

PULASKI COUNTY PUBLIC SERVICE AUTHORITY MINUTES

November 17, 2003

At a regular meeting of the Pulaski County Public Service Authority Board of Directors held on Monday, November 17, 2003, at 9:00 a.m. in the Conference Room of the County Administration Building, in the Town of Pulaski, the following members were present: Archa Vaughan, Jr., Vice Chairman; Winston Snead, Secretary; Carl Mathes; and Doug Warren. Chairman H. W. Huff, Jr. was unable to attend the meeting due to illness. Staff members present included: Peter M. Huber, County Administrator; Assistant County Administrator Nancy M. Burchett; County Engineer, Ronnie Coake; and Executive Secretary, Gena Hanks. Also present was Shawn Utt of the New River Valley Planning District Commission.

1. Public Hearing

Mr. Huber explained the public hearing was to consider a rate revision which would eliminate the requirement customers have to purchase 2,000 gallons, whether used or not, and that the additional revenue required to implement this change comes from a \$0.50 increase in the per thousand charged up to 100,000 gallons. Further, maintaining the existing rates after the first 100,000 gallons used is recommended to avoid unduly impacting large commercial and industrial customers. Mr. Huber advised the rate revision helps those using less water and recommended adoption of the revised rate structure.

Mr. Vaughan opened the public hearing on the proposed rate revision.

Mr. Waymon Dalton of Brookmont Road asked for clarification on the payback schedule by the residents for the Brookmont waterline. Mr. Huber advised the payback schedule was over a 40 year loan period. Mr. Dalton expressed concern over any rate increase by the Public Service Authority.

There being no further comments, the public hearing was closed.

It was moved by Mr. Mathes, seconded by Dr. Warren and carried, that the following rate revision be approved, with an effective date of the rate revisions to be January 1, 2004:

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	Existing	Proposed	
<u>Residential Water</u>			
<u>Minimum Fee</u>	\$13.50 minimum first 2,000 gallons	\$6.50 minimum debt service fee (no minimum purchase)	
	\$2.50 per thousand gallons thereafter	\$3.00 per thousand up to 100,000 \$2.50 per thousand thereafter	
<u>Residential Sewer</u>			
<u>Minimum Fee</u>	\$13.50 minimum first 2,000 gallons	\$6.50 minimum debt service fee (no minimum purchase)	
	\$3.00 per thousand gallons thereafter	\$3.50 per thousand for first 100,000 \$3.00 per thousand thereafter	
<u>Commercial and Industrial Water</u>			
<u>Minimum Fee</u>	\$17.50 minimum first 2,000 gallons	\$6.50 minimum debt service fee (no minimum purchase)	
	\$2.50 per thousand gallons thereafter	\$3.00 per thousand up to 100,000 \$2.50 per thousand thereafter	
<u>Commercial and Industrial Sewer</u>			
<u>Minimum Fee</u>	\$17.50 minimum first 2,000 gallons	\$6.50 minimum debt service fee (no minimum purchase)	
	\$3.00 per thousand gallons thereafter	\$3.50 per thousand for first 100,000 \$3.00 per thousand thereafter	
Areas of higher debt service:			
	Current Minimum	Proposed Minimum	Non-User Fee
Brookmont water	\$37.00	\$32.00	Unchanged at \$32.00
Pond Lick Hollow water	\$33.50	\$30.60	Unchanged at \$30.60
Schrader Hill water	\$37.90	\$30.56	Unchanged at \$30.56
Lakewood water	\$15.00	\$10.00	\$10.00
Heron's Landing	Varies	\$7 reduction	Unchanged
Irrigation meters	\$13.50	\$6.50	\$6.50
New River sewer	\$16.00	\$12.00	Unchanged at \$12.00
Orchard Hills sewer	\$27.56	\$23.56	Unchanged at \$23.56

Voting yes: Mr. Vaughan, Mr. Mathes, Mr. Snead, Dr. Warren.

Voting no: none.

Not present: Mr. Huff.

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2. Reports from the County Administrator & Staff:

a. Collection Staff Activity:

1. Adjustments:

Staff advised there were no adjustments to report at this meeting.

2. Inmate Availability Report:

Staff reported the inmate count for the month of October 2003 had been two inmates per day.

3. Balance Due & Lien Reports:

The Board reviewed and accepted the balance due report 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: 18 brush; 20 large; 1 tire(s); 2 refrigerator(s).

5. Drop Site Totals

Staff advised there was no drop site total report at this time.

b. Town of Pulaski/Pulaski County PSA Cooperative Utility Use Agreement

Mr. Huber presented a draft agreement for sharing of capacity in the Thornspring Sewer line extension serving the new elementary school. He further explained the agreement calls for sharing 50% of the capacity of the sewer line and that the cost of using the line would be limited to a proportional share of pumping costs (Critzer, Dora Highway and Wurno pump stations). Mr. Coake provided a listing of concerns regarding the agreement.

Mr. Huber recommend adoption, pending a guarantee from the town that the county will have the ability to use the capacity being purchased without additional costs related to other capacity issues through the town sewer system.

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It was moved by Dr. Warren, seconded by Mr. Mathes and carried, that the Board approved the concept of the agreement, with county staff to review the agreement with the Town of Pulaski and present a final draft at the December PSA meeting.

Voting yes: Mr. Vaughan, Mr. Snead, Mr. Mathes, Dr. Warren.

Voting no: none.

