

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, February 14, 2012 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; Hollis Loyd, Secretary/Treasurer; Dave Dean; and Nancy Burchett. PSA Board member Pete Crawford was unable to attend the meeting.

Staff members present included: Peter Huber, County Administrator; Robert Hiss, Assistant County Administrator; Jared Linkous, County Engineer; Diane Newby, Finance Director; Ron Nichols, Director of Operations, Transportation and Maintenance; Debra Boyd, PSA Billing; and Gena Hanks, Executive Secretary.

Dr. Warren called the meeting to order and declared a quorum present.

1. CDBG Public Hearing and Citizen Comments

Mr. Huber advised a public hearing had been scheduled to consider potential projects for which funding may be applied under the CDBG Program Year 2012. He explained potential projects must be targeted towards low-to-moderate income individuals.

Dr. Warren opened the public hearing. There were no citizen comments and the hearing was closed.

Mr. Loyd questioned what projects could be included in block grant funds. Mr. Huber provided a history of previous applications where block grant monies were received.

Mr. Dean inquired if there were presently any block grants in place, whether or not block grants were reviewed as a whole or on an individual basis, the time period for which block grants are available and how block grants affected the PSA budget. Mr. Huber responded the PSA did not have any block grants by itself. Mr. Linkous described the application period. Mr. Huber also advised there are some upfront costs to the PSA.

By consensus, the PSA Board expressed a desire for consideration to block grant funding to be used for PSA projects.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

2. Finance

a. Follow-up from previous Board Meetings:

1. Follow-up re: Carla Ritter Inquiry

Mr. Huber advised research by staff of the PSA minutes did not indicate any reference or authorization for the placement of a second meter on the property being rented by Ms. Carla Ritter.

Board members discussed existing PSA policies related to the two houses on one meter, connection fees associated with placement of a second meter, and enforcement procedures.

Mr. Loyd inquired if there would be any record in the building permit when the home was built authorizing two homes on one meter.

By consensus, the Board authorized county staff sending a letter to the property owner explaining the non-conformity with existing PSA policies as it relates to the two houses using one meter.

2. Revised PSA Billing Report

The Board discussed and reviewed in detail the draft format proposed by county staff for the monthly PSA billing and delinquency report, a copy of which is filed with the records of this meeting.

By consensus, the Board requested staff revise the format based on suggestions by Board members and present an updated draft at a future Board meeting.

3. Business and Industry Summary of Accounts Due

Mr. Huber presented a January listing of business and industries accounts. Mr. Dean inquired if the figures had increased from the previous month. Ms. Newby advised the \$7,000 amount is fairly consistent each month.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

4. Motor Mile Speedway Request for Trading of Commercial Connections

Staff reported the Board had previously approved the trade of water meters under the terms of five-year agreement with Shelor Motor Mile signed on November 9th, 2005. The terms of this agreement were subsequently extended by the PSA Board on October 13, 2009 to be effective through December 31, 2013. Thus, approval of the trade on commercial connection to serve the former St. Albans facility for three residential connections is recommended for approval.

Staff has requested to research previous PSA minutes to determine the number of the original connections approved by the PSA Board.

5. Johnny Crowder Non-User Request

Staff reminded the Board that Mr. Johnny Crowder is requesting exemption from non-user fees based on the inability of the PSA sewer system to serve the basement of his home. However, it has been the PSA policy to charge non-user fees where slope considerations allow a PSA sewer line to serve the main floor of a dwelling.

By consensus, the Board took no action to change its policy on this matter.

6. High Water Pressure Response

Mr. Linkous described a complaint from Norman Hawks and Morgan Gallop, regarding excessive water pressures. Board members reviewed information from Mr. Linkous indicating pressure reducing valves can more readily be adjusted and are less likely to fail if housed in a temperature controlled environment such as would be the case in basement locations.

