

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

October 8, 2013

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, October 8, 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, Vice-Chairman; Dave Dean; Fritz Streff; and Nancy Burchett.

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. Dr. Warren also advised the Board that Ms. Burchett and Mr. Linkous were required to be in court by 1:00 p.m. on the afternoon of the PSA meeting and it would be helpful if they could be excused by 11:30 a.m., should the PSA meeting not be adjourned by that time.

1. Citizen Comments

There were no citizen comments at this time.

2. Follow-up Items

a. Clarification of Balance Due Report

Mr. Huber described the "over 30 days" report on August 1, 2013 which showed a higher amount unpaid due to James Hardie having not paid their bill in a timely manner. Mr. Huber advised contact had been made with a James Hardie representative confirming that failure to pay the bill was an oversight, and also advised a check had been sent to the PSA for the payment, with future payments to be made through direct debit into the PSA checking account.

b. Purchase Option for Former Collector's Showcase Building

Mr. Huber advised that following the PSA's special meeting held on September 17, 2013, the owner of the former Collector's Showcase building called to inquire as to the status of a decision on the building, resulting in staff determining the offer had not been included in the listing of offers provided to the PSA. Mr. Huber advised the offer by the owner of Collector's Showcase for the property was set at \$219,950.

Dr. Streff inquired if the pricing provided was for the main building. Mr. Huber responded the price was for the main building only and did not include the storage building.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

October 8, 2013

c. Incremental Cost of Refuse Collection

Mr. Huber provided details on the method used for the calculation of an incremental (per customer) cost for refuse collection services, noting there was no way to break out salary costs for residential garbage service only. Mr. Huber also described the actual landfill charges. Dr. Streff thanked staff for the information, noting the importance of recovering money owed to the PSA.

d. Appointment of an Alternate Member

Mr. Huber advised the Board of Supervisors had concurred with a recommendation to appoint an alternate member to the PSA Board representing the Cloyd District, as a result of Mr. Crawford advising of anticipated absences from several upcoming PSA meetings. Mr. Huber also advised that Dennis Setliff had been invited to serve by the Board of Supervisors, with action to be taken by the Board of Supervisors at its October 28, 2013 Board meeting.

3. Action Items

a. Request for Waiver in Tap Fee and New Fire Hydrant

Mr. Huber provided details related to the Adult Day Care and Fall Prevention Clinic use of the former Newbern Elementary School which will require the installation of a sprinkler system and the need for a 6" water line to the building, along with a new fire hydrant. Mr. Huber also provided details regarding a staff recommendation to donate the cost of installing the upgraded water line and installation of a new fire hydrant.

Board members discussed the location of the line, the non-profit status by the Clinic, potential sharing of the costs with the County, the time-frame for installation and an anticipated \$200,000 loan from Rural Development.

Mr. Dean expressed concern over the continued depletion of PSA funds for various unexpected projects, including the staff recommendation for the donation of the line and new fire hydrant at an estimated cost of \$10,000, with said amount not to include costs associated with the PSA providing labor.

Mr. Huber noted that while the grant has been approved, that approval did not preempt the PSA Board's decision to either approve or deny the recommended donation.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

October 8, 2013

On a motion by Ms. Burchett, seconded by Dr. Streff and carried, the Board approved paying for half the cost of the 6" waterline and new fire hydrant at an estimated cost of \$10,000.

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

Voting no: none.

b. Ratification of Well Testing Contract

Mr. Linkous explained a request for an additional \$45,000 for the well testing project, which would bring the total cost of the project to \$95,000, noting if the wells are determined to be adequate for the needs of the PSA, an additional \$7,500 would be requested to finalize the study. Mr. Linkous advised the additional \$7,500 would allow the design engineer to prepare a preliminary design adequate to develop cost estimates for comparison to other alternatives.

Board members discussed the potential for inadequate water source, long term use of the wells, timeline for testing, and well testing vs. dredging.

On a motion by Mr. Dean, seconded by Dr. Streff and carried, the Board approved the expenditure of \$45,000 for the well research and if wells are deemed to have adequate source capacity, approval of the additional \$7,500 for the finalization of the well study.

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

Voting no: none.

Mr. Huber advised the property owners were supportive of the testing. Mr. Linkous also advised the location of the wells was to be determined by geotechnical engineers.

c. Skyview Phase 2 Sewer Project Bond Counsel Engagement Letter

Mr. Huber described an engagement letter from Webster Day for securing of Mr. Day's services as PSA Bond Counsel for the Skyview Phase 2 Sewer Project, with a staff recommendation for approval to the engagement letter, based on Mr. Day's previous work for the PSA.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

October 8, 2013

Mr. Huber also explained the scope of services to be provided.

Ms. Burchett noted the engagement letter should be corrected to reflect Pulaski County PSA, rather than County.

On a motion by Dr. Streff, seconded by Ms. Burchett and carried, the Board approved the engagement letter with the change to correct wording to reflect the PSA and not the county.

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

Voting no: none.

4. Consent Items

a. Minutes of September 10, 13 and 17, 2013 Meetings

On a motion by Ms. Burchett, seconded by Dr. Streff and carried, the Board approved the minutes of the September 10, 13 and 17, 2013 meetings as presented.

