

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS MEETING
October 8, 2019

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, October 8, 2019, 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; Mr. Dave Dean, Vice Chair; Mr. Dennis Setliff; Dr. Fritz Streff and Mrs. Nancy Burchett.

Staff members present included: Jared Linkous, Executive Director; Ronnie Nichols, Deputy Director; Jonathan Sweet, County Administrator; Diane Newby, Finance Director and Natasha Grubb, Clerk to Board.

1. Welcome and Call to Order

Dr. Warren called the meeting to order at 9:00 a.m.

A. Confirmation of A Quorum

5 (five) Board members were present.

2. Executive Session

A. Enter Into Executive Session

Pursuant to Virginia Code Section 2.2-3711(A)1 discussion and consideration of employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of public officers, appointees or employees, regarding:

- PSA Billing (Temporary Position)

On a motion by Mr. Setliff second by Dr. Streff and carried, the Public Service Authority Board of Directors entered into closed session for the discussion and consideration of employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of public officers, appointees or employees. (Staff attending: Mr. Linkous, Executive Director, Ronnie Nichols, Deputy Director and Jonathan Sweet, County Administrator)

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

Voting No: None.

B. Return to Open Session

On a motion by Dr. Streff, second by Mr. Dean and carried, the Public Service Authority Board of Directors returned to open session.

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

Voting No: None.

C. Certification of Executive Session

On a motion by Mr. Setliff, second by Dr. Streff 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, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

3. Approval of the Agenda

A. Additions or Changes to the Agenda

- 7. New Business C. PSA Billing Staff (Temporary Position)

The Board voted in the affirmative by consensus to accept the agenda as modified.

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

Voting No: None.

4. Presentations and Citizens Comments

A. Presentations and Citizens Comments

Mr. Timothy Sutphin, resident of Ferncliff Road, Pulaski, requested assistance with his outstanding refuse bill.

Mr. Linkous reviewed the details of Mr. Sutphin's outstanding account balance of \$16,641.44, which is comprised of \$4,011 for refuse collection, \$11,102.43 in interest, and \$1,528.01 in penalty. Mr. Linkous advised there have been no payments made on this account and apprised the Board members of the action decided at the Public Service Authority Board of Directors Meeting held on August 13, 2019, where the Board approved to collect in full the outstanding balance of \$16,641.44 and any further accumulated penalty and interest charges moving forward.

Mr. Dean asked Mr. Sutphin why he did not pay his monthly bill. Mr. Sutphin could not provide an explanation; however, stated he was willing to pay \$100 monthly toward the outstanding balance.

Mr. Linkous inquired if the Board wanted to amend its decision made at the Public Service Authority Board of Directors Meeting on August 13, 2019.

The Board authorized staff to set up payment arrangements for Mr. Sutphin.

Mr. Linkous advised staff will set up an auto draft payment plan and stop accruing interest on the account as long as payments are made on time moving forward. The lien will remain on the property until the account has been resolved.

Dr. Warren asked staff to provide an update to the Board at the November 12, 2019, PSA Board of Directors Meeting.

Mr. Setliff suggested the Board review Mr. Sutphin's account in a year to determine if he qualifies for additional relief.

5. Financial Matters

A. Financial Report

Mrs. Newby presented the financial report and advised that the SunTrust account was closed out. Mrs. Newby hoped to have the budget entered and daily revenues posted into the financial software by November 2019.

B. Collections Update

Mr. Linkous reviewed the collections update.

6. Public Hearing

Mrs. Newby presented the amendment to the 2019-2020 fiscal year budget.

Dr. Warren opened the public hearing.

There were no comments.

Dr. Warren closed the public hearing.

On a motion by Mr. Setliff, second by Mrs. Burchett and carried, the Board authorized the approved the amendment to the 2019-2020 fiscal year budget.

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

Voting No: None.

7. Action Items (New Business)

A. Water Treatment Plant Filter Media Replacement WSL-023-20

Mr. Linkous reviewed the Virginia Department of Health (VDH) offer of funding letter for the Water Treatment Plant Filter Replacement initial project. Option 2 would provide \$362,000 in loan funds at a rate of 2.5% over a 20-year term. The remaining \$362,000 would be provided as grant funds. This results in a total funding offer of \$725,000. Acceptance of Option 2 would require a commitment to raise rates at least 3% per year for the next five (5) years. Per option 2, the current funding offer would require a commitment of one (1) additional year of rates increases at 3%.

