

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS MEETING  
September 11, 2018

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, September 11, 2018, 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; Mr. Dave Dean, Vice - Chairman; Dr. Fritz Streff, and Mrs. Nancy Burchett Absent: Mr. Dennis Setliff.

Staff members present included: Jared Linkous, Executive Director; Ronnie Nichols, Deputy Director; Jonathan Sweet, County Administrator; Diane Newby, Finance Director; and Natasha Grubb, Clerk to Board.

1. Welcome and Call to Order

Dr. Warren called the meeting to order at 9:01 a.m.

A. Confirmation of A Quorum

4 (four) Board members were present.

B. Moment of Silence - Trina Rupe

Dr. Warren asked for a moment of silence for the 17th anniversary of 9/11 and in memory of Ms. Trina Rupe, Commissioner of Revenue, who passed away suddenly on Wednesday, August 29, 2018.

2. Approval of the Agenda

A. Additions or Changes to the Agenda

The Board voted in the affirmative by consensus to accept the agenda as presented.

3. Presentations and Citizens Comments

A. Presentations and Citizens Comments

Mr. Jack Martin, resident, 2801 Old Route 100 Road, Draper, would like to commend the water crew for their efficient work in repairing the water line break in his area. He stated their response was "quick and they had the water back on in no time flat", which he greatly appreciated. Mr. Martin asks for the crew's supervisor and/or department head to share this commendation and his thanks with the crew.

Dr. Warren asked staff to inform the water crew and to notify Mr. Martin the Board and the water crew was made aware of his compliment.

4. Financial Matters

A. Financial Report

On a motion by Dr. Streff, second by Mrs. Burchett and carried, the Board reviewed and accepted the Financial Report.

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

Voting No: None.

Absent: Mr. Setliff

B. Collections Update

Mr. Linkous provided the collections update. There were no questions.

C. One Call Report

Mr. Linkous reviewed the One Call Report. There were no questions.

5. Action Items (New Business)

## A. U.S. Cellular

Mr. Linkous presented the second amendment to the water tank and ground space lease for the U.S. Cellular site located on Pepperell Way across from Volvo. There are minor items to be removed (smaller footprint) however, none are financial. Staff recommends approval of the amendment to the agreement.

On a motion by Dr. Streff, second by Mr. Dean and carried, the Board approved accepting the second amendment to the agreement for the water tank and ground space lease.

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

Voting No: None.

Absent: Mr. Setliff

## B. Fuel Truck

Mr. Linkous advised the New River Valley Airport has a fuel truck they are ready to surplus. It is a 1996 International Navy surplus truck with 27,000 miles and approximately 8,000 hours. The truck has an automatic transmission, air brakes, DT 466 engine and a 2,000 gallon aluminum tank. The truck needs some minor repairs, the asking price for the truck is \$9,000. Staff recommends the Board approve the purchase of the 1996 International Navy surplus fuel truck.

Dr. Warren encouraged to negotiate for a cheaper price if possible.

Mr. Dean requested staff present photographs of items it is interested in purchasing at the time of the meeting.

On a motion by Mrs. Burchett, second by Dr. Streff and carried, the Board approved purchasing the 1996 International Navy surplus fuel truck.

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

Voting No: None.

Absent: Mr. Setliff

## 6. Action Items (Old Business)

### A. Meter Replacement Funding (VDH offer)

Mr. Linkous advised there are (2) two funding options available for the Water Meter Replacement project.

#### Option 1: 100% loan at below market rates

The funding package consists of a \$641,000 loan for a term of 20 years (or the design life of the project, whichever is less). The interest rate on the loan will be set equal to 1% below the 20-year AA municipal bond rate at the time of loan closing. Recently the AA bond rate has varied between 2.5% to 3.5%.

#### Option 2: \$160,000 as principal forgiveness (grant funds) with subsidized loan

The funding package under this special program is \$160,000 as principal forgiveness (grant funds) and the remainder as a 20 year loan (or the design life of the project, whichever is less) at 2.5% interest. To qualify for this offer VDH requires: Residential user rates to exceed the target rate (1.0% of MHI) prior to project completion, or a commitment to adjust rates to ensure minimum compound revenue increase of 3% each year for the next five years. The Virginia Resources Authority (VRA) may require additional actions in addition to these to secure the loan.

