

PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS MEETING  
February 12, 2019

At a regular meeting of the Public Service Authority Board of Directors held on Tuesday, February 12, 2019, 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; Mr. Dennis Setliff; Dr. Fritz Streff and Mrs. Nancy Burchett.

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

1. Welcome and Call to Order

Dr. Warren called the meeting to order at 9:05 a.m.

A. Confirmation of A Quorum

5 (five) Board members were present.

2. Approval of the Agenda

A. Additions or Changes to the Agenda

- 5. (Action Items - New Business) B. Agreement between Pulaski County Public Service Authority and JABCO
- 5. (Action Items - New Business) C. Upcoming Capital Improvement Plan and Budget Schedule

On a motion by Dr. Streff, second by Mrs. Burchett and carried, the Board accepted the additions of 5. (Action Items - New Business) B. Agreement between Pulaski County Public Service Authority JABCO, 5. (Action Items - New Business) C. Upcoming Capital Improvement Plan and Budget.

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

Voting No: None.

3. Presentations and Citizens Comments

A. Presentations and Citizens Comments

Mrs. Brenda Blackburn, resident of Ruebush Road, Dublin, asked Mr. Linkous if Pulaski County Public Service Authority (PSA) employees would be responsible for connecting water and sewer to the new Pulaski County Middle School.

Mr. Linkous stated water and sewer was out for bid on the new Pulaski County Middle School.

Mrs. Blackburn commented on the importance of adding revenue and bringing hotels/motels into Pulaski County instead of spending money and not receiving revenue in return.

B. Audit Year Ending June 30, 2018 Presentation

Mrs. Emily Viers, CPA, Audit Manager, Robinson, Farmer, Cox Associates, presented the audit year ended June 30, 2018. Mrs. Viers explained GASB 75, a new accounting standard. Discussion ensued regarding this liability from the new GASB standard along with the OPEB liabilities. It was noted these liability balances can vary from year to year. Mrs. Viers was asked to compare the PSA to other localities and to provide a comparison of similar clients from their auditing firm. Mrs. Burchett expressed concerns with information provided in the auditor's management letter and asked staff to address and report their findings to the Board.

On a motion by Mr. Setliff, second by Dr. Streff and carried, the Board accepted the Audit Year Ended June 30, 2018, as presented by the Robison Farmer Cox Associates.

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

Voting No: None.

4. Financial Matters

## A. Financial Report

Mrs. Newby presented the financial report.

Mr. Nichols advised of the City of Radford's need for recycling containers which could generate revenue for the PSA at no additional cost. Mr. Nichols will provide additional information as it becomes available.

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

## B. Collections Update

Mrs. Boyd announced the Set Off Debt was submitted to the Commonwealth of Virginia on January 8, 2019, with a total of 558 records in the amount of \$978,375.49. On January 31, 2019, an outstanding delinquent account was collected in the amount of \$6,665.00.

## C. One Call Report

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

## 5. Action Items (New Business)

### A. Agreement - VDOT (Waterline Bridge)

Mr. Linkous reviewed and recommended approval of the Agreement between the County of Pulaski and the Commonwealth of Virginia Department of Transportation (VDOT) for the Water Line Bridge.

On a motion by Mr. Dean, second by Dr. Streff and carried, the Board approved the Agreement between the County of Pulaski and Commonwealth of Virginia Department of Transportation for the Water Line Bridge Attachment .

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

Voting No: None.

### B. Agreement between Pulaski County Public Service Authority and JABCO

As part of the Community Sewers Project, which provided water and sewer service to several mobile home parks within the County, the PSA entered into an agreement with JABCO, LLC, the owner of Tiny Town Mobile Home Park. As part of the agreement, JABCO was allocated \$231,860.15 in grant funds, \$171,892.85 in loan funds and a lien was placed on the property. The intent of the agreement was to have user fees pay off the loan within 40 years, which was the term the PSA entered with Rural Development.

JABCO is interested in selling Tiny Town Mobile Home Park to AMC, LLC. AMC requested PSA consider assigning the remaining unpaid debt to them as part of the sale. Based upon our records, it appears that the PSA collected \$117,551.28 from users of the Tiny Town sewer system, leaving a remaining amount of \$53,341.57, which could be assigned to AMC and secured by lien. Staff is recommending approval of assumption of the existing lien by the purchaser, AMC LLC, subject to review by counsel for the authority.

On a motion by Dr. Streff, second by Mr. Setliff and carried, the Board approved the assumption of the existing lien by the purchaser, AMC, LLC.

