

**PULASKI SERVICE AUTHORITY BOARD OF DIRECTORS
NOVEMBER 10, 2015**

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, November 10, 2015 at 9:00 a.m., in the Board Room of the County Administration Building, 143 Third Street, N.W., in the Town of Pulaski, Virginia, the following Board members were present: Doug Warren, Chairman, Nancy Burchett, Dave Dean and Dennis Setliff. Dr. Fritz Streff was unable to attend the meeting.

Staff members present: Peter Huber, County Administrator; Karen Thompson, Assistant County Administrator, serving as Clerk to the Board; Diane Newby, Finance Director; Debra Boyd, PSA Collections Clerk; Ronnie Nichols, Director of Operations, Maintenance and Transportation; and Jared Linkous, County Engineer.

1. Call to Order

Dr. Warren called the meeting to order and welcomed those present. The meeting was opened with a moment of silence to recognize Mr. Tom McCarthy's service in providing advice, assisting in legal matters, and as a prominent citizen to the County and Government, his military service and service to the citizens of Pulaski County.

2. Citizens Comments

There were no citizens present for comments. Mr. Huber read the appreciation from Ben H. Lineberry of 3860 Evergreen Drive, particularly thanking Tommy Romel at the Dublin site for his quick action to help empty his trailer. He also appreciated the newly graded drop site. Ronnie Nichols was asked to convey this information to the workers.

No further comments, the Citizens Comment period was closed.

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3. Financial Matters

Ms. Newby and Mr. Huber discussed the October 2015 monthly financial report and offered to answer any questions by the Board members.

On a motion of Ms. Burchett, seconded by Mr. Setliff and carried, the board accepted the monthly financial report as presented.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Ms. Burchett.
Voting No: None.
Not present: Dr. Streff

Mr. Huber reported that Gena Hanks, Clerk to the Board was retiring and the position had been advertised with interviews to begin shortly. He asked if there was any interest from the Board in serving on the review panel. Ms. Burchett stated the Board would like to present a resolution of appreciation to Ms. Hanks at the next monthly meeting.

On a motion by Ms. Burchett, seconded by Mr. Dean and carried, the PSA Board approved a Resolution of Appreciation TO be drafted and presented to Ms. Gena Hanks for her years of service to the Board at the December 2015 monthly meeting. Motion approved by consent.

4. Follow-up Items

A. Collections Update

Ms. Boyd reported that the State Set-Off Debt Program stands at \$0.00 for October but should receive \$700.00-plus next week. There were 15 new customers signed up for service in the month of October. Continued efforts in collecting delinquent accounts will result in a second letter being sent out. Matching

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residential properties with PSA billing accounts has been accomplished on 80 of 133 map quadrants. Concentration on lake properties are continuing. Staff is continuing to update billing for those not signed up for garbage service.

B. Update on Sewerage Authority Reconstruction Project

Mr. Setliff reported that the Sewerage Authority work in the Fairlawn area has made progress; however, the next step under Route 11 has experienced delays in work progress due to the difficulty of finding a subcontractor to do boring under the road. The project had been impacted by poor subsurface conditions increasing the time and cost (+\$23,000) of construction.

In further discussion of the Fairlawn Project, the invitation was extended for any Board member that would like to tour the project. Mr. Setliff indicated he would be glad to arrange a tour. Mr. Huber stated the invitation would be good to share with the new Board of Supervisor member.

C. Community Recycling Center at Volvo

Mr. Setliff reported Volvo had not made a decision on the recycling center, but the PSA commitment had been restated and request made for response in writing.

5. Action Items

A. Dredging Bid Update

Mr. Linkous provided an update of the bidding process. The initial request for bids got no responses and the second request for bids was only responded to by one company. Following acceptance of the bid by the PSA, the company made a good faith effort to move equipment in from Richmond. However, no work was to have taken place until all permits had been acquired,

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property owners notified, and a 24-hour notice given before digging to allow back flushing of pipes during digging. Mr. Linkous explained that surveyors hired by the contractor (Harbor Dredge) cut down approximately 20 saplings on the adjacent property owners land (Scheckler). The contractor began dredging operations and blocked the intake. They also had a hydraulic line to break.

