanna Water and Sewer Authority (RWSA)—our wholesale treatment provider—we are supporting \$561 million in critical upgrades over the next five years to maintain and improve our water and wastewater systems.

Because ACSA is responsible for 61% of RWSA's annual budget, and these charges make up 65% of our operating costs, the rising cost of these improvements impacts what we pay. For the coming fiscal year, RWSA's charges to ACSA are projected to increase by 18.9%.

To keep your rate adjustments as low as possible, we're applying our financial reserves to reduce the proposed average customer rate increase to 8.9%, beginning July 1, 2025 (Fiscal Year 2026). For the typical residential customer, that's about \$6.19 more per month—or 21 cents per day.

These investments are essential to continue delivering the safe, high-quality water and reliable service you expect. Thank you for your trust in ACSA.

Quin Lunsford

Quin Lunsford,
Executive Director, ACSA

Proposed ACSA FY '26 Water & Sewer Monthly User Rates

Rates and Charges	FY '25	FY '26
Service Charge	\$11.13	\$12.24
Volume Charge: Single-Family Residential (per 1,000 gallons)		
Level 1: Up to 3,000 gallons	\$5.95	\$6.55
Level 2: 3,001 to 6,000 gallons	\$11.93	\$13.12
Level 3: 6,001 to 9,000 gallons	\$17.88	\$19.67
Level 4: More than 9,000 gallons	\$23.86	\$26.25
Multi-Family/Non-Residential (per 1,000 gallons)	\$11.93	\$13.12
Sewer: All Users (per 1,000 gallons)	\$11.83	\$12.78

Combined Monthly Bill Comparison: Single-Family Residential, 3,000 Gallons

Greene County	\$103.00
City of Charlottesville	\$83.45
Waynesboro	\$72.94
ACSA Proposed Rate	\$70.23

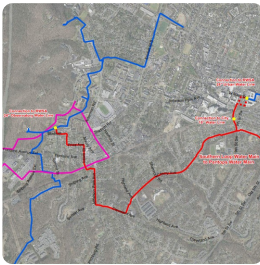
ACSA System Obligations

The ACSA is obligated to provide our wholesale service provider, Rivanna Water and Sewer Authority (RWSA), with funding for essential infrastructure upgrades totaling \$561 million over the next five years.

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



Crozet Water Supply Projects (Modifications to the Beaver Creek Reservoir Dam and Construction of a New Pump Station and Raw Water Piping):
\$82.4 million



Finished Water Storage/Transmission (Central Water Line and other various projects):
\$124.1 million



Moores Creek Advanced Water Resource Recovery Facility (Wastewater):
\$78.8 million



Community Water Supply Plan (South Fork Rivanna Reservoir to Ragged Mountain Reservoir to Observatory WTP Pipeline and Improvements):
\$182.2 million

**FY '26 RWSA
cost increase
charged
to ACSA** **18.9%**

ACSA's Use of Fund Reserves



**FY '26 ACSA
Residential
Rate Increase** **8.9%**

Average residential customer increase:
\$6.19 per month. 21¢ per day.

ACSA Obligations



**% of ACSA's operating
budget allocated to
RWSA's charges** **65%**

ACSA Proposed Budget & Rates Public Hearing:

Thursday, June 19th at 9:00 AM in the
ACSA Board Room
168 Spotnap Road, Charlottesville, VA 22911
Virtual: www.serviceauthority.org





Letter from the Executive Director

Dear valued customers,

This summer, ACSA is celebrating more than just sunshine—we're celebrating progress. Our 2025 Consumer Confidence Reports (CCRs) are now available, and the results continue to demonstrate the quality and reliability of your drinking water. Every drop that reaches your tap meets or exceeds rigorous federal and state standards, thanks to our dedicated team and our partnership with Rivanna Water and Sewer Authority.

We're also moving full steam ahead with important capital improvements across our service area. From Crozet to Red Hill, we're upgrading critical infrastructure to ensure dependable service for years to come. While these projects may not always be visible, their impact is powerful—delivering safe, reliable water and wastewater services where and when you need them. Thank you for allowing us to serve you with pride and purpose.



Sincerely,

Quin Lunsford

Quin Lunsford, Executive Director



Crozet's Water Main Replacement Nears Completion

Every dollar invested in ACSA's infrastructure supports clean, dependable water for our communities—and Crozet is seeing the results! The Phase 4 Water Main Replacement Project is progressing toward completion, replacing outdated mains with modern materials that improve flow, reduce risk of breaks and help prevent water loss. This effort is a key part of ACSA's commitment to maintaining and modernizing our water system. This phase builds on previous work completed in Crozet and prepares us for the fifth and final phase to come. Pavement restoration along Crozet Avenue is expected this spring, wrapping up a project that strengthens the community's water reliability and safety. These infrastructure upgrades are guided by long-term capital planning. It's all part of ensuring that safe, clean, and reliable water service continues to reach every household, every day.



Water You Can Trust: ACSA's 2025 Water Quality Reports Are Here

At the Albemarle County Service Authority, delivering clean, safe, reliable water is more than our mission—it's our promise to every customer we serve. From regular testing to long-term system planning, we work behind the scenes to make sure your water meets the highest standards. In particular, our report includes information on the presence of PFAS in our water. While there has been significant coverage about PFAS and the EPA's changing standards, the ACSA can report that, based on past testing, PFAS compounds are clearly not a significant issue in the Urban Area or in our other service areas.

A Major Milestone in Water Safety

In 2024 ACSA achieved a significant milestone: 100% of ACSA-owned water service lines were verified to be lead free. This was made possible through a proactive system inventory and field verification effort. It's just one example of how we prioritize safety, transparency and the continued health of our infrastructure.

What's in the 2025 Water Quality Reports

Each year ACSA publishes a drinking water quality report for each of our four service areas. All water sampling is conducted by Rivanna Water and Sewer Authority (RWSA). These reports help you understand exactly what's in your water—and just as importantly, what isn't.

In the report you'll find:

- Where your water comes from
- How it's treated
- Testing results and compliance with safety standards
- The steps we take to protect water quality

Access Your Report

To request a printed copy or ask questions, contact Environmental Compliance Supervisor Tim Brown at 434-977-4511 (ext. 119) or tbrown@serviceauthority.org.

View your report



Need Help Understanding

Your Report? We've got you covered. Read our blog post "How Do I Decipher My Water Quality Report?" for a simple, helpful overview.

Read blog post



We're proud of the work our team does every day to protect public health and maintain a water system you can count on—today and into the future.