

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, June 14, 2016, at 9:00 a.m. in the Board Room of the County Administration Building, 143 Third Street, N.W., in the Town of Pulaski, Virginia, the following Board members were present: Dr. Doug Warren, Chairman; Dave Dean, Vice – Chairman, Dennis Setliff and Nancy Burchett. Absent: Dr. Fritz Streff

Staff members present included: Peter Huber, County Administrator; Karen Thompson, Assistant County Administrator, Management Services; Ashley Edmonds, Clerk to the Board; Diane Newby, Finance Director; Ronnie Nichols, Director of Operations, Maintenance and Transportation; Jared Linkous, County Engineer. Absent: Debra Boyd, Public Service Authority, Accounts Payable/Collections Clerk.

1. Welcome and Call to Order

Dr. Warren called the meeting to order at 9:00 a.m. and welcomed those present.

A. Confirmation of a Quorum

Dr. Warren confirmed a quorum with 4 members in attendance. Dr. Streff arrived shortly after the confirmation, thus all 5 members were present.

2. Citizen Comments

A. Public Comments

Mr. Garland Campbell, Dublin, spoke to the Board about his ongoing concern regarding the fluoridation of water and requested for a Board member to make a motion to eliminate the practice. Mr. Huber assured Mr. Campbell that his concerns were heard and advised if the Health Department or medical community recommended the elimination of fluoride use, the PSA would adhere. Dr. Warren stated there was no motion from the Board to support the discontinuation of fluoridation, thanked Mr. Campbell for his comments and noting no further remarks from other citizens, moved the meeting forward.

3. Financial Matters

A. Annual Financial Fiscal Year Report/Audit Presentation

The annual financial fiscal year report/audit for year ended June 30, 2015, was presented by Ms. Deanna Cox of Robinson, Farmer, Cox Associates. Ms. Cox began the presentation with the Independent Auditor's Report, advising there were no findings and deemed it unmodified. She pointed out the Management Discussion and Analysis, prepared by our Finance Director, which gives a layperson's overview of the financial information in the report. She reviewed the three financial statements of the PSA, the Statement of Net Position or Balance Sheet, which included the implementation of GASB statement number 68, and its requirement to report pension liability. Ms. Cox advised there was a substantial net increase in income and healthy net position at the end of the year. Lastly, in the compliance section, which is an opinion on the internal controls of the organization, Ms. Cox noted was unmodified. Mr. Setliff congratulated the staff for a year without incident and Mrs. Burchett asked Ms. Cox for a grade for the audit (if one were given) and Ms. Cox responded, A+, as there were no findings. Mr. Setliff asked that the corrected audit report be placed in BoardDocs and the County website by staff.

On a motion from Mr. Setliff, second by Mr. Dean and carried, the Board received, reviewed and approved the Annual Financial Fiscal Year Report/Audit for year ended June 30, 2015, as presented.

All members approved by consensus vote called by Dr. Warren.

B. Financial Report

Mrs. Newby reported the status of operational budget showing 91% on revenue and 90% on expenditures and when adding capital items, 72% on revenues and 70% on expenditures.

On a motion from Dr. Streff, second by Mrs. Burchett and carried, the Board received, reviewed and approved the Financial Report ending May 31, 2016.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mr. Burchett.

Voting No: None.

C. Virginia Department of Health Generator Grant/Loan

Mr. Huber updated the Board on the receipt of the combination grant/loan funding totaling \$364,000 for the generator project. Clarification was made regarding the status as a reimbursement and close – out with no additional funds to be received.

4. ARC GIS Online for Utilities Presentation

A. ARC GIS Online for Utilities Presentation

Mr. Linkous presented information on the features and capabilities of using ARC Online, a cloud based server that hosts information with the ability to “push it out” and make available to others for use through a link. He explained 95% of utilities (water and sewer) have been GPS located and labeled and described how use of this program through an app on tablets in the field is a tremendous resource for the crews.

5. Action Items

A. Adoption of Proposed 5% Increase in Water and Sewer Rates FY 2016 - 2017

Dr. Streff asked if there were any telephone calls or written comments regarding the proposed rate increase since the public hearing and Mr. Huber stated there were not.

On a motion by Mr. Setliff, second by Dr. Streff and carried to adopt the proposed 5% increase in water and sewer rates for FY 2016 – 2017 as presented.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

B. FY 2016 – 2017 Budget Adoption

Mr. Huber described most recent changes to FY 2016 – 2017 budget by staff: reflecting an additional \$17,000 in pay adjustments and a \$100,000 contingency with the added expenditures coming from the galvanized water line replacement project. Staff also corrected prior year budget numbers and some formula errors. Additionally, the Board of Supervisors deferred payment by the PSA the administrative and landfill maintenance costs by one year.

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On a motion by Mrs. Burchett, seconded by Mr. Dean and carried, the Board adopted the FY 2016 – 2017 budget with adjustments to sewer garage costs, James Hardie revenues and allocation of \$100,000 to contingency and remainder to be applied to galvanized water line replacement.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

C. Right of Way Easement – Appalachian Power Company/Dublin Drop Site

Mr. Huber described the request of Appalachian Power Company for a right of way easement across the PSA's Dublin Drop Site. Staff recommended approval of the request after an evaluation of the pole location. Mr. Dean asked if security cameras could be mounted to the pole and staff will check into this.

On a motion from Mr. Setliff, seconded by Mr. Dean and carried, the Board approved the Right of Easement for Appalachian Power Company at the Dublin Drop Site.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

D. Ratification of Purchase of Bear Proof Trash Can Program

The Board discussed continuation of program and staff to find out if the Department of Game and Inland Fisheries will consider giving more funding. Mr. Dean asked for an update in a month to gather feedback through use of questionnaire from current users of cans.

