

AT A REGULAR MEETING OF THE MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY, HELD ON THE 5TH DAY OF APRIL 2010, 7:00 P.M., COUNTY ADMINISTRATION CONFERENCE ROOM, MONTGOMERY COUNTY GOVERNMENT CENTER, CHRISTIANSBURG, VIRGINIA:

PRESENT:	Gary Creed	-Chair
	James Politis	-Vice Chair
	Mary Biggs	-Secretary-Treasurer
	Annette Perkins	-Member
	John Muffo	-Member
	William Brown	-Member
	Doug Marrs	-Member
	Linda Pendleton	-Secretary to PSA Board
	Craig Meadows	-County Administrator
	Marty McMahan	-County Attorney
	Malvin Wells	-Planning Commission
ABSENT:	Robert C. Fronk	-PSA Director

CALL TO ORDER

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

PUBLIC ADDRESS SESSION

John and Stephanie Parsons spoke concerning a water and sewer connection for property that they own at Coal Mountain Estates, Lot 4, Rock Road. This property is located in Montgomery County but water and sewer is provided by the City of Radford. They are requesting that the PSA Board delegate authority to the County Administrator and PSA Director to get issues resolved with the City of Radford so that they can prevent any more delays in building their new home.

Mr. Parsons indicated his frustration with Montgomery County and the City of Radford for not resolving these utility issues when the 177 Corridor Agreement was negotiated. He is also concerned about having to install a well and drip septic system and how it could cause environmental issues due to failure.

He is requesting the PSA and County resolve this issue as soon as possible in order to benefit all involved. He also requested the Authority to consider reducing the up-front hook-up fees, especially if the homeowners are required to pay a convenience fee to the City of Radford.

The Parsons want to be treated the same as previous homeowner, whereas, they would be allowed to request service from Montgomery County PSA instead of the City of Radford.

Mr. Calvin Conner, contractor for the Parsons, requested the Authority to work out something as soon as possible due to pricing increases in materials. He also stated that he did not feel confident in the septic system that was proposed for these homes.

CONSENT AGENDA

On a motion Mary Biggs, seconded by William Brown, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the Consent Agenda, dated April 5, 2010.

The vote on the foregoing motion is as follows:

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

**APPROVAL OF MINUTES
DATED MARCH 1, 2010**

On a motion by Mary Biggs, seconded by William Brown, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the minutes dated March 1, 2010.

INTO WORK SESSION

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

FY 2010-2011 Budget

The vote on the foregoing motion is as follows:

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

OUT OF WORK SESSION

On a motion by Mary Biggs, seconded by William Brown, and carried; IT WAS RESOLVED, that the Public Service Authority hereby ends their work Session to return to Regular Session.

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
John Muffo		
James Politis		
Annette Perkins		

William Brown
Doug Marrs
Mary Biggs
Gary Creed

**VIRGINIA DEPARTMENT OF TRANSPORTATION – RESOLUTION IN LIEU OF
GUARANTEE FEE OR BOND**

**R10-04-1
RESOLUTION IN LIEU OF GUARANTEE FEE OR BOND
TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION**

On a motion by Mary Biggs, seconded by James Politis, and carried;

WHEREAS, it becomes necessary on occasion for the Montgomery County Public Service Authority to obtain permits from the Virginia Department of Transportation to install, construct, repair, replace, maintain and operate certain public works along, across over and upon the highway system of Virginia; and

WHEREAS, expense, damage or injury may be sustained by the Commonwealth of Virginia from granting the Montgomery County Public Service Authority, by the Virginia Department of Transportation permits for the aforementioned work; and

WHEREAS, one of the conditions of such permits is that the Montgomery County Public Service Authority shall indemnify the Commonwealth of Virginia against all damages and injuries to the highways, bridges, persons or property lawfully upon said highways.

NOW, THEREFORE, the conditions of this obligation in the amount of \$10,000, is such that if the Montgomery County Public Service Authority shall in all respects comply with all the conditions of the permits that have been, or will be, granted to the Montgomery County Public Service Authority, and shall indemnify and save harmless the Commonwealth of Virginia against and from all loss, cost, expense, damage or injury to highways, bridges, persons or property lawfully upon said highways arising from the granting of such permits to the Montgomery County Public Service Authority, then this obligation to be void, otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the Montgomery County Public Service Authority has caused this bond to be executed and its' official seal affixed pursuant to this Resolution adopted by the Montgomery County Public Service Authority on the 5th day of April, 2010.

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

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

FINANCIAL REPORT

The financial report for period ending March 31, 2010 was presented for review and discussion.

DIRECTOR'S REPORT

The Director's Report included the following items:

1. Monthly Activities Report

The March 2010 was presented for review.

2. Credit Card Payments

Utility Billings has been working with our bank, StellarOne, to determine the requirements to process mailed credit card payments. This process involves having credit card payment blocks printed on the utility bill form that is mailed to customers, the customer supplying the credit card payment information that they mail to our bank and the bank processing the credit card transaction for deposit into our account.