Staff recommends option 2.

Mrs. Burchett asked for the actual annual debt payment. Mr. Linkous stated \$2,480.00 per month for 20 years (\$481,000.00).

Mrs. Burchett inquired when the first debt payment would show in the Public Service Authority's budget. Mr. Linkous noted next fiscal year (FY19-20) and the funding would also be available next year.

On a motion by Mr. Dean, second by Dr. Streff and carried, the Board approved the funding offer option 2 from the Virginia Department of Health for the Water Meter Replacement.

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

Voting No: None.  
Absent: Mr. Setliff

## 7. Reports from Executive Director and Staff

### A. Operational Reports: Convenience Centers and County Landfill Tonnage, Inmate Availability and Cut-Off List

The Board reviewed the Operational Reports: Convenience Centers and County Landfill Tonnage, Inmate Availability and Cut-Off list as presented in the August 14, 2018, BoardDocs agenda.

Dr. Warren asked if there was additional discussion regarding the Pulaski Convenience Center location. Mr. Linkous spoke with Mr. Shawn Utt, Town Manager, Pulaski and informed him the Public Service Authority (PSA) Board was excited to receive news the site was available and plans are to work to get preliminary engineering plans for the site and funding cost.

Dr. Warren inquired when the fence would be moved back to the Fairlawn Convenience Center location. Mr. Linkous noted a request was made to use PDR (Pulaski, Dublin and Radford) funds and was informed by the New River Resource Authority funding was not available this year due to a significant decrease in revenue.

On a motion by Dr. Streff, second by Mr. Dean and carried, the Board approved to respectfully request quarterly PDR reports from the New River Resource Authority.

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

Voting No: None.

Absent: Mr. Setliff

There was discussion regarding preparation for Hurricane Florence. Mr. Nichols noted trash would not be picked up on Friday, September 14, 2018. Staff will collect Friday, September 14, 2018 refuse the following week.

### B. Staff to Do List

The following updates were provided on the following staff to do list items:

#### A. Skyview Phase 3 (Community Sewers Project)

No report given.

#### B. Drop Site on the South Side of Claytor Lake

No report given.

#### C. Covered Water Meter Ordinance

No report given.

#### D. Draper Area Wythe County Sewer/PSA Connection

No report given.

#### E. Water Meter Replacement

No report given.

#### F. Water Master Plan

No report given.

#### G. Facilities for Refuse Employees

No report given.

#### H. Pulaski Convenience Center Relocation

No report given.

I. Brookmont Water System Disinfection By-Products

No report given.

K. Improvements to Fairlawn Convenience Center

No report given.

L. Write off Accounts Consideration

8. Other Matters from the Directors

9. Items of Consent

On a motion by Mrs. Burchett, second by Mr. Dean and carried, the Board reviewed and approved by consensus in the affirmative the following items of consent:

A. Minutes of Previous Meeting

The minutes of August 14, 2018, regular meeting, were approved by the Board at the September 11, 2018, meeting.

B. Balance Due Report

The balance due report was approved as presented in the September 11, 2018, meeting agenda in BoardDocs.

C. Budget Adjustments

There were no budget adjustments for the month of September 2018.

D. Billing Adjustments

The billing adjustments were approved as listed in the September 11, 2018, meeting agenda in BoardDocs.

E. Accounts Payable

The Board ratified accounts payable for checks numbered #8017287-8017423.

F. Personnel Changes

Board members reviewed and approved a memo describing personnel changes in the month of August 2018, an electronic version of which is filed in the September 11, 2018, BoardDocs agenda.

10. Informational Items

There were no informational items for the month of September.

11. Adjournment

A. Adjournment

On a motion by Dr. Streff, second by Mrs. Burchett and carried, the Board adjourned their September 11, 2018, regular meeting. The Board voted by consensus in the affirmative to conclude the meeting.

The October regular meeting of the Public Service Authority will be held on Tuesday, October 9, 2018, at 9 a.m. in the Board Room of the County Administration Building, 143 Third Street, N.W., in the Town of Pulaski, Virginia.



Douglas D. Warren, DED, Chairman



Nancy Burchett, Secretary/Treasurer