

PULASKI COUNTY PUBLIC SERVICE AUTHORITY MINUTES
November 13, 2007

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, November 13, 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; and Douglas Warren. Board member Winston Snead, Hollis Lloyd, and Archa Vaughan were unable to attend the meeting. Staff members present included: Peter Huber, County Administrator; Gordon Jones, Finance Director; Ron Coake, County Engineer; Brenda Sayers, PSA Bookkeeper; and Robert Hiss, Assistant County Administrator.

1. Citizen Comments

Brett Massey and Don Eason were in attendance. They expressed concerns regarding a proposed \$200 per connection surcharge for their new apartment development, Bradley Ridge in addition to the normal \$500 connection. Ron Coake explained the reason for the surcharge as it related to improving the existing sewage pump station near the intersection of Cougar Trail Road and Hatcher Road. The total connection fee would be \$11,800 for all units at build out. Mr. Massey acknowledged that the total water and sewer connection fees with the surcharge were in line with those of other localities.

On a motion by Doug Warren, seconded by Carl Mathes, and carried; the Board approved the \$200 surcharge per connection.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan, Mr. Lloyd, Mr. Snead.

2. Reports from County Administrator and Staff:

a. Collection Staff Activity:

1. Adjustments

On a motion of Mr. Mathes, seconded by Dr. Warren, and carried, the Board of Directors approved customer credit adjustments in the amount of \$2,583.80-.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan, Mr. Lloyd, Mr. Snead.

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2. Inmate Availability Report

Staff reported the PSA generally had use of two inmates per day for the month of September and three to four on Mondays.

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: 7 brush; 12 large; 0 tire(s); 1 refrigerator(s).

5. Drop Site and Landfill Totals

The following drop site totals were presented

**DROP SITE TOTAL
FOR THE MONTH OF OCTOBER 2007**

| Site | Trips | Tons | Tons haul | per |
|---------------|-------|--------|-----------|-----|
| Dora Highway | 50 | 79.91 | 1.60 | |
| Dublin | 38 | 101.30 | 2.67 | |
| Fairlawn | 16 | 72.58 | 4.54 | |
| Totals | 104 | 253.79 | 2.44 | |

County Landfill Tonnage
(County customers & Refuse Department Haulers)
(for the Month of October 2007)

| Commercial | Residential | Tires | Brush |
|------------|-------------|-------|-------|
| 3,160.59 | 1,019.09 | 1,354 | 50.08 |

b. Action Items:

1. Minutes of Previous Meeting

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On a motion by Mr. Mathes, seconded by Dr. Warren, and carried, the Board approved the October 11, 2007, minutes as presented.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan, Mr. Lloyd, Mr. Snead.

2. Accounts Payable and Budget Adjustments

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved the accounts payable for checks numbered 11501 through 11553, subject to audit.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan, Mr. Lloyd, Mr. Snead.

3. Water Purchase Agreement with Pulaski County PSA for Central Water & Sewer Project

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved the agreement pertaining to the provision of water to various mobile home parks as requested by Rural Development on the Central Water & Sewer Project.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan, Mr. Lloyd, Mr. Snead.

4. Water Tank Painting Change Order #3

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved the change order for the painting of the exterior top of the Draper West water tank.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan, Mr. Lloyd, Mr. Snead.

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5. Bradley Ridge Housing Development

This issue was discussed and voted on during Citizen Comments.

6. Stone Ridge Subdivision Utility Agreement

On a motion by Dr. Warren, seconded by Mr. Mathes, and carried; the Board approved the ratification of the deed conveying the utilities for the Stone Ridge Subdivision water and sewer facilities.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan, Mr. Lloyd, Mr. Snead.

7. Regional Water

As provided in the Board packet, Ron Coake presented a comparison between upgrading the PSA water treatment plant and purchasing water from the City of Radford through a regional water authority. The Commerce Park is requesting a commitment for a minimum of 1.0 mgd to that site in order to better promote this development. The Commerce Park Authority is requesting information on what kind of commitment the PSA can make on supplying this demand.

