

PULASKI COUNTY PUBLIC SERVICE AUTHORITY MINUTES

April 14, 2009

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, April 14, 2009 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: Maynard Sayers, Chairman; Doug Warren, Vice-Chairman; Pete Crawford; David Dean; and Frank Conner, Alternate. Board member Hollis Loyd was unable to attend the meeting. Staff members present included: Peter M. Huber, County Administrator; Robert Hiss, Assistant County Administrator; Diane Newby, Finance Director; Ron Coake, County Engineer; Brenda Sayers, PSA Bookkeeper; Ron Nichols, Director of Fleet Maintenance and Operations; Alfred Woodyard and Jerry Taylor, PSA Refuse Supervisors; and Gena Hanks, Executive Secretary.

Chairman Sayers welcomed Board members and called the meeting to order.

1. Citizen Comments

There were no citizen comments.

2. Reports from the County Administrator & Staff:

a. Collection Staff Activity

1. Adjustments

On a motion by Dr. Warren, seconded by Mr. Crawford and carried, the Board of Directors approved customer adjustments in the credited amount of \$330.02.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Mr. Conner, Mr. Sayers.

Voting no: none.

Not present: Mr. Loyd.

2. Inmate Availability Report

Staff reported the PSA generally had use of two inmates per day for the month of March.

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.

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Mr. Crawford expressed concern over the increase in the "over 90 days" balance on the Balance Due Report and inquired as to when accounts are considered for "write offs".

Ms. Sayers explained the procedures for collection of delinquent garbage and water accounts, including the placement of liens on properties and the set-off debt collection method. She advised past due payments are being received for both water and garbage accounts; however, she noted staff has little control over collection of past due payments for garbage customers.

Ms. Newby advised writing off of accounts is considered when the audit is finalized each year.

Mr. Sayers recommended staff increase efforts to collect delinquent accounts. By consensus, Board members requested staff research the potential for billing of garbage services along with the real estate billings.

4. Work Order Count

Pickups pending: 12 brush; 4 large items; 0 tire; 0 refrigerators.

5. Drop Site and Landfill Totals

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

**DROP SITE TOTAL
FOR THE MONTH OF MARCH 2009**

Site	Trips	Tons	Tons per haul
Dora Highway	38	97.65	2.57
Dublin	44	148.21	3.37
Fairlawn	5	43.27	8.66
Totals	87	289.13	3.33

**COUNTY LANDFILL TONNAGE
(COUNTY CUSTOMERS & REFUSE DEPARTMENT HAULERS)
(FOR THE MONTH OF MARCH 2009)**

Commercial	Residential	Tires	Brush
1067.74	1075.94	774	90.46

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b. Action Items:

1. Minutes of Previous Meetings

On a motion by Dr. Warren, seconded by Mr. Crawford and carried, the Board approved the minutes of the March 10, 2009 Board meeting with corrections.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren,
Mr. Conner, Mr. Sayers.

Voting no: none.

Not present: Mr. Loyd.

2. Accounts Payable

On a motion by Mr. Conner, seconded by Mr. Dean and carried, the Board approved the accounts payable for checks numbered 8002072 through 8002132, subject to audit.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren,
Mr. Conner, Mr. Sayers.

Voting no: none.

Not present: Mr. Loyd.

3. Draft Budget

Mr. Huber presented a first draft of the PSA budget for the FY 2009-10 Fiscal Year. He noted the draft was being provided early to allow for greater review by the Board of budget options. He also advised an electronic version of the proposed budget had been placed on the county's web site.

Mr. Huber provided an explanation of the decrease in recommended capital expenditures advising the decrease was due largely because of the drop in revenues. He shared a listing of water and sewer projects which are not being recommended for funding.

Mr. Sayers questioned the affects on the PSA if an industry closes. Mr. Huber advised the PSA would likely be affected, depending upon the industry.

Mr. Huber explained action taken in past years allowing the PSA to have an exclusive franchise for providing garbage pickup services.

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Staff was requested to provide a copy of the State Code allowing for a locality to obtain an exclusive franchise for the provision of garbage services.

