

PULASKI COUNTY PUBLIC SERVICE AUTHORITY MINUTES

July 10, 2006

At a regular meeting of the Public Service Authority Board of Directors held on Monday, July 10, 2006 at 9:00 a.m. in the Middle Conference Room of the County Administration Building Board Room, 143 Third Street, NW, in the Town of Pulaski, Virginia, the following Board members were present: H. W. Huff, Jr., Chairman; Winston Snead; Carl Mathes; Douglas Warren; and Hollis Loyd, Alternate. Board member Archa Vaughan was unable to attend the meeting. Staff members present included: Peter M. Huber, County Administrator; Nancy M. Burchett, Assistant County Administrator; Ron Coake, County Engineer; Ron Nichols, PSA Refuse Supervisor and Gena Hanks, Executive Secretary.

Dr. Warren presented a complaint on behalf of Darrell Reed in regards to the recent rate increase in garbage services. Dr. Warren advised that Mr. Reed wanted to go on record as being opposed to the rate increase.

Ms. Burchett advised the PSA Billing and County Administration staff had also received a number of complaints regarding the recent garbage rate increase.

Mr. Huber cited the increase in fuel costs as a factor in the recent rate increase. He also advised the Refuse Department was previously operating with a deficit.

1. Citizen Comments

There were no citizens present at the meeting.

2. Reports from the County Administrator & Staff:

a. Collection Staff Activity

1. Adjustments

On the motion of Mr. Mathes, seconded by Mr. Loyd and carried, the Board of Directors approved customer credit adjustments in the amount of \$842.95.

Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren,
Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

2. Inmate Availability Report

Staff reported the inmate count for June 2006 averaged three inmates per day.

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where items must be inserted through an opening of approximately 3'x5' rather than into the larger end of a rear load trash truck. However, the use of separate compactors does provide for a more reliable means of compacting drop center trash since the compactors would be at the drop sites on a more routine basis than the trucks would. Further, Shenandoah County had tried these units at unattended drop centers but found that the units needed to be cycled more regularly than feasible without an attendant present.

Mr. Mathes and Mr. Loyd posed several questions regarding truck size, possible reductions in hauls from the Dora Highway site, the current pickup at Pulaski County High School, and placing a compactor at Hoover Color Corporation.

On a motion by Mr. Loyd, seconded by Dr. Warren and carried, the Board approved submitting a bid on four compactors at a total cost of \$40,109.98.

Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren,
Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

2. Ratification of Supplemental Agreement for Water Sales Between PSA and Alliant Techsystems

As reported in the Board packet, the Board is requested to ratify the agreement which allows for the continued purchase of water from the Radford Army Ammunition Plant to serve the Fairlawn area.

On a motion by Mr. Mathes, seconded by Mr. Snead and carried, the Board ratified the agreement with Alliant Techsystems.

Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren,
Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

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3. Goodwill Industries Drop Center

As reported in the Board packet, Goodwill Industries has indicated an interest in co-locating a new Goodwill drop center at the PSA Large Item Drop Center at the County Garage in Dublin. They indicated they would staff the entire facility from 9:00 a.m. – 5:00 p.m. Monday through Saturday and noon to 5:00 p.m. on Sunday. Staff advised this arrangement would significantly expand the drop center hours in Dublin, while providing opportunity for using the present staff person at Dublin to work at the Pulaski and Fairlawn drop centers to expand the hours at those locations.

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved co-locating a new Goodwill drop center at the PSA large item drop center on a six month trial basis, with staff to provide a letter of understanding to Goodwill Industries.

Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren,
Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

4. Highland Park Subdivision Agreement

As reported in the Board packet, approval of an agreement with Highland Park property owners is recommended as a way to help address the issue of providing sewer service to basement elevations on Jones Drive.

Mr. Patrick Burton advised the project does not qualify for Virginia Resolving Loan funding. He also advised he had sent letters to the various banks; however, the rates for the banks are not comparable to using Rural Development funding.

On a motion by Mr. Mathes, seconded by Mr. Loyd and carried, the Board approved the agreement, subject to changing wording in the agreement to indicate all residents must be in agreement, rather than two-thirds.

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Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren,
Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

5. Budget Consideration

As reported in the Board packet, the Board was presented with a revised budget showing actual expenditures through June 30, 2006 which eliminated the need for a "projected" column. Other changes include moving \$50,000 from contingency to capital for painting water tanks and the purchase of compactor units as recommended in item b. 1.

Mr. Huber recommended the Board consider an increase in sewer rates.

Mr. Loyd advised he could not vote to approve the budget if figures indicated an operational loss.

On a motion by Mr. Mathes, seconded by Mr. Snead and carried, the Board approved the FY 07 budget, and directed Mr. Huber to provide the Board with a recommendation on the recommended increase in sewer rates.

Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren,
Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

6. Purchase of Additional Garbage Trucks

As reported in the Board packet and in response to the interest by the PSA Board regarding ways of utilizing reserve funds to reduce long-term costs, one option would be the purchase of additional 2006 diesel trucks at a cost of approximately \$120,000 each. The Board was provided with a listing of PSA Refuse Department vehicles indicating total mileage, years of service and general condition, a copy of which is filed with the records of this meeting.

