

PULASKI COUNTY PUBLIC SERVICE AUTHORITY MINUTES
October 14, 2008

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, October 14, 2008 at 9:00 a.m. in the Middle Conference Room of the County Administration Building, 143 Third Street, NW, in the Town of Pulaski, Virginia, the following Board members were present: Carl Mathes, Secretary/Treasurer; Douglas Warren; Hollis Loyd; and Maynard Sayers. Also present was Frank Conner, Alternate PSA member. H. W. Huff, Jr., Chairman, was unable to attend the meeting due to being hospitalized. Staff members present included: Peter M. Huber, County Administrator; Robert Hiss, Assistant County Administrator; Diane Newby, Finance Director; Ron Coake, County Engineer; Ron Nichols, Director of Fleet Maintenance and Operations; and Gena Hanks, Executive Secretary.

1. Citizen Comments

There were no citizen comments.

2. Reports from the County Administrator & Staff:

a. Chairman Huff

Mr. Huber provided an update on Mr. Huff's health status, noting Mr. Huff was in the skilled care unit of the Pulaski Community Hospital.

Mr. Huber advised of the loss of Don Pratt, father to Board of Supervisor member Dean Pratt.

b. Staffing Changes

Mr. Huber introduced new Finance Director Diane Newby. He also announced the hiring of Bobby Clark as the new Emergency Management Coordinator, as well as the hiring of Debbie Boyd to fill the vacant position in the PSA billing office.

c. Collection Staff Activity

1. Adjustments

On a motion by Mr. Loyd, seconded by Mr. Sayers and carried, the Board of Directors approved customer adjustments in the amount of \$3,644.21 cr.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

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2. Inmate Availability Report

Staff reports the PSA generally had use of two inmates per day for the month of September, with five inmates 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.

Mr. Loyd questioned why accounts for water are not cut off when the accounts are 90 days past due. Mr. Huber offered to provide an update on this matter at its November Board meeting.

4. Work Order Count

Pickups pending: 29 brush; 13 large item; 0 tires; 0 refrigerator.

5. Drop Site and Landfill Totals

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

**Drop Site Total
(for the Month of September 2008)**

Site	Trips	Tons	Tons per haul
Dora Highway	42	79.90	1.90
Dublin	33	107.26	3.25
Fairlawn	7	36.48	5.21
Totals	82	223.64	2.73

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

Commercial	Residential	Tires	Brush
1946.35	1126.75	562	19.15

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d. Action Items:

1. Minutes of Previous Meetings

On a motion by Mr. Sayers, seconded by Mr. Loyd and carried, the Board approved the minutes of the September 9, 2008 Board meeting.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

2. Accounts Payable

On a motion by Mr. Loyd, seconded by Mr. Sayers and carried, the Board approved the accounts payable for checks numbered 8001268 through 8001371, subject to audit.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

3. Rescheduling Meeting Due to Holiday

On a motion by Mr. Loyd, seconded by Dr. Warren and carried, the PSA Board approved rescheduling its November 11, 2008 meeting to Wednesday, November 12, 2008 due to the Veteran's Day holiday falling on November 11, which is the regular monthly meeting date for the PSA Board.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

4. Regional Authority - Commerce Park Water Service

As reported in the Board packet, Board members were provided with a cover letter for the award of a \$3,103,401 Economic Development Administration grant for the purpose of improving the volume of water available to the Commerce Park, noting the grant offer must be accepted or rejected on or before

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October 24, 2008. This grant requires the expenditure of local matching funds in the amount of \$3,369,063.

Mr. Huber reviewed a spreadsheet with a recommended allocation of the required match between the PSA and the Commerce Park Participation Committee. He advised the proposed calculations fit within the existing Commerce Park budget recognizing that on its own, the PSA would not be able to qualify for a federal grant to expand water treatment or distribution capacities.

Mr. Coake provided details regarding the line sizes. Mr. Loyd expressed concern over the feasibility of putting in an 8" line which will be going into a 12" line.

Mr. Coake described the route of the gravity line at the New River Valley Airport.

Dr. Warren advised the specific information prepared by the Planning District Commission did not include the route of the sewer line from Commerce Park to Morgan's Cut. Dr. Warren requested a corrected set of plans.

Mr. Huber recommended the designation of two PSA Board members to meet with the City of Radford as part of a negotiating team to review the grant. He also suggested Board of Supervisors Chairman Joe Sheffey serve on the negotiating team.

Mr. Coake indicated the formula used in the agreement to determine the gallons billed was unclear and needed to be clarified before finalized.

By consensus, the Board granted approval for Vice Chairman Mathes to call a special meeting of the PSA Board if needed.

Mr. Huber indicated action on the following three matters was needed by the Board: review and approval of the concept as outlined in the spreadsheet; negotiating with the City of Radford; and depending upon those negotiations, acceptance or rejection of the grant.

