

PULASKI COUNTY PUBLIC SERVICE AUTHORITY MINUTES

May 13, 2008

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, May 13, 2008 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; Douglas Warren; and Hollis Loyd. Staff members present included: Peter M. Huber, County Administrator; Robert Hiss, Assistant County Administrator; Gordon Jones, Finance Director; Ron Coake, County Engineer; Brenda Sayers, PSA Bookkeeper; Ron Nichols, Director of Fleet Maintenance and Operations; and Gena Hanks, Executive Secretary.

Mr. Huff called for a moment of silence in memory of former PSA Board member Winston Snead.

Mr. Huff directed county staff to draft a memorial resolution in memory of Mr. Snead, with said resolution to be placed on the Board's June 10 agenda for adoption by the PSA Board.

1. Citizen Comments

As reported in the Board packet, John and Nancy Robertson currently owe \$28,170.92 in unpaid water and garbage fees, with \$17,770.92 of this amount being interest and \$1,513.76 penalty. Staff reported the Robertson's qualify for tax relief for the elderly and have asked for a reduction in the penalty and interest. Mr. Huber recommended waiving these fees upon full payment of the \$8,882.83 in service fees owed, based on the fact that the state law and county ordinance waive the entire amount of real estate taxes for persons whose inability to pay is documented by income, net worth and age criteria. Furthermore, Mr. Huber recommended making a similar offer to Ms. Eanes, Ms. Slaughter and others who may be in similar circumstances.

Mr. Loyd questioned the reasoning for not granting Ms. Slaughter's initial request for waivering of fee. Mr. Huber advised it was his understanding Ms. Slaughter did not qualify for the tax relief to the elderly benefit at the time of the request. Mr. Loyd questioned how the interest is calculated on delinquent accounts. Mr. Huber provided an explanation.

Mr. Huff confirmed the only accounts to be adjusted would be those with a high balance and only those accounts of individuals who qualified for the tax relief for the elderly benefit.

Mr. Mathes questioned if such a policy would be required to be placed in a legal form. Mr. Huff indicated no legal document would be required to implement such a policy.

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By consensus, the Board approved a policy allowing for the waiving of interest and penalty fees for individuals with high bills, subject to these individuals qualifying for tax relief to the elderly.

2. Reports from the County Administrator & Staff:

a. Collection Staff Activity

1. Adjustments

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board of Directors approved customer credit adjustments in the amount of (\$471.51).

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd, Mr. Huff.
Voting no: none.

2. Inmate Availability Report

Staff reported the PSA generally had use of two inmates per day for the month of April, with five inmates on each Monday.

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

Pickups pending: 49 brush; 13 large item; 2 tires; 0 refrigerators

5. Drop Site and Landfill Totals

The drop site totals and county landfill tonnage reports for the month of April were reported as follows:

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Drop Site Total
for the Month of April 2008

Site	Trips	Tons	Tons per haul
Dora Highway	52	90.69	1.75
Dublin	55	131.04	2.39
Fairlawn	17	89.60	5.27
Totals	124	311.33	2.51

County Landfill Tonnage
(County customers & Refuse Department Haulers)
(for the Month of April 2008)

Commercial	Residential	Tires	Brush
2,510.94	1,009.70	3,766	285.35

b. Action Items:

1. Minutes of Previous Meeting

On a motion by Dr. Warren, seconded by Mr. Mathes and carried, the Board approved the April 8, 2008, minutes as presented.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd, Mr. Huff.
Voting no: none.

2. Accounts Payable & Budget Adjustments

On a motion by Mr. Mathes, seconded by Mr. Loyd and carried, the Board approved the accounts payable for checks numbered 8000564 through 8000680, subject to audit.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd, Mr. Huff.
Voting no: none.

3. Budget Presentation – Discussion was held on the following information which was presented by staff in the Board packet: health insurance, employees pay increases, employee compensation study implementation, and funding of a contingency line items.

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Mr. Huff noted the capital expenditures indicated items having been removed which were for the Water Treatment Plant. Mr. Huber indicated items removed were to keep the expenditures in the water department from exceeding revenues from the provision of water service.

Mr. Huber provided a detailed explanation of the "Summary by Function" report, as well as the proposed changes in health insurance, the proposed employee pay increases, compensation study results, and the recommendation to maintaining a substantial contingency.

Mr. Loyd indicated he would like to see the contribution to the Health Savings Account implemented on a quarterly basis. Board members discussed water revenues, new connections, revenue from Volvo usage, and other items.