Mr. Loyd inquired regarding normal pressure readings, noting anything more than 80 psi would require pressure reducing valves. Mr. Loyd also inquired as to what the cost would be to the resident requiring connection fee for pressure relief valve and backflow prevention on every new construction. Mr. Linkous indicated the cost could be several hundred dollars.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

By consensus, the Board confirmed its understanding that it is the homeowners' responsibility for correcting pressure issues and not that of the PSA. Mr. Linkous advised the two customers had been notified of the PSA policy.

7. Update on Chemical Optimization Study

Mr. Linkous reported staff was moving forward with the ordering of chemicals as suggested in the study and the modification of the plant to change feed locations.

8. Drop Site Relocation Update

Mr. Huber reported the Town of Pulaski has approved the rezoning request for the proposed town site and are awaiting environmental documents from the town attorney.

Mr. Dean inquired if the PSA or the Town of Pulaski would control the drop site project. Mr. Huber advised he anticipated the expectations to be for the town and PSA to share in any improvements, with the town providing the land and the PSA providing operational services.

Staff suggested the PSA authorize obtaining design services for all three drop centers.

Mr. Huber proposed the use of left over NRRRA money that had been set aside for environmental issues for procuring engineering services.

Dr. Warren inquired if the design would be done "in house" or by an outside consultant.

Ms. Burchett inquired as to the reason for the drop site being moved from Dora Highway. Mr. Huber advised the Dora Highway site was the smallest of the three drop site centers and had the most traffic.

Mr. Loyd suggested obtaining a preliminary figure for the Dora Highway site only.

On a motion by Mr. Loyd, seconded by Mr. Dean and carried, the Board approved proceeding with obtaining a preliminary design, cost figures and overall conceptual plan for a new Pulaski drop site.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

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

Voting no: None.

Not present: Mr. Crawford.

b. Review of Financial Report

Board members reviewed the financial report in detail.

Mr. Loyd expressed concern over the ongoing deficit in the water department's budgets.

Mr. Linkous reported efforts were ongoing to look at water and sewer restructuring, including the full impact of the Commerce Park project.

Mr. Huber advised a rate increase would most likely be needed at some point and explained the steps and timeframe required for advertising rate increase.

By consensus, the Board accepted the financial report as presented and staff was requested to confirm attendance by the PSA's auditors at the March PSA meeting.

c. Balance Due & Lien Reports

The following report was provided and reviewed in detail by the Board:

Balance Due	11/1/2011	12/2/2011	1/3/2012	2/1/2012
Current Balance	383,474.80	546,720.29	671,432.82	396,502.39
Over 30 Days	90,069.83	38,201.82	113,228.21	78,091.70
Over 60 Days	13,527.90	42,714.76	12,748.14	12,937.71
Over 90 Days	799,628.97	808,596.32	841,197.38	847,544.16
Total	\$ 1,286,701.50	\$ 1,436,233.19	\$ 1,638,606.55	\$ 1,335,075.96
Liens Filed				\$ 372,330.67

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

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	37,711.81	28,828.20	585,894.34	\$ 652,434.35
Commercial	2,375.82	-	22,030.60	\$ 24,406.42
Nonuser	170,703.39	see break down below		\$ 170,703.39
Total		28,828.20	\$ 607,924.94	\$ 847,544.16

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

	Inactive	Non User	Active	Total
Residential Water	33,358.85	136,655.20	4,352.64	174,366.69
Commercial Water	2,271.07		104.75	2,375.82
Residential Garbage	50,644.78		535,249.56	585,894.34
Commercial Garbage	16,919.02		5,111.90	22,030.92
Sewer	2,356.75	34,048.19	26,471.45	62,876.39
Total	\$ 105,550.47	\$ 170,703.39	\$ 571,290.30	847,544.16

By consensus, the Board accepted the balance due and lien reports.

d. Budget Adjustments

On a motion by Ms. Burchett, seconded by Mr. Dean and carried, the Board approved the following budget adjustments:

PSA FUND #8				
Account Number	Account Title			Amount Increase (Decrease)
<u>REVENUES:</u>				
500-041050-0100	Reserve Funds			\$ 9,005.00
TOTAL				\$ 9,005.00
<u>EXPENDITURES:</u>				
500-094100-8106	Construction Vehicles & Equipment (Trailer)			\$ 4,005.00
500-046100-3310	Water Pump Station Surge Protection Equipment			5,000.00
TOTAL				\$ 9,005.00

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

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

Voting no: None.