The PSA previously accepted funding from the VDH for the WTP Intake Improvements project in FY17-18, which required a commitment to increase rates by 5% per year for 5 years, beginning in FY18-19. Based on the current commitment, the PSA will have two (2) more years of 5% increases and two (2) additional years of 3% increases. Mr. Linkous requested the VDH consider another option for the current offer, commit to two (2) years of 5% and two (2) years of 3%, which matches the previous commitments, in lieu of five (5) years of 3% increases, per Option 2. This combination, which he called Option 3, would not expand the current commitments, but would document a larger increase in the remaining four (4) years than a five (5) year commitment at 3% per year.

Staff recommends acceptance of Option 3, if VDH agrees to the terms, and acceptance of Option 2, if VDH does not accept the terms of Option 3.

On a motion by Mr. Setliff, second by Mrs. Burchett and carried, the Board accepted Option 3, commit to two (2) years of 5% and two (2) years of 3%, which matches the previous commitment, in lieu of five (5) years of 3% increases, per Option 2, which documents a larger increase in the remaining four (4) years than a five (5) year commitment at 3% per year. If the VDH refuses to accept the offer for Option 3, reverts back to Option 2 where \$362,000 in loan funds at a rate of 2.5% over a 20-year term. The remaining \$362,000 would be provided as grant funds. This results in a total funding offer of \$725,000, and would require a commitment to raise rates at least 3% per year for the next five (5) years.

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

Voting No: None.

B. Mr. Kenneth Moxley (5943 Collier Street)

Mr. Linkous advised Mr. Kenneth Moxley, resident of Collier Street, Dublin, spoke with Mr. Guthrie, Supervisor, Cloyd district, regarding the status of his driveway after completion of the sewer line project. Mr. Moxley and four (4) others share a private drive, which extends out of the cul-de-sac at the end of Collier Street. Mr. Moxley stated the sewer project caused damage to the asphalt and feels the PSA should re-pave the driveway to restore it to the condition before the project began.

Mr. Linkous presented photographs taken from the pre-construction videos which illustrates the condition of the driveway. Prior to construction, there was a significant mud puddle in front of the concrete driveway and the asphalt portion was surrounded by gravel. A photograph was taken on Friday, October 4, 2019, which displays the absence of the puddle. Mr. Linkous provided a second photo taken on Friday, October 4, 2019, which illustrates the cracking in the driveway from pre-construction and the current status. The last photograph Mr. Linkous presented illustrated the work completed by the Virginia Department of Transportation (VDOT). An official response from VDOT dated, Monday, October 7, 2019, stated they will not pave the private drive.

Staff does not recommend paving the private drive.

Based on the information presented, the Board agreed there was no damage during construction and will not pave the private drive.

Mr. Dean thanked Mr. Linkous for presenting the photos for clarification regarding the issue.

Mr. Setliff remarked it is beyond a doubt the appropriate steps were taken to improve the conditions.

Mr. Linkous acknowledged the PSA improved the road conditions and provided a septic system and pump station for residents. Due to continued need of the PSA to access the road, the PSA will provide necessary road maintenance.

C. PSA Billing Staff (Temporary Position)

Mr. Linkous requested hiring a temporary employee at the PSA billing office for approximately (9) nine months.

On a motion by Mr. Setliff, second by Dr. Streff and carried, the Board authorized hiring a temporary employee at the PSA Billing office for approximately (9) nine months.

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

Voting No: None.

8. Action Items (Old Business)

A. Dora Highway Convenience Center

Mr. Linkous reviewed an e-mail from Mr. Shawn Utt, Pulaski Town Manager regarding the Dora Highway Convenience Center.

Mr. Setliff requested more information be submitted before agreeing to the terms.

Dr. Streff emphasized the PSA has the funding to complete the Dora Highway site.

Mr. Sweet noted if resources were available to tap into PDR funds, there would be no problems.

Staff recommends utilizing \$360,500.00 per the PSA Capital Improvement Plan, to replace two refuse trucks and hold the remaining \$139,500.00 to fund design services for the Dora Highway site at the end of the fiscal year.

On a motion by Mr. Setliff, second by Dr. Streff and carried, the Board authorized the approval to utilize \$360,500.00 per the PSA Capital Improvement Plan, to replace two refuse trucks and hold the remaining \$139,500.00 to fund design services for the Dora Highway site at the end of the fiscal year.

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

Voting No: None.

B. Water and Sewer Master Plan (Public Meetings)

Mr. Linkous noted staff is working to schedule community meetings for the water and sewer master plan. One option is to hold the community meeting with the Planning Department as they present their comprehensive plan and the second option is to hold separate community meetings. The following dates, times and locations are proposed:

Pulaski County Administration Building, October 24, 2019, 4 pm-6pm
Draper Village Chapel, Monday, November 4, 2019, from 4pm-6pm
Town of Dublin Council Chambers, Thursday, November 14, 2019, from 4pm-6pm
Snowville Elementary School, Monday, November 18, 2019, from 4pm-6pm
New River Valley Business Center, Thursday, November 21, 2019, from 4pm-6pm

Staff recommends approval for the second option.