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On a motion by Mr. Sayers, seconded by Mr. Loyd and carried, the Board appointed Mr. Sayers and Dr. Warren to serve on the negotiating committee, approved acceptance of the proposed grant, approved the allocation of a local match between the Commerce Park and the PSA, as well as negotiating with the City of Radford on water supply issues. Note: The initial motion by Mr. Sayers was to appoint Mr. Loyd and Dr. Warren; however, discussions ensued the result of which was that Mr. Sayers and Dr. Warren were appointed as PSA representatives.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd, Mr. Sayers,
Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

5. Contracting for SAS 112 Audit Preparation

As reported in the Board packet, the County and the PSA needed to hire a firm to prepare the financial reports as called for under SAS 112 standards.

On a motion by Dr. Warren, seconded by Mr. Sayers and carried, the Board approved the hiring of Goodman and Company to prepare the financial reports at a cost to the PSA of between \$5,000 and \$10,000.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

6. Revised Anderson & Associates Engineering Agreement

As reported in the Board packet, the Vista subdivision was not initially included with the Orchard Hills subdivision. Thus, the agreement with Anderson & Associates for engineering services only refers to doing a design for Orchard Hills. Subsequently a request was made and approved by the PSA to add the adjacent Vista Subdivision to the project. Board members were presented with a revision to the agreement with Anderson & Associates implementing this change, as well as the Pifer line relocation, easement assistance and basic services adjustment. The total cost of these additional services is \$41,743.00 and has been approved by Rural Development.

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On a motion by Mr. Loyd, seconded by Dr. Warren and carried, the Board approved an amended agreement with Anderson and Associates in the amount of \$41,430.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

7. Recycling Program

As reported in the Board packet, both Volvo and Pulaski County High School are seriously interested in pursuing a recycling program. In addition, recycling of office paper may be of benefit to the County and to the School Board. Based on this interest, consideration in taking steps to further encourage recycling in the county is recommended through agreement to the concept of establishing partnerships with Volvo and/or PCHS.

Mr. Loyd questioned how the program would be set up, specifically if transportation would be the only costs involved.

On a motion by Mr. Sayers, seconded by Mr. Loyd and carried, the Board approved the concept to provide transportation of recycling materials only, with any additional costs beyond the transportation of materials to be presented to PSA Board for review.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

8. Utility Lines Across Reconstructed Route 114 Bridge

The following information was reported in the Board packet: Ron Coake has been involved in meetings with VDOT at which the possibility of installing water/sewer lines under the bridge was discussed. The estimated cost for full installation of two 16-inch lines would be \$600,000; however, this option was deemed to be cost prohibitive. An alternative offered by VDOT is to build the bridge pilings so that they would be strong enough to support the weight of two pipes of this size full of water with the localities

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paying a total estimated \$50,000 for the installation of sleeves through the bridge abutments and approach slab.

Agencies involved in the initial meetings include the Montgomery County PSA, Christiansburg, Blacksburg, VPI Water Authority, Peppers Ferry Wastewater Treatment Authority with the City of Radford also being potentially interested. A follow-up meeting is scheduled for November 4 to determine if there is interest in funding this project.

Mr. Mathes suggested participation, only if at least one other locality agrees to participate also. Mr. Loyd suggested at least two other localities participate before a commitment is made by the PSA. Mr. Huber advised it may be difficult to get more than one other locality to participate. He suggested approval be given by the PSA, subject to at least one other locality participating, noting that more than one locality would be preferred.

On a motion by Mr. Loyd, seconded by Dr. Warren and carried, the Board approved the PSA participating in costs of installation of the lines, subject to at least one additional locality agreeing to participate, noting that participation by more than one locality would be preferred.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

9. Sulfate Allocation and Surcharge Program

The following information was reported in the Board packet: At their September meeting, the Peppers Ferry Board of Directors approved a sulfate allocation and surcharge program under which a locality could pay for a limited increase in the amount of sulfate being discharged into the system. This "allowance" would reduce the cost to local firms for abiding by a stricter standard, while giving the Authority additional revenue for the implementation of measures to protect or compensate for increased corrosion.

Participation by the PSA was not recommended at this time based on an estimated cost of \$516.91 per month increasing to \$604.86 per month, current meeting of sulfate limits by PSA customers and the opportunity for future participation by the PSA should the need arise.

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Board members deferred action on this matter to its November meeting.

10. Corporate Center Water Tank Cell Tower Agreement

Board members were presented a semi-final agreement with AT&T for leasing of space on the Corporate Center Water Tank, noting the agreement is being reviewed by Tom McCarthy and approval is recommended, pending any concerns he may have.

On a motion by Mr. Sayers, seconded by Dr. Warren and carried, the Board approved the semi-final agreement with AT&T for leasing of space on the Corporate Center Water Tank, pending review and concurrence by the County Attorney.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

11. Dublin Area Sewer Rate Resolution

Mr. Huber presented a proposed rate of \$25.13 for the Rolling Hills, Orchard Hills, and Vista subdivisions.

