

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, April 9, 2013 at 9:00 a.m. in the Board Room of the County Administration Building, 143 Third Street, NW, in the Town of Pulaski, Virginia, the following Board members were present: Doug Warren, Chairman; Pete Crawford; Dave Dean; Nancy Burchett; and Fritz Streff.

Staff members present included: Peter Huber, County Administrator; Jared Linkous, County Engineer; Diane Newby, Finance Director; Debra Boyd, PSA Billing; and Gena Hanks, Executive Secretary.

Dr. Warren called the meeting to order and welcomed those in attendance.

1. Citizen Comments

➤ Request from Rick and Gail Hurst

Mr. Rick Hurst described a request to share a meter with a home that he plans to build on his property. Mr. Hurst also described the location of his current house, the location of the home to be built, as well as explained the reason for his request was due to the costs to extend a waterline to the proposed new home.

Board members reviewed the current PSA policy which requires any requests for adding a dwelling to an existing meter to be considered on a case-by-case basis by the Board. Board members also inquired regarding water pressure, future resale of the home to be built, basic costs for the additional dwelling, and the option to install a well if the request is not approved by the Board.

On a motion by Mr. Crawford, seconded by Mr. Dean and carried, the PSA Board approved a request by Mr. Rick Hurst allowing for a second connection per the PSA policy allowing for a second connection to a single meter with 75% charge for a second connection.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: none.

2. Follow-up Items

a. Debt Collections

Mr. Huber reported the PSA staff is providing the Treasurer's office with customer information (names, address, social security numbers, etc.) for those accounts owing over \$10,000.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

Mr. Crawford inquired if the customer numbers would increase if the list were to be revised to include those accounts owing over \$5,000. Ms. Boyd responded the numbers would increase significantly.

By consensus, the Board agreed to start the collection process with customers owing over \$10,000.

b. Meetings with PSA and Board of Supervisor Representatives

Mr. Linkous reported completion of meetings between PSA and Board of Supervisor representatives, except for one set of district representatives, to review overall listing of projects, etc., with the next step being to compile an overall map.

c. Draft Budget

Mr. Huber presented a draft budget for the PSA Board.

Board members discussed the following: revenue estimates; meter replacement costs; affects of last rate increase on overall budget; overtime for Water Treatment Plant staff; energy efficiency improvements; the proposed 2% increase for employees; fluctuation in salaries from the previous year; NRRRA user charges; new dumpsters; labor costs at the Garage; increase in roll off; NRRRA costs (staff to verify charges are correct and provide update at future meeting); costs for new collection position; and costs associated with capital projects.

By consensus, the Board asked county staff to continue to review the proposed budget, with plans to review and adopt the budget at the May PSA meeting.

Dr. Streff requested an electronic version of the budget be sent to him.

d. Status of Water Treatment Plant Dredging and Generators

Mr. Linkous advised of a submittal of a grant/loan application in the amount of \$400,000 to the Virginia Department of Health for the installation of generators at the Water Treatment Plant and raw water intake.

Mr. Linkous described the program guidelines allowing up to 30% to be in the form of a grant with the remainder to be a 2% loan payable

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

over up to 20 years to be matched by \$14,118 already spent by the PSA on engineering assistance for the project.

Staff also noted problems with dredging plans and Board members discussed the following regarding dredging issues: nature of the materials being disposed of; potential problems with dredging material; expenses associated with landowners taking material; volume of material to be disposed; steps to be taken to address any future similar issues; frequency of dredging; review of original AEP plans; potential for building concrete platform; drilling of test wells and associated capital costs; the need to assure PSA's ability to provide volume and quality water; and costs associated with use of a portable pump.

Mr. Linkous advised all options are being evaluated in the study with an update to be provided at a future meeting.

3. Action Items

a. Election of Secretary/Treasurer

On a motion by Mr. Dean, seconded by Mr. Crawford and carried, the Board nominated Nancy Burchett as Secretary/Treasurer for the Public Service Authority Board of Directors.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: none.

