

**AT A REGULAR MEETING OF THE MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY, HELD ON THE 4<sup>TH</sup> DAY OF AUGUST 2008, 7:00 P.M., COUNTY ADMINISTRATION CONFERENCE ROOM, MONTGOMERY COUNTY GOVERNMENT CENTER, CHRISTIANBURG, VIRGINIA:**

|                               |                           |
|-------------------------------|---------------------------|
| <b>PRESENT:</b> James Politis | -Chair                    |
| Mary Biggs                    | -Secretary-Treasurer      |
| Gary Creed                    | -Vice-Chair               |
| Annette Perkins               | -Member                   |
| John Muffo                    | -Member                   |
| William Brown                 | -Member                   |
| Doug Marrs                    | -Member                   |
| Robert C. Fronk               | -PSA Director             |
| Linda Pendleton               | -Senior Program Assistant |
| Marty McMahon                 | -County Attorney          |
| B. Clayton Goodman            | -County Administrator     |
| Malvin Wells                  | -Planning Commission      |

**CALL TO ORDER**

Chair Politis called the meeting to order and determined that a quorum was present.

**PUBLIC HEARING-PROPOSED SCHEDULE FIXING AND CLASSIFYING RATES, FEES, AND CHARGES FOR WATER AND SEWER SERVICE**

At this time a public hearing was conducted on the following proposed rates:

**DISCONNECTION FEE:**

- Currently \$45 Disconnection Fee for Water and \$45 Disconnection Fee for Sewer
- Proposed \$50 Disconnection Fee for Water Only and \$50 Disconnection Fee When Water and Sewer is Disconnected at the Same Time
- Proposed \$100 Disconnection Fee for Sewer Only Accounts

**REACTIVATION FEE:**

- New Proposed Fee of \$50

**FACILITY FEE INSTALLMENT PLAN  
PROCESSING/HANDLING FEE:**

- A New Proposed Ten Percent Flat Fee of Total Amount Financed When Financing Water and/or Sewer Under the Facility Fee Installment Plan

**PLAN REVIEW FEE:**

-A New Proposed \$100 Base Fee Plus an Additional \$0.20 Per Linear Foot for Review of Water and/or Sanitary Sewer (Gravity and Force) Main Plans.

A \$50 Re-Review Fee Plus an Additional \$0.10 Per Linear Foot for the Review of the 4<sup>th</sup> Submission and Beyond

**CONSTRUCTION INSPECTION FEE:**

-A New Proposed \$100 Construction Inspection Fee Per 1,000 Linear Feet or Portion Thereof of Water and/or Sewer. The Fee is for Each System, Water and Sewer

**FIRE HYDRANT AVAILABILITY FEE:**

-A New Proposed \$35 Per Fire Hydrant, Per Year, Fire Hydrant Availability Fee to be Paid by the County of Montgomery

There were no public comments on the proposed rates.

**PUBLIC ADDRESS SESSION**

There were no comments from the public.

**CONSENT AGENDA**

On a motion by William Brown, seconded by Doug Marris, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the Consent Agenda, dated August 4, 2008.

The vote on the foregoing motion is as follows:

| AYE             | NAY | ABSENT |
|-----------------|-----|--------|
| John Muffo      |     |        |
| Gary Creed      |     |        |
| Annette Perkins |     |        |
| William Brown   |     |        |
| Doug Marris     |     |        |
| Mary Biggs      |     |        |
| James Politis   |     |        |

**APPROVAL OF MINUTES  
JULY 7, 2008**

On a motion by William Brown, seconded by Doug Marris, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the minutes dated July 7, 2008.

