

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS MEETING  
December 10, 2019

At a meeting of the Public Service Authority Board of Directors held on Tuesday, December 10, 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; Dr. Fritz Streff and Mrs. Nancy Burchett. Absent: Mr. Dennis Setliff.

Staff members present included: Jared Linkous, Executive Director; Ronnie Nichols, Deputy Director; Jonathan Sweet, County Administrator; Finance Director, Diane Newby; Debra Boyd, Accounts Payable and Collections Clerk 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

4 (four) Board members were present. Mr. Setliff was absent.

2. Approval of the Agenda

A. Additions or Changes to the Agenda

- 6. Action Items (Old Business) A. Dora Highway Convenience Center - VBAF Application

On a motion by Dr. Streff, second by Mr. Dean and carried, the Board reviewed and accepted the agenda as modified.

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

Voting No: None.

Absent: Mr. Setliff.

3. Presentations and Citizens Comments

A. Presentations and Citizens Comments

There were no citizens comments.

4. Financial Matters

A. Financial Report

Mrs. Newby presented the financial report and inquired if the Board was satisfied with the new format.

Mrs. Burchett remarked she was satisfied with the reports and requested Mrs. Newby continue to include the PSA cash balances on the financial reports going forward.

Mr. Dean inquired how much money the PSA is supposed to keep in reserves. Mrs. Newby remarked the auditors recommend ten (10) percent of the current budget, which is approximately \$1 million.

Mr. Linkous advised the PSA has approximately \$1.8 million in unrestricted cash, however; \$1 million is set aside in reserves as recommend.

Mrs. Burchett inquired if the balances on the report were correct, and asked Mrs. Newby to confirm the PSA balance of \$4.2 million as of November 3, 2019. Mrs. Newby confirmed the balance on the report is accurate.

On a motion by Mr. Dean, second by Mrs. Burchett and carried, the Board reviewed and accepted the Financial Report.

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

Voting No: None.

Absent: Mr. Setliff.

## B. Collections Update

Mrs. Boyd reviewed the collection update.

## 5. Action Items (New Business)

There were no action items regarding new business.

## 6. Action Items (Old Business)

### A. Dora Highway Convenience Center - VBAF Application

Mr. Linkous advised the Town of Pulaski has three (3) potential projects for the Virginia Brownsfield Assistance Fund (VBAF) FY 2020 application cycle. Each locality is limited to two (2) applications, and at this time staff proposed the Public Service Authority (PSA) apply for the VBAF for the Dora Highway site. Mr. Linkous reviewed a document from the Town of Pulaski, supporting the application and commitment, if necessary. Mr. Linkous further explained the application would not require additional funds from the PSA.

Mr. Dean requested the document from Mr. Shawn Utt, Town Manager, be included in the minutes. A copy of the letter will be attached to the minutes.

On a motion by Mrs. Burchett, second by Mr. Dean and carried, the Board authorized Mr. Linkous to proceed with applying as the applicant for the Virginia Brownfield Assistance Fund (VBAF) for the Dora Highway site.

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

Voting No: None.

Absent: Mr. Setliff.

## 7. 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 December 10, 2019, BoardDocs agenda.

Mr. Nichols advised the convenience centers will be closed on Christmas Eve and Christmas Day; however, refuse employees will pick up Thursday and Friday's garbage on Friday, December 27, 2019, and the same schedule will follow for New Year's holiday.

### B. Activity Report

Mr. Linkous provided the Pulaski County Sewerage Authority Activity report. There were no questions.

### C. Delinquency Report

Mr. Linkous provided the delinquency report and advised he and Mrs. Boyd have discussed different scenarios regarding capping the penalty and interest for delinquent accounts. There are approximately \$2 million in delinquent accounts with the majority being non-payment of refuse only as the PSA cannot cut off water and sewer for nonpayment of garbage. Mr. Linkous proposed capping residential accounts only for the amount of services rendered, and in doing so the PSA will write off approximately \$400,000. Mr Linkous further explained the PSA could create a program similar to the previous amnesty and offer it for one year.

Dr. Warren requested Mr. Linkous prepare a resolution regarding the information and present it the Board.

### D. Pulaski County Middle School Sewer Extension

There were no updates for the Pulaski County Middle school extension.

### E. Pepper Hill Stormwater Funding Project (PCSA)

Mr. Linkous presented a letter from the Pulaski County Sewerage Authority (PCSA) requesting the PSA provide the PCSA with a \$100,000 loan repayable over a five (5) year term with an interest rate not to exceed three percent (3%)/ to support the Pepper Hill stormwater runoff project. Staff recommends three options: Option 1: Request the PCSA seek funding from local lenders (state/federal/banks), Option 2: The PCSA make a request to the Board of Supervisors(BOS), prior to requesting funding from the PSA and Option 3: The PSA provide the PCSA a loan in the amount of \$100,000 repayable over a five (5) year term with interest not to exceed three percent (3%).

Dr. Warren noted the PSA was in a similar financial situation and had to acquire a loan through the Board of Supervisors (BOS).

Mr. Sweet advised if the Board of Supervisors (BOS) were to do an internal loan offering to the PCSA or the PSA there be a loan document stating the terms, due dates, the amount of the payments, the expiration of the note, etc.

Mrs. Burchett inquired if all the BOS members were aware of the request from the PCSA. Mr. Sweet remarked Mr. Guthrie was aware because of his position with the PCSA, however, he did not believe the other BOS were aware. He further explained as a courtesy he could send something in writing to the BOS.

Mr. Sweet inquired if the PSA would be interested in acquiring the PCSA assets and customer base.

The PSA Board agreed by consensus in the affirmative to support Option 1: the PCSA seek funding from local lenders and Option 2: the PCSA to make a request to the Board of Supervisors. At this time, the PSA Board has no interest in discussing Option 3: the PSA offer to provide a loan of \$100,000 repayable over a five (5) year term with interest not to exceed three percent (3%), until Options 1 and 2 have been pursued.

Mr. Dean advised the BOS should be involved and the PSA Board should wait for their response.

Mr. Sweet asked Mr. Linkous if the PCSA has the capacity to operate independently or as a professional utility. Mr. Linkous remarked the PCSA is the only utility that has no staff or storefront. The PSA has a \$50,000 general maintenance contract with the PCSA. The activity report given on the agenda each month reflects the general maintenance performed.

Mrs. Burchett questioned if the BOS received the audit report for the PCSA. Mr. Sweet remarked if the BOS has not received the past audit reports from the PCSA, moving forward, he will ensure the BOS receive them.

On a motion made by Dr. Streff, second by Mr. Dean and carried, the Board authorized Mr. Linkous to respond the Pulaski County Sewerage Authority (PCSA) stating the Public Service Authority (PSA) Board of Directors requests that the PCSA seek funding from 1) state/federal funding sources, 2) local lenders, and 3) the Pulaski County board of Supervisors (BOS), prior to requesting funding from the PSA. If the PCSA is unable to obtain funding through one of the three (3) options, the PSA will reconsider another request from the PCSA for funding.

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

Voting No: None.

Absent: Mr. Setliff.

Dr. Streff requested the PSA communicate with the BOS as there needs to be a long term plan that resides outside the normal and express consideration to find a long term resolution. He emphasized these problems are not going away and the BOS needs to be the come up with the plan and make the necessary decisions.

On a motion by Dr. Streff, second by Mr. Dean and carried, the Board authorized Mr. Linkous to communicate to the BOS that the PCSA will continue to have challenges with its infrastructure, exasperated by recently identified development plan for that particular area, and the PSA is seeking a long term solution for what appears to be an ongoing PCSA funding and administrative challenges.

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

Voting No: None.

Absent: Mr. Setliff.

F. Master Water and Sewer Public Meetings

Mr. Linkous presented a summary of the Master Water and Sewer public meetings along with an overall map displaying the areas in the county that will be included.

On a motion by Mr. Dean, second by Dr. Streff and carried, the Board authorized Mr. Linkous to proceed with the ranking criteria process and prepare a draft plan to present to the Board.

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

Voting No: None.

Absent: Mr. Setliff.

#### G. 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 advised the Skyview Phase 3 (Community Sewers Project) is officially completed and can be removed from the staff to do list.

##### B. Drop Site on the South Side of Claytor Lake

Dr. Warren recommended including (Recycle Containers) and if possible to be set these at the old fire department across from Snowville Elementary School.

##### C. Covered Water Meter Ordinance

No report given.

##### D. Draper Area Wythe County Sewer/PSA Connection

No report given.

##### E. Water Meter Replacement

No report given.

##### 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

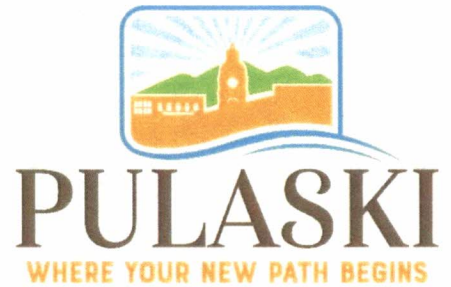
No report given.

##### L. Write off Accounts Consideration

No report given.

#### 8. Other Matters from the Directors

Mrs. Burchett advised Mrs. Melinda Worrell, Pulaski County Treasurer, confirmed she will not be using the new financial software; however, she will continue to accept the PSA payments. Mrs. Burchett



December 6, 2019

Mr. Jared L. Linkous, PE, CFM, County Engineer  
Pulaski County Public Service Authority  
205 Broad Street  
Dublin, VA 24084

Via Email: [jlinkous@pulaskicounty.org](mailto:jlinkous@pulaskicounty.org)

RE: Proposed Dora Highway Solid Waste Convenience Center Project

Dear Jared,

The Town of Pulaski is pleased to support PCPSA's application for an FY 2020 Virginia Brownfields Assistance Fund (VBAF) grant for environmental assessments associated with the productive reuse of the Town's former Wastewater Treatment Plant (WWTP) site on Dora Highway. As you know, PCPSA and the Town have been in discussions for over a year regarding use of the WWTP site for the relocation and expansion of the Pulaski Convenience Center (PCC). As currently envisioned, the PCC project will involve development of a full-service, manned solid waste convenience center, which will include household waste compacting and recycling facilities to benefit both Town and County residents.

It is the Town's intention to utilize previously expended funding of \$22,000 from our 2018 EPA Brownfields Grant toward meeting cash match requirements for your VBAF grant. Additionally, the Town is committing other non-monetary resources valued at \$4,000 to utilize Town Public Works forces to complete demolition and removal of existing improvements as well as related site clearing to help facilitate the project.

We are also confirming we stand ready to facilitate site remediation and/or controls if needed as a result the proposed environmental assessments. The Town, as owner, is willing to enroll the site in the Virginia Voluntary Remediation Program (VRP) if warranted. If the site is not enrolled in the VRP, the Town is prepared to meet remediation and risk standards for its reuse. The Town will also maintain all records for facilitating revitalization of the property to demonstrate appropriate care and to assist potential VRP enrollment if required in the future.

Furthermore, should conditions warrant abandonment of the PCC project at this site in the

future, the Town of Pulaski is willing and able to provide additional match of up to \$24,000 from our current EPA Brownfields Grant toward meeting PCPSA's minimum match of \$50,000 as will be required by the VBAF grant agreement. This is in addition to the funds of \$22,000 already committed from our current EPA grant and \$4,000 in Town forces as outlined above.

As always, we are appreciative of the PSA's efforts toward this regional effort that will benefit citizens of both the Town and County. Please don't hesitate to let me know if you have any questions or require any additional information in this matter.

Sincerely,



Shawn M. Utt, Town Manager  
Town of Pulaski

Cc: Mr. Srikanth Nathella, PE, Environmental Program Manager, Draper Aden Associates  
Ms. Lori M. Kroll, Sr. Community Resource Specialist, Draper Aden Associates

discussed the possibilities of delays and cut-offs with finance using two different software program systems.

## 9. Items of Consent

On a motion by Mrs. Burchett, second by Dr. Streff and carried, the Board reviewed and approved by consensus (All in the affirmative; Absent: Mr. Setliff) the following items of consent:

### A. Minutes of Previous Meeting

The minutes of November 12, 2019, regular meeting, were approved by the Board at the December 10, 2019, meeting.

### B. Balance Due Report

The balance due report was approved as presented in the December 10, 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 December 10, 2019, meeting agenda in BoardDocs.

### E. Accounts Payable

The Board ratified accounts payable for checks numbered #40392-40454.

### F. Personnel Changes

Board members reviewed and approved a memo describing personnel changes in the month of November 2019, an electronic version of which is filed in the December 10, 2019, BoardDocs agenda.

## 10. Informational Items

Mr. Sweet read the correspondence he wrote on behalf of the PSA Board to the Board of Supervisors (BOS) regarding the Pulaski County Sewerage Authority's (PCSA) request for funding of the Peppers Hill stormwater project.


Dr. Streff emphasized the PSA Board is not interested in funding the entire project and/or taking over PCSA at this time, and requested Mr. Sweet clearly convey and explain the PSA's position to the BOS.

## 11. Adjournment

### A. Adjournment

On a motion by Dr. Streff, second by Mr. Dean (Absent: Mr. Setliff) and carried, the Board adjourned their December 10, 2019, regular meeting. The Board voted by consensus in the affirmative to conclude the meeting.

The January meeting of the Public Service Authority will be held on Tuesday, January 14, 2020, 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