Mr. Sayers inquired if an information bulletin could be developed by staff explaining the services offered by the PSA and provided to citizens when making application for the Business Professional Occupational License Tax. Staff offered to develop such an informational bulletin.

Mr. Huber advised the Board of the possible need for the Board to raise sewer rates to cover expenditures.

Mr. Huber advised no action is needed at this time on the budget and that additional information will be provided at the May meeting. Board members were asked to let staff know of comments, suggestions or concerns they may have in reviewing the budget.

4. Central Water & Sewer

Staff provided further details to the report in the Board packet related to notice from Rural Development advising of approval of the contract documents for the central water and sewer projects and plans for setting of a closing date. Staff advised work is ongoing to schedule a closing date for sometime in April, 2009.

On a motion by Dr. Warren, seconded by Mr. Crawford and carried, the Board approved staff taking all acts necessary to accomplish the closing with Rural Development, including allowing the Chairman to sign all documents necessary to complete the closing.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren,
Mr. Conner, Mr. Sayers.

Voting no: none.

Not present: Mr. Loyd.

c. Informational Items:

1. Personnel Changes

Board members reviewed recent personnel changes as reported by Norma Spence.

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2. Financial Report

As presented in the Board packet, Board members were provided a financial report as prepared by Ms. Newby. Mr. Huber noted the PSA balance is declining from month to month and that Ms. Newby is reviewing the matter.

3. Utility Projects

There were no reports provided.

4. Stoop Water Damage

As reported in the Board packet, notice was received from VACo, the PSA's insurance carrier, denying the claim of responsibility by the PSA for the Stoop water damage. Mr. Huber and Mr. Hiss presented pictures of the damages to the Stoop home and described the events leading up to the water damage. Mr. Hiss advised he expected the total repairs to be estimated at approximately \$8,500, indicating he had not received a firm amount.

Mr. Huber and Ms. Sayers explained the current practice of the PSA staff in turning water off at the request of a customer and making an account inactive.

Mr. Hiss advised no action was needed at this time by the Board; however, the Board may be requested to consider negotiating with the Stroops, if so recommended by the County Attorney. Mr. Hiss also advised steps will be put in place for better accountability by the PSA billing staff in documenting requests for turning off water.

Mr. Crawford suggested the PSA may have some responsibility in paying for a portion of the costs incurred, but did not expect the PSA would be required to pay for all of the water damages to the Stoop home.

5. Accident Suit

As reported in the Board packet, staff described a court filing asking for \$1 million against Mr. Mills and the PSA related to a March 7, 2007 accident in which the PSA roll-off truck being driven by Mr. Mills on Bob White Boulevard hit the rear of a 1999 Oldsmobile being driven by Joseph Lyle Kessinger. Staff

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advised there was a question as to the proper operation of the brakes on the PSA vehicle being driven by Mr. Mills at the time of the accident and that the matter has been forwarded to the VACo insurance for response.

6. Risk Control Evaluations

As reported in the Board packet, letters were received by Alfred Woodyard, Residential Refuse Supervisor and Richard Fasnacht, Water Department Supervisor following up on risk management efforts being taken in both departments.

7. Alum Spring Road Sewer

As reported in the Board packet, a request has been received from Mr. Carl J. White for consideration to the extension of sewer service to the Gallimore Subdivision located along and adjacent to Alum Spring road. Mr. Huber advised staff had provided Mr. White with a sample petition for the purpose of determining the extent of interest from adjacent property owners.

8. Regional Water Cost Comparison

As requested at the March PSA meeting and reported in the Board packet, Board members were provided with a history of water usage increases as compared with existing treatment capacity and a description of water supply options as prepared by Ron Coake. Also provided to Board members was the report describing the ability to interconnect the PSA and Wythe County water systems. Copies of both documents are filed with the records of this meeting.

9. Repurchase of Fire Damaged Front Load Truck

As reported in the Board packet, after paying for the replacement of the burned front-load garbage truck, VACo Insurance offered to sell the PSA the damaged truck for \$2,500. This purchase was approved administratively, considering that the rear portion of the truck received minimal damage and that the core charge value of the transmission alone was over \$4,000.

