

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS MEETING APRIL 12, 2016

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, April 12, 2016, 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: Dr. Doug Warren, Chairman; Dr. Fritz Streff; Nancy Burchett; Dave Dean, Vice – Chairman and Dennis Setliff.

Staff members present included: Peter Huber, County Administrator; Karen Thompson, Assistant County Administrator, Management Services; Ashley Edmonds, Clerk to the Board; Diane Newby, Finance Director; Ronnie Nichols, Director of Operations, Maintenance and Transportation; Jared Linkous, County Engineer; Debra Boyd, Public Service Authority, Accounts Payable/Collections Clerk.

1. Welcome and Call to Order

Dr. Warren called the meeting to order at 9:00 a.m. and welcomed those present.

A. Confirmation of a Quorum

Dr. Warren confirmed a quorum with all 5 members in attendance. Dr. Streff advised he would need to leave at 11:30 p.m. for another commitment.

B. Meeting Notes

Mr. Huber informed the Board of agenda posting changes in BoardDocs.

2. Citizen Comments

A. Public Comments

Mr. Huber updated the Board of a residential structure on Blenna Court, Dublin, where there are approximately 200 tires. Staff is working with the owner and the New River Valley Agency on Aging (ombudsman) in the removal of the tires. A PSA roll – off container has been placed and the cost of the container and tire disposal will be placed as a lien on the property. Mr. Setliff asked how much this would amount to and Mr. Huber said \$400 - \$500. Mrs. Brenda Blackburn, 6497 Ruebush Road, Dublin, added additional details of the situation.

Mr. Linkous discussed a request to install sewer service on Wright Avenue, Dublin. He advised the realtor of a potential buyer of the property of the steps that must be followed. Further, he relayed none of the items were required to go to closing unless the potential buyer wanted a written guarantee to acquire service from the PSA and if the items could not be provided, the PSA would make every reasonable attempt to provide service but could not offer a guarantee. Mr. Dean asked if there was water to the property and if the sewer line could follow and Mr. Linkous said it could not.

3. Financial Matters

A. Financial Report

Mrs. Newby reported with three fourths of the fiscal year complete, the PSA is at seventy – five percent of its revenue and seventy – four percent of its expenditures which is right where it should be. Dr. Warren inquired about the amount in reserves and Mrs. Newby reported 2.5 million in cash.

On a motion from Mr. Setliff, second by Mrs. Burchett and carried, the Board received, reviewed and approved the Financial Report ending March 31, 2016, as presented:

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett

Voting No: None

B. Draft Budget

Mr. Huber provided an explanation for the information presented – raw requests from each department with no review from administration, cuts or additions. A more revised but not final budget will be reviewed at the May 10, 2016 meeting. Mr. Dean asked about whether this budget would be an increase or decrease in amount and Mrs. Newby advised it would be a decrease from last year's 15.5 million with a proposed 10 million in FY 16 – 17, due to external funding (rural development, CBDG funds). Dr. Warren asked when final approval of the budget was needed; Mr. Huber stated, "ideally it would be May but must be approved by June". Mrs. Burchett asked if the anticipated tipping fees from James Hardie were included and Mrs. Newby stated "No, it does not" and then inquired about the \$193,000 decrease in Dublin water fees. Mrs. Newby advised this was due to the settlement received which was about \$200,000 and the figure listed is what is projected to be collected. Mrs. Burchett asked if the rate charged for the Town of Dublin needed to be reviewed and Mr. Linkous said he would look into the rates. Mrs. Burchett asked for clarification on the rate of labor for larger vehicles/machines; Mr. Nichols stated it was \$90. Mrs. Burchett also asked if the administrative fees were added to the draft budget and Mr. Huber advised it did not. Dr. Warren reminded the Board members of the draft status of the budget and members were welcome to call in to staff with any questions or concerns as the process continued.