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

Voting No: None.

### C. Upcoming Capital Improvement Plan and Budget Schedule

Mr. Linkous reviewed the Upcoming Capital Improvement, Budget Schedule and the Code section regarding the rate increase.

Mr. Linkous advised a schedule with dates and times will be sent to the Board this week. A draft of the budget and capital improvement will be sent a week before the meeting.

On a motion by Dr. Streff, second by Mr. Setliff and carried, the Board reviewed and accepted the Upcoming Improvement, Budget Schedule and Rate Hearing Schedule.

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

Voting No: None.

#### 6. Action Items (Old Business)

There were no action items regarding old business.

#### 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 February 12, 2019, BoardDocs agenda.

Mr. Setliff commended the Fairlawn Convenience attendants for their great job and asked Mr. Nichols to inform staff.

Mr. Dean remarked residents are not aware of the Fairlawn Convenience Center and suggested a blurb be included in the County Newsletter to inform citizens of the locations and hours.

Mr. Dean asked Mr. Nichols if the potholes located at the Dublin Convenience Center were repaired. Mr. Nichols reported they were repaired, and have returned due to the weather. The permanent solution is paving the center which will be including in the capital improvement plan.

##### B. Activity Report

Mr. Linkous provided the Activity report. There were no questions.

##### C. Pulaski County Middle School Sewer Extension

Mr. Linkous reviewed the engineers recommendation of the project be awarded to Mendon Pipeline Inc. and the official notice of award for the Pulaski County Middle School extension.

##### D. Staff to Do List

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

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

Mr. Linkous provided minutes from the progress meetings. There were no questions.

##### 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

I. Brookmont Water System Disinfection By-Products

No report given.

K. Improvements to Fairlawn Convenience Center

No report given.

L. Write off Accounts Consideration

No report given.

8. Other Matters from the Directors

A. Drinking Water State Revolving Fund

Mr. Linkous advised the deadline for submitting the applications for the Drinking Water State Revolving Fund (DWSRF) is April 1, 2019. DWSRF is the funding used for generators, intake improvements and meter replacement. DWSRF recommends projects to be completed before applying. The program offers approximately twenty percent principal forgiveness, eighty percent loan and 1 1/2 to 2% for (20) twenty years. If funding is received there is no penalty for paying it off early and can receive principal forgiveness amount of twenty percent.

It is a possibility we may not be eligible because there are (3) three projects currently open and there will be a five percent rate increase for next (5) five years.

Mr. Dean reported the need for expansion and should to be reviewed over the next years.

9. Items of Consent

On a motion by Dr. Streff, second by Mr. Setliff 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 January 8, 2018, regular meeting, were approved by the Board at the February 12, 2019, meeting.

B. Balance Due Report

The balance due report was approved as presented in the February 12, 2019, meeting agenda in BoardDocs.

C. Budget Adjustments

There were no budget adjustments for the month of February 2019.

D. Billing Adjustments

The billing adjustments were approved as listed in the February 12, 2019, meeting agenda in BoardDocs.

E. Accounts Payable

The Board ratified accounts payable for checks numbered #8017975-8018123.

Dr. Streff noted there was a late payment to UPS and discussed the importance of bills paid on time.

Mr. Linkous remarked staff are aware of the issues and have contacted UPS (United Postal Service) regarding the matter. When the bills are mailed to the office it is shuffled numerous places and department before it is given to the authorized user.

F. Personnel Changes

Board members reviewed and approved a memo describing personnel changes in the month of January 2019, an electronic version of which is filed in the February 12, 2019, BoardDocs agenda.

#### 10. Informational Items

##### A. First Bank

Mr. Setliff advised First Bank and Trust will accept payments for Pulaski County Sewerage Authority (PCSA) customers instead of SunTrust.

Mr. Linkous discussed the possibility of closing the account at SunTrust and transferring everything to The National Bank. In the past PSA have had (2) two separate bank accounts which has caused confusion when transferring data to the Treasurer's Office.

##### A. Adjournment

On a motion by Dr. Streff, second by Mrs. Burchett and carried, the Board adjourned their February 12, 2019, regular meeting. The Board voted by consensus in the affirmative to conclude the meeting.

The March regular meeting of the Public Service Authority will be held on Tuesday, March 12, 2019, at 9 a.m. in the Board Room of the County Administration Building, 143 Third Street, N.W., in the Town of Pulaski, Virginia.



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Douglas D. Warren, DED, Chairman



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Nancy Burchett, Secretary/Treasurer