

PULASKI COUNTY PUBLIC SERVICE AUTHORITY MINUTES

March 13, 2006

At a regular meeting of the Public Service Authority Board of Directors held on Monday, March 13, 2006 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; Winston Snead, Secretary; Carl Mathes; Douglas Warren; and Hollis Loyd, Alternate. Board member Archa Vaughan was unable to attend the meeting. Staff members present included: Peter M. Huber, County Administrator; Nancy M. Burchett, Assistant County Administrator; H. R. Coake, County Engineer; and Gena T. Hanks, Clerk. Also present was Patrick Hughes of the New River Valley Planning District Commission.

1. Citizen Comments

Mr. Nathan Stephens spoke on behalf of the residents of Black Hollow Road, Horseshoe Loop, Black Hollow Heights and Miller Ridge and requested water service to those areas of Pulaski County. Mr. Huber provided details regarding procedures for obtaining funding for installation of water/sewer service. Mr. Huff directed County Engineer Ron Coake to work with Mr. Stephens to determine the exact location of the requested water service. Mr. Coake was also directed to provide cost estimates to the Board at its next meeting.

Mr. Jessie Thompson, Ms. Shannon Honaker and Mr. Troy Nicely spoke regarding the proposed sewer line installation project on Jones Drive and requested the PSA consider installing the line in the back of the homes along Jones Drive, rather than along the front of the homes. Mr. Huff advised that PSA policy requires at least 75% of the residents along the road to agree to the project before the line could be considered for installation. Mr. Huff further explained that the PSA is not a taxing authority, and therefore, all funds spent by the PSA to install lines would have to be paid back by the residents. Mr. Huff directed the County Engineer to work with the residents of Jones Drive to determine an estimated cost and the best option for installation of the line and provide an update to the Board at its next meeting.

2. Reports from the County Administrator & Staff:

a. Collection Staff Activity

1. Adjustments

On the motion of Mr. Mathes, seconded by Mr. Loyd and carried, the Board of Directors approved customer credit adjustments in the amount of \$4,212.22cr.

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

Voting no: none.

Not present: Mr. Vaughan.

2. Inmate Availability Report

Staff reported the inmate count for February 2006 averaged four inmates per day.

3. Balance Due & Lien Report

The Board reviewed the balance due and lien 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: Pickups pending: 9 brush; 17 large; 0 tire(s); 3 refrigerator(s).

5. Drop Site and County Landfill Totals

The following drop site total report was presented:

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

Site	Trips	Tonnage
Dora Highway	32	68.27
Dublin	33	73.48
Fairlawn	13	45.51
Total	78	187.26

**County Landfill Tonnage
(county customers & Refuse Department Haulers)
(for the Month of January)**

Misc Debris(tons)	Appliances	Tires	Brush(tons)
2003.00	40	488	88.24

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b. Action Items:

1. Sanitary Sewer Line Bore

As reported in the Board packet, the Sanitary Sewer Line Bore under Route 11 for the Commerce Park Line has been installed and the lines have been tested. The costs to date have been \$140,000 for the original contract, with approximately \$3,000 in incidental materials. While the bore under Route 11 proceeded well without encountering any rock, the connection to the large force main has been much more difficult due to having to cut through a tunneling structure around the force main and the rock adjacent to and underneath the force main. Mr. Coake reported a savings of \$65,000 from the original bid and the potential for negotiating financial impact due to complications encountered in connecting to the large force main.

2. Streetlight Costs

As reported in the Board packet, American Electric Power has determined the cost of cut-off type fixtures in the new subdivision across from the County Garage property on Bagging Plant Road. Three alternatives were provided, a copy of which are filed with the records of this meeting.

On a motion by Mr. Mathes, seconded by Mr. Snead and carried, the Board authorized staff to negotiate the costs with the residents, pending 75% response and 67% approval by residents.

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

Voting no: none.

Not present: Mr. Vaughan.

3. Jones Drive Sewer Project

Action regarding this matter was taken previously in the meeting. However, the Board requested staff note in the minutes for today's meeting that the staff recommendation in the memo to the PSA Board regarding this matter which states to "continue the existing policy of providing service to the

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lowest residential floor" was in error due to existing policy not allowing for service to the lowest residential floor.

The Board directed staff to clarify with the county's Building Officials what is considered "lowest residential floor" in the Building Code.

4. Waterline Replacement – Belspring Road

As reported in the Board packet, Ms. Brenda Linkous has contacted the PSA regarding continuous waterline breaks in Belspring. The PSA staff has determined this section of approximately 100 feet of waterline should be considered for replacement, which is located in the old railroad bed of Rt. 600 at an estimated cost of \$7,500.

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved contracting the waterline replacement, as recommended by the County Engineer.

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

Voting no: none.

Not present: Mr. Vaughan.

5. Hogan's Dam Watershed

As reported in the Board packet, the Town of Pulaski is considering the sale and development of the 1,900-acre Hogan's Dam Watershed which is located off of Caseknife Road and directly north across Draper Mountain from the Draper Golf Course. The sale of this property would return it to the property tax base (the large amount of tax-exempt acreage in the county has a significant impact on the county budget). One option for providing water service to this property would be to relocate the water tank being installed by Stan Moran to the top, or the other side of the mountain. In order to be able to adequately consider this alternative, it is recommended that the PSA Board allow a six-month delay in the water tank project and grant permission to relocate the water tank, pending the approval of the County Engineer.