Not present: Mr. Crawford.

e. Billing Adjustments

Mr. Loyd noted an error in the date listed on the report, indicating the date of 2011 which should have been 2012.

Mr. Huber suggested the Board take no action to approve the billing adjustment, rather a revised report be presented at the March PSA Board meeting for review and approval by the Board.

Staff was requested to provide a report with the corrected date at the March meeting.

f. Accounts Payable

On a motion by Mr. Loyd, seconded by Ms. Burchett and carried, the Board approved accounts payable for checks numbered 8006603 through 8006745, subject to audit.

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

Voting no: None.

Not present: Mr. Crawford.

3. Operations

a. Minutes of Previous Meeting

On a motion by Mr. Loyd, seconded by Mr. Dean and carried, the Board approved the January 2012 minutes of the PSA meeting with a correction to the next meeting date.

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

Voting no: None.

Not present: Mr. Crawford

b. Inmate Availability Report

Staff reported use of one inmate per day during the month of January. Mr. Nichols explained the reduction in inmate availability from two to one person daily was due to turnover.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

c. Drop Site Total & County Landfill Tonnage Reports

Staff reported the following drop site total and county landfill tonnage:

**DROP SITE TOTALS
FOR THE MONTH OF JANUARY 2012**

Site	Trips	Tons	Tons per haul
Dora Highway	18	68.13	3.78
Dublin	34	90.54	2.66
Fairlawn	6	30.06	5.01
Totals	58	188.73	3.25

**COUNTY LANDFILL TONNAGE
(County customers & Refuse Department Haulers)
(for the Month of January 2012)**

Commercial	Residential	Tires	Brush
390.03	964.75	781	2.71

Mr. Dean expressed appreciation for the clearing of brush, etc. at the Dora Highway site. Mr. Nichols advised of ongoing efforts to find means of disposing of mulch.

d. Personnel Changes

There were no personnel changes to report.

e. Parrott Tower

Staff advised Montgomery County Emergency Services Coordinator, Neal Turner has requested permission to locate one antenna and cabling on the Parrott Water tower for the Long Shop McCoy Rescue Squad. They would also place a radio in the building. This would allow Long Shop McCoy the ability to have radio access in the McCoy Falls area of the county, as well as other areas within their response area.

Staff also reported that the county's network security officer for the county had reviewed the request and visited the site and found it to be fully capable of meeting Montgomery County's need without compromise to Pulaski County. His recommendation is to allow the co-location of their equipment with the understanding they are responsible for all installation expenses and if interference issues do occur,

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

Montgomery County will take the steps necessary to fix them, including removal of their equipment. Montgomery County has expressed a willingness to assist with the replacement of the generator at this site. Staff also recommends that Montgomery County be responsible for one-third of the maintenance costs for the access road and site. Mr. Dean inquired if any commitment had been made by the PSA to the request by Montgomery County. Mr. Linkous advised there had not been any verbal commitment, but rather the PSA Board was being requested to approve the Montgomery County request.

Mr. Loyd requested confirmation of Montgomery County's commitment to place a radio in the building. Mr. Linkous confirmed Mr. Loyd's understanding of the plans by Montgomery County to place a radio in the building.

On a motion by Mr. Loyd, seconded by Mr. Dean and carried, the Board approved staff working with Montgomery County to locate one antenna and cabling on the Parrott water tower for the Long Shop McCoy Rescue Squad, as well as placement of a radio in the building, with the understanding Montgomery County will be responsible for all installation expenses and if interference issues do occur, Montgomery County will take steps necessary to fix them, including removal of equipment and further Montgomery County is requested to be responsible for one-third of the maintenance costs for the access road and site.