**APPROVE PROPOSED RATES, FEES, AND CHARGES FOR WATER AND SEWER SERVICE**

**R08-08-1**

**RESOLUTION APPROVING PROPOSED RATES, FEES,  
AND CHARGES FOR WATER AND SEWER SERVICE**

On a motion by Annette Perkins, seconded by William Brown, and carried; IT WAS RESOLVED, that the Public Service Authority advertised a public hearing notice for rate adjustments in the New *River Current* section of the *Roanoke Times* on Friday May 9 and Friday May 16, 2008; and

WHEREAS, the Authority held a public hearing on August 4, 2008 to receive citizen comments on the adoption of the proposed rate adjustments for all Authority owned water and sewer systems.

NOW, THEREFORE BE IT RESOLVED, that in accordance with the Code of Virginia, Chapter 51, Virginia Water and Waste Authorities Act, Section 15.2-5136, Rates and Charges; the Public Service Authority hereby approves and adopts the following rate adjustments, to become effective August 5, 2008:

**DISCONNECTION FEE**

- \$50 Disconnection Fee for Water Only and \$50 Disconnection Fee When Water and Sewer is Disconnected at the Same Time
- \$100 Disconnection Fee for Sewer Only Accounts

**REACTIVATION FEE**

- New Fee of \$50

**FACILITY FEE INSTALLMENT PLAN  
PROCESSING/HANDLING FEE**

- New Ten Percent Flat Fee of Total Amount Financed When Financing Water and/or Sewer Under the Facility Fee Installment Plan

**PLAN REVIEW FEE**

- New \$100 Base Fee Plus and Additional \$0.20 Per Linear Foot for Review of Water and/or Sanitary Sewer (Gravity and Force) Main Plans. A \$50 Re-Review Fee Plus an Additional \$0.10 Per Linear Foot for the Review of the 4<sup>th</sup> Submission and Beyond

**CONSTRUCTION INSPECTION FEE**

- New \$100 Construction Inspection Fee Per 1,000 Linear Feet or Portion Thereof of Water and/or Sewer. The Fee is for Each System, Water and Sewer

## **FIRE HYDRANT AVAILABILITY FEE**

-New \$35 Per Fire Hydrant, Per Year, Fire Hydrant Availability Fee to be Paid by the County of Montgomery

The roll call vote on the foregoing motion is as follows:

|                 |      |
|-----------------|------|
| John Muffo      | -Yes |
| Gary Creed      | -Yes |
| Annette Perkins | -Yes |
| William Brown   | -Yes |
| Doug Marris     | -Yes |
| Mary Biggs      | -Yes |
| James Politis   | -Yes |

## **REVIEW OF MONTGOMERY COUNTY SERVICES**

The Director presented a list of items currently being performed by the Montgomery County Human Resources Department. It was discussed briefly.

## **ESTABLISH MEETING DATE FOR SEPTEMBER 2008**

On a motion by Annette Perkins, seconded by Doug Marris, and carried; IT WAS RESOLVED, that the Public Service Authority does hereby schedule their regular meeting date for Tuesday, September 2, 2008.

The vote on the foregoing motion is as follows:

| AYE             | NAY | ABSENT |
|-----------------|-----|--------|
| John Muffo      |     |        |
| Gary Creed      |     |        |
| Annette Perkins |     |        |
| William Brown   |     |        |
| Doug Marris     |     |        |
| Mary Biggs      |     |        |
| James Politis   |     |        |

## **R08-08-2 RESOLUTION APPROVING A VIRGINIA DEPARTMENT OF HEALTH PLANNING GRANT FOR THE PLUM CREEK WATER SYSTEM EVALUATION IN AN AMOUNT OF \$25,000**

On a motion by Mary Biggs, seconded by John Muffo, and carried; IT WAS RESOLVED, that the Montgomery County Public Service Authority (PSA) has identified significant water loss in the Plum Creek water system; and

WHEREAS, the Virginia Department of Health-Office of Drinking Water Planning Grant Program provides funding for projects such as this one; and

WHEREAS, the Montgomery County PSA Board of Directors has reviewed project-planning material and found that the pre-requirements for the Planning Grant Program have been met for submitting a funding application.