Mr. Loyd questioned the drop in projected budgeted labor costs for FY 09. Mr. Jones explained the projections were based on actual salary costs and did not include overtime costs.

Mr. Loyd questioned the status of Goodwill Industries participating in the drop sites. Mr. Nichols advised he continues to work with the Goodwill Industries staff in an effort to provide participation by the Goodwill Industries at the drop sites.

Mr. Loyd requested more information on labor costs, projected drop in revenues, turnover rate for employees, and administrative help costs. Mr. Loyd also questioned if the compensation study was complete. Mr. Hiss indicated the study was 90% complete. Mr. Loyd requested staff confirm the consultants conducting the study are resurveying some counties. Staff indicated additional information would be provided at the next PSA meeting.

Dr. Warren expressed support for the proposed employee pay increases, specifically the proposed \$500 flat amount, combined with a 1.5% pay increase.

On a motion by Mr. Mathes, seconded by Dr. Warren and carried, the Board approved the staff recommendations on the health insurance for employees for FY 09 including a stipulation that, in the future, it was to be noted that any approvals for insurance, etc. by the Board of Supervisors is separate from the

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PSA approvals. The Board took no action to approve the employee pay increases, compensation study implementation, or contingency funding.

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

Voting no: Mr. Loyd

By consensus, the Board scheduled a special meeting to discuss budget matters for Tuesday, May 27 at 1:30 p.m.

4. Transfer of Payments Between PSA and Board of Supervisors

Mr. Huber provided details on the loan history by the PSA as follows, which was also reported in the Board packet: the most favorable payoff for the PSA of all county debt is \$320,400. As noted in the financial report, the PSA currently has a cash balance of \$2,050,772.97 of which \$80,715 remains to be spend for capital improvements. Pay off of this debt will eliminate an annual debt service payment of \$22,547 to the Board of Supervisors. Mr. Huber indicated the proposal was an attempt to improve the bookkeeping. Staff recommended approval effective June 30, 2008.

Mr. Loyd questioned the amount being received by the PSA for certificates of deposits. Staff indicated the amount was not immediately known.

Mr. Huber advised staff had recommended the Board of Supervisors increase the personal property taxes to offset state reductions. Mr. Huff advised of a law in effect that would allow citizens to obtain a certain number of signatures to allow a petition to have localities appraise properties based on the actual value of the property

On a motion by Mr. Mathes, seconded by Mr. Loyd and carried, the Board tabled action on this matter.

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

Voting no: Mr. Loyd

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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. Notice was also given that Lane Penn plans to retire effective May 30, 2008. Lastly, Board members were provided in the Board packet a copy of a grievance panel's favorable decision regarding a termination of employment decision.

2. Financial Report & Budget Adjustments

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

3. Utility Projects

A progress report from the staff of the NRV Planning District Commission was distributed in the PSA packet on efforts to provide water and sewer service to various mobile home parks and to Dublin area subdivisions. Staff also noted letters had been mailed notifying residents of the county's intent to acquire the right-of-way needed for these properties through legal means (condemnation) and offering them \$1 per linear foot as the legally required bona-fide offer

4. Claytor Lake Force Main Sewage Bypass

As reported in the Board packet, Board members were provided with correspondence from Mr. Coake to the Virginia Department of Environmental Quality providing documentation of a sewage bypass on the Claytor Lake Force Main as the result of a broken air relief valve.

5. Brookmont Area Waterworks Violation

As reported in the Board packet, notice was received from the Health Department Office of Drinking Water that the total trihalomethanes in the Brookmont area were above standards. As a result, the PSA had mailed or delivered a notice to existing and prospective customers. The staff is also flushing

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the system and working with the Town of Pulaski staff to reduce the likelihood of a repeat violation.

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

3. Other Matters

Mr. Nichols described a situation involving the damage to the concrete driveway of Mr. Tom Shelton of Mount Olivet by a PSA refuse vehicle and Mr. Shelton's request for replacement of the concrete a cost of \$1,080.00.

Mr. Coake suggested the possibility of turning the matter over to the county's insurance company. Mr. Huber recalled a situation involving the backup of sewer into a ladies house where the insurance company denied the claim. The Board requested that staff address the matter.

4. Adjournment

By consensus, the Board adjourned its regular meeting to reconvene at a special budget meeting to be held on Tuesday, May 27 at 1:30 p.m. in the Middle Conference Room of the County Administration Building. The next regular meeting of the PSA Board is scheduled for Tuesday, June 10, 2008 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
