

PULASKI COUNTY PUBLIC SERVICE AUTHORITY MINUTES

June 9, 2009

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, June 9, 2009 at 9:00 a.m. in the Middle Conference Room of the County Administration Building, 143 Third Street, NW, in the Town of Pulaski, Virginia, the following Board members were present: Maynard Sayers, Chairman; Doug Warren, Vice-Chairman; Hollis Loyd, Secretary/Treasurer; Pete Crawford; and David Dean. Alternate Board member Frank Conner was unable to attend the meeting. Staff members present included: Peter Huber, County Administrator and PSA Executive Director; Robert Hiss, Assistant County Administrator; Diane Newby, Finance Director; Ron Coake, County Engineer; Ron Nichols, Director of Fleet Maintenance; Brenda Sayers, PSA Bookkeeper; and Gena Hanks, Executive Secretary.

Chairman Sayers welcomed Board members and called the meeting to order.

1. Citizen Comments

There were no citizen comments.

2. Reports from the County Administrator & Staff:

a. Collection Staff Activity

1. Adjustments

On a motion by Mr. Loyd, seconded by Mr. Dean and carried, the Board of Directors approved customer adjustments in the credited amount of \$1,059.62.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none.

2. Inmate Availability Report

Staff reported the PSA generally had use of two inmates per day for the month of May.

3. Balance Due & Lien Report

The Board reviewed the balance due and lien reports as prepared by staff, a copy of which is filed with the records of this meeting.

Mr. Sayers advised the calculations in the spreadsheet were inaccurate. Ms. Sayers offered to review all spreadsheet formulas to insure accurate calculation.

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Mr. Loyd questioned what action was being taken to collect on delinquent accounts. Ms. Sayers advised most customers were being cut off after 30 days; however, she would determine if the accounts have an active status.

4. Work Order Count

Pickups pending: 4 brush; 3 large items; 0 tire; 0 refrigerators.

5. Drop Site and Landfill Totals

The drop site totals and county landfill tonnage reports for the month of May were reported as follows:

**DROP SITE TOTAL
FOR THE MONTH OF MAY 2009**

Site	Trips	Tons	Tons per haul
Dora Highway	40	89.21	2.23
Dublin	42	155.52	3.71
Fairlawn	6	50.32	8.39
Totals	88	295.05	3.36

**COUNTY LANDFILL TONNAGE
(COUNTY CUSTOMERS & REFUSE DEPARTMENT HAULERS)
(FOR THE MONTH OF MAY 2009)**

Commercial	Residential	Tires	Brush
1,125.48	1,103.66	633	78.80

Mr. Sayers noted the increase in hauls from previous months. Mr. Nichols advised the increase was likely due to increased usage of the trailer in Fairlawn and to citizens "spring cleaning" efforts.

b. Action Items:

1. Minutes of Previous Meetings

On a motion by Mr. Dean, seconded by Mr. Loyd and carried, the Board approved the minutes of the May 12, 2009 Board meeting.

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Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none.

2. Accounts Payable

On a motion by Mr. Loyd, seconded by Mr. Dean and carried, the Board approved the accounts payable for checks numbered 8002277 through 8002424, subject to audit.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none.

3. FY 10 Budget

Mr. Loyd questioned if steps were being taken to reduce expenses by at least \$200,000. Mr. Huber advised adjustments had been made in the various PSA departments including the Water Department, capital expenditures and the Lakewood Estates fund.

Mr. Loyd questioned if PSA employees were to receive an increase in salaries. Mr. Huber advised no increase in salaries had been budgeted for the PSA or county employees.

Mr. Loyd expressed concern over increased costs in the provision of sewer services. Mr. Huber advised staff would determine how much of the sewer budget is commercial or industrial.

Mr. Crawford expressed concern that the revenues and expenditures did not break even. Mr. Sayers advised the provision of sewer was costly and that the PSA would need to look more carefully at the various sewer projects.

Mr. Huber advised the PSA was receiving more requests for the provision of sewer service and the impact of new projects would be a factor in setting sewer rates.

Mr. Coake suggested more effort be placed in reviewing the billing to confirm the correct amount is being billed for services.

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Mr. Loyd questioned if the Pepper's Ferry costs had increased. Mr. Coake advised there had been no increase in Pepper's Ferry costs due to the lack of rain.

Mr. Sayers requested staff designate an individual to review non-users status and confirm accounts are being properly billed.

Board members discussed various items related to the budget including: roll off revenue, increase in sewer department salaries, health insurance increases, refuse department salaries, truck purchases and the cycle for purchasing trucks, roll off equipment purchase, NRRRA user fees, and potential rate increases.

Mr. Dean noted it was his desire to see a balanced budget which would result in difficult decisions by the PSA Board.

Mr. Loyd questioned the increase in salaries at the drop center. Mr. Huber advised Goodwill Industries had discontinued its services at the Dublin and Fairlawn drop sites, resulting in shorter hours at the site.

Mr. Loyd requested an update on the resale of metal. Mr. Nichols advised metal is sold at between \$5.00 and \$6.00 per 100 pounds

Mr. Loyd requested staff provide a breakdown of tonnage for recyclables.

Mr. Loyd requested staff provide a history of the purchase of PSA trucks with information to include the age, mileage, etc.

On the motion of Dr. Warren, seconded by Mr. Crawford and carried, the Board approved the budget, as presented, for FY 2010.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Sayers.

Voting no: Mr. Loyd

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4. APCo Agreements

As reported in the Board packet, the Virginia Association of Counties and the Virginia Municipal League jointly renegotiated Appalachian Power Company contracts. Board members were provided a summary and the full text of the agreement as negotiated on behalf of the PSA and as reviewed and approved by Tom McCarthy.

Mr. Sayers advised the PSA has no control over the rates, but will be required to pay rates based on those rates negotiated by AEP and VACo.

Mr. Loyd inquired if the increase in rates had been considered in the proposed FY 2010 budget. Mr. Huber advised the increase in rates had been factored into the budget.

On a motion by Mr. Loyd, seconded by Dr. Warren and carried, the Board approved the contract as presented and filed with the records of this meeting.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none.

5. Management Agreement

As presented in the Board packet, the PSA Board was requested to ratify approval of the management agreement with the Board of Supervisors in which projects funded by the County are turned over to the PSA for management purposes. Staff noted this agreement was signed as part of the final documents needed to go to bid on the various sewer construction projects.

On a motion by Mr. Crawford, seconded by Mr. Loyd and carried, the Board approved the management agreement with the Board of Supervisors, which had been previously executed.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none.

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6. Front Load Containers

As reported in the Board packet, as part of an ongoing expansion of the front load dumpster service as the most efficient way of collecting refuse, staff had solicited bids for the purchase of 30 new 6-yard containers. These containers will replace some of the 6-yard rear load containers that are in need of replacement. We currently have \$40,000 in that line item for dumpster replacement; however, it is recommended that the PSA Board authorize the purchase of 28 containers at a cost of \$15,204.

Mr. Loyd inquired as to what would be done with the old containers. Mr. Nichols advised the old containers would be sold for scrap metal.

Mr. Loyd suggested staff study the feasibility of going to rear only loaders and doing away with front load containers. It was explained that the front load system was a safer and more efficient system.

On the motion of Mr. Dean, seconded by Mr. Crawford and carried, the Board authorized the purchase of 28 containers at a low bid cost of \$15,204.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none.

7. Wireless Authority Internet Service Antennas

As reported in the Board packet, the Pulaski County Wireless Authority's contractor is requesting consideration to the placement of antenna's on the PSA water tanks for the provision of high-speed internet service. Board members were provided a diagram illustrating a typical installation along with a description of the antennas to be installed and mounting methods to be used. Staff recommended authorization to utilize PSA water towers for this purpose, pending approval of the specific installation by Richard Fasnacht and Ron Coake.

Questions were posed by Board members related to and including any potential benefits to the PSA, size of equipment, equipment ownership, location of future antennas, fees, etc.

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On a motion by Mr. Loyd, seconded by Mr. Dean and carried, the Board delayed action on this request to its July Board meeting, pending receipt of information as follows: any plans to extend the same service to the entire county, confirmation as to ownership of equipment, revenue benefits to the PSA/County, and potential rental charges. Staff was requested to invite the Chairperson of the Wireless Authority and John Ayers of Professional Networks to attend the meeting.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none

Mr. Huber suggested the PSA Board consider nominating to the Board of Supervisors a PSA Board member to serve on the Wireless Authority.

Mr. Dean advised he would like to see the services provided to the entire county.

8. Water Supply Agreement

Mr. Huber advised the agreement was not being presented for adoption, but reported the agreement was under review and a final draft would be presented at a future meeting.

c. Informational Items:

1. Personnel Changes

There were no personnel changes to report for the month of April.

Mr. Loyd questioned the "termination" of an employee on the personnel change listing. Mr. Nichols explained the employee was terminated due to failure to follow county policy and indicated the employee is appealing his termination.

2. Financial Report

As presented in the Board packet, Board members were provided a financial report as prepared by Ms. Newby.

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Mr. Loyd questioned the increase in water/sewer prior year projects. Ms. Newby advised this was likely due to reimbursement for funds previously spent.

Mr. Loyd questioned the inaccuracies in salaries. Ms. Newby advised adjustments had been made in the year to date figures.

Mr. Sayers requested staff determine if there are several accounts at one bank with different names.

3. Utility Projects

Staff reported easements have been obtained and a completion date of January 2010 is expected.

4. Update from May Meeting

The Board reviewed in detail the follow-up memo which responded to inquiries/questions from Board members at the May 12 PSA meeting. A copy of the follow-up memo is filed with the records of this meeting.

Mr. Loyd questioned the procedure by staff for making adjustments. Ms. Sayers explained adjustments are made for all circumstances where a leak is involved.

Mr. Dean questioned the permit fees included in the PSA budget, specifically what permits will be needed in FY 2010. Mr. Huber advised various permits would be needed for the sewer system. Mr. Coake advised permit fees had been included in the FY 2010 budget. Staff was requested to provide a listing of VDOT permits that are anticipated to be needed in FY 2010, as well as the related costs, and provide an update at the July Board meeting.

Ms. Newby provided an explanation as to the apparent overspending of salaries in the Water Department, specifically that the overspending was as a result of an incorrect journal entry, which had since been corrected.

Mr. Crawford inquired if PSA employees were required to comply with the Fair Labor Standards Act. Mr. Huber responded that the PSA employees do fall under the Fair Labor Standards Act.

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Ms. Sayers provided details regarding the C. G. Slaughter account, specifically the reason for the write off. She advised a lien had been placed on the Slaughter account upon the death of Mr. Slaughter and that a new account had been created for Mrs. Slaughter, with a non-user status.

Mr. Loyd requested an update be provided at the July PSA meeting on the write offs to date.

Mr. Loyd inquired if the PSA billing staff required written documentation when requesting water cut off. Ms. Sayers advised requests for water cut off must be in writing and this practice had been made a part of the overall process when a customer requests water to be cut off.

Mr. Dean inquired as to the status of the U. S. Forest request for the placement of roll-off containers at the Case Knife area. He suggested staff review some means of providing assistance to the Case Knife and Robinson Tract areas. Mr. Huber suggested the installation of cameras for the monitoring of the sites. Mr. Loyd indicated the U. S. Forest Service should consider manning or providing patrol for the site, if a dumpster is located at the Case Knife location. Mr. Huber suggested use of community service workers might be an option for road monitoring.

On a motion by Mr. Loyd, seconded by Dr. Warren and carried, the Board approved providing dumpster at Robinson Tract and Case Knife (Mr. Nichols to determine locations) on a three-month trial basis, while examining other options including installation of cameras at each site, and possibly having sites manned.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none.

On a motion by Dr. Warren, seconded by Mr. Loyd and carried, the Board approved staff contacting the City of Radford regarding the feasibility of allowing the City of Radford to use the Fairlawn drop site in exchange for county residents using the city site between Memorial Day and Labor Day.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none.

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Staff explained the procedures in place for installing streetlights in the county, specifically in the Corporate Center. Mr. Huber advised the costs for the streetlights is accomplished as a "pass through" for the PSA. He indicated there are some situations where the PSA obtains a better rate from Appalachian Power Company than the residential customer.

Board members noted concerns over the possible rate increase by APCo, noting an increase in streetlight costs should be considered by the PSA.

Mr. Loyd suggested the PSA establish a floating rate to go with APCo charges. Mr. Huber offered to obtain the section of the Code of Virginia that addresses the rates issue.

On a motion by Mr. Loyd, seconded by Mr. Crawford and carried, the Board approved starting the process for advertising a streetlight rate increase based on current expenses, plus 20%.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd,
Mr. Sayers.

Voting no: none.

Mr. Huber advised he would obtain the Code of Virginia related to rate increases for street lights.

6. Summary of Commerce Park Infrastructure Improvements Meeting

The Board was provided a summary of the meeting held on May 27, 2009 meeting.

d. Current Authorized Projects & Items Under Review:

Staff reported the completion of items 1, 2, & 4. The Board authorized removal of these items from the projects listing.

- Water Treatment Plant Dispersion Wall construction (*Contracted*)

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3. Other Matters

Chairman Sayers advised he would be unable to attend the July PSA meeting due to being out of town.

Mr. Dean expressed concern that his trash pickup times were not consistent. Mr. Nichols offered to review the matter and provide an update to Mr. Dean.

4. Tour of Facilities

A tour of Commerce Park, Cloyd's Mountain landfill and the NRRA landfill was postponed to the July PSA meeting.

5. Adjournment

On a motion by Mr. Crawford, seconded by Dr. Warren and carried, the Board adjourned its regular July meeting. The next regular meeting of the PSA Board is scheduled for Tuesday, July 14, 2009 at 9:00 a.m. in the Middle Conference Room of the County Administration Building, 143 Third Street, N. W., in the Town of Pulaski.

Voting yes: Mr. Crawford, Dean, Dr. Warren, Mr. Loyd, Mr. Sayers.
Voting no: none.

Maynard H. Sayers, Chairman

Hollis Loyd, Secretary/Treasurer