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On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved allowing a three-month delay in the water tank project, subject to all paper work being in order and meeting approval of the County Engineer.

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

Voting no: none.

Not present: Mr. Vaughan.

6. Health Insurance Plans

As reported in the Board packet, the employee health insurance renewal rates for FY 07 with the current carriers, Southern Health and Delta Dental, calls for a 4% reduction in premiums. Staff recommended passing on the 4% cost reduction to the employees through reduced premium costs and offering a free health screening/wellness program using matching funds provided by Southern Health, excess dental self insurance premiums and approximately \$700.00 in PSA funds needed to underwrite the remainder of the \$42 cost per employee. Plans include offering the free health screening/wellness program to all employees eligible for the health insurance benefit. It was also recommended continuing the three existing health insurance plan options for employees next year.

On a motion by Mr. Mathes, seconded by Mr. Loyd and carried, the Board approved the free health screening/wellness program using matching funds provided by Southern Health, excess dental self insurance premiums and approximately \$700 in PSA funds needed to underwrite the remainder of the \$42 cost per employee.

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

Voting no: none.

Not present: Mr. Vaughan.

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c. Informational Items:

1. Termination of Agreement for Operation & Maintenance Services

As reported in the Board packet, correspondence was provided from the Town to the Pepper's Ferry Authority notifying the Authority of its intention not to renew the Operation and Maintenance Agreement, per the town's interest in doing maintenance on the pump stations themselves.

2. Clean-up Efforts

As reported in the Board packet, administrative approval was given to providing dumpsters to the Baskerville Community and the Department of Game and Inland Fisheries to assist in a community cleanup and cleanup of the Hidden Valley Public Boat landing.

3. Personnel Changes

As reported in the Board packet, an update of recent personnel changes and the status of two grievance matters, as well as an unemployment compensation appeal by a former employee, was provided to the Board.

4. Water Treatment Plant Dispersion Wall Design

As reported in the Board packet, Draper Aden Associates has begun the design of a dispersion wall at the Water Treatment Plant.

5. Water Treatment Plant Operations

As reported in the Board packet, staff recommended setting aside up to \$200,000 for construction of pump station, pending discussion of cost sharing options with the Town of Pulaski, with said pump station also allowing the PSA to deliver additional water to the Commerce Park.

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6. Commerce Park Water & Sewer Service

As reported in the Board packet, the county engineer and Draper Aden Associates have been working together to evaluate options for upgrading existing water and sewer service to Commerce Park.

7. Preliminary Audit Figures

As reported in the Board packet, the preparation of the Management Discussion and Analysis letter is underway with preliminary figures indicating revenues of \$5,243,965, cash expenditures of \$4,720,779, resulting in a \$523,186 cash improvement which was offset by depreciation of \$902,283, resulting in a \$379,097 operating loss.

8. Budget Preparation

As reported in the Board packets, plans are underway to present the preliminary budget at the April PSA meeting, to include a request of a 3.5% cost of living adjustment based on inflation over the last year. Further, Robinson, Farmer, Cox Associates plans to attend April meeting to provide a report of the FY 05 audit.

3. Approval of Minutes of February 13, 2006

On a motion by Mr. Mathes, seconded by Mr. Snead and carried, the Board approved the minutes of February 13, 2006.

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

Voting no: none.

Not present: Mr. Vaughan.

4. Accounts Payable

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved the accounts payable as presented on checks numbered 4814 through 4872, subject to audit.

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

Voting no: none.

Not present: Mr. Vaughan.

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Mr. Loyd requested an explanation regarding the variation in drug testing costs which appeared on the accounts payable listing and which had been presented to the Board for review and approval.

5. Other Matters

Mr. Coake requested the Board consider transferring \$4,500 from the Water Service salaries budget to Capital Outlay to cover the purchase of a bed for the two new trucks being purchased by the PSA in FY 06.

Transfer of Funds for Purchase of Truck Bed

On a motion by Mr. Mathes, seconded by Mr. Snead and carried, the Board approved transferring \$4,500 from the Water Service salaries budget to Capital Outlay to cover the purchase of a bed for the two new trucks being purchased by the PSA in FY 06.

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

Voting no: none.

Not present: Mr. Vaughan.

Mr. Huber provided a draft letter to be sent to the residents concerned with having to pay non-user fees, as well as provided a draft news release regarding the garbage rate increase.

Mr. Huber reported the PSA needs to work towards regional water efforts to address problems at the Water Treatment Plant. In addition, Mr. Coake reported the PSA does have the ability to connect to the City of Radford's water system.

Ms. Burchett advised Board members were invited to a retirement reception being given for retiring Water Department employee Rick Crowder on Friday, March 31, 2006 from 2:00 p.m. to 4:00 p.m. in the Board Room

6. Adjournment

By consensus, the Board adjourned the meeting. The next regular meeting of the Pulaski County Public Service Authority Board of Directors is scheduled for Monday, April 10, 2006 at 9:00 a.m. at the County Administration Building, 143 Third Street, N. W. in the Town of Pulaski, Virginia.

H. W. Huff, Jr., Chairman

Winston Snead, Secretary