Also presented was a graph titled Water Treatment Plant Water Usage Projections which gave the history of the water treatment production and the increased water output proposals. The conclusion of this report is that the PSA will have to begin planning for expansion of their water treatment plant in 2008 and complete the expansion in 2014 at a higher cost than would be the case through the regional alternative. In addition to being less expensive, an added benefit of the proposed project is that the Commerce Park development qualifies for a 50% grant with a resulting PSA cost of approximately \$1,250,000. Radford plant could provide up to 6 mgd with the initial connection lines providing the PSA with an additional 1 mgd which should supply normal growth needs for 22 years. Radford also provides the flexibility of using two systems which assists with potential supply issues.

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Under this proposal the PSA would sell water at the Commerce Park with an additional surcharge to help the Commerce Park Participation Committee with its portion of the cost of extending water.

It was the consensus of the PSA that the County staff continue to work with the City of Radford to obtain the specific wholesale cost of water based on various volumes. Staff reported that a meeting with City of Radford representatives was planned in the next week.

8. Water Treatment Raw Water Pump Station

On a motion by Mr. Mathes, seconded by Dr. Warren, and carried; the Board approved contracting with H.T. Bowling, Inc. to make improvements to the raw water pump station road for a total not to exceed \$75,000.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Huff.

Voting no: none.

Not present: Mr. Vaughan, Mr. Lloyd, Mr. Snead.

Mr. Huber stated that it is best to pave the final 400-500 feet of the road due to steep terrain and that a final price on this type of improvement still must be obtained, but that it should fall within the \$75,000 total project allowance.

9. Interest and Penalty on High Delinquent Accounts

WDBJ – Channel 7 had reported on a local citizen's large delinquent account which illustrated the concern over ongoing interest charges. Chairman Huff noted that federal rules require the PSA to have a certain number of connections to illustrate a revenue streams to service future debt. The Board reviewed a list of accounts in which the PSA is owed more than \$10,000. Mr. Mathes expressed concerns about the businesses and industries carrying such a high account balance. Mr. Huff recommended exploring options on these accounts with Sam Campbell, as the collection attorney for the County.

10. Mowing Services

As stated in the Board packet, most of the mowing required by the PSA is being done by its staff. However, most

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of the mowing of County property is being done on a contracted basis while mowing done by the School Board is being done by a separate mowing crew. Staff proposed to supplement the \$100,000 being spent by the County on mowing services being utilized for 6 months and hire a full-time 12-month crew who would be responsible for all mowing (including that done by the PSA), fire hydrant flushing, and other public works type of functions at an estimated cost of \$150,000. Consideration to the contribution by the PSA of a roll-off truck having over 500,000 miles for the purpose of transporting mowing equipment is being requested pending review and approval of this concept by the Board of Supervisors and the School Board.

PSA Directors indicated their interest in having County employees participate in a mowing program and their willingness to donate equipment as may be needed for this purpose.

11. PFRWTA Sewer Charges

Due to the drought, PFRWTA is experiencing a revenue shortfall resulting from reduced sewer treatment flows. While no official action is being requested at this time, the Peppers Ferry Board has sent correspondence to its members regarding a possible rate increase because it has fixed costs it must meet. If the PSA receives official notice of an increase, then Mr. Huber proposed matching fixed and variable costs for both the PSA and the PFRWTA.

12. NRRA Drop Site Report

The Board packet contained a summary of the findings from several waste collection and transportation studies compiled by Olver. These studies point to financial and operational benefits from regionalizing drop centers. This change would also allow residents to deposit items at the drop site nearest them regardless of political boundaries. Mr. Huff stated that if it results in a cost savings, then it should be further explored.

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13. Airport Hanger Water and Sewer Connection

The owner is proposing to build three hangers at the NRV Airport and is requesting utilities to serve these structures. The owner is requesting the three structures be served by the same water and sewer line, potentially through one master meter for which the PSA would normally charge \$3,000 per connection. The Board instructed Mr. Huber to further research our common practices involving multiple connections to commercial/industrial properties.

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

As presented in the Board packet, the Board received an update from the Planning District Commission on the various water and sewer projects, including sewer easements and condemnation proceedings.