Not present: Mr. Huff.

c. Busy B's Daycare Center

Mr. Huber explained a request had been received from Busy B's Daycare Center for extension of the sanitary sewer line to serve their location. Mr. Coake presented a plat and estimate showing Option 1 and 2 for extension of the sanitary sewer system to serve Busy B's Daycare Center and explained in detail the two options surcharge necessary for loan payment would be \$15 per month.

Staff recommended encouraging Ms. Lytton to discuss her interest with the owners of the 11 other potential customers benefiting from Option 2 to obtain the PSA standards of 75% of residents responding 66% of which need to be in favor of the proposal.

The Board, by concensus, authorized Shawn Utt to conduct an official survey of residents along Option 2.

The Board deferred action on this request to its December meeting.

d. Front Loader Quote

Staff recommended the appropriation of approximately \$80,000 more than the existing \$80,000 currently budgeted for the purchase of a front-end load dumpster as a way to increase automation and lower long term personnel costs.

The Board deferred action on this request to its December Board meeting.

e. Roll Off Container Rental

Mr. Huber explained Waste Management is asking the PSA to enter into a contract for 13 roll off units at a rate of \$80.69 per month or 968.28 per year for a three year period, which represents an

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increase of \$10.23 per unit per month or \$122.76 per unit per year over what we are currently paying. He further explained these containers can be purchased for \$2,550 to \$3,500 each. Staff requested and obtained a waiver of the penalty costs should the PSA wish to eliminate the rental of two units per year. The alternative would be the expenditure of \$33,000 to purchase replacement of all the rental units or to lease units from other firms.

It was moved by Mr. Mathes, seconded by Dr. Warren and carried, that staff be requested to review lease purchase options available and provide an update at the Board's December meeting.

Voting yes: Mr. Vaughan, Mr. Snead, Mr. Mathes, Dr. Warren.

Voting no: none.

Not present: Mr. Huff.

f. Policy Supporting Economic Development

Mr. Huber presented a draft PSA Development Policy restating, clarifying and expanding current practices in providing service to new developments. Mr. Huber explained the policy is based on what is being done in the mobile home parks to include new residential and commercial developments and that the result would be that the PSA would be incurring additional debt with the developer being 100% responsible for repayment.

The Board, by concensus, deferred action on this matter to its December board meeting. Staff was requested to send a copy of the policy to the Planning Commission for review and provide an update to the PSA Board at its January, 2004 meeting.

g. Waste Management Control Details

Staff requested authorization to develop an agreement with Waste Management authorizing their non-exclusive right to collect construction and agricultural debris.

It was moved by Dr. Warren, seconded by Mr. Mathes and carried, that the Board authorize development of an agreement with Waste Management authorizing their non-exclusive right to collect construction and agricultural debris.

Voting yes: Mr. Vaughan, Mr. Snead, Mr. Mathes, Dr. Warren.

Voting no: none.

Not present: Mr. Huff.

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h. Eagleview Mobile Home Park Water Service Decision

Staff advised it was waiting on a response from Dan Sumner and would provide any information received at its December meeting.

i. Informational Items:

1. 15th Annual Virginia Water & Wastewater Rate Report 2003

Staff presented the annual report. Dr. Warren requested staff contact Draper Aden to determine if a report exists showing charges by other localities for commercial connection fees.

2. Polyester Mobile Home Park

Mr. James Whited provided an update regarding the project.

Mr. Huber suggested scheduling of a meeting between Mr. White, Mr. Utt, a representative of the engineering firm, and Public Service Authority staff to discuss the status of the project.

3. Riverwood Water Tank Lease for Placement of Cell Phone Antenna

Mr. Huber advised the county had been approached by a cell phone company requesting the ability to place cell phone antennas on the Riverwood Water Tank and that since this particular property has a deed restriction limiting the use of the lot for a water tank, the matter has been referred to the property owners.

By concensus, the Board confirmed the willingness of the PSA to lease space on existing water tanks for telecommunications purposes

j. Current Authorized Projects & Items Under Review

The Board reviewed the following projects:

1. Public Water & Sewer Service to Mobile Home Parks (engineering underway)
2. Sewer Service to Rolling Hills, Vista, Orchard Hills, and Highland Park Subdivisions (pending Rural Development funding)

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3. Painting Water Tanks

3. Approval of October 20, 2003 Minutes

On the motion of Dr. Warren, seconded by Mr. Snead and carried, the Board of Directors approved the minutes of the October 20, 2003 meeting.

Voting yes: Mr. Snead, Mr. Mathes, Dr. Warren, Mr. Vaughan.

Voting no: none.

Not present: Mr. Huff

4. Accounts Payable

On the motion of Mr. Mathes seconded by Dr. Warren and carried, the Board of Directors approved the accounts payable listing for checks numbered _____ through _____ subject to audit.

Voting yes: Mr. Snead, Mr. Mathes, Dr. Warren, Mr. Vaughan.

Voting no: none.

Not present: Mr. Huff.

5. Other Matters

Board members were invited to the employee Christmas breakfast to be held on Friday, December 6 at 7:15 a.m. in the Family Life Center of the Bob White Boulevard Church of God.

6. Adjournment

There being no further business to discuss, the meeting was adjourned. The next regular meeting of the Pulaski County Public Service Authority Board of Directors was scheduled for Monday, December 8, 2003 at 9:00 a.m. at the County Administration Building, 143 Third Street, NW, in the Town of Pulaski, Virginia.

H. W. Huff, Jr., Chairman

Winston Snead, Secretary