On a motion by Mr. Crawford, seconded by Dr. Streff and carried, the Board closed nominations for the nomination and appointed Nancy Burchett as Secretary/Treasurer for the Public Service Authority Board of Directors, with a term to extend to December 31, 2013 to match that of the Chair person.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: none.

b. Brush at Dora Highway Drop Site

Mr. Huber shared the NRRRA's concerns over grinding brush with the tub grinder at the Dora Highway site due to the close proximity to the New River Trail and Dora Highway and large chunks of wood thrown from the tub grinder.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

Board members discussed concerns related to hauling of brush to the Dublin site and the potential for brush to be left along the highway during the haul, the volume of brush anticipated to be hauled for grinding, and potential for purchasing a different type of grinder and potential costs associated with that purchase.

On a motion by Mr. Dean, seconded by Mr. Crawford and carried, the Board approved no longer accepting brush at the Dora Highway site pending construction of a replacement site by the Town of Pulaski over the next three months.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Ms. Burchett.

Voting no: Dr. Streff.

c. Plans for Pulaski Drop Site

Mr. Huber provided a copy of a plan provided by the Town of Pulaski and advised the plan had not been reviewed by county staff.

The PSA Board directed the county engineer to review the plan. Board members discussed the need to include in the agreement with the town the specifics as to responsibility for operation and maintenance and liability, ingress and egress issues at present and proposed site and concerns over the gate house.

Dr. Streff clarified that the site location was the only issue being considered with no change to the current arrangements for operating and managing the site.

By consensus, the Board authorized staff reviewing the plans presented by the town and providing a clear definition as to the operation and maintenance responsibilities of the site.

The Board took a ten minute recess.

d. Gravity Sewer/Sink Hole Cave In

Mr. Linkous described issues related to a developing sinkhole above the gravity sewer main on Stafford Drive. Mr. Linkous also advised that staff had reviewed the situation and due to the depth of the hole had contacted Meade Construction to remove and backfill the sinkhole with concrete, which is standard procedure at a cost of \$5,400.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

Mr. Dean inquired if this was the first incident related to a sinkhole in this area. Mr. Linkous responded he was not aware of any other such occurrences.

On a motion by Mr. Crawford, seconded by Mr. Dean and carried, the Board approved the appropriation of \$5,400 for the excavation of poor material and placement of concrete to support the gravity sewer pipe where soil was lost, due to a sinkhole cave-in.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: none.

4. Consent Items

a. Minutes of Previous Meetings

By consensus, the Board approved the minutes of the March 9, 2013 PSA Board meeting.

On a motion by Mr. Dean, seconded by Ms. Burchett and carried, the Board approved the following items b through e:

b. Balance Due & Lien Reports

By consensus, the Board approved the following balance due and lien reports:

Balance Due	12/28/2012	2/1/2013	3/1/2013	4/1/2013
Current Balance	740,126.33	471,575.55	527,995.75	630,474.76
Over 30 Days	25,853.34	154,974.66	59,310.30	31,028.09
Over 60 Days	41,803.31	19,722.58	65,790.94	27,558.44
Over 90 Days	987,377.74	958,406.80	962,519.72	1,009,603.44
Total	\$ 1,795,160.72	\$ 1,604,679.59	\$ 1,615,616.71	\$ 1,698,664.73
Liens Filed				\$ 676,832.74

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	31,865.51	68,183.13	683,311.03	\$ 783,359.67
Commercial	3,075.96		32,550.34	\$ 35,626.30
Nonuser	190,617.47 see break down below			\$ 190,617.47
Total	\$ 225,558.94	68,183.13	\$ 715,861.37	\$ 1,009,603.44

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

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

	Inactive	Non User	Active	Total
Residential Water	27,120.79	158,692.34	4,744.72	190,557.85
Commercial Water	3,075.96		-	3,075.96
Residential Garbage	33,502.40		649,808.63	683,311.03
Commercial Garbage	15,261.40		17,288.94	32,550.34
Sewer	5,091.36	31,925.13	63,091.77	100,108.26
Total	\$ 84,051.91	\$ 190,617.47	\$ 734,934.06	1,009,603.44

c. Budget Adjustments

The Board approved the following budget adjustments:

PSA FUND #10		
Account Number	Account Title	Amount Increase (Decrease)
<u>REVENUES:</u>		
	TOTAL	\$ -
<u>EXPENDITURES:</u>		
500-047100-3310	Sewer Lines Repair & Maintenance Services	\$ 5,400.00
500-046200-5410	Water Treatment Plant Equipment Rental	4,717.00
500-094100-8130	Raw Water Intake Improvements	11,500.00
500-094100-8254	Replacement of Galvanized Water Lines	7,807.00
500-091400-9301	Contingency Funds	(29,424.00)
	TOTAL	\$ -

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

PSA FUND #11

Account Number	Account Title	Amount Increase (Decrease)
<u>REVENUES:</u>		
500-032020-0320	DHCD Community Development Block Grant	\$ 575,405.00
	TOTAL	<u>\$ 575,405.00</u>
<u>EXPENDITURES:</u>		
500-094100-8241	Skyview Sewer	\$ 599,035.00
500-091400-9301	Contingency Funds	(23,630.00)
	TOTAL	<u>\$ 575,405.00</u>

d. Billing Adjustments

The Board approved billing adjustments totaling a net credit of \$10,278.85.

e. Accounts Payable

The Board approved accounts payable for checks numbered 8008516 through 8008650, subject to audit.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: none.

f. Employee Training & Assistance with Exam Validation Process

Mr. Linkous described administrative approval for Water Department staff Lee Bentley and Keith White to attend a one day event in Roanoke at a cost of \$100 each. Mr. Linkous also described a request by the Department of Professional and Occupational Regulation for the assistance of John Goad in formatting procedures surrounding testing for Water Treatment Plant operators which will require several days in Richmond.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

Board members inquired as to the expenses related to the travel. Mr. Linkous responded costs were anticipated to be approximately \$250. Mr. Huber and Mr. Linkous described the networking opportunities for employees by attending the training.

On a motion by Ms. Burchett, seconded by Dr. Streff and carried, the Board ratified administrative action by county staff approving the employee training and assistance by John Goad in participating in the exam validation process.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: none.

Mr. Crawford inquired as to the frequency for employees receiving evaluations. Mr. Huber advised employees are evaluated yearly.

5. Staff Reports

a. Financial Reports

The Board reviewed and accepted the financial report as presented.

b. Operational Report

1. Inmate Availability

Staff reported use of three inmates per day for the month of March 2013.

2. Drop Site and County Landfill Tonnage Reports

The Board reviewed the following drop site and County landfill tonnage reports:

Drop Site Total for the Month of March 2013

Site	Trips	Tons	Tons per haul
Dora Highway	10	15.95	1.59
Dublin	32	117.50	3.67
Fairlawn	7	28.92	4.13
Totals	49	162.37	3.31

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

(County customers & Refuse Department Haulers
for the Month of March 2013)

Commercial	Residential	Tires	Brush
2486.04	989.92	372	2.47

3. Cut Off List

There was no report for this meeting.

4. Personnel Changes

There were no personnel changes to report.

c. Water Infrastructure Asset Management (tentative)

There was no information to report at this time.

d. Sewer Service to VDOT

Mr. Huber described issues related to the Dublin VDOT office being double billed for sewer service by both the Town of Dublin and the PSA.

Mr. Linkous shared a copy of the agreement with VDOT for the provision of sewer service by the PSA and noted the PSA would not be liable for reimbursing VDOT for the resulting overpayment.

e. Town of Dublin Sewer Issue

Mr. Linkous presented a staff recommendation for consideration to sharing the cost of EPA damage to the Town of Dublin sewer line. Mr. Linkous advised the EPA investigation of possible groundwater contamination by Electroplate-Rite resulted in significant damage to the Dublin sewer line and upon further investigation of the matter it was determined the PSA accounts for approximately 24.8% of the flow through this sewer line. Mr. Linkous recommended the PSA Board consider sharing the \$22,675 cost of repairing sewer lines damaged by EPA's investigation.

Board members inquired if the matter had been discussed with Bill Parker, Dublin's Town Manager. Mr. Huber responded there had not been any discussions with Mr. Parker.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

Mr. Dean suggested waiting on a response from the federal government regarding the repair costs before taking action to share in the costs.

