

Public Service Authority Board of Directors Meeting
February 14, 2017

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, February 14, 2017, 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; Mr. Dennis Setliff; Dr. Fritz Streff and Mrs. Nancy Burchett.

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

1. WELCOME AND CALL TO ORDER

Dr. Warren called to order at 9 a.m.

A. Confirmation of A Quorum

A quorum was met at the meeting with Mr. Setliff, Dr. Warren, Dr. Streff and Mrs. Burchett present. Mr. Dean was absent due to the passing of his mother, Mrs. Gladys Pickle Dean.

2. APPROVAL OF THE AGENDA

A. Additions or Changes to the Agenda

Mr. Sweet indicated there was a change to the agenda and yielded the floor to Mr. Linkous who announced the addition of an update regarding the Brookmont water system. Dr. Warren accepted the addition to the agenda on behalf of the Board.

3. PRESENTATIONS AND CITIZENS COMMENTS

A. Presentations and Citizens Comments

Mr. Charles Hull, Robinson Tract resident and member of Trinity Baptist Church, and Mr. Darrell Bratton, member of Trinity Baptist Church, requested an update on the status of a water line extension to the Robinson Tract area as there is new home construction in the Loving Field/Robinson Tract area. Mr. Linkous stated the property was owned and auctioned by the Town of Pulaski, who included access to water by installing a two (2) inch line. Mr. Hull spoke about the deteriorating quality of the church's well water and Mr. Linkous advised the PSA was aware of water quality issues in the area and is working with the Town to resolve these, however it would be four (4) to five (5) years before the extension and installation of a water line project in the area. He further advised Mr. Hull to have the water tested before it hits the filter and submit the sample/results to the Health Department for possible documentation of a public health concern which would assist the PSA in the application of grant funds for a waterline extension project.

4. FINANCIAL MATTERS

A. Audit Year Ended June 30, 2016, Presentation

Mr. Corbin Stone and Ms. Emily Viers, representatives of Robinson, Farmer, Cox Associates, reviewed the audit year ended June 30, 2016. Mr. Stone indicated the PSA was in good financial health, with thirty percent of budget in cash balances. Long term debt was primarily funded with cash, showing the PSA was paying off its debt faster than it was incurring. Additionally, net positioning (overall value) increased 4.5%, most of which is tied up in capital assests. Mr. Stone reported there were adjustments made to financial statements regarding accounts payable and receivables at the end of the year, which is typically in the annual closing process. Ms. Emily Viers will take over as audit manager, replacing Ms. Deanna Cox, who retired from providing auditing services.

On a motion by Mrs. Burchett, second by Mr. Setliff and carried, the Board reviewed and accepted the audit year ended June 30, 2016.

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

Voting No: None.

Absent: Mr. Dean.

B. Financial Report

Mrs. Burchett questioned the remaining \$18,000 in the PSA Billing Office relocation line item. Mr. Linkous reviewed stated these funds were allocated toward the end of the project for security measures which have not been completed. Mrs. Burchett also asked to staff to review the residential water and garbage revenues projections as they may be low and not meet.

On a motion by Dr. Streff, second by Mrs. Burchett and carried, the Board accepted the financial report.

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

Voting No: None.

Absent: Mr. Dean.

C. Collections Update

Mrs. Boyd provided a list with the top twenty - nine delinquent customers and stated she is working on contacting the account holders, first by certified mail. Mrs. Burchett inquired if liens had been placed on all the accounts listed and Mrs. Boyd responded in the affirmative. Mrs. Boyd also reported her contact with attorney Sam Campbell, who advised that liens were the biggest payoff regarding non-payment. Mrs. Burchett asked if those who fail to pay continue to receive garbage service and Mrs. Boyd confirmed. Mr. Setliff asked for staff to contact Tim Kirtner, County Attorney, to inquire about further avenues to be pursued for non-payment and asked for the Board's consideration of writing off accounts of those who owe \$100 or less, which amounts to about 100 customers and \$7,000 and focus on those owing \$1,000 - \$5,000. Mrs. Burchett asked for the list to be provided without penalty and interest owed. Mr. Sweet noted areas to focus on such as how to keep non-payment (in higher amounts) from reoccurring and concepts for work-outs. Mr. Sweet will consult with Mr. Kirtner for a legal opinion and vet approaches to the Board.

D. Delinquency Report

There were no questions from the Board regarding the delinquency report.

E. One Call Report

The One Call report was presented by Mr. Linkous.

5. REPORTS FROM EXECUTIVE DIRECTOR AND STAFF

A. Operational Reports: Drop Site and County Landfill Tonnage, Inmate Availability and Cut - Off List

There were no questions or comments by the Board.