The project was subsequently shut down until all permitting was obtained and contracts signed. FERC approval was granted October 26, 2015, Appalachian Power Company approval was received on November 3, 2015. A meeting with the contractor was subsequently held to ensure coordination and responsibility for damage to the trees. As of the date of the meeting, the contractor had been dredging for approximately one week. Mr. Linkous reported that the contractor has moved approximately 1,000 cubic yards of sediment and are approximately one third completed; that generators are being installed; and that AEP is changing the main transformer serving the plant. It is expected that by the end of the month, the new AEP service and new generators will be operational, and that the intake dredging will be completed.

Mr. Dean questioned why the contractor was proceeding after cutting saplings, and violating other aspects of the contract. Mr. Linkous explained a meeting had been held with the contractor expressing these frustrations and that given the situation with the intake, continued services by the contractor was the best option. In addition, the contractor had the crew on site and mechanisms had been put in place to improve coordination with the water treatment plant operators. In the contract process the PSA would be holding a 5% retainage to cover damages and other issues.

Mr. Linkous shared an email from the landowner noting that he planned to make the repairs personally and that he expected to be compensated for his time and materials. This was passed to

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the contractor who accepted responsibility for these costs. Mr. Linkous will check with landowner to assure satisfaction.

Dr. Warren stated his concern is that it appears no one was in charge. Mr. Linkous reported the Water Plant employees have been asked to directly watch the process more closely as there was only one inspector for the County and PSA.

B. Skyview Sewer Lateral Connections for LMI Households

Mr. Linkous reported that one of the criteria for the Community Development Block Grant was that the 26 of 51 households determined to be low- and moderate-income be connected to the sewer system at no cost to the resident. The remaining 25 households would remain responsible for making their own connections with the exception that connection fees would be waived. Mr. Linkous was able to obtain from Southeast Rural Community Assistance program (SERCAP) an additional \$35,000.00 toward the estimated \$132,000 cost for making the required connection, leaving a shortfall of \$97,000.00 to complete the project. This estimate is based on bid prices from the contractor, pumping out existing septic tanks and having them backfilled with gravel as recommended by the Health Department.

Staff considered the option of rebidding the lateral connections in order to try to reduce this shortfall; however, a comparison of bids indicates the current contractor, Meade Contracting's price of \$26.00 per linear foot was in line with one other bidder at \$16.00 per foot as part of the larger contract. Mr. Linkous stated the average bid was \$39.70 per linear foot.

Mr. Huber stated the recommendation was to authorize a change order to allow Meade Contracting to install the laterals based on the time and expense involved in the preparation of plans and specifications for the installation of individual service laterals and the likelihood of getting a lower bid based on the

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itemizations of the larger construction project. It is recommended that an additional \$97,000 be funded from the PSA reserves bringing the total PSA funded portion of the project to approximately \$200,000.00 or \$4,000.00 per connection.

Mr. Setliff noted that this was an opportunity to lessen the financial exposure of connecting to the system for the consumers and the Public Service Authority and that the PSA would want it done correctly. He also noted that while the contractor was there, it would be a good opportunity for individuals instead of having to search for their own contractor.

On a motion by Ms. Burchett, seconded by Mr. Setliff and carried, the PSA Board approved an appropriation of \$97,000.00 from PSA reserves to be allocated to the Skyview Sewer connection project.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Ms. Burchett
Voting No: None
Not Present: Dr. Streff

C. PSA Billing Office Changes

Mr. Linkous reported that asbestos testing had been performed and very small amounts were detected in 9x9 tiles and mastic pipe covering. Bid documents will be out in the next few weeks.

D. Airport Tank Lease Agreement

Information will be presented at the next PSA meeting since there had not been a response from the leasing company.

6. Consent Items

A. Minutes of Previous Meeting Approved

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On a motion by Mr. Setliff, seconded by Mr. Dean and carried, the Board approved the minutes of October 13, 2015 PSA Board Meeting.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Ms. Burchett
Voting No: None
Not Present: Dr. Streff

B. Balance Due and Lien Reports

On a motion by Mr. Setliff, seconded by Mr. Dean and carried, the Board accepted the following balance due and lien reports by consent:

Balance Due	8/4/2015	9/1/2015	10/2/2015	11/2/2015
Current Balance	655,820.58	653,186.83	802,110.29	727,697.13
Over 30 Days	31,035.31	109,659.23	59,093.51	100,891.51
Over 60 Days	48,559.19	22,209.53	74,642.73	31,998.20
Over 90 Days	1,142,748.30	1,180,230.11	1,194,253.14	1,241,908.23
Total	1,878,163.38	1,965,285.70	2,130,099.67	2,102,495.07

