

At a regular meeting of the Public Service Authority Board of Directors held on Monday, March 14, 1994, at 9:00 a.m. in the First Floor Conference Room of the County Administration Building, in the Town of Pulaski, the following members were present: H. W. Huff, Jr.; J. Mack Baker, Secretary; Carlos Morris; Archa Vaughan, Jr.; and Dr. David L. Merrill.

1. Citizen Comments

No citizen comments were heard.

2. Request by Lakewood Estates to Continue Operation of Water System

Ms. Sarah Runyon appeared before the Board of Directors and presented a petition from the stockholders of the Lakewood Estates Water System requesting the PSA Board of Directors to continue to service the water system at Lakewood Estates. Mr. Runyon also provided staff with a copy of the original agreement regarding the Lakewood Estates water system. Ms. Runyon advised the residents would be willing to pay more for the PSA to continue to operate the water system.

The Board advised Ms. Runyon they would take this matter under advisement.

3. Reports from the County Administrator and Staff:

a. Delinquent Collection Staff Activity

Refuse Collection Supervisor Larry Vest reported staff was continuing to review delinquent reports and discontinuing service to citizens who were delinquent. Mr. Vest advised he was unable to provide the Board with a copy of current receivable totals due to the report not being received by his office from Data Processing.

The Board reviewed with staff a sharp objects notice to be distributed to PSA customers where sharp objects had been noted in the garbage. The purpose of the note is to encourage garbage customers to avoid putting out garbage in a manner that is hazardous to PSA garbage employees.

b. Storm Debris Disposal

The Board reviewed a news release regarding the current situation on disposal site for the storm debris. Mr. Morgan advised Pulaski County had been declared a disaster by a Presidential declaration which may provide financial assistance with the debris removal costs. However, it is not known what costs might be eligible for federal assistance at this time. The Board reviewed several alternatives for the Board to consider in assisting the public with the storm debris removal.

Mr. Huff suggested the Board of Directors hold a special meeting once staff had knowledge from federal officials regarding what costs may receive financial assistance. The Board agreed to hold a special meeting on Monday, March 21, 1994, to review this matter again.

c. FY 95 Water Budget

The Board of Directors reviewed the estimated costs for the FY 95 water budgets and the estimated rate for the sale of water to the Town of Dublin and the Town of Pulaski for FY 95.

On the motion of Mr. Baker, seconded by Dr. Merrill and carried, the Board of Directors authorized staff to notify the towns of the estimated water rates for FY 95, said rates estimated to be \$1.30 per thousand gallons for the Town of Pulaski, emergency rate estimated to be \$0.74 per thousand gallons, and an estimated rate for the Town of Dublin to be \$1.32 per thousand gallons.

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan,
Mr. Huff.

Voting no: none.

d. Town of Pulaski Water Purchase and Sale Agreement

The Board of Directors reviewed the proposed agreement with the Town of Pulaski for the sale of water. Staff reported the Town of Pulaski had been billed at \$1.23 per thousand gallons since July, 1989, but had been paying at \$0.70 per thousand gallons. The amount owned and showing as a receivable for the PSA was reported to be \$60,984.92. This figure represents the time period of July, 1989, to January 1, 1993.

The County Attorney noted the water agreement needed to be reviewed to include an arbitration paragraph.

e. Town of Dublin Bulk Sewer Purchase

The County Administrator reported this matter was currently under review by county staff and any suggestions from the Board of Directors would be appreciated. Also, staff reported the county engineer is reviewing whether bypassing the Town of Dublin system would be cost effective, particularly since the development of sewer service through the former Burlington Industries property is expected in the future.

f. VDOT Request for Sewer Extension to Dublin Area Headquarters

The Board reviewed a request from VDOT to provide a cost estimate for sewer service to the Dublin area headquarters of VDOT. The Board of Directors authorized the county engineer to provide this estimate and to continue planning to provide sewer service for the Dublin area headquarters of VDOT.

g. Industrial Sewage Testing by PFRWTA with Billing to Affected Industry

On the motion of Mr. Morris, seconded by Mr. Vaughan and carried, the Board of Directors approved passing the costs of industrial sewage testing directly to the affected industry and approved Pepper's Ferry to continue to provide the testing service.

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan,
Mr. Huff.

Voting no: none.

h. Surplus Lot Sale at Draper

On the motion of Mr. Morris, seconded by Mr. Baker and carried, the Board of Director authorized the county administrator and county engineer to negotiate with the adjacent property owner the sale of the surplus lot in Draper.

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan,
Mr. Huff.