4. Action Items

A. Water Tank Painting Bids

Mr. Linkous reviewed the status of the water tanks at Airport and Lyons Road including inspection, painting and bidding; with adjustments made to the time projected to complete the project, four bids received and the lowest at \$700, 100 (Ionion Painting). This is \$175,500 more than current funding for tank painting. Mr. Linkous presented a few options to the Board regarding funding; including, removing Lyons Road from the bid and award on the Airport tank only or request \$200,000 from reserve funding to complete painting for both. Mr. Setliff asked about budget funds for tank painting and Mr. Linkous provided details on use of funds for maintenance and rolling over funds for painting. Mr. Huber recommended adding funds to the budget item yearly in an effort to reduce additional funding requests and Mr. Linkous inserted the need for an assessment on all the water tanks to give another look at the general needs and priorities once the two tanks are painted. Mr. Dean expressed concern over the amount of the request as he felt the tank painting was not an emergency and the Board could not continue to provide such large amounts of monies for items that are not appropriately budgeted. Mr. Linkous stated there were twelve PSA owned water tanks in service in the County averaging twenty plus years in age and in order to responsibly maintain our water system, we need to paint these tanks and plan to paint one per year so the cost over time would be flattened. He continued by adding that once the process got going you would see the benefits of carrying a reserve over time with a budget request of \$250,000 per year. Dr. Dean inquired on the status of the ground storage and Mr. Linkous explained it does not go through a painting process, has other maintenance issues but is less than 5 years old. Mr. Setliff asked if the Lyons

Road tank painting could be delayed and Mr. Linkous explained that with 2.5 million in reserves, his recommendation would be to paint both tanks to get back on track with painting the tanks one per year instead of deferring. Mr. Setliff asked if the project needed to be rebid if Lyons road was removed and Mr. Linkous responded "no, however Lyons Road would have to be rebid next year" and Mr. Setliff asked if any of the bidders were local and Mr. Linkous stated "no, the contractor with the lowest bid was out of Maryland". Mrs. Burchett asked when the Airport tank was last painted and Mr. Linkous advised it has never been painted.

On a motion from Mr. Setliff, seconded by Dr. Streff and carried, the Board supported the request for the additional \$200,000 and to proceed with painting the Airport and Lyons Road water tanks this calendar year.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.
Voting No: None.

B. Authorization to Advertise A 5% Water and Sewer Rate Increase

Mr. Huber reviewed the proposed 5% water and sewer rate increase which does not include an increase to water and sewer connection fees. There was discussion by the members on whether to hold the meeting in morning or evening and Mr. Linkous suggested having the public hearing before the next scheduled meeting on June 14, 2016, in order to take action at the meeting.

On a motion from Dr. Streff, seconded by Mr. Setliff and carried, the Board authorized to advertise a 5% water and sewer rate increase and proceed to hold a Public Hearing on Tuesday, June 7, 2016, at 6p.m., to be held at the County Administration Building, Board Room, 143 Third Street N.W., in the Town of Pulaski, Virginia, with consideration to the rate adjustment at the regularly scheduled meeting on Tuesday, June 14, 2016, at 9 a.m.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett
Voting No: None.

C. Case Knife Road Bridge Issue

Mr. Huber described the weight limitation on the Case Knife Road Bridge and its impediment in crossing to reach PSA refuse customers. Several actions have been considered or are in place: consulted Mr. Ranny O'Dell, whose work involves building bridges, who is drawing a set of plans to submit to the Town of Pulaski, who maintains the bridge; Town of Pulaski offered a state body one ton truck, however some trash in area is loose and in this type of truck, it would blow out and scatter; which is not feasible in regard to labor; going to the area through Wythe County, which is 34 miles from Exit 98 to the bridge in question going backward and rearranging three routes to accommodate this change. The re-routing added forty – five to fifty minutes one way and is not the good road for travel but is the best temporary option. Mr. Dean mentioned a truck and roll – off container, however the roll- off container weighs five – six tons and labor hours would be lost due to separation of household trash from tires, etc. Mr. Nichols is hopeful a permit/exemption could be obtained allowing the truck to cross once a week for trash collection or the Town of Pulaski could obtain a higher weight restriction for bridge before winter comes and makes the re-routing option

impossible. Mr. Setliff suggested renting/leasing a rear packing medium size truck (Class 6) for the short term. Mr. Nichols stated it is an option that has been looked into however no response has been received from vendors contacted.

