

AT A REGULAR MEETING OF THE MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY, HELD ON THE 4TH DAY OF FEBRUARY 2019, 7:00 P.M., MULTI PURPOSE ROOM #2, MONTGOMERY COUNTY GOVERNMENT CENTER, CHRISTIANSBURG, VIRGINIA:

BOARD / STAFF

MEMBERS PRESENT:	Todd King	-Chair
	Darrell Sheppard	-Vice Chair
	Mary Biggs	-Secretary-Treasurer
	April DeMotts	-Member
	Sara Bohn	-Member
	Steve Fijalkowski	-Member
	Christopher Tuck	-Member
	Robert C. Fronk	-PSA Director
	Karri Cridlin	-PSA Board Secretary
	Marty McMahan	-County Attorney

OTHERS PRESENT: Craig Meadows -County Administrator

ABSENT:

CALL TO ORDER

PSA Director Bob Fronk called the meeting to order and determined that a quorum was present.

**R19-02-01
RESOLUTION APPROVING
ELECTION OF CHAIR**

On a motion by Mary Biggs, seconded by