Voting no: none.

i. PCSA Report

Mr. Morris and Mr. Coake reported the PCSA discussed selling of some surplus property and a financial report at their last meeting.

j. PFRWTA Report

The county engineer reported the attorneys are still reviewing the proposed pretreatment ordinance.

k. Current Authorized Projects

- Claytor Lake State Park Water Line Extension
- Bidding and Sewer Design
- Legal Opinion on Industrial Bulk Rates for Water
- Stigger Hill Sewer
- Schrader Hill Water
- Fair Acres Sewer
- Airport/Cloyd's Mountain Sewer Line Extension
- Airport Water Line Extension

l. Matters Under Review

- Industrial Pre-treatment Assistance
- Pending Litigation - George Earl Turner v. PSA

m. Pulaski Interceptor Sewer Corrosion

The Board reviewed background information regarding the sewer corrosion problem.

4. Approval of Minutes of February 14, 1994

On the motion of Mr. Vaughan, seconded by Mr. Baker and carried, the Board approved the minutes as presented for February 14, 1994.

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan, Mr. Huff.
Voting no: none.

5. New Cash in Banks and Trial Balance Report

The Board reviewed the new automated cash in banks report. Mr. Huff suggested the reserve for GE Capital possibly be put on a certificate of deposit.

6. Approval of Accounts Payable

On the motion of Mr. Baker, seconded by Mr. Morris and carried, the Board of Directors approved accounts payable as presented on checks numbered 433 through 486, subject to audit.

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan, Mr. Huff.
Voting no: none.

7. Other Matters

No other matters were discussed.

8. Meeting with Town of Pulaski Utility Committee and Finance Chairman re: Sewer Corrosion and Water Purchase and Sale Agreement

The Board of Directors at this time met with Pulaski Town Manager Tom Combiths, Town Engineer John Hawley, Town Attorney Frank Terwilliger, Town Finance Chairman Andy Graham, and Draper Aden Associates staff Bill Aden and Fred Pribble.

Mr. Pribble presented a slide presentation outlining the contributing factors for the sewer corrosion and corrective actions in eliminating the corrosion. Dr. Merrill requested PSA Board of Directors be provided with the second report prepared by Draper Aden Associates on this matter.

On the motion of Mr. Morris, seconded by Mr. Baker and carried, the Board of Directors entered executive session pursuant to Section 2.1-344A) of the 1950 Code of Virginia, as amended, to discuss legal matters.

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan, Mr. Huff.
Voting no: none.

On the motion of Mr. Baker, seconded by Mr. Morris and carried, the Board of Directors returned to regular session. The following roll call vote was recorded:

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan, Mr. Huff.
Voting no: none.

Certification of Conformance with Virginia Freedom of Information Act

On the motion of Mr. Baker, seconded by Mr. Morris and carried, the PSA Board of Directors adopted the following resolution certifying conformance with the Virginia Freedom of Information Act:

WHEREAS, the PSA Board of Directors of Pulaski County, Virginia, has convened an executive meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.1-344.1 of the Code of Virginia requires a certification by this PSA Board of Directors that such executive meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the PSA Board of Directors of

Pulaski County, Virginia, hereby certifies that, to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the executive meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the executive meeting were heard, discussed or considered by the PSA Board of Directors.

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan, Mr. Huff.
Voting no: none.

The Board of Directors discussed with the town officials the appropriate percentage rate in sharing in the costs of correcting the sewer corrosion. The town attorney reported the user agreement for capital costs call for 72% share by the town and 28% share by the county. Mr. Morgan advised the percentage of sharing the costs for correcting the corrosion problems should be based on use of system and not on capital costs since the problem had been caused by the nature of sewage from the users.

On the motion of Mr. Morris, seconded by Mr. Vaughan and carried, the Board of Directors approved paying the design study costs to Draper Aden Associates at the 28% share not to exceed \$35,000, and with the understanding this is not a commitment on construction costs nor is it to be used as a precedent for appropriate replacement costs.

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan, Mr. Huff.
Voting no: none.

The Board of Directors further advised the town officials they would place this matter regarding percentage of future costs relating to the sewer corrosion on the April 12, 1994, PSA agenda for consideration.

9. Adjournment

On the motion of Dr. Merrill, seconded by Mr. Morris and carried, the Board of Directors adjourned until the special meeting set for Monday, March 21, 1994, at 9:00 a.m. The next regularly scheduled meeting of the Pulaski County Public Service Authority will be held on Monday, April 12, 1994, at 9:00 a.m. in the County Administration Building, 143 Third Street, N. W. in the Town of Pulaski.

Voting yes: Dr. Merrill, Mr. Morris, Mr. Baker, Mr. Vaughan, Mr. Huff.
Voting no: none.

H. W. Huff, Jr., Chairman

J. Mack Baker, Secretary