

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



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| Agenda Date: | December 4, 2023 |
| Action Required: | Approval of Resolution |
| Presenter: | Lauren Hildebrand, Director of Utilities |
| Staff Contacts: | Lauren Hildebrand, Director of Utilities |
| Title: | Resolution to amend the Rivanna Water and Sewer Authority Ragged Mountain Dam Project Agreement |

Background

The City, Albemarle County Service Authority (ACSA), and Rivanna Water and Sewer Authority (RWSA) entered into the Ragged Mountain Dam Project Agreement on January 1, 2012 detailing the construction by RWSA of the New Ragged Mountain Dam, the expansion of the Ragged Mountain Reservoir, the South Rivanna Reservoir to Ragged Mountain Reservoir Pipeline (SRR-RMR Pipeline), and other improvements. Construction of the New Ragged Mountain Dam was completed in 2014, and, in 2016, the initial filling of the expanded reservoir was completed to the pool level of 671 feet above sea level. In the Agreement, the normal operating reservoir pool level of the expanded Ragged Mountain Reservoir was limited to 671 feet above sea level when construction was completed, and can only be increased to an additional pool level of 683 feet above sea level when water demand projections for the urban area demonstrate that the demand is ten years away from reaching 85% of the available water capacity of the RWSA system.

Discussion

Since the Agreement was executed in 2012, the City, RWSA and ACSA have determined that the capacity of the reservoir needs to be increased due to the current and projected future effects of a changing climate, including but not limited to more frequent and severe storms, more severe and longer periods of drought, as well as the need to improve the resiliency and reliability of the urban area water system in order to ensure that reliable infrastructure is in place to provide sufficient water storage and water treatment to meet the future water demand for the community. As a result, it is in the community's best interest to increase water storage capacity in the Ragged Mountain Reservoir, and to raise the pool level from 671 feet to 683 feet, even if the capacity threshold has not been met. While it is anticipated the SRR-RMR Pipeline will be constructed by the year 2030, the pool level should be increased even if construction of the SRR-RMR Pipeline has not commenced.

Therefore, it is proposed that the Agreement be amended to remove the sentence and references that stipulate the additional pool level of the Reservoir can be constructed only when the capacity threshold is met and also add that the modifications to the reservoir can begin upon the written request of either the City or ACSA. The amendment also reads that the once the modifications are complete, RWSA may increase the pool level using the existing pipeline from Sugar Hollow Reservoir

when water inflow to the Sugar Hollow Reservoir is at or greater than 30 million gallons per day or as required by the permit issued to RWSA by the Virginia Department of Environmental Quality. RWSA can also increase the pool level when the water level in the Ragged Mountain Reservoir falls below the initial pool level of 671 feet or during an emergency. Upon completion of the SRR-RMR Pipeline, the SRR-RMR Pipeline will be utilized to transfer water between the South Rivanna Reservoir and the Ragged Mountain Reservoir, and use of the Sugar Hollow Reservoir for purposes of filling the Ragged Mountain Reservoir will cease.

Alignment with City Council's Vision and Strategic Plan

The amendment to RWSA's agreement supports City Council's vision. It contributes to the Strategic Outcome Areas of Climate Action, Organizational Excellence and Partnerships.

Community Engagement

The amendment for the agreement to the RWSA Ragged Mountain Dam Project Agreement was discussed at the RWSA Board meeting on August 22, 2023 and October 24, 2023. It was also discussed at the ACSA Board meeting on October 19, 2023.

Budgetary Impact

The cost allocation to the City to construct the additional pool level for the Ragged Mountain Reservoir remains unchanged (City 20%, ACSA 80%) and will be allocated annually in RWSA's debt service charges for the capital improvement projects. These costs are then incorporated in the City's utility rates that are approved by City Council.

Recommendation

Staff recommends approval of the resolution authorizing the City Manager to execute the Amendment to RWSA Ragged Mountain Dam Project Agreement between the City, ACSA and RWSA.

Alternatives

Council could choose to modify or not execute the amendment to the RWSA Ragged Mountain Reservoir Project Agreement

Attachments

1. Resolution amendment RWSA Ragged Mountain
2. Amendment to Ragged Mountain Agreement
3. Ragged Mountain Dam Project Agreement 01_01_2012