B. Pulaski Brush Site

Mr. Nichols reviewed a recent incident where metal had been mixed with brush at the Pulaski Drop Site, causing \$10,000 - \$15,000 to the New River Resource Authority's grinder. The New River Resource Authority did not ask for reimbursement for the repair, however they would like assurances this issue will be resolved. The New River Resource Authority had just refurbished the grinder spending \$36,000 and refuses to come back to the site under the current configuration. Mr. Nichols also advised the site is currently unmanned. Dr. Streff emphasized the need to fix the Dora Highway site and relocate for Pulaski citizens. Mr. Sweet advised staff would continue to work with the Town of Pulaski and private citizenry to resolve the issue. Mr. Linkous suggested making Dublin a brush site as the other locations are smaller as five (5) acres is needed for a proper brush site.

C. Old Route 11 Water Line Replacement

Mr. Linkous updated the Board that the contract had been received and notice to proceed signed with water only to be completed.

D. Community Sewers Project

Mr. Linkous reported the deed had been recorded for the sewer lift station on Collier Road and next steps are to finalize and/or update the easements.

E. Wright Avenue Sewer Extension

Mr. Linkous updated the Board on the status of the request for the sewer extension and provided staff's recommendation of increasing the connection fee for three homes to \$1,232 to extend beyond normal distance.

On a motion by Mr. Setliff, second by Dr. Streff and carried, the Board approved the staff's recommendation to increase the connection fee for three homes on Wright Avenue to \$1,232 to extend beyond normal distance.

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

Voting No: None.

Absent: Mr. Dean.

F. Notice of Violation - Pulaski Country Club, Express Stop #99 and Pulaski Moose Lodge

Mr. Linkous updated the Board and reiterated this was not violations on the PSA system rather small waterworks systems in the area.

G. Invitation to SERCAP's 48th Anniversary - Water IS Life!

Mr. Linkous extended the invitation to SERCAP's 48th Anniversary - Water IS Life! luncheon and awards ceremony. Mr. Linkous also advised another notice was received from the Health Department Office of Drinking Water regarding exceeding the byproduct required limits in the Brookmont water system and updated the Board on the Town of Pulaski's efforts to correct the issue. Letters will be sent regarding the results.

H. Staff To Do List

Mrs. Burchett asked for write - off account consideration to be added to the Staff to Do List and Mr. Setliff requested the Fairlawn Drop Site be added as well.

6. ITEMS OF CONSENT

On a motion by Mr. Setliff, second by Dr. Streff and carried, the Board accepted the Items of Consent as presented. A consensus (all Board members present; Mr. Dean absent) voted in the affirmative.

A. Minutes of Previous Meeting

After corrections, the Board approved the meeting minutes of January 10, 2017.

B. Balance Due Report

The Board reviewed and accepted the balance due report as presented in the February 14, 2017, BoardDocs agenda.

C. Budget Adjustments

There were no budget adjustments presented in the February 14, 2017, BoardDocs agenda.

D. Billing Adjustments

The billing adjustments were not received for review.

E. Accounts Payable

The Board ratified accounts payable for checks numbered 8014326-8015039 with duplicated check #8014935 .

F. Personnel Changes

Board members reviewed a memo describing personnel changes in the month of February 2016, an electronic version of which is filed in the BoardDocs agenda.

7. OTHER MATTERS FROM THE DIRECTORS

A. 2017 Pulaski County Sewerage Authority (PCSA) Officers

Mr. Setliff updated the Board on the new officers and members of the Pulaski County Sewerage Authority.

B. Pulaski County Sewerage Authority (PCSA) Maintenance Agreement

The Pulaski County Sewerage Authority (PCSA) maintenance agreement was presented by Mr. Setliff and reviewed by the Board. Mrs. Burchett asked when the billing would change; it was indicated as July 1, 2017. The Board members endorse the agreement and a memorandum of understanding is to be developed.

8. CLOSED SESSION

A. Enter Into Closed Session

On a motion by Dr. Streff, second by Mrs. Burchett and carried, the Public Service Authority Board of Directors entered into closed session for the discussion of the following:

- Prospective Industry

Pursuant to Virginia Code Section 2.2-3711(A) 5 concerning a prospective business or industry, or the expansion of an existing business and industry, where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community:

- Lingo Networks

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

Voting No: None.

Absent: Mr. Dean.

B. Return to Open Session

On a motion duly made, second and carried, the Public Service Authority Board of Directors returned to open session.

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

Voting No: None.

Absent: Mr. Dean.

C. Certification of Closed Session

On a motion duly made, second and carried, the Public Service Authority 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 provision of the Virginia Freedom of 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 Public Service 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 files 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: Mr. Setliff, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

Absent: Mr. Dean.

9. ADJOURNMENT

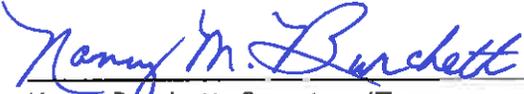
A. Adjournment

On a motion by duly made, second and carried, the Board adjourned their February 14, 2017, regular meeting. By consensus, the Board unanimously voted in the affirmative to conclude the meeting.

The March regular meeting will be held on Tuesday, March 14, 2017, at 9 a.m. in the Board Room of the County Administration Building, 143 Third Street, N.W., in the Town of Pulaski, Virginia.



Douglas D. Warren, PhD, Chairman



Nancy Burchett, Secretary/Treasurer