On a motion from Mr. Setliff, seconded by Mrs. Burchett and carried, the Board authorized continuation of the program at the \$40 price point pending response/requests from citizens.

All members approved by consensus vote called by Dr. Warren.

Dr. Warren called for a 5 minute recess at 10:55 a.m. The meeting reconvened at 11:02 a.m.

E. Refuse Department Standard Operating Procedures and Code of Conduct

Mrs. Burchett noted the lack of revisions since September 14, 2001 and suggested the addition of a mission statement, chain of command, worker compensation, inmate to receive Code of Conduct along with New River Valley Regional Jail regulations. Further modifications were to be submitted to Mrs. Thompson who would edit and send out to Board members for feedback before approval/ratification at the July Board meeting.

6. Follow – Up Matters

A. Collections Update

Mrs. Boyd was absent from the meeting, however the Board reviewed the report. There were no questions.

B. Delinquency Report

The Board acknowledged receipt and review of the delinquency report. There were no questions.

C. Dublin Drop Site and Garage Complex 2016

Mr. Nichols and Mr. Linkous gave updates. Mr. Linkous advised work on Dublin Drop Site is close to completion.

7. Items of Consent

A. Minutes of Previous Meeting

On a motion by Mr. Dean, seconded by Mrs. Burchett and carried, the Board approved the Minutes of May 10, 2016, and items of consent from A – F.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett

Voting No: None

Absent: Mrs. Burchett

B. Balance Due and Lien Reports

The Board reviewed and accepted the balance due report as presented in the June 14, 2016, BoardDocs agenda.

C. Budget Adjustments

Budget adjustment #9 was reviewed and accepted by the Board.

D. Billing Adjustments

The Board reviewed and accepted billing adjustments totaling a net credit of \$5,516.26.

E. Accounts Payable

The Board approved accounts payable for checks numbered 8013826– 8013969.

F. Personnel Changes

Board members reviewed a memo describing personnel changes in the month of June 2016, an electronic version of which is filed in the BoardDocs agenda.

G. Bear Proof Lid – Dumpster on Duncan Hill Lane

The Board discussed the location of the drop center and advised staff ensure all are billed for garbage and to explore options for dumpster. Dr. Streff stressed the need to develop guideline for such requests, especially when made by members of the Board of Supervisors.

8. Reports from Staff, Etc.

A. Operational Reports: Inmate Availability; Drop Site and County Landfill Tonnage Reports and Cut Off List

By consensus, the Board reviewed and accepted the operational report as presented in the BoardDocs agenda.

B. One Call Report

The June One Call Report was unavailable for review prior to the meeting.

C. PSA Billing Office Update

Mr. Linkous reported the Billing Office is approximately 75% complete with furniture being purchased and an end of July target completion date. Mrs. Burchett remarked about the public's perspective of the project as there is negative feedback regarding prime property being taken off the tax rolls. Mr. Dean asked about the use of the sign and an open house once complete was discussed.

D. Town of Pulaski Refuse Discussion

Input given by Board members regarding efforts to upgrade Dora Highway site by reviewing options for an adjacent site and consideration of a meeting between Town Officials and members of the PSA (Dr. Warren as Chair and Dr. Streff, who represents the area) were discussed.

E. Annual Water Settlement with the Town of Pulaski

Mrs. Newby provided the annual water settlement for the Town of Pulaski and advised the annual rate will change from \$2.28 to \$2.36 for next fiscal year.

F. Pepper's Ferry Wastewater Treatment Authority FY 2016 - 2017

Board members reviewed the Pepper's Ferry Wastewater Treatment Authority FY 2016 – 2017 Budget adopted on June 2, 2016.

G. Information Provided to the Virginia Department of Health Regarding Brookmont Water System

Mr. Linkous received confirmation from the Virginia Department of Health regarding the Brookmont Water System stating there was no issue with the PSA.

H. Shelor Motor Mile Speedway Sewer Agreement – VFRIFA/PSA

Mr. Huber presented information regarding the agreement the PSA entered into with the Virginia's First Industrial Facilities Board and the Shelor Motor Mile Speedway to provide for the installation of a sewer line under the speedway prior to its renovation.

On a motion from Dr. Streff, seconded by Mr. Setliff and carried, the Board agreed to contribute 80% of the income after deducting for treatment cost going back to the initial installation and pay through June 30, 2016.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.

I. Virginia Clean Water Revolving Fund - FY 2017 Annual Solicitation of Applications for Financial Assistance

Information presented to the Board on the Virginia Clean Water Revolving Fund - FY 17 Annual Solicitation of Applications for Financial Assistance.

J. Years of Service Comparisons of the PSA

Staff presented the Board with requested chart based on years of service comparisons of the PSA.

9. Staff To Do List

The Board reviewed the following staff list of ongoing items:

- A. Skyview Phase 3
- B. Drop Center on the South Side of Claytor Lake
- C. Covered Water Meter Ordinance
- D. Draper Area Wythe County Sewer/PSA Connection
- E. Water Meter Replacement
- F. Water Master Plan
- G. Lakewood Estates
- H. Facilities for Refuse Employees
- I. Water Treatment Plant – Noted sedimentation pattern is being evaluated.
- J. Commerce Street Bridge – No update at this time.

10. Adjournment

A. Adjournment

On a motion from Mr. Dean, seconded by Dr. Streff and carried, the Board adjourned its regular meeting. The next regular meeting of the PSA Board of Directors is scheduled for Tuesday, July 12, 2016, at 9:00 a.m., in the Board Room of the County Administration Building.

Voting Yes: Mr. Setliff, Mr. Dean, Dr. Warren, Dr. Streff, Mrs. Burchett.

Voting No: None.



Doug Warren, Chairman



Nancy Burchett, Secretary/Treasurer