On a motion by Mr. Setliff, seconded by Dr. Streff and carried, the Board endorsed the administrative actions taken by staff on the Case Knife Bridge trash truck re – routing.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

Dr. Streff asked Mr. Huber to notify Wythe County as to why the PSA garbage truck is crossing into their county.

D. Bear Proof Trash Cans Grant

Previously, the PSA Board approved submitting a letter regarding the bear proof trash cans grant. Pulaski and Giles Counties were identified as hot spots for bears and the response after the letter submitted listed particular types of cans (with screw on lids) with the least expensive being \$100 and the request of perpetual funding in the area of \$5,000 - \$10,000. Several members of the Board reported they had not received nor heard complaints regarding bears in trash cans; felt funding the project was not a priority and desired increased messaging to citizens through the County newsletter, website and Facebook page.

On a motion from Mr. Dean, seconded by Mrs. Burchett and carried, the Board authorized a \$400 expenditure if approved by the Department of Game and Inland Fisheries.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett

Voting No: None.

E. Pulaski County Maintenance Facility Cameras

Mr. Huber reviewed the plans for the Dublin Drop Site cameras, including the price of the cameras (\$12,000 for four) and \$4,000 for the cost of sharing a server for a total of \$16,000. Mr. Dean asked if any of the cameras would be pointed toward the County Garage and Mr. Huber advised there would be about 10 cameras total with the PSA having 4 to monitor the drop site with the cost being for the PSA cameras only. Mr. Setliff commented on having the cameras at the Fairlawn and Pulaski sites as well. Mrs. Burchett inquired about the location of cameras, stressing the ability to gain the license plate information of those going in and out of the facility. She also noted the existence of only one bid and asked if once the location of the cameras was determined if the project would go out to bid. Mr. Huber stated the quote supplied was from the County IT department, who has experience with the company and Mr. Nichols remarked about the quality of the cameras. Mr. Dean requested a new aerial photograph to include the drop site location, entrance off Bagging Plant Road and the County garage. Mr. Dean asked for more time to review and receive additional information on location of cameras, possibly get more bids as Mrs. Burchett suggested and get feedback from the Board of Supervisors to make decision at one time. Dr. Streff requested Mr. Nichols get a 20 minute clip of video from the cameras used by Pulaski County Schools in order to get an idea of what is proposed as to quality of cameras. Mr. Setliff requested a separate

line item for the Dora Highway and Fairlawn Drop Site cameras and Mr. Huber estimated the costs at \$11,000 per location.

On a motion from Mr. Setliff, seconded by Dr. Streff and carried, the Board agreed to partner with the Board of Supervisors and conceptually endorsed cameras for the Pulaski County Maintenance Facility and included the Dora Highway and Fairlawn Drop Sites, which the PSA is responsible for independently of the Board of Supervisors.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

Dr. Streff requested significant signage be placed alerting full – time surveillance is in place along with prohibition of removal of items from drop site.

F. Participation in Town of Pulaski PER Study

Mr. Linkous reviewed with the Board the water quality issues in the Brookmont area. Additional sampling completed with results showing issues at the point of connection which is the Town of Pulaski's responsibility. The Health Department is working to move one of the test sites to the point of connection in order to document the issues on the Town's side which would make them liable for meeting the water quality requirements. The Town would like to prepare a PER to address numerous items in their system, removal of tanks and pump stations, pressure zone issues with the hope of getting more turnover in the tank that supplies water to the PSA's Brookmont system and would like the PSA to participate. Mr. Linkous recommended focusing on our system by requesting funding for the Robinson Tract/Hylton Village Loop area and interconnecting the Brookmont system through Schrader Hill and disconnection from the Town of Pulaski's system thus declining the Town's request. Mr. Dean asked about the cost of participation and Mr. Linkous indicated he was not given that information.