Mr. Loyd questioned how this rate compared with the rate charged by the Town of Dublin for sewer. Mr. Huber advised he did not know the Dublin sewer rates.

Mr. Huber advised it was his intention to request the Town of Dublin consider billing the customers on behalf of the PSA so that the customer will receive only one bill for utility services.

Mr. Loyd expressed concern over the high cost of sewer service.

On a motion by Dr. Warren, seconded by Mr. Sayers and carried, the Board approved the following resolution:

WHEREAS, the Pulaski County Public Service Authority was formed as a political subdivision to exercise public and essential governmental functions to provide for the public health and welfare of the citizens of Pulaski County; and

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WHEREAS, it has operated and maintained water systems, sewer systems and refuse and disposal systems within Pulaski County; and

WHEREAS, the County has been awarded funding from the USDA Rural Development Agency for the construction of the Dublin Sewer Project that includes the following subdivision; Rolling Hills, Orchard Hills and Vista;

NOW BE IT RESOLVED, the Pulaski County Public Service Authority agrees to consider for adoption the following rates for the above mentioned project at a future public hearing by the Public Service Authority:

Sewer Rates:
\$25.13 non user rate
\$25.13 minimum
\$4.50 per 1,000 gallons used

Furthermore, the Board requested that the Town of Dublin consider billing for these services on behalf of the PSA so that the customer will only receive one bill for utility services.

Voting yes: Mr. Mathes, Dr. Warren, Mr. Loyd,
Mr. Sayers, Mr. Conner.

Voting no: none.

Not present: Mr. Huff.

12. Highland Park Rate Resolution

Action on the adoption of a rate resolution was tabled to the November meeting. By way of general update regarding this project, Mr. Coake reported that there was a need to condemn easements through two 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.

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2. Financial Report

As presented in the Board packet, Board members were provided a financial report and budget adjustments as prepared by Ms. Newby.

3. Utility Projects

As provided in the Board packet, Board members were presented the most recent progress reports.

4. Safety Meeting Update

Board members were provided an update on an in-service safety meeting held on September 19 by the PSA staff. Mr. Nichols advised routine safety meetings will continue with PSA staff.

Mr. Huber presented a draft of a VACo modeled Motor Vehicle Safety policy to be tailored to suit the PSA and county. Staff was directed to place consideration of this policy on the November Board agenda.

5. Additional Information on Community Development Authorities

As provided in the Board packet, Board members were presented with additional information regarding the use of Community Development Authorities (CDA) by other Virginia localities.

Mr. Huber advised of a potential request for a CDA in Newbern.

6. Document Shredding Service

As reported in the Board packet, the New River Resource Authority is planning to host quarterly opportunities for residents to properly dispose of sensitive documents through a document shredding service. The PSA plans to assist by publicizing these opportunities through notices in the PSA bill and the County newsletter.

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7. Drop Center Operations

As reported in the Board packet, PSA staff had a productive meeting with Goodwill Industries in which they agreed to the concept of paying the PSA for the combined drop center/Goodwill operations. This change would involve the hiring of the current Goodwill employees by the PSA and would give the PSA the ability to cross train existing Drop Center and Goodwill employees to allow for one person to operate the center. The end result is that the PSA would be able to significantly increase the hours that the drop centers are open, without additional cost. A request was made to Goodwill for calculation of their personnel costs in order to be able to proceed with the integration of the Goodwill and Drip Center functions.

8. Update on Number of Household Users in County

As reported in the Board packet, staff have confirmed that the number of households in the county grew by a net 404 housing units since 2006, but have not received information from the towns regarding the number of water and sewer customers they are serving. Since both towns serve a number of customers outside the corporate limits, these numbers are needed in order to provide the PSA Board with an accurate count of the percentage of households served by public water and sewer service in the unincorporated portions of the County.

d. Current Authorized Projects & Items Under Review:

Staff provided updates on the following projects with updates being noted in italics:

1. Public Water & Sewer Service to Mobile Home Parks (*Engineering underway – to be advertised*)
2. Sewer Service to Rolling Hills, Vista, Orchard Hills, and Highland Park Subdivisions (*2009 Advertisement expected*)
3. Water Treatment Plant Dispersion Wall Design (*Awarded contract*)
4. Water Treatment Plant Raw Water Intake Access Road (*Staff have met with contractor and property owner*)

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3. Other Matters

Mr. Huber presented copy of civil rights discrimination suit in Federal court by former employee.

4. Adjournment

By consensus, the Board adjourned its regular meeting. The next regular meeting of the PSA Board is scheduled for Wednesday, November 12, 2008 at 9:00 p.m. in the Middle Conference Room of the County Administration Building, 143 Third Street, N. W., in the Town of Pulaski.

Carl Mathes, Secretary