

AT A REGULAR MEETING OF THE MONTGOMERY COUNTY PUBLIC SERVICE  
AUTHORITY, HELD ON THE 1<sup>st</sup> DAY OF JUNE 2015, 7:00 P.M., MULTI PURPOSE ROOM  
#2, MONTGOMERY COUNTY GOVERNMENT CENTER, CHRISTIANSBURG, VIRGINIA:

<b>PRESENT:</b>	William Brown	-Chair
	Christopher Tuck	-Vice Chair
	Mary Biggs	-Secretary-Treasurer
	Annette Perkins	-Member
	Todd King	-Member
	Robert C. Fronk	-PSA Director
	Karri Cridlin	-Secretary to PSA Board
	Marty McMahon	-County Attorney
	Steve Howard	-Planning Commission

<b>ABSENT:</b>	Gary Creed	-Member
	Matthew Gabriele	-Member
	Craig Meadows	-County Administrator

**CALL TO ORDER**

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

**CONSENT AGENDA**

On a motion by Mary Biggs, seconded by Christopher Tuck, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the Consent Agenda, dated June 01, 2015.

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

AYE	NAY	ABSENT
Mary Biggs		Annette Perkins
William Brown		Matthew Gabriele
Christopher Tuck		Gary Creed
Todd King		

**INTO WORK SESSION**

On a motion by Mary Biggs, seconded by Christopher Tuck, and carried; IT WAS RESOLVED, that the Public Service Authority hereby enters into Work Session for the purpose of discussing the following:

Preliminary Engineering Report-PSA Water Systems Interconnections

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

AYE	NAY	ABSENT
William Brown		Matthew Gabriele
Todd King		Gary Creed
Mary Biggs		
Annette Perkins		
Christopher Tuck		

## OUT OF WORK SESSION

On a motion by Mary Biggs, seconded by Christopher Tuck, and carried; IT WAS RESOLVED, that the Public Service Authority hereby ends their Work Session to return to regular session.

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

AYE	NAY	ABSENT
William Brown		Matthew Gabriele
Todd King		Gary Creed
Mary Biggs		
Annette Perkins		
Christopher Tuck		

### **R15-06-01 Resolution for Public Service Authority Regulations Changes**

On a motion by Mary Biggs, seconded by Christopher Tuck, and carried; IT WAS RESOLVED, that the Public Service Authority Board of Directors hereby approve the Public Service Authority Regulation changes as presented but with correction of Effective Date under Exhibit 2, Water and Sewer Rate Schedule as stated June 1, 2015 to correct date of May 4, 2015. Also under section E, Regulations for Water/Sewer Service 5-Bills for Water and/or Sewer Service, from Customer accounts being closed after five (5) business days of disconnection to ten (10) business days of disconnection.

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

AYE	NAY	ABSENT
Todd King		Matthew Gabriele
Annette Perkins		Gary Creed
Mary Biggs		
Christopher Tuck		
William Brown		

## DIRECTOR'S REPORT

### **1. Monthly Activities Report**

The May 2015 report is attached for review.

### **2. Water Breaks / Pipe Failures at Elliston-Lafayette Elementary School**

We experienced three water main breaks on the 8" PVC pipe main to the new Elliston-Lafayette Elementary School on June 18, June 20, and July 2, 2014. There have been at least six pipe failures of the same nature on the 8" PVC pipe main since October 2012. The pipe failures were straight-line splits in the "bell" end of the pipe. The estimated repair cost was about \$2,500 for each repair. We kept damaged pipe joint sections from the last 2 breaks and sent one to the pipe manufacturer for evaluation. The pipe manufacturer's report stated the pipe failure was the result of improper installation and "additional joints are susceptible to similar stress induced failures."

After reviewing with Montgomery County Public School (MCPS), MCPS staff issued a letter to the general contractor, Branch & Associates claiming a "Latent Defect" in the water line installation. The contractual relationship and responsibility for the waterline construction is between the general contractor and MCPS. The PSA took over ownership of the waterline based upon certifications and warranties from MCPS and their agents. A meeting was held October 1, 2014 with the general contractor, pipeline subcontractor, MCPS staff and PSA staff to review the situation and available information. The pipeline subcontractor submitted

a letter dated November 5, 2014 claiming that even-though the pipe was installed/joined improperly, the fault is from over-compaction of the fill material above the pipe that was required by the project specifications as prepared by MCPS' engineer.