By consensus, the PSA Board took no action until a response is received back from the Federal Government.

f. Cooks Lane Odor Update

Mr. Linkous reminded the Board of previous action approving \$10,000 to purchase a gently used BIOXIDE feed system for the Lee Highway Court sewer lift station to address odor complaints on Cooks Lane; however, the used equipment originally available had since been purchased by someone else. Mr. Linkous also reported the possibility of utilizing the Town of Pulaski equipment.

Mr. Linkous provided three options as follows, with a staff recommendation to appropriate an additional \$17,186 for the purchase of a new BIOXIDE feed system, if the town equipment cannot be utilized:

- Option 1 - Purchase a new feed system at a total cost of \$17,186.
- Option 2 - Pay a one-time mobilization/installation fee of \$1,500 and a delivered price for BIOXIDE of \$3.95/gal vs. our current cost of \$2.82/gal (coordinated delivery with others) to \$4.47/gal (individual delivery for PSA only).
- Option 3 - Purchase a tank and utilize a used feed system from the Town of Pulaski.

Board members discussed concerns related to potential liability by the PSA, perception by public, annual maintenance costs associated with the equipment, and the need for the PSA to take a "pro-active" approach to addressing the odor issue and thereby removing the PSA from any future liability.

On a motion by Dr. Streff, seconded by Ms. Burchett and carried, the Board approved staff recommendation to purchase a new feed system at a total cost of \$17,186.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: none.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

g. Route 114 Pipe Crossing

Mr. Linkous provided the Board with an agreement with VDOT for the placement of conduit and pipe hangar attachments in the newly rebuilt Rt. 114 bridge. Mr. Linkous provided a summary of a meeting at which discussions were held regarding revisiting financial contributions to the project. Mr. Linkous also reported the final project cost of \$90,432.47, which reflects the original scope minus the hangars under the bridge, with the revised amount for Pulaski County, based on percentages, being \$29,842.72.

Board members discussed the increase in cost of the project from the original projections, potential for other localities to not share in funding and affects on the PSA, and potential need by the PSA to use lines.

On a motion by Mr. Dean, seconded by Ms. Burchett and carried, the Board approved a financial contribution to the Rt. 114 Pipe Crossing project in the amount of \$29,842.72, contingent upon other localities (Montgomery County, B-C-VPI Water Authority, and Pepper's Ferry) participating based on the percentage in the PDC/Local Partner agreement.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: none

6. Staff To-Do Listing

Board members reviewed the following Items which staff is currently working on but for which there is no additional information to report to the Board at this time.

- a. Skyview/NRV Fairgrounds sewer funding
- b. Bioxide Feed System at Lee Highway Court
- c. South Side of Lake and Fairlawn Drop Centers
- d. Dublin PSA Office Relocation
- e. Covered Water Meter Ordinance
- f. Radio Read
- g. Draper Area Wythe County Sewer/PSA Connection
- h. Water Intake for Main Meter

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

7. Closed Session – 2.2-3711.A.1

On a motion by Mr. Crawford, seconded by Ms. Burchett and carried, that the Public Service Authority Board of Directors entered into Closed Session for 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:

- Removal of Gates from Dublin Drop Center

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett

Voting no: none.

Return to Regular Session

On a motion by Mr. Crawford, seconded by Mr. Dean and carried, that the Board return to regular session.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett

Voting no: none.

Certification of Conformance with Virginia Freedom of Information Act

On a motion by Mr. Crawford, seconded by Mr. Dean and carried, that the PSA Board of Directors adopt 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 2.2-3712(D) of the Code of Virginia requires a certification by this 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 applies; and (ii) only such public

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

April 9, 2013

business matters as were identified in this motion convening the closed meeting were heard, discussed or considered by the Public Service Authority.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett

Voting no: none

8. Other Matters

There were no other matters discussed by the Board.

9. Adjournment

On a motion by Mr. Dean, seconded by Ms. Burchett and carried, the Board adjourned its regular April meeting. The next regular meeting of the PSA Board is scheduled for Tuesday, May 14, 2013 at 9:00 a.m. in the Board Room of the County Administration Building, 143 Third Street, NW, in the Town of Pulaski.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff,
Ms. Burchett.

Voting no: None.

Doug Warren, Chairman

Nancy Burchett, Secretary/Treasurer