On a motion from Mrs. Burchett, seconded by Mr. Setliff and carried, the Board declined to participate in the Town of Pulaski PER study.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

G. Robinson Tract/Hilton Village Loop Water

Mr. Linkous discussed the application of a planning grant and matching funds by the PSA for the Robinson Tract/Hilton Village Loop water project. The grant amount is up to \$50,000 and to be competitive at least a ten percent match is needed not to exceed \$5,000. The PER would provide the recommendation for which route to take to get the three lots at Loving Field in addition to Robinson Tract/Hilton Village/Schrader Hill. Dr. Streff inquired as to whether the PER would assist in getting assistance from the Health Department for a grant and Mr. Linkous stated the Health Department does not like to see an application for construction funds without a PER to demonstrate planning on the part of the County.

On a motion from Dr. Streff, seconded by Mr. Dean and carried, the Board authorized making the investment as stated in the proposal/recommendation by staff.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

H. Water is Life Luncheon

Mr. Huber asked if any Board member is interested in attending. Dr. Warren is interested in attending but may have another commitment. Mr. Huber and/or Mr. Linkous will attend the awards ceremony with Jay Goad who will accept the award for excellence on the PSA's behalf.

Due to another commitment, Dr. Streff departed the meeting at 11:30 a.m.

5. Follow – Up Matters

A. Collections Update

Mr. Dean asked for clarification regarding lien notification letters and Mrs. Boyd provided an explanation of the process and the current progress. The Board expressed pleasure with the progress.

B. Delinquency Report

The Board acknowledged receipt and review of the delinquency report. There were no questions.

6. Items of Consent

A. Minutes from Previous Meeting

On a motion from Mr. Dean, seconded by Mrs. Burchett and carried, the Board approved the Minutes of March 8, 2016, and all other items of consent.

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

Absent: Dr. Streff

Voting No: None

B. Balance Due and Lien Reports

The Board reviewed and accepted the following the balance due and lien reports:

Balance Due	2/1/2016	3/1/2016	4/4/2016	5/2/2016
Current Balance	610,809.27	594,647.01	719,577.52	643,069.71
Over 30 Days	129,745.79	187,322.09	219,454.51	149,661.15
Over 60 Days	43,507.00	60,487.11	71,274.46	29,411.74
Over 90 Days	1,299,241.21	1,314,598.48	1,335,861.28	1,324,939.41
Total	2,083,303.27	2,157,054.69	2,346,167.77	2,147,082.01

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	114,087.42	72,639.15	890,404.37	1,077,130.94
Commercial	2,324.33		52,381.46	54,705.79
Nonuser	193,102.68	See Breakdown Below		193,102.68
Total	309,514.43	72,639.15	924,785.83	1,324,939.41

(County customers & refuse department haulers
for the month of April 2016)

Commercial	Residential	Tires	Brush
3,713.67	1,001.36	1336	2.23

66 Cut Offs for the month of April 2016

B. One Call Report

At the time of the meeting, a One Call Report had not been received by staff.

8. Staff To Do List

The Board reviewed the following staff list of ongoing items:

- A. Skyview Phase 3
- B. Drop Center on the South Side of Claytor Lake
- 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
- H. Lakewood Estates

9. Informational Items

- A. VRA Wire Instructions – Emergency Generators for Pump Station and Water Treatment Plant
- B. Certification Letter from the Virginia Department of Health – Emergency Generators
- C. Pulaski Tank Lease Addenda
- D. Scavenging Policy
- E. History of the Pulaski County Sewerage Authority (PCSA)
- F. New River Regional Household Hazardous Waste Collection Day
- G. Pulaski County Newsletter
- H. REMINDER: SERCAP Water for Life Luncheon and Conference