NOW, THEREFORE, BE IT RESOLVED, that the Montgomery County PSA Board of Directors hereby agree to seek funding from the Virginia Department of Health-Office of Drinking Water for the Plum Creek Water System Evaluation in an amount of \$25,000.

BE IT FURTHER RESOLVED, that the PSA Director shall immediately begin to process a funding application for this project and be authorized to execute any and all documents to accept such funding contingent upon review and concurrence by the PSA Attorney.

The vote on the foregoing motion is as follows:

| AYE             | NAY | ABSENT |
|-----------------|-----|--------|
| John Muffo      |     |        |
| Gary Creed      |     |        |
| Annette Perkins |     |        |
| William Brown   |     |        |
| Doug Marrs      |     |        |
| Mary Biggs      |     |        |
| James Politis   |     |        |

### **FINANCIAL REPORT**

The Financial Report for period ending July 31, 2008 was not ready due to a system problem. The Finance Director will prepare the report when she returns from vacation on August 11, 2008, and the Director will send a copy to the Board.

### **DIRECTOR'S REPORT**

The Director discussed the following items:

1. Monthly Activities Report  
The July 2008 report was presented for review.
2. Elliston-Lafayette Wastewater Treatment Plant Diffuser Project  
The project is complete and went into full operation July 30, 2008. This project involved installing a 10-inch diameter diffuser pipe in the Roanoke River to discharge the treated effluent from the sewage treatment plant. The old outfall consisted of a pipe at the river bank. Discharging the treated effluent through the diffuser provides excellent mixing in the river that should translate into higher discharge limits for facilities using the public sanitary sewer system.
3. Walnut Creek Subdivision Facility Fee Payments  
The second phase of this development was not required to pay facility fees upfront as a carryover of the first phase negotiations. However, the second phase by agreement was required to pay all outstanding fees at the end of a one year period ending July 18, 2008.

The developer was notified on July 24, 2008 that payment was due in the amount of \$18,750.00.

The PSA has a balance due the Town of Christiansburg of \$18,743 for sewer capacity to this area. Final payment will be made to the Town upon receipt of the payment from the developer.

4. Riner Well Number Two

The number 2 well in Riner has been placed back into service the last week of July 2008. This well has been off-line since December 2006 due to an underground fuel oil leak at the Riner Cannery. Site remediation and extended period testing of the groundwater was recently completed and the Virginia Department of Health approved placing the well back into service.

Out of pocket expense to the PSA included \$740.00 for laboratory testing of the well.

5. Carter Bank Refinancing

In response to a question raised during the July 7, 2008 meeting, it has been confirmed that the total amount refinanced by Carter Bank included credit for the final payment of \$29,739 to Rural Development.

6. Ironto Water System Extension and Casing Review

On July 22 and 23, 2008, the PSA maintenance crew excavated and exposed the end of the 36-inch utility casing under I81 and inspected the internal configuration. The casing configuration is different from the design plan, but the top section of the casing is open and it may be possible to install a water main in the top section.

7. Hosting of Virginia Rural Water Association Training

On July 16, 2008, the PSA hosted a water and wastewater operator training seminar. This seminar was well attended, provided hands-on training, and allowed operators to acquire continuing professional education units required for license renewal.

8. Membrane Treatment Training

On July 23, 2008, the Director attended a training seminar in Bedford on membrane treatment system design for drinking water.

9. Virginia Department of Health Water Operations Fee Surcharge

The PSA is required to charge a monthly fee for all water customers that is then transferred to the Virginia Department of Health (VDH). The monthly surcharge had been \$0.15 per month per account and was recently increased to \$0.17 per month by VDH. Since this is a surcharge, this increase did not require a public hearing.

10. FY 2008 Water and Sewer Purchase to Sales Comparisons

The Director presented a chart of the water and sewer purchase to sales comparisons for the period from July 1, 2007 to June 30, 2008 for review and discussion.

