

## PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS

July 8, 2014

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, July 8, 2014, 2014 at 9:00 a.m. in the Board Room of the County Administration Building, 143 Third Street, NW, in the Town of Pulaski, Virginia, the following Board members were present: Doug Warren, Chairman; Dave Dean; Fritz Streff; and Nancy Burchett. Board member Dennis Setliff was unable to attend the meeting.

Staff members present included: Peter Huber, County Administrator; Jared Linkous, County Engineer; Diane Newby, Finance Director; Debra Boyd, PSA Collections; Sandra Boyd, PSA Billing; Ronnie Nichols, Director of Operations, Maintenance and Transportation; and Gena Hanks, Clerk to the Board.

Dr. Warren called the meeting to order and welcomed those in attendance.

1. Citizen Comments

Brenda Blackburn inquired as to what funds were spent on building the new County Garage. Mr. Huber advised the PSA provided no funds for the new County Garage; however, \$150,000 of PSA monies was spent to rebuild a structure that had been on the site and had been torn down to provide space for the expanded garage building.

Mr. Linkous advised the new structure is presently 90% complete.

Ms. Blackburn referenced the letters being sent out monthly to customers where it has been determined were not being billed for PSA garbage service and inquired as to the response to those letters. Debbie Boyd advised the response had been good; however, Ms. Boyd noted PSA bills were sent in quarterly installments, so some customers may not have received bills at this time. Ms. Blackburn inquired if the PSA Board intended to back bill those customers who had been receiving service, but had not signed up for that service. Mr. Huber advised the PSA did not back bill customers when it was discovered that services had been provided without proper billing.

Ms. Blackburn inquired as to the distance out of the County PSA trash truck drivers are allowed to travel outside of the County. Mr. Huber advised trash truck drivers routinely take roll off containers to Wythe County and to the recycling center in Christiansburg. Ms. Blackburn advised of observing trash trucks being out of the County on non-county business and offered to provide pictures. Mr. Huber suggested Ms. Blackburn contact him immediately upon observing potential unauthorized use of County vehicles.

Lora Lee Lineberry requested the PSA consider providing water to the Draper Mountain Overlook for use in the potential development of primitive camp sites and requested an estimate to provide water service to the overlook.

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Board members discussed the current ownership of the Overlook and the anticipated high cost estimate to run water to the Overlook.

Ms. Lineberry advised of plans to apply for a grant to develop recreation space and the need for a cost estimate to include in that grant application.

Staff was requested to review the request and provide an update at a future PSA meeting.

Mr. Huber introduced Melody Taylor, advising that Ms. Taylor would be attending the September 2014 Board meeting to take minutes due to the scheduled absence by Ms. Hanks at that meeting.

## 2. Follow-up Items

### a. Drop Site Update

Mr. Huber described a meeting between County and Town staffs in which the Phase II environmental report was discussed, specifically that the study did not apply directly to the specific area that was being considered for a drop site.

Mr. Huber advised that Pulaski Town Manager Shawn Utt had offered for the Town to include an additional environmental assessment as a part of a Brownsfield project by the Town.

Mr. Huber advised the general consensus of the Town and PSA staff was that the site would be a good site for a new drop site.

Mr. Dean suggested the matter be put on hold until the environmental study on the property is completed.

### b. Water Treatment Plant Well Drilling

Mr. Linkous advised that discussions on this agenda item and item c - "Raw Water Intake and Generator Letter Report" could be discussed at the same time.

### c. Raw Water Intake and Generator Letter Report

Mr. Linkous provided a summary of the AECOM report and described in detail the two alternatives being provided for improving the raw water intake. Mr. Linkous described the first alternative would consist of dredging 5,000 cubic yards of material at a cost of \$674,000 with a 50 year life cycle cost of \$3.55 million and the second alternative consisting of constructing a new

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intake structure and deflection wall at a cost of \$1.958 million with a 50-year life cycle cost of \$1.958 million, plus \$75,000 every five years.

Board members inquired if staff was aware of any similar situations in other localities. Mr. Linkous advised that while he was not aware of specific situations, AECOM was specialized in this type of work.

Board members discussed the following: coordinating potential construction with the November lake drawdown; the critical nature of moving forward in a decision by PSA Board; concern for overall costs, regardless of option chosen by the Board; potential uses for existing wells; applying for grants/loans.

Mr. Huber also read, in Mr. Setliff's absence, a written statement submitted by Mr. Setliff, a copy of which is filed with the records of this meeting.

On a motion by Dr. Streff, seconded by Mr. Dean and carried, the Board approved moving forward with developing costs for the well and also proceeding in the planning and cost phase in Option 2 which is to construct a new intake structure and concrete deflection wall.