Mr. Nichols advised it was his desire to aim for a ten year cycle in replacing garbage trucks.

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Mr. Loyd posed several questions to staff, specifically regarding costs in purchasing only the body of the truck. Mr. Nichols advised the cost for the body only is approximately \$45,000 and it is expected the purchasing of a body only could occur once a routine schedule for replacement of trucks is in place.

Mr. Mathes inquired as to when the trucks would be received, once purchased. Mr. Nichols advised the trucks should be received within four to five months after initial purchase.

Mr. Loyd confirmed the total number of trucks to be purchased would be six trucks.

On a motion by Mr. Mathes, seconded by Mr. Loyd and carried, the Board approved the purchase of two additional trucks at a cost of \$120,000.

Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren,
Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

7. Hiring of Water Treatment Plant Trainees

As reported in the Board packet, the Board was provided with information from the Assistant Water Treatment Plant Operator and an article from American Water Works magazine describing the difficulty experienced in hiring licensed operators. Staff requested Board approval allowing for the hiring of persons not meeting certification requirements and assisting them in meeting certification requirements in order to meet certification standards.

Mr. Coake advised the Health Department has certain requirements for Class 2 operators and the hiring of persons to serve in this capacity would need to meet those requirements.

On the motion of Mr. Mathes, seconded by Dr. Warren and carried, the Board approved the hiring of persons not meeting certification requirements and assisting them in meeting certification requirements in order to meet certification

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standards, subject to persons meeting all Health Department requirements.

Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren,
Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

The Board directed county staff to contact New River Community College to determine educational training requirements, specifically any payback requirements should the employee leave employment during the training or soon thereafter.

c. Informational Items:

1. Personnel Changes

As reported in the board packet, an update of recent personnel changes was provided to the Board.

2. Easement Recording Costs

As reported in the Board packet, Patrick Burton of the Planning District Commission reports the costs for recording each of the sewer easements for Highland Park, Rolling Hills and Orchard Hills will be \$22, or roughly \$7,000 for all three subdivisions.

3. Report on Existing Situations Where Liens With Large Balances Exist

As reported in the Board packet, the Board was provided with a separate listing of delinquent water and garbage customers indicating the amounts owed and the age of the amounts owed. Suggestions for the consideration of the Board in addressing this situation included:

- a. Motivate delinquent customers to address the problem through a defined grace period (60 days is suggested) during which:
 1. Those who can pay get a reduced charge - no penalty or interest

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2. Those who can't pay get elimination of future penalty only
- b. Increase enforcement for those who do not respond through debt set off (which intercepts state tax refunds owed to the individual) where we have required social security numbers
- c. Continue placement of liens for all customers owing the PSA

The Board reviewed the spreadsheets that were presented and requested staff to confirm the accuracy of the information presented and determine the cost of hiring a person to work solely on collection of delinquent accounts.

The Board expressed concern over possibly eliminating interest on delinquent accounts and suggested utilization of the Tax Relief for the Elderly program as a criteria for adjusting penalty and/or interest amounts on accounts with large balances.

4. 2005 Water Quality Report

As presented in the Board packet, the Board was provided with a copy of the annual drinking water quality report)

5. Commerce Park Pump Station

The Board reviewed correspondence provided in the Board packet from the Department of Health to Draper Aden Associates regarding the Commerce Park pump station.

6. James Hardie Roll Off Charge

As reported in the Board packet, James Hardie is requesting the waiver of the roll off charge based on the amount of their usage. The Board was provided with a spreadsheet indicating the charges per month for pulls and tonnage incurred by James Hardie since April.

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7. Highland Park/Rolling Hills Progress Reports

As reported in the Board packet, the Board was provided with the most recent progress reports on the Highland Park/Rolling Hills projects.

8. Freedom of Information Act

The Board was provided with a copy of the Freedom of Information Act.

9. Conflict of Interests Act

The Board was provided with a copy of the Conflict of Interests Act.

3. Approval of Minutes of June 12, 2006

On a motion by Mr. Mathes, seconded by Mr. Loyd and carried, the Board approved the minutes of June 12, 2006.

Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren, Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

4. Accounts Payable

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved the accounts payable as presented on checks numbered 5332 through 5379, subject to audit.

Voting yes: Mr. Huff, Mr. Snead, Mr. Mathes, Dr. Warren, Mr. Loyd.

Voting no: None.

Absent: Mr. Vaughan.

5. Other Matters

Mr. Huber reported the hiring of Shawn Utt as Community Development Director and Gordon Jones as Director of Finance for the county.

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6. Adjournment

By consensus, the Board adjourned the regular meeting. The next regular meeting of the PSA Board is scheduled for Monday, August 14 at 9:00 a.m. in the County Administration Building, 143 Third Street, N. W., in the Town of Pulaski.

H. W. Huff, Jr., Chairman

Winston Snead, Secretary