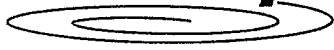


Albemarle County Service Authority

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September 9, 2008

County of Albemarle
Board of Supervisors
c/o Mr. Robert Tucker, County Executive
401 McIntire Road
Charlottesville, Virginia 22902

Re: Albemarle County Service Authority Board of Directors' Compensation

Dear Supervisors:

The Virginia Water & Waste Authorities Act, Virginia Code Section 15.2-5113 (C) states that "Board members shall receive such compensation as fixed by resolution of the governing body or bodies which are members of the authority, and shall be reimbursed for any actual expenses necessarily incurred in the performance of their duties." The Albemarle County Service Authority's (ACSA) By-Laws, Section 2-4 provides for "...a reasonable compensation for members of the Authority who are not County employees."

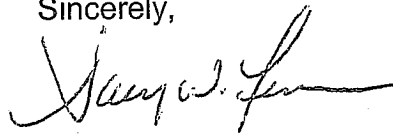
Since July 1, 1997, ACSA Board members have been compensated \$100.00 per regular meeting attended, and \$50.00 for each additional meeting attended per month. In addition, Board members have been reimbursed for mileage to and from their homes to attend the meetings. The ACSA interprets the Virginia Water & Waste Authorities Act to require that the County of Albemarle Board of Supervisors must authorize increases in compensation to ACSA Board Members. The ACSA Board of Directors is recommending the following for your consideration:

1. The increase in Board Member compensation, effective July 1, 1997, was not authorized by the Albemarle County Board of Supervisors. It is requested that the Supervisors authorize the increase in compensation to \$100.00 per regular meeting attended and \$50.00 for each additional meeting attended per month, retroactive to July 1997.
2. The compensation per meeting be increased to \$150.00, effective upon the authorization of the Board of Supervisors.
3. The compensation per meeting be adjusted annually, based on the Consumer Price Index (CPI). This adjustment, if authorized, would occur annually on April 1st.

4. The compensation for the ACSA Board of Directors will be reviewed every five years.

We appreciate your consideration of these recommendations. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary W. Fern". The signature is fluid and cursive, with a long horizontal stroke at the end.

Gary W. Fern, P.E.
Executive Director

GWF:dmg/anw

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