4. Recycling Report

As reported in the Board packet, the Board received an updated recycling report for this past year indicating total recycling of 374.61 tons in the 2006 calendar year.

5. Draper Aden Newsletter

As shown in the Board packet, the Board received the monthly newsletter from Draper Aden describing water and wastewater fees in Virginia.

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6. Sewer Overflow

As provided in the Board packet, Board members reviewed a letter from Ron Coake to the Virginia Department of Environmental Quality reporting a spill of approximately 500 gallons from the sewer pump station on Bagging Plant Road.

7. Theft of Water

As reported in the Board packet, Board members were updated that PSA staff discovered the theft of water at the Carry West household through the removal of the inner workings of the water meter. Per PSA policy, a \$100 additional charge is being placed on the account and the matter is being referred to the Commonwealth Attorney for prosecution. Mr. Huber reported that the Sheriff obtained the insides of the meter to assist in prosecution.

8. Caseknife Area Water Leak

As reported in the Board packet, staff worked on resolving a discrepancy between meter readings and the amount of water purchased from the Town of Pulaski in this system. Mr. Coake reported that the problem has been resolved with the discovery that a valve was open allowing water to flow back into the Town system.

9. Holiday Schedule

As provided in the Board packet, the Board was provided information regarding the following holiday schedule:

Thanksgiving: Offices will close at noon on Wednesday, November 21 and remain closed Thursday, November 22 and Friday, November 23.

Christmas: Offices will be closed all day on Monday, December 24 and remain closed on Tuesday, December 25.

New Year's: Offices will be closed for New Years on Monday, December 31 and Tuesday, January 1, 2008

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10. Richard Chumbley Retirement

As reported in the Board packet, Richard Chumbley has announced his retirement effective January 1, 2008. Richard will be a major loss to PSA operations. Richard has worked for the PSA 31 years and can readily recall most of the situations encountered during that period of time. Staff will be advertising this opening while also looking at options for restructuring PSA operations such as moving toward a public works department by merging personnel within the different divisions. The Board asked Mr. Huber to proceed with advertising for the position.

11. Purchase of Burster and Laser Check System

As reported in the Board packet, the Board of Supervisors purchased a new burster and a laser check printing system primarily used to support the printing of PSA bills. This system will eliminate dependency on a 20-year old combined burster/signature stamping system.

12. Water Cut-offs for Delinquent Sewer/Garbage Bills

As reported in the Board packet, the Board was informed that the PSA staff has been cutting off water service to Fairlawn residents when Sewage Authority bills have not been paid. However, this is not the case in areas around Dublin and Pulaski where the towns provide water service and the PSA provides sewer and/or garbage service.

13. Sewer Authority Vacancies

As reported in the Board packet, two members of the Sewage Authority have announced their resignations effective December 31, 2007 and the matter has been forwarded to the Board of Supervisors for their consideration.

14. Refuse Collection Issue

As enclosed in the Board packet, a letter was sent to Ms. Linda Roope addressing a situation in which the PSA staff inadvertently disposed of a dog picked up from within the freezer of the Radford Animal Hospital. Lane Penn has confirmed that there are no other situations in which PSA staff

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are entering a business or residence to remove items being disposed of.

15. Christmas Recognition Breakfast

As reported in the Board packet, staff would like to invite and encourage participation of the PSA Board in the County Employee Christmas breakfast scheduled for 7:15 a.m. on Friday, December 7 in the Central Gym addition to the County Administration building.

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)

Brett Lovell (PDC) reported that Highland Park project still needs 14 easements. Some residents are refusing to sign, while others are not responding at all. The Board instructed Mr. Huber to coordinate with Mr. Lovell to send a letter to the remaining 14 stating that if they do not respond or sign, that the PSA will turn the issue over to its Attorney for proper handling.

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. Huber stated that the third person is being selected finalizing the grievance panel related to the Shawn Taylor hearing request.

Mr. Huber announced that he will be out of Town for the December meeting, in his absence Mr. Hiss will be responsible for the meeting with Mr. Coake's assistance.

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4. Adjournment

By consensus, the Board adjourned its regular meeting. The next regular meeting of the PSA Board is scheduled for Tuesday, December 11, 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