11. The Director informed the Board that Daniel Givens passed his Class III Wastewater exam and is now a Class III Wastewater Operator.

12. Shawsville Water Rehab Project – Leftover Money

Rural Development approved the PSA to utilize leftover money from the Shawsville water project for purchasing meters and new computer. All items have been purchased.

**AUTHORITY MEMBERS' REPORT**

Mary Biggs -Discussed the recent article concerning pharmaceuticals in drinking water. The Director stated that the American Waterworks Association was conducting a study to determine the levels that would be potentially harmful.

**INTO CLOSED MEETING** (In at 7:50 p.m.)

On a motion by Annette Perkins, seconded by Mary Biggs, and carried; IT WAS RESOLVED, that the Public Service Authority hereby enters into Closed Meeting for the purpose of discussing the following:

- Section 2.2-3711 (7) Consultation with Legal Counsel and Briefings by Staff Members or Consultants Pertaining to Actual or Probable Litigation, Where Such Consultation or Briefing in Open Meeting Would Adversely Affect the Negotiating or Litigating Posture of the Public Body; and Consultation with Legal Counsel Employed or Retained by a Public Body Regarding Specific Legal Matters Requiring the Provision of Legal Advice by Such Counsel
  - 1. Blacksburg/Prices Fork Water Purchase Contract
  - 2. Blacksburg – Water Service Merrimac Road
  
- (1) Discussion, Consideration or Interviews of Prospective Candidates for Employment; Assignment, Appointment, Promotion, Performance, Demotion, Salaries, Disciplining or Resignation of Specific Officers, Appointees or Employees of Any Public Body
  - 1. Two Personnel Issues

The vote on the foregoing motion is as follows:

|  |     |        |
|--|-----|--------|
| AYE<br>John Muffo<br>Gary Creed<br>Annette Perkins<br>William Brown<br>Doug Marrs<br>Mary Biggs<br>James Politis | NAY | ABSENT |
|--|-----|--------|

**OUT OF CLOSED MEETING**

**(Out at 9:25 p.m.)**

On a motion by William Brown, seconded by Doug Marris, and carried; IT WAS RESOLVED, that the Public Service Authority ends their Closed Meeting to return to Regular Session.

The vote on the foregoing motion is as follows:

| AYE             | NAY | ABSENT |
|-----------------|-----|--------|
| John Muffo      |     |        |
| Gary Creed      |     |        |
| Annette Perkins |     |        |
| William Brown   |     |        |
| Doug Marris     |     |        |
| Mary Biggs      |     |        |
| James Politis   |     |        |

**CERTIFICATION OF CLOSED MEETING**

On a motion by Mary Biggs, seconded by Doug Marris, and carried; IT WAS RESOLVED, that the Public Service Authority of Montgomery County has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certification by the Board that such Closed Meeting was conducted in conformity with Virginia law.

NOW, THEREFORE BE IT RESOLVED, that the Public Service Authority does hereby agree, that to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the meeting to which this certification resolution applies; and (ii) only public business matters as were identified in the motion conveying the Closed Meeting were heard, discussed or considered by the Authority.

| AYE             | NAY | ABSENT |
|-----------------|-----|--------|
| John Muffo      |     |        |
| Gary Creed      |     |        |
| Annette Perkins |     |        |
| William Brown   |     |        |
| Doug Marris     |     |        |
| Mary Biggs      |     |        |
| James Politis   |     |        |

**ADJOURNMENT**

On a motion by Mary Biggs, seconded by Annette Perkins, and carried; IT WAS RESOLVED, that the Public Service Authority does hereby adjourn to the next meeting scheduled for Tuesday, September 2, 2008.

The vote on the foregoing motion is as follows:

AYE

NAY

ABSENT

John Muffo  
Gary Creed  
Annette Perkins  
William Brown  
Doug Marris  
Mary Biggs  
James Politis