There has been a lack of substantial action by the general contractor since November 2014 in response to multiple MCPS inquiries. During this period, the general contractor replied to say they are "seeking the advice of third party experts" and "want to resolve the issue as quickly as possible."

As directed during the February 2015 PSA Meeting, the County Attorney sent an email to MCPS requesting repayment for PSA expenses for water main repairs and future reimbursement of repairs for 3 years. As a result, the County Attorney has been corresponding with the contractor's attorney in an attempt to reach a solution.

The latest correspondence of May 21, 2015 from the County Attorney to the contractor's attorney requests terms of a \$7,500 payment (originally \$15,000) for past repairs and a 5 year period of coverage (12/31/2019) for future repairs of water main breaks.

### **3. Fire Department Merrimac Training Center**

County fire departments are developing a training center with "burn building" in the Merrimac area. The water supply to the center will be from the 12-inch PSA water main along Merrimac Road. The water supply line stub-out with meter was installed by PSA staff in May 2015. The utility billing account was assigned to the Emergency Services Coordinator.

### **4. Engine Damage and Repairs to Pipe Truck**

The PSA Maintenance Crew operates a 2009 Ford F450 diesel 1-ton truck as a "pipe truck" for storage of repair parts and crew equipment/tools. The truck is configured with storage bed with bins for securing parts and major equipment/tools along with a pipe rack. This truck was purchased new in January 2009 for \$41,995 and the current vehicle mileage is +/-59,500. This vehicle suffered an engine breakdown on February 23, 2015 and was taken to Duncan Ford for evaluation. Duncan Ford issued a report March 12, 2015 which indicated the engine damage was the result of fuel contamination. The repair would have been made under warranty except that the damage was the result of fuel contamination. The repair quote from Duncan Ford to repair the engine was \$19,170.93.

On March 16, 2015, an insurance claim was filed with our insurance carrier VACo. VACo's adjuster inspected the vehicle on March 20, 2015 and we received a claim payment of \$17,028.45 on April 3, 2015.

After considerable review, it was determined that the best solution was to purchase a remanufactured engine. It was estimated to cost less than repairing the damaged engine and quicker to complete. In addition, the remanufactured engine has a two year warranty while the repaired engine would have a one year warranty.

The remanufactured engine was installed and the vehicle returned May 12, 2015. The final total cost was \$19,225 which included additional items of the Diesel Particulate Filter (\$1,686) and clutch slave cylinder (\$511).

### **5. Water / Sewer Rate Comparisons**

Attached for review is a comparison of water and sewer rates (current and proposed) for adjoining localities.

### **6. Shawsville Water Main Break**

We experienced a water main break on Oldtown Road in Shawsville the evening of Friday May 15, 2015. Repairs were not completed until early Saturday morning due to difficulties with getting the water supply turned off.

We experienced a number of customer complaints relative to air in the water from the water break until Wednesday May 20, 2015. Staff spent a considerable amount of time in the Elliston area flushing water lines to remove the air.

We are reviewing our procedures and water system configuration for improvements to prevent future issues of the same nature.

## **7. Utility Billings Issues**

Lori Beth Mitchum was hired as a Utility Billing Clerk in February 2015 to replace the previous clerk who retired. As part of the transition, a thorough review of the accounts was conducted and a number of issues were found. Corrections were made that included billing of seven accounts that had been set-up but never sent a bill or billed incorrectly. We expect to complete the billing system review and updates in the next few months.

## **AUTHORITY MEMBERS' REPORT**

Member Gabriele- Absent  
Member King- No Report  
Member Perkins- No Report  
Member Creed – Absent  
Member Biggs- No Report  
Member Tuck - No Report  
Member Brown - No Report

## **ADJOURNMENT**

There being no further business, the Chair adjourned this meeting to the next meeting scheduled for July 6, 2015.