Liens Filed 1,346,855.59

Details of Accounts Delinquent for 90 days or more

Detail by type of customer and level of service billed for

	Garbage Water	& Sewer Only	Garbage Only	Total
Residential	\$ 90,766.30	\$ 63,534.65	\$ 846,762.19	\$ 1,001,063.14
Commercial	\$ 1,943.90		\$ 53,132.09	\$ 55,075.99
Nonuser	\$ 185,769.10			\$ 185,769.10
Total	\$ 278,479.30	\$ 63,534.65	\$ 899,894.28	\$ 1,241,908.23

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Detail by type of customer and active, inactive and non-user accounts

	Inactive	Non User	Active	Total
Residential Water	\$ 78,411.01			
		\$31,635.78	\$ 12,304.52	\$ 122,351.31
Commercial Water	\$ 1,943.90			
				\$ 1,943.90
Residential Garbage	\$ 78,877.91			
		\$14,718.64	\$767,935.05	\$ 861,531.60
Commercial Garbage	\$ 44,851.88			
			\$ 8,280.21	\$ 53,132.09
Sewer	\$ 16,354.14			
		\$1,626.88	\$ 47,180.51	\$ 65,161.53
Penalty		\$13,782.15		\$ 13,782.15
Interest	\$ 220,438.84			
		\$124,005.65		\$ 124,005.65
		\$185,769.10	\$835,700.29	\$1,241,908.23

C. Budget Adjustments

On a motion by Mr. Setliff, seconded by Mr. Dean and carried, the Board reviewed and approved the Budget Adjustment for FY ended June 30, 2016 for PSA Fund # 2 by consent.

D. Billing Adjustments

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Resolution No.

COUNTY OF PULASKI, VIRGINIA

BUDGET ADJUSTMENT

FISCAL YEAR ENDED JUNE 30, 2016

PSA FUND #2

Account Number	Account Title	Amount Increase (Decrease)
<u>REVENUES:</u>		
500-041050-1000	Use of Reserve Funds	150,000.00
	TOTAL \$	<u>150,000.00</u>
<u>EXPENDITURES:</u>		
500-094100-8120	PSA Billing Office	\$ 150,000.00
	TOTAL \$	<u>150,000.00</u>

Authorized by action of the PSA Board at their meeting on:

November 10, 2015Prepared By:
Date:Diane Newby
10/1/2015Posted By:
Date:

On a motion by Mr. Setliff, seconded by Mr. Dean and carried, the Board reviewed and accepted billing adjustments totaling a net credit of \$8,734.88 by consent.

E. Accounts Payable

On a motion by Mr. Setliff, seconded by Mr. Dean and carried, the Board reviewed and approved accounts payable as presented for 10/1/15, 10/7/15, 10/15/15, 10/29/15, and 10/30/15 by consent.

F. Personnel Changes

Board members reviewed a memo describing personnel changes in the month of October, 2015, an electronic version of which is filed in the BoardDocs agenda. On a motion by Mr. Setliff, seconded by Mr. Dean and carried, the Personnel changes were approved by consent.

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7. Reports from Staff

A. Operational reports

By consensus, the Board reviewed and accepted the operational report as follows:

1. Inmate Availability, Drop Site and County Landfill Tonnage Reports and Cut Off List:

Miscellaneous Report
As of November 3, 2015

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**DROP SITE TOTALS
FOR THE MONTH OCTOBER 2015**

Site	Trips	Tons	Tons per Haul
Dora Hwy	8	24.34	3.04
Dublin	25	169.16	4.00
Fairlawn	9	49.16	5.46
Total	42	173.66	4.13

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INMATE COUNT

3 inmates were used for the month of October 2015

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**County Landfill Tonnage
(County customers & refuse department haulers
for the month of October 2015)**

Commercial	Residential	Tires	Brush
4,132.21	1,100.68	285	2.95

€3 Cut Offs for the month of October 2015

B. One Call Report

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MESSAGE REPORT

A call was sent to your group 223306: Pulaski County, on 10/09/2015 5:03 PM (ET) by Jim Bell.