Voting yes: Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Not present: Mr. Setliff.

### 3. Action Items

#### a. Garbage Charges Where Dumpsters are Available

Mr. Huber described a staff recommendation to waive the \$15 residential refuse charge in situations as follows: the owner of a residential structure also purchases dumpster service for business purposes, subject to the residential structure being contiguous to and in the same ownership as the parcel on which the dumpster is located; refuse does not have to be transported on public roads; all dumpster fees being current; and in cases where the owner of a business lives away from their business, they would still need to pay a separate fee for garbage service at their place of residence.

On a motion by Ms. Burchett, seconded by Dr. Streff and carried the Board approved the following policy related to circumstances allowing for waiving of the \$15 refuse charge: the owner of a residential structure also purchases dumpster service for business purposes, subject to the residential structure being contiguous to and in the same ownership as the parcel on

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which the dumpster is located; refuse does not have to be transported on public roads; all dumpster fees being current; and in cases where the owner of a business lives away from their business, they would still need to pay a separate fee for garbage service at their place of residence.

Voting yes: Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Not present: Mr. Setliff.

b. Request for Plantings at Sub-station

Mr. Huber described a request from Becky Hendrix, Secretary of Heron's Landing at the River Phases III&IV, requesting plantings and screenings at the sewer sub-station in the Heron's Landing development along with a staff recommendation, should the Board approve the plantings, to request staff design the type of plantings and estimate for such.

Mr. Huber also read a written statement, in Mr. Setliff's absence, a copy of which is filed with the records of this meeting.

Board members discussed the costs associated with the PSA maintaining such plantings, noting, however, the need for the sites to be maintained in a manner that would allow for the areas to be attractive to the areas in and around the sites.

Board members also discussed the responsibility of the PSA to provide upkeep to the sites.

Mr. Linkous advised that PSA staff are mowing the areas around the sub-stations.

Ms. Burchett inquired if such plantings were being provided at any other sites in the County. Mr. Huber and Mr. Linkous advised of being unaware of the PSA providing any plantings, etc. around PSA owned sub-stations, etc.

Board members further discussed the type of plantings suitable for such sites, the need for a cost sharing agreement with homeowners, and the potential for developing a "beautification committee" to address the need for plantings at sub-stations, as well as the potential for a precedent being set for future requests.

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On a motion by Mr. Dean, seconded by Ms. Burchett, the Board tabled action on this matter to allow staff to contact Ms. Hendrix to determine if the Homeowners Association would be willing to share in any costs for plantings and for staff to provide a recommendation to the Board.

Voting yes: Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Not present: Mr. Setliff.

4. Consent Items

Dr. Streff inquired if it is the practice of the PSA to place liens on the properties of PSA customers where accounts are in arrears. Dr. Streff expressed concern that citizens may not understand the "lien" process and described the need for the PSA staff to make efforts to communicate properly with the citizens in situations where action is taken by the PSA staff to place a lien on property. Mr. Huber described the process for placing liens, noting the process is the same as that used by the County when liens are placed on properties for failure to pay taxes.

Dr. Streff inquired regarding the "Administrative fees to the Treasurer" listed on the accounts payable. Ms. Burchett noted this is the reimbursement back to the County for County staff who perform work for the PSA including engineering and finance.

Dr. Streff also inquired regarding the \$5,683 for water tank painting. Mr. Huber advised this amount was included as a part of the overall budget. Mr. Linkous also described the need for funds to allow for unanticipated leaks where costs for such would not be included in the maintenance budget.

On a motion by Ms. Burchett, seconded by Mr. Dean and carried, the Board approved the overall items of consent:

a. Minutes of Previous Meeting

The Board approved the minutes of the June 10 2014 meeting, as presented.

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b. Balance Due & Lien Reports

The Board reviewed and accepted the following balance due and lien reports:

Balance Due	4/1/2014	5/6/2014	6/2/2014	7/1/2014
Current Balance	648,692.24	498,541.30	111,410.47	657,929.11
Over 30 Days	89,048.58	107,233.99	52,713.41	208,803.57
Over 60 Days	62,094.44	40,536.90	48,446.65	19,779.87
Over 90 Days	1,135,828.85	1,127,295.46	1,134,285.06	1,130,438.59
<b>Total</b>	<b>1,935,664.11</b>	<b>1,773,607.65</b>	<b>1,346,855.59</b>	<b>2,016,951.14</b>
Liens Filed	1,935,664.11			\$ 676,832.74