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

Voting no: none.

b. Balance Due & Lien Reports

The Board reviewed the following balance due and lien reports:

Balance Due	7/2/2013	8/1/2013	9/4/2013	10/1/2013
Current Balance	719,371.66	542,208.67	640,641.39	752,908.22
Over 30 Days	25,962.95	215,166.45	28,059.13	40,461.48
Over 60 Days	40,766.31	17,512.86	52,162.31	19,236.42
Over 90 Days	1,027,475.73	1,050,969.34	1,052,566.30	1,097,072.50
Total	\$ 1,813,576.65	\$ 1,825,857.32	\$ 1,773,429.13	\$ 1,909,850.25
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	40,548.19	72,075.01	742,902.56	\$ 855,525.76
Commercial	1,595.02		38,702.82	\$ 40,297.84
Nonuser	201,248.90	see break down below		\$ 201,248.90
Total	\$ 243,392.11	72,075.01	\$ 781,605.38	\$ 1,097,072.50

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
October 8, 2013

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

	Inactive	Non User	Active	Total
Residential Water	35,321.17	34,878.85	5,227.02	241,797.09
Commercial Water	1,595.02			1,595.02
Residential Garbage	42,394.42	19,155.54	700,508.16	742,702.56
Commercial Garbage	12,215.72		26,487.10	38,702.82
Sewer	6,163.76	1,437.72	65,911.25	72,075.01
Penalty		15,139.61		
Interest		130,637.18		
Total	\$ 97,690.07	\$ 201,248.90	\$ 798,133.53	1,097,072.50

c. Budget Adjustments

The Board reviewed and accepted the following budget adjustments:

PSA FUND #2			
Account Number	Account Title		Amount Increase (Decrease)
<u>REVENUES:</u>			
		TOTAL	
<u>EXPENDITURES:</u>			
500-046100-5610	Water Line Maintenance Permit Fees	\$	1,520.00
500-094100-8131	New Water/Sewer Building at County Garage		50,000.00
500-091400-9301	Contingency Funds		(51,520.00)
		TOTAL	\$ -

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

October 8, 2013

e. Accounts Payable

On a motion by Dr. Streff, seconded by Mr. Crawford and carried, the Board approved accounts payable for checks numbered 8009326 through 8009460, subject to audit.

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

Voting no: None

5. Staff Reports

a. Financial Reports

On a motion by Mr. Crawford, seconded by Mr. Dean and carried, the Board reviewed and accepted the financial reports as presented by Ms. Newby.

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

Voting no: None

b. Operational Report

On a motion by Ms. Burchett, seconded by Dr. Streff and carried, the Board reviewed and accepted the following Operational Reports, as presented:

1. Inmate Availability

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

2. Drop Site and County Landfill Tonnage Reports

Drop Site Total for the
Month of September 2013

Site	Trips	Tons	Tons per haul
Dora Highway	4	8.87	2.21
Dublin	25	78.28	3.13
Fairlawn	8	46.67	5.83
Totals	37	133.82	3.61

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
October 8, 2013

County Landfill Tonnage
(County customers & Refuse Department Haulers for the Month of September 2013)

Commercial	Residential	Tires	Brush
3187.20	1235.95	1056	3.30

3. Cut Off List

PSA staff report 46 cutoffs and one for Fairlawn sewer.

4. Personnel Changes

The Board reviewed recent personnel changes.

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

Voting no: None

c. Results of Virginia Dept. of Health Water Samples

Board members were provided the results of the most recent water samples by the Virginia Department of Health which indicated the PSA was in compliance with the Disinfectants and Disinfection Byproducts Rule.

d. Sewerage Authority Replacement of Sewer Lines in Fairlawn

Mr. Huber advised the Sewerage Authority plans to advertise for the replacement of the sewer line along Rt. 11 in Fairlawn this Sunday, noting PSA Board members may receive inquiries regarding the project.

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. South Side of Lake and Fairlawn Drop Centers
- c. Dublin PSA Office Relocation
- d. Covered Water Meter Ordinance
- e. Meter Replacement with Radio Read Units
- f. Draper Area Wythe County Sewer/PSA Connection
- g. Water Meter Replacement
- h. Water Master Plan
- i. Change Exit at Fairlawn Drop Site

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

October 8, 2013

Mr. Dean inquired regarding the status of the hiring of a collections account clerk position. Mr. Huber advised the Board that Debbie Boyd had been hired as the new collections account clerk with plans to have Ms. Boyd in place on November 1, 2013.

Dr. Warren reported receiving favorable comments and compliments from Pulaski County resident Ann Bolt for unsolicited assistance provided by the PSA garbage collection crew through the removal of a tree that had fallen and was blocking her driveway.

Mr. Dean inquired as to the status of discussions with the Town of Pulaski drop site matters. Mr. Huber advised he would follow-up on the matter and provide an update at a future Board meeting.

7. Closed Session – 2.2-3711(A)7

A closed session is requested pursuant to Section 2.2-3711.A.7 of the 1950 Code of Virginia, as amended, to discuss legal matters.

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 regarding:

➤ Hazelwood Drive Easement

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, the Board returned 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 Ms. Burchett and carried, that the PSA Board of Directors adopt the following resolution certifying conformance with the Virginia Freedom of Information Act.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

October 8, 2013

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 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

6380 Hazelwood Drive

On a motion by Mr. Crawford, seconded by Ms. Burchett and carried, the Board approved an additional \$1,000 to be paid to the Craig and Karen Freier for a total of \$9,500, subject to signing of statement by property owners releasing the Public Service Authority from any further liability.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett
Voting no: None

8. Other Matters

There were no other matters discussed at this time.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

October 8, 2013

9. Adjournment

On a motion by Mr. Dean, seconded by Ms. Burchett and carried, the Board adjourned its regular October meeting. The next regular meeting of the PSA Board is scheduled for Tuesday, November 12, 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