10. Other Matters

A. Drop Sites

Mr. Dean discussed the Dora Highway Drop Site and its condition in rainy weather. He recommended putting gravel down to alleviate stickiness caused by millings. Mr. Nichols stated gravel could be put there. Mr. Dean has also received compliments regarding the new attendant at the site; Mr. Nichols replied he would pass on the information. Mr. Dean also spoke about large rocks preventing access to the bins at the Dublin site; Mr. Huber stated the rocks were there to represent where the trucks would be parked and left the dumpsters there, however this has been eliminated. There was an issue with an overflow of recyclables at the Dublin site as well and Mr. Nichols advised recyclables were being emptied twice a week and he is hesitant to devote one driver and roll off truck to do drop sites because there is no revenue generated (except metal), everything else taken out costs the PSA money. Mr. Dean inquired about the brush site in Dublin and the difficulty in getting to the dump area; Mr. Nichols plans to cut out dirt and add gravel. Lastly, he inquired about the plans to improve the

road into the Dublin Drop Site. Mr. Nichols advised the road requires repaving and acknowledged the fact that the trucks and equipment that travel the road several times a day eat up pavement. Mr. Linkous provided an operational update on the site. Dr. Warren discussed having a ribbon cutting ceremony with the Chamber once the site is complete. Mrs. Burchett asked about the status of the PSA Billing Office renovations and Mr. Linkous noted issues with the bonding agent as part of the delay however an notice to proceed was issued recently and work should begin within the next month. Mr. Setliff asked about the maintenance agreement with the Sewerage Authority and Mr. Linkous stated he had not been in touch but would get to it. Additionally, at Mr. Setliff's request, updates were given or will be placed on future agendas for reporting on the following items: raw pump station generator project, Pulaski Drop Site relocation, trash compactor for NRV Packaging, Belspring Road litter pick – up, PCSA website development, time reporting system, placement of water quality results in County newsletter, water and sewer to subdivision near intersection of Pepper's Ferry Road and Route 11, pump station property acquisition and Haga Avenue water service.

11. Closed Session – 2.2 – 3711 (A)

A. Enter into Closed Session

On a motion from Mr. Setliff, seconded by Mrs. Burchett and carried, the Public Service Authority Board of Directors entered into closed session for the discussion of the following:

Personnel

Pursuant to Virginia Code Section 2.2-3711(A) 1 discussion for consideration of employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of public officers, appointees or employees, regarding:

- PSA Salary Comparisons and Proposed Increases
- Billing Issues

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

Absent: Dr. Streff

Voting No: None.

A. Return to Closed Session

On a motion from Mr. Burchett, second by Mr. Dean and carried, the Public Service Authority Board of Directors returned to regular session:

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

Absent: Dr. Streff

Voting No: None

C. Certification of Closed Session

On a motion from Mr. Dean, seconded by Mr. Setliff and carried, the PSA Board of Directors adopted the following resolution certifying conformance with the Virginia Freedom of Information Act:

WHEREAS, the Public Service Authority Board of Directors 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 – 3371(A) of the Code of Virginia requires a certification by the Board of Directors that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, that the PSA Board of Directors hereby certifies to the best of each members' knowledge (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution flies applies; and (ii) only such business matters as were identified in this motion convening the closed meeting were heard, discussed or considered by the Public Service Authority Board.

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

Absent: Dr. Streff.

Voting No: None.

12. Adjournment

On a motion from Mr. Setliff, seconded by Mrs. Burchett and carried, the Board adjourned its regular meeting. The next regular meeting of the PSA Board of Directors is scheduled for Tuesday, May 10, 2016, at 9:00 a.m., in the Board Room of the County Administration Building.

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

Absent: Dr. Streff.

Voting No: None.


Nancy Burchett, Secretary/Treasurer


Doug Warren, Chairman