**Details of Accounts Delinquent for 90 days or more**

**Detail by type of customer and level of service billed for**

	Garbage & Water	Sewer Only	Garbage Only	Total
<b>Residential</b>	\$ 52,934.99	\$ 67,941.46	\$ 777,610.77	\$ 898,487.22
<b>Commercial</b>	\$ 1,699.40		\$ 55,359.10	\$ 57,058.50
<b>Nonuser</b>	\$ 174,892.87	See breakdown below		\$ 174,829.87
<b>Total</b>	\$ 229,527.26	\$ 67,941.46	\$ 832,969.87	\$ 1,130,438.59

**Detail by type of customer and active, inactive and non-user accounts**

	Inactive	Non User	Active	Total
<b>Residential Water</b>	\$ 47,142.16	\$ 31,569.98	\$ 5,792.83	\$ 84,504.97
<b>Commercial Water</b>	\$ 1,699.40			\$ 1,699.40
<b>Residential Garbage</b>	\$ 58,071.58	\$ 15,635.63	\$ 719,539.19	\$ 793,246.40
<b>Commercial Garbage</b>	\$ 37,389.37		\$ 17,969.73	\$ 55,359.10
<b>Sewer</b>	\$ 7,447.75	\$ 1,527.72	\$ 60,493.71	\$ 69,469.18
<b>Penalty</b>		\$ 13,003.27		\$ 13,003.27
<b>Interest</b>		\$ 113,156.27		\$ 113,156.27
<b>Total</b>	\$ 151,750.26	\$ 174,892.87	\$ 803,795.46	\$ 1,130,438.59

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c. Budget Adjustments

The Board approved the following budget adjustments:

PSA FUND # 11

Account Number	Account Title	Amount Increase (Decrease)
<b>REVENUES:</b>		
500-016190-0300	Commercial Water Sales	\$ 45,010.00
		<b>TOTAL \$ 45,010.00</b>
<b>EXPENDITURES:</b>		
500-046105-5110	Lakewood Estates Electrical Services	\$ 10.00
500-095100-9161	VRA 2004 Bonds	45,000.00
		<b>TOTAL \$ 45,010.00</b>

d. Billing Adjustments

The Board reviewed and accepted billing adjustments totaling a net credit of \$21,579.98.

e. Accounts Payable

The Board approved accounts payable for checks numbered 8010522 through 8010638, subject to audit.

Voting yes: Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Not present: Mr. Setliff.

5. Staff Reports

a. Financial Reports

The Board reviewed and accepted the financial reports as presented by Ms. Newby, a copy of which is filed with the records of this meeting.

Ms. Newby advised the PSA ended the year with a \$670,000 balance from operations, with all but \$3,000 of the \$670,000 spent on capital improvement projects before the end of the fiscal year.

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On a motion by Mr. Dean, seconded by Dr. Streff and carried, the Board approved the financial report as submitted.

Voting yes: Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Not present: Mr. Setliff.

b. Operational Report

On the motion of Mr. Dean, seconded by Ms. Burchett and carried, the Board reviewed and accepted the following Operational Reports:

1. Inmate Availability

Staff reported use of three inmates per day for the month of June 2014.

2. Drop Site and County Landfill Tonnage Reports for June 2014

**Drop Site Total**

Site	Trips	Tons	Tons per haul
Dora Highway	10	27.92	2.79
Dublin	17	73.42	4.31
Fairlawn	5	42.19	8.43
Totals	32	143.53	4.48

**County Landfill Tonnage  
(County Customers & Refuse Department Haulers  
for the Month of June 2014)**

Commercial	Residential	Tires	Brush
3996.10	1305.53	39	3.08

3. Cut Off List

Staff reported there were no cutoffs for the month of June.

Voting yes: Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Not present: Mr. Setliff.



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4. Personnel Changes

There were no personnel changes in June.

c. Collections Report

On a motion by Ms. Burchett, seconded by Dr. Streff and carried, the Board accepted the following collections report provided by Debra Boyd:

1. Set-off Debt Collections: 437 accounts submitted totaling \$629,130.85 with \$24,694.19 in funds received to be posted on the delinquent accounts.
2. Additions of 110 new refuse customers since January.
3. Working on sending 2nd notices for the last mailing completed in May to customers that are not showing anyone signed up or paying at specific addresses.

Voting yes: Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Not present: Mr. Setliff.

d. Staff Commendation

Mr. Huber shared an email and picture provided by David Kinder expressing appreciation for assistance provided by Alfred Woodyard in loading mulch at the Dublin Drop site. Dr. Warren also commended Garland Bruce and Rhudy Linkous for extra assistance provided at the Dublin and Pulaski drop sites to the general citizenry, as well as the overall improvement to the cleanliness of the sites. Mr. Huber also read a written statement, in Mr. Setliff's absence, a copy of which is filed with the records of this meeting.

