

PULASKI COUNTY PUBLIC SERVICE AUTHORITY MINUTES

June 12, 2007

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, June 12, 2007 at 9:00 a.m. in the Middle Conference Room of the County Administration Building Board Room, 143 Third Street, NW, in the Town of Pulaski, Virginia, the following Board members were present: H. W. Huff, Jr., Chairman; Carl Mathes, Vice-Chairman; Doug Warren; Winston Snead; and Hollis Lloyd. Board member Archa Vaughan was unable to attend the meeting. Staff members present included: Peter Huber, County Administrator; Gordon Jones, Finance Director; Brenda Sayers, PSA Bookkeeper; Ronnie Nichols, Director of Fleet Maintenance; and Gena Hanks, Executive Secretary. Also present was Brent Lovell of the New River Valley Planning District Commission.

1. Citizen Comments

- Presentation of FY 06 Audit

Deanna Cox of Robinson, Farmer, Cox Associates presented the FY 06 audit and described in detail the accompanying financial statements. Ms. Cox advised the Public Service Authority was in relatively good shape considering the number of large projects the PSA funded in FY 06. Ms. Cox described the new accounting standards which places the reporting responsibility to each locality's administration.

Mr. Loyd questioned why the figures in the audit did not match the monthly financial statement. Ms. Cox explained the audit represents statements on an accrual basis and that unless records are kept on an accrual basis, they will not match. Further, Ms. Cox advised she did not recommend the practice of keeping records on an accrual basis.

2. Reports from the County Administrator & Staff:

a. Collection Staff Activity

1. Adjustments

On a motion of Mr. Mathes, seconded by Mr. Loyd and carried, the Board of Directors approved customer credit adjustments in the amount of \$-7,711.75.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Snead, and Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan.

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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.

4. Work Order Count

The following pickups were reported as pending: Pickups pending: 17 brush; 15 large; 0 tire(s); 2 refrigerator(s).

5. Drop Site and Landfill Totals

The following drop site totals were presented:

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

Site	Trips	Tons	Tons per haul
Dora Highway	61	123.90	2.04
Dublin	66	175.27	2.66
Fairlawn	11	26.90	2.45
Totals	138	326.07	2.37

County Landfill Tonnage

(County customers & Refuse Department Haulers)
(for the Month of May 2007)

Commercial	Residential	Tires	Brush
527.11	1,118.53	1,373	72.72

Mr. Loyd questioned the accuracy of the drop site totals for the Fairlawn site. Ms. Sayers reported the figures were obtained directly from the New River Resource Authority.

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b. Action Items:

1. Minutes of Previous Meeting

On a motion by Mr. Mathes, seconded by Dr. Warren, and carried, the Board approved the May 8, 2007, minutes as presented.

2. Accounts Payable

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved the accounts payable for checks numbered 10771 through 10899, subject to audit.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Snead, and Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan.

3. Private Drive Easement Release Agreement

As presented in the Board packet, Board members reviewed a proposed agreement for the use of private drives by refuse trucks.

Mr. Huff requested language be added allowing for the owner's right to cancel, if chosen, and noting that all persons with a vested interest in the driveway should sign the agreement.

Mr. Huber expressed concern over the ability of staff to administer the agreement.

Mr. Huff requested staff amend the agreement to add language to items 1 through 5 to include the following:

*Add owner's right to cancel if chosen; and

*All persons with a vested interest in the driveway should be requested to sign agreement.

Staff was requested to provide an amended version of the agreement to the Board at its July meeting review and approval.

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4. Declaration of Inoperable Garbage Trucks as Surplus & Disposal as Scrap Metal (\$1,700 vs \$800)

As reported in the Board packet, staff recommends disposal of three rear load garbage trucks as scrap metal, with plans to salvage some of the usage parts off of the trucks. It was further reported that once the trucks are towed to that location, plans are to drain the fluids and remove the wheels and tires for use on other trucks. Staff reported it expected to receive \$1,500 to \$1,800 for each truck, with the tow bill to be deducted from the money received on the sale of scrap metal.