Call Set-up:

Recording/entry time: 10/09/2015 5:03 PM (ET)
Caller ID: 2-543-674-8720

[Play Message](#)

Message Summary:

Message Type: Canned Call : Text-to-Speech Call
Message Name: Canned Call PSA Delinquent - Jon

Call Results:

First delivery attempt: 10/09/2015 5:04 PM (ET)
First attempts completed at: 10/09/2015 5:08 PM (ET)
Last delivery attempt: 10/09/2015 6:16 PM (ET)

Your Message Was Sent to:

Subgroup(s):
-- File List

Delivery Summary:

Recipients	184	
Delivered	142	(77%)
Live:	67	(35%)
Machine:	75	(41%)
Unreached:	42	(23%)
Disconnected:	9	(5%)
Busy or No Answer:	30	(16%)
Bad Numbers:	3	(2%)

[View Message Report Details](#)

One Call Now Saves You Time

Since 11/17/2011, you have sent 48 messages to your group, currently with 0 member.

We have made 38,529 attempts, re-dialing busy and no-answers, to deliver 13,555 message attempts to your group.

At 1 minute per call, One Call Now Notification Service has saved you 642 hours 08 minutes to date!

We appreciate your business. [Let us know what you think.](#)

When Messages Matter - We Deliver

[Questions? Comments?](#)

C. 2015 State Water Resources Plan Finalized

Board members were made aware of the 2015 State Water Resources Plan through its inclusion in the Board packet.

8. Staff To Do Listing

The Board reviewed the following staff listing of ongoing items:

- A. Skyview/NRV Fairgrounds Sewer Funding
- B. Drop Center on the South Side of Claytor Lake

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- C. Covered Water Meter Ordinance
- D. Draper Area Wythe County Sewer/PSA Connection
- E. Water Meter Replacement
- F. Water Master Plan
- G. Change Exit at Fairlawn Drop Site

9. Other Matters

Mr. Dean inquired about the VT study on Replacement of Water Meters. Mr. Linkous indicated they were to meet and discuss work completed. Mr. Huber noted that the County Garage should be completed by January. Ms. Burchett discussed organizing a tour.

10. Closed Session

A. Enter into Closed Session

On a motion of Mr. Setliff, seconded by Mr. Dean, and unanimously carried, the Public Service Authority Board of Directors entered into Closed Session for discussion of the following:

Public Contract - pursuant to Virginia Code Section 2.2-3711(A) 29 discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body:

- Fairlawn Sewerage Authority

Property Disposition or Acquisition - pursuant to Virginia Code Section 2.2-3711(A) 3 discussion of:

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- Skyview Phase 2

Legal Matters – Pursuant to Virginia Code Section 2.2-3711 (A) 7 consultation with legal counsels and briefing by staff for discussion of specific legal matters and matters subject to probable litigation.

- Personnel Litigation

B. Return to Open Session

On a motion by Mr. Setliff, seconded by Mr. Dean, the Board returned to open session.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Ms. Burchett
 Voting No: None
 Not Present: Dr. Streff

C. Certification of Closed Session

On a motion by Ms. Burchett, seconded by Mr. Setliff, and carried, the Board certified by resolution as follows:

Whereas, the PSA Board of Directors of Directors of Pulaski County, Virginia, has convened a closed meeting of this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act:

Whereas, Section, 2.2-3712 (D) of the Code of Virginia requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law.

Now, Therefore, Be it Resolved, that the PSA Board of Directors of Pulaski County, Virginia hereby certifies to the best of each member' knowledge (I) only public business

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matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies; and (ii) only such public business matters as were identified in this motion convening the closed meeting were heard, discussed or considered by the PSA Board.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Ms. Burchett

Voting No: None

Not Present: Dr. Streff.

D. Fairlawn Sewerage Authority Agreement

On a motion by Ms. Burchett, seconded by Mr. Dean and carried, the PSA Board authorized contracting a third party firm to perform a cost study for Fairlawn Sewerage Authority to determine appropriate charges for service and line maintenance. The PSA would pay up to one half of a cost study up to a maximum of \$5,000 with each entity; Fairlawn Sewerage Authority and Public Service Authority concurring with selection of the third party firm.

Voting Yes: Mr. Dean, Dr. Warren, Ms. Burchett

Abstain: Mr. Setlif

Voting No: None

Not Present: Dr. Streff

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11. Adjournment

By consensus of the Board, the meeting was adjourned to a scheduled work session to be held on Monday, November 16, 2015 at 5:15 p.m., in the County Administration Building, Main Floor Conference Room.



Doug Warren, Chairman



Nancy Burchett, Secretary/Treasurer