On a motion by Dr. Streff, seconded by Mr. Dean and carried, the Board approved staff preparing letters of commendation to Mr. Woodyard, Mr. Bruce and Mr. Linkous for the extra assistance provided by the employees to the public, as well as to the recent significant improvements to the sightlines of the drop sites.

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Voting yes: Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Not present: Mr. Setliff.

Mr. Huber read a written statement from Mr. Setliff regarding the potential for providing a lunch for the PSA employees. Dr. Warren described the annual employee picnic and employee Christmas breakfast which served as a "thank you" to all employees, including the PSA employees.

6. Staff To-Do Listing

Board members reviewed the following items which staff is currently working on but for which there is no additional information to report to the Board at this time.

- a. Skyview/NRV Fairgrounds Sewer Funding
- b. South Side of Lake and Fairlawn Drop Centers
- c. Dublin PSA Office Relocation
- d. Covered Water Meter Ordinance
- e. Meter Replacement with Radio Read Units
- f. Draper Area Wythe County Sewer/PSA Connection
- g. Water Meter Replacement
- h. Water Master Plan
- i. Change Exit at Fairlawn Drop Site

7. Other Matters

Mr. Linkous and Mr. Huber described recent conversations with representatives of Executive Motel in which County staff was advised that Bowling Construction was the company that had installed the initial meter at Executive Motel. It was noted that the hotel owner was satisfied that the problem was on his end and he will be replacing the service line between meter and house. Mr. Huber advised he had agreed to pay the bill in the amount of \$500 to HT Bowling for diagnosing and confirming the problem.

Gate 10 Residence

Mr. Linkous described circumstances surrounding a residence off of Gate 10 Road in which a house was built 100 feet higher than the water meter, resulting in significant loss of water pressure. Mr. Linkous advised the property owners worked directly with the contractor to install the pump, without any contact with the PSA in determining where to place the pump.

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Mr. Linkous advised staff had shared with the property owner that it was the responsibility of the property owner to arrange for the design of a system that meets the requirements for proper placement of a pump to adequately serve the residence and that the PSA has no responsibility in this case due to the PSA not being contacted by the contractor regarding the placement of the pump. Mr. Linkous also advised the application for service which is completed by the property owner clearly warns against high and low pressure.

Dr. Warren described the recent training which provided for information on dealing with the "press" and inquired if the County had an official "spokesperson". Mr. Huber advised the County had designated Anthony Akers as the County's Public Information Officer and Mr. Akers would also serve in that same capacity for the PSA. Mr. Huber advised that all questions related to the PSA, where an official statement is needed, should be directed to Mr. Akers.

Dr. Warren requested the County's web site be updated to provide for the current PSA Board members.

Ms. Burchett expressed concern over the continued problems with the delay in PSA bills being mailed and complaints being received from citizens. Mr. Huber advised staff is working towards a goal of having the PSA bills mailed on the 25<sup>th</sup> of each month. Ms. Burchett expressed concern over the potential for the PSA's cash flow to be affected if the billings are delayed, noting the three week delay for the recent billing. Mr. Huber advised it was his understanding the next billing will be distributed on the 25<sup>th</sup> of the month.

Ms. Burchett asked if staff had inquired as to the cost of the vacant office building located at the intersection of Cougar Trail Road and Lee Highway, just below Pulaski County High School. Staff was requested to contact the property owner to determine costs associated with purchase/lease of the vacant building.

Mr. Huber advised he had contacted the property owner for the building located just past Wades (old Dublin Pharmacy) and the owners are only interested in leasing the building. Staff was requested to provide an update at a future meeting regarding the vacant office building.

Dr. Streff inquired as to the status of the Draper/Wythe/PSA connection to Wythe County. Mr. Linkous advised no further action had been taken on this matter and that the matter was on the overall "To Do" list.

Dr. Streff advised that some citizens are uncertain as to whether or not to move forward with plans for providing sewer. Dr. Warren spoke to experiencing similar concerns of uncertainty by the general citizenry in his community as to future sewer needs.

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Mr. Huber gave a brief description of the reference to sewer extension in the "Annexation Agreement" with the Town of Pulaski.

8. Adjournment

On a motion by Ms. Burchett, seconded by Dr. Streff and carried, the Board adjourned its regular July 2014 meeting. The next regular meeting of the PSA Board is scheduled for Tuesday, August 12, 2014 at 9:00 a.m. in the Board Room of the CAB.

Voting yes: Mr. Dean, Dr. Warren, Dr. Streff, Ms. Burchett.

Voting no: None.

Not present: Mr. Setliff.

  
Nancy Burchett, Secretary/Treasurer

  
Doug Warren, Chairman