A copy of the two proposals submitted by StellarOne for this new service was presented:

- Proposal A required all customers to pay a transaction fee of \$3.95 for each payment and a \$200 monthly flat fee to the PSA
- Proposal B required the PSA to pay a one-time fee of \$330 to purchase the terminal unit needed to process transactions, pay a 3.25% interchange rate of the total amount of monthly credit card payments, pay a monthly transaction fee of \$0.50 per transaction and pay a monthly merchant fee of \$10. At our current credit card payment volume, this would amount to charges to the PSA of about \$760 per month or \$9,120 per year.

3. Archway Lane Damage Claim

As directed during the March 1, 2010 PSA Meeting, the Director responded to several complaints of damage due to a PSA sanitary sewer within the gravel road section of Archway Lane. A copy of a letter was presented that was mailed to all property owners along Archway Lane indicating that the road was inspected and the cause of damage was not due to the sewer but was determined to be from storm water runoff, weather and lack of regular maintenance.

On a drive through on March 17, 2010, it was observed that the road had been recently graveled and graded, presumably by the adjoining property owners.

4. Norfolk Southern Railroad Crossing Permits

As directed during the March 1, 2010 PSA Meeting, the Director contacted Norfolk Southern Railroad to determine the cost to convert the 10 annual utility crossing permit fees to a one-time payment. The current annual permit fees are \$1,308.50.

The contractor for Norfolk Southern Railroad was reached on March 18, 2010 relative to this request and indicated that they will calculate the permit conversion amounts and forward the information once complete. They indicated that the permit conversion is usually calculated at around 20 times the annual permit fee.

5. Disposal of Manhole Sections at Mid-County Fill Site

The PSA Maintenance Crew disposed of the manhole sections at the Mid-County fill during the week of March 22, 2010.

6. Prices Fork Water System Switchover to Backup Water Supply

The PSA continues to use the backup water supply from the Town of Blacksburg for the Prices Fork Water System. On December 23, 2009 the PSA switched over to the backup water supply from the Town of Blacksburg as the RAAP was unable to overcome their water system leaks while maintaining adequate supply to the PSA. RAAP personnel indicated during recent discussions that they expect to be able to provide adequate water supply for the PSA sometime in April 2010.

7. Christiansburg Water and Sewer Agreements

All original water and sewer agreements between the Town of Christiansburg, Montgomery County and PSA expired in January or February 2008. The agreements were extended with the expiration date of January 16, 2011 in order to resolve the Joinder Study with the Blacksburg-Christiansburg-VPI Water Authority.

Preliminary discussions were initiated between the Christiansburg Assistant Town Manager and Director to outline new agreement conditions that would be used as a starting point for further negotiations.

A draft water and sewer agreement was sent to the Christiansburg Assistant Town Manager March 8, 2010 for review and comment. A response had not yet been received.

8. Warm Hearth Sewer Pump Station Replacement Project

The contractor has been declared in default in January 2010 as he has filed for Chapter 7 bankruptcy and stopped all work. Upon thorough review of the project status, including discussions with subcontractors and bonding company, it was decided to complete the project using PSA personnel and remaining project funds.

The PSA has been working with the electrician as he had been paid by the contractor to complete the electrical work. The electrician completed his work and requested the electrical inspection March 18, 2010. The inspection was conducted and approved on March 26, 2010. AEP was notified that the inspection was approved and that the new electrical service can be installed.

The PSA plans to perform the pump station start-up in April once AEP installs the new electrical service.

9. Meter Reader / Maintenance Worker Position

The PSA's previous Meter Reader / Maintenance Worker quit on February 18, 2010. The meter reading operations are critical to PSA operations and revenues and this vacancy creates a significant impact on our ability to read meters in a timely manner and perform maintenance activities.

The Director reviewed this situation with the Montgomery County Hiring Review Committee on March 9, 2010. The committee recommended that the position be filled. The committee requested, and we agreed, that the job description be forwarded to various Montgomery County Departments for possible transfer of qualified employees. The position was advertised March 28, 2010 with a closing date of April 9, 2010.

AUTHORITY MEMBERS' REPORT

There were no reports from Authority members.

INTO CLOSED MEETING

(In at 7:40 p.m.)

On a motion by Doug Marrs, seconded by William Brown, and carried; IT WAS RESOLVED, that the Public Service Authority hereby enters into Closed Meeting for discussion of 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. Water & Sewer Negotiations
- City of Radford – Rock Road West

- (3) Discussion or Consideration of the Acquisition of Real Property for a Public Purpose Where Discussion in an Open Meeting Would Adversely Affect the Bargaining Position or Negotiating Strategy of the Public Body
 - 1. Easement – Ironto Waterline Extension Project

- (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. Director’s Evaluation

The vote on the foregoing motion is as follows:

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

OUT OF CLOSED MEETING (Out at 8:49 p.m.)

On a motion by Doug MARR, seconded by James Politis, 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		
James Politis		
Annette Perkins		
William Brown		
Doug MARR		
Mary Biggs		
Gary Creed		

CERTIFICATION OF CLOSED MEETING

On a motion by John Muffo, seconded by James Politis, and carried;

WHEREAS, 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.

The vote on the foregoing motion is as follows:

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

ADJOURNMENT

On a motion by Annette Perkins, seconded by William Brown, and carried; IT WAS RESOLVED, that the Public Service Authority does hereby adjourn to the next meeting scheduled for Monday, May 3, 2010.