Voting yes: Mr. Dean, Dr. Warren, Mr. Loyd, Ms. Burchett
Voting no: None.
Not present: Mr. Crawford.

f. Dublin Tank (Bagging Plant Road)

Staff reported Intelos wireless has requested an easement across the Dublin tank property to install a buried cable to their equipment, which is currently located on the tank. The lease to Intelos wireless appears to include extending utility lines to their equipment; therefore, staff recommends granting access across the property.

On a motion by Mr. Dean, seconded by Ms. Burchett and carried, the Board approved granting an easement across the Dublin Tank property to install a buried cable to the Intelos equipment.

Voting yes: Mr. Dean, Dr. Warren, Mr. Loyd, Ms. Burchett
Voting no: None.
Not present: Mr. Crawford.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

4. Informational Items

a. Press Release

As reported in the Board packet, a press release dated January 17, 2012 was issued to residents receiving county water regarding the quarterly water testing.

b. NanoChemonics/Magnox Plant Disposal Fees

As reported in the Board packet, disposal fees for the demolition of the NanoChemonics/Magnox plant had been paid, noting future contractors doing this type of work are being placed on a weekly billing cycle with discontinuation of landfill services to take place if the bill is not paid within two weeks.

c. Lakewood Estates & Brookmont Water Sample Results

As reported in the Board packet, results of water samples collected indicate all contaminants tested below the maximum contaminate levels and are in compliance with State 1 Disinfectants and Disinfection Byproducts Rules.

d. Skyview Subdivision Sewer Project

Staff shared an inquiry from Michael Hall, as well as the county engineer's response, noting that the PSA would be proceeding with the Skyview Subdivision Sewer project following receipt of loan funds.

e. Insurance Renewal Values

As provided in the Board packet, Board members reviewed a draft listing of the PSA property insured under the VACorp insurance policy. Mr. Loyd expressed concern that insurance coverage for the contents seemed low.

Ms. Burchett explained the first listing provided included buildings and contents of the building, with the second listing including equipment and trailers owned by the PSA, and the last listing including automobiles.

Staff was requested to further review the listing to confirm adequate coverage is being provided with particular attention to contents.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

5. Current Authorized Projects

a. Action Items:

The following information was presented in the Board packet for review:

- Skyview/NRV Fairgrounds sewer funding
- Construction of Commerce Park Utility Project
- Drop Center location South side of Claytor Lake

Mr. Loyd inquired as to status of drop site location on Claytor Lake. Mr. Huber advised efforts were ongoing in search of property, including asking new Board of Supervisor member Ranny O'Dell for suggestions on potential locations.

- Evaluation of "radio-read" water meter option

Mr. Loyd inquired as to status of the ordering of meters. Mr. Linkous advised meters have been ordered and installation to begin soon, with plans for commercial meters only to be read this month.

b. Pending Items:

- Lakewood Estates emergency response plan
- Evaluation of joint negotiation of rail crossing fees

6. Other Matters

Dr. Warren referenced a recent request to have fluoride removed from PSA water and advised of having seen "no fluoridation" signage in Blacksburg, noting the efforts appears to be widespread.

Mr. Huber reminded the PSA Board of a reception honoring former Board members Ranny Akers and Frank Conner to be held Friday, February 17th at 4:00 p.m. in the Central Gymnasium.

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS
FEBRUARY 14, 2012

7. Adjournment

On a motion by Mr. Loyd, seconded by Mr. Dean and carried, the Board adjourned its regular February meeting. The next regular meeting of the PSA Board is scheduled for Tuesday, March 13, 2012 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. Dean, Dr. Warren, Mr. Loyd, Ms. Burchett
Voting no: None.
Not present: Mr. Crawford.

Doug Warren, Chairman

Hollis Loyd, Secretary/Treasurer