On a motion by Mr. Setliff, second by Mrs. Burchett and carried, the Board authorized the approval of holding a separate meeting from the Planning department as presented.

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

Voting No: None.

9. Reports from Executive Director and Staff

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

The Board reviewed the Operational Reports: Convenience Centers and County Landfill Tonnage, Inmate Availability and Cut-Off list as presented in the October 8, 2019, BoardDocs agenda.

B. Activity Report

Mr. Linkous provided the Activity report for the PCSA. Mr. Setliff stated he has not observed an increase in the levels of intensity for projects in Fairlawn, and requested Mr. Linkous provide details of all included costs, materials, equipment, labor etc., to supplement the billing details/amounts from the PSA charges incurred.

C. Pulaski County Middle School Sewer Extension

Mr. Linkous reviewed the updates on the Pulaski County Middle School (PCMS) sewer extension. Mr. Setliff advised moving forward the Board does not need to discuss seeding and acknowledged staff can handle and make all decisions regarding the matter.

D. Staff to Do List

The following updates were provided on the following staff to do list items:

A. Skyview Phase 3 (Community Sewers Project)

Mr. Linkous provided updates on the Community Sewers project.

B. Drop Site on the South Side of Claytor Lake

No report given.

C. Covered Water Meter Ordinance

No report given.

D. Draper Area Wythe County Sewer/PSA Connection

No report given.

E. Water Meter Replacement

Mr. Linkous provided updates on the water meter replacement.

F. Water Master Plan

No report given.

G. Facilities for Refuse Employees

No report given.

H. Pulaski Convenience Center Relocation

No report given.

I. Brookmont Water System Disinfection By-Products

No report given.

K. Improvements to Fairlawn Convenience Center

No report given.

L. Write off Accounts Consideration

No report given.

10. Other Matters from the Directors

A. Stormwater Collection System RFQ

Mr. Linkous remarked the Pulaski County Sewerage Authority (PCSA) is in the process of soliciting quotes for the installation of stormwater collection and redistribution system in the Pepper Hills Section of Fairlawn, and is requesting the Public Service Authority (PSA) provide a quote for installation of the desired system along with funding.

Based upon the design documents referenced, the project would consist of the installation of 170 linear feet of 24-inch pipe, 540 linear feet of 4-inch force main, one (1) 1,000 gallon underground tank and submersible pump. It is anticipated this work would require the full PSA maintenance staff for at least two (2) weeks. At this time, the cost to construct is unknown and the request for a zero or low interest loan cannot be fully evaluated. However, based upon the current budget, any such loan would require the use of reserve funds.

Staff recommends the PCSA seek proposals from qualified contractors for construction of the entire project, in lieu of PSA personnel. Once the cost is known, the PCSA could make a separate request for funding assistance, if needed.

On a motion by Mr. Dean, second by Dr. Streff and carried, the Board approved the PCSA seek proposals from qualified contractors for construction of the entire project in lieu of PSA personnel.

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

Voting No: None.

Abstain: Mr. Setliff

Mr. Dean requested staff provide a monthly report or update on new water and sewer connections.

A. Minutes of Previous Meeting

The minutes of September 10, 2019, regular meeting, were approved by the Board at the October 8, 2019, meeting.

B. Balance Due Report

The balance due report was approved as presented in the October 8, 2019, meeting agenda in BoardDocs.

C. Budget Adjustments

There were no budget adjustments.

D. Billing Adjustments

The billing adjustments were approved as listed in the October 8, 2019, meeting agenda in BoardDocs.

E. Accounts Payable

The Board ratified accounts payable for checks numbered #40056-40222.

F. Personnel Changes

Board members reviewed and approved a memo describing personnel changes in the month of August 2019, an electronic version of which is filed in the October 8, 2019, BoardDocs agenda.

12. Informational Items

A. Notice of Alleged Violation-Pulaski Moose Lodge

The Pulaski Moose Lodge was not attached; however, this item will be included in the November 2019 agenda.

13. Adjournment


A. Adjournment

On a motion by Mr. Dean, second by Mrs. Burchett and carried, the Board adjourned their October 8, 2019, regular meeting. The Board voted by consensus in the affirmative to conclude the meeting.

The November meeting of the Public Service Authority will be held on Tuesday, November 12, 2019, 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, DED, Chairman



Nancy Burchett, Secretary/Treasurer