Mr. Nichols advised he is looking for a replacement cab in hopes of being able to put the truck back on the road with minimal additional cost.

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10. Commerce Park Water Project

As reported in the Board packet, ratification of an engineering agreement is recommended following review by Ron Coake, Maynard Sayers and Doug Warren. Also submitted to the Board for approval is a grant administration agreement with the New River Valley Planning District Commission.

Approval of Engineering Agreement with Draper Aden Associates

On a motion by Mr. Conner, seconded by Mr. Dean and carried, the Board ratified administrative approval of an engineering agreement with Draper Aden Associates for the Pulaski County Water and Sewer Infrastructure Improvements.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren,
Mr. Conner, Mr. Sayers.

Voting no: none.

Not present: Mr. Loyd.

Agreement Between the New River Valley Planning District Commission, the PSA and Virginia's First Regional Industrial Facility Authority

On a motion by Mr. Crawford, seconded by Dr. Warren and carried, the Board approved an Agreement Between the New River Valley Planning District Commission, the Pulaski County Public Service Authority, and Virginia's First Regional Industrial Facility Authority for Administration of the Pulaski County Water and Sewer Infrastructure Improvements to Service the New River Valley Commerce Park, a copy of which is filed with the records of this meeting.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren,
Mr. Conner, Mr. Sayers.

Voting no: none.

Not present: Mr. Loyd.

11. Shawn Taylor Suit

As reported in the Board packet, Judge Turk found no basis in the appeal of the PSA's acquittal in the Shawn Taylor suit.

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12. Commendation Letter

As reported and included in the Board packet, Board members reviewed a letter from Ms. Susan Helms expressing appreciation to PSA staff for efforts in removing brush from her property.

Chairman Sayers expressed appreciation to Alfred Woodyard, Jerry Taylor and the remaining PSA Refuse Collection staff for the positive image portrayed by staff on behalf of the PSA.

d. Current Authorized Projects & Items Under Review:

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

1. Public Water & Sewer Service to Mobile Home Parks (*preparing contract documents for submittal to Rural Development for approval to issue Notice to Proceed*)
2. Sewer Service to Rolling Hills, Vista, Orchard Hills, and Highland Park Subdivisions (*Bids on hold pending approval of required documents*)
3. Water Treatment Plant Dispersion Wall construction (*Completion expected 60 days*)
4. Water Treatment Plant Raw Water Intake Access Road (*Completed*)

3. Other Matters

Board members requested staff provide a separate notebook for Board members to include policies and procedures.

It was reported that the PSA along with the County and Social Services has liability for post employment benefits as a result of allowing retirees to continue to purchase health insurance at the PSA's cost for active employees. New accounting standards require that this liability be shown as a liability in the annual audit or that funds be set aside either in an escrow account or within the PSA's reserve funds.

Mr. Dean requested the PSA Board and staff actively pursue installation of a water/sewer line the full length of the Route 11 corridor to Radford.

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4. Tour of Facilities

As a continuation of the tour of PSA facilities, Board members toured the PSA Board toured Lee Highway Mobile Home Park, PSA billing office in the Dublin Town Center, County Garage, Dublin Drop Center, Rolling Hills, Orchard Hills and Vista subdivisions, and the Pulaski County Visitor Center.

Plans for the May meeting would include the Fairlawn Drop Center, the Route 114 bridges and the Pepper's Ferry Regional Wastewater Treatment Plant. The tour schedule would then be completed with a visit to the Commerce Park, Cloyd's Mountain Landfill and the NRRRA Landfill in conjunction with the June Board meeting.

5. Adjournment

On a motion duly made a seconded, the Board adjourned its regular April meeting. The next regular meeting of the PSA Board is scheduled for Tuesday, May 12, 2009 at 9:00 a.m. in the Middle Conference Room of the County Administration Building, 143 Third Street, N. W., in the Town of Pulaski.

Voting yes: Mr. Crawford, Mr. Dean, Dr. Warren, Mr. Conner,
Mr. Sayers.

Voting no: none.

Not present: Mr. Loyd.

Maynard H. Sayers, Chairman

Hollis Loyd, Secretary/Treasurer