On a motion by Mr. Mathes, seconded by Mr. Loyd and carried, the Board approved disposal of three rear load garbage trucks as scrap metal, with plans to salvage some of the usage parts off of the trucks.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Snead, and Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan.

5. Connection Fees for Alexander Estates

As reported in the Board packet, the developer of the Alexander Estates project is requesting ten sewer connections in conjunction with the possible development of a strip shopping center adjacent to the new I-81/Route 100 Wal-Mart store. In an effort to recover approximately \$28,000 in costs from the recent reconstruction of the sewer pump station serving that area, staff is suggesting a \$1,277 surcharge, in addition to the normal \$1,500 commercial connection fee.

On a motion by Mr. Mathes, seconded by Mr. Loyd and carried, the Board approved a \$1,277 surcharge, in addition to the normal \$1,500 connection fee.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Snead, and Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan

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6. Water & Sewer Services Request to Stripers Landing at Rock House Marina

As reported in the Board packet, the owner of the Rock House Marina has submitted a request for the provision of public water and sewer service to this area of the county.

By consensus, the Board authorized the county engineer to study the request, in combination with a continuing need to provide sewer service to the Days Inn and other properties in the vicinity of the I-81/Rt. 99 interchange.

7. Sediment Removal

As reported in the Board packet, bids were received for removal of sediment from the sediment storage basins at the Water Treatment Plant on June 1, 2007. One bid was received from ELMS Inc. Radford, Virginia in the amount of \$59,047. The sediment from the basins will be disposed of on airport property in accordance with a disposal permit issued by the Virginia Department of Environmental Quality. Staff recommended the contract be awarded to ELMS Inc. in the amount of \$59,047.

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved award of the contract to ELMS, Inc. in the amount of \$59,047 for removal of sediment from the sediment storage basins at the Water Treatment Plant on June 1, 2007.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Snead, and Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan

8. Cougar Trail Road Water Pump Station

As reported in the Board packet, bids were received on June 1, 2007 for the demolition of the Cougar Trail Road Water Pump Station. One bid was received from H. T. Bowling, Inc., Radford, Virginia in the amount of \$26,000. Staff reported this pump station is no longer in use and is being heated during the winter to prevent water lines from freezing. The current piping system is still being used and water runs through the station

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with no pumping being performed. In the past, there was a chlorine leak that damaged most of the materials in the building. With the demolition it is required to reconnect the piping system outside the building. In addition, a leak that occurred in this structure that eventually resulted in the Volvo plant being shut down for a shift. Staff awarded this project at a cost to H. T. Bowling Inc. in the amount of \$25,000. This was done through a change order. Staff requested ratification of this action.

On a motion by Dr. Warren, seconded by Mr. Loyd and carried, the Board ratified administrative approval of the change order in the amount of \$25,000 for the demolition of the Cougar Trail Road water pump station.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Snead, and Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan

9. Raw Water Pump Station Roof Replacement

As reported in the Board packet, bids were received on June 1, 2007 for the replacement of the Raw Water Pump Station Roof. Three bids were received from 1) Roofing and Restoration, Inc, Roanoke, Va. in the amount of \$21,958.00, 2) Service Roofing and Sheet Metal Co. Martinsville, Va. in the amount of \$13,329, and 3) John T. Morgan Roofing and Sheet Metal Co. Inc. in the amount of \$13,299. Staff recommended the contract be awarded to John T. Morgan Roofing and Sheet Metal co. Inc. in the amount of \$13,299.

On a motion by Mr. Mathes, seconded by Mr. Loyd and carried, the Board approved award of a contract to John T. Morgan Roofing and Sheet Metal, Inc. in the amount of \$13,299 for the replacement of the raw water pump station roof.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Snead, and Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan

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10. Painting of Thornspring Water Tank

Mr. Huber provided a copy of bids received by the county engineer for the painting of the Thornspring water tanks and the Schrader Hill pressurized tanks.

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved awarding of the contract to Southern Corrosion for painting the interior of the tank at a cost of \$33,019 and the interior and exterior of the Schrader Hill pressurized water tanks at a cost of \$7,162.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Snead, and Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan

11. FY 2007-08 PSA Budget

The Board reviewed the proposed FY 08 budget as presented in the Board packet. Mr. Huber noted he had tried unsuccessfully to eliminate the sewer system deficit.

Several questions were posed by Board members regarding line item expenditures. Mr. Loyd expressed concern that revenues appear to be down and expenditures have increased. Mr. Huber explained that the budget was calculated in a conservative manner.

Mr. Jones explained the turnover in the Water Treatment Plant had resulted in expenditures being down in wages. He further reported some Refuse Department employees had been reclassified resulting in more expenditure in wages.

On a motion by Dr. Warren, seconded by Mr. Loyd and carried, the Board authorized temporary budget approval to allow for paying PSA expenses pending approval of a budget by the PSA Board.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Snead, and Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan

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Board members requested staff provide information on the contingency fund, as well as a recommendation on balancing the sewer fund. Staff was requested to present a final budget for review and formal approval by the Board at its July meeting.

Mr. Huber offered to provide a listing of statewide sewer rates.

c. Informational Items:

1. Personnel Changes

As reported in the Board packet, Board members were presented with a copy of recent personnel changes prepared by Norma Spence, Administrative Assistant.

2. Financial Report

As presented in the Board packet, Board members were presented a financial report prepared by Gordon Jones.

3. Projects Update

The Board received an update from the Planning District Commission on the various water and sewer projects.

4. Fairlawn/Morgan Cut Water System Analysis

As reported in the Board packet, Board members were presented reports providing details regarding the feasibility of serving the Fairlawn area.

By consensus, the Board directed staff to request the Pulaski County Sewerage Authority consider purchasing a flow meter, with the PSA staff offering to operate the meter for the benefit of both authorities.

5. FY 06 Audit Presentation

This matter was previously discussed.

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6. Update on Recent VACO/VML Steering Committee Activities

As reported in the Board packet, the Board was presented with a report from the VACO/VML Steering Committee overseeing the negotiation of APCo rates related to local governments.

7. Dublin Area Sewer Easements

As reported in the Board packet, Board members were presented a copy of a letter sent to owners of approximately seven remaining easements needed for the installation of sewer service to the Rolling Hills, Orchard Hills, and Vista subdivisions. Further, the Planning District Commission staff continues to work on easements needed for the Highland Park subdivision.

8. Field Trip to Texaco Pump Station

Board members were invited to participate in a field trip to the Texaco Pump Station following the meeting.

9. Racial Discrimination Suit

As reported in the Board packet, Board members were presented with a response filed by Jim Guynn regarding the requesting deposition of the matter by the courts related to a personnel matter of a former employee.

d. Current Authorized Projects & Items Under Review:

1. Public Water & Sewer Service to Mobile Home Parks (engineering underway)
2. Sewer Service to Rolling Hills, Vista, Orchard Hills, and Highland Park Subdivisions (engineering underway)
3. Water Treatment Plant Dispersion Wall Design
4. Installation of back-up generators at sewer pump station
5. Replacement of Texaco sewer pump station
6. Skyview/Fairgrounds/Commerce Park sewer preliminary engineering

3. Other Matters

Mr. Lovell advised progress is being made in obtaining easements in Highland Park.

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Ms. Sayers advised of problems in collecting from sewer customers who receive water from the Town of Dublin. Staff was directed to provide details to Attorney Sam Campbell for a recommendation to the PSA Board, including whether or not a list of delinquent sewer customers names can be advertised in the local paper.

Mr. Huber presented a report on the Thornspring Farms water service and advised permission had been granted through the Boothe property.

Mr. Huber reported that the initial step in obtaining remaining easements in the Rolling Hills, Orchard Hills, and Vista Subdivision was to make a bonafide offer at \$1.00 per foot and that once the project is bid, if there is enough money left over, staff recommended also paying other properties owners \$1.00 per foot.

4. Adjournment

By consensus, the Board adjourned its regular meeting. The next regular meeting of the PSA Board is scheduled for Tuesday, July 10, 2007 at 9:00 a.m. in the County Administration Building, 143 Third Street, N. W., in the Town of Pulaski.

H. W. Huff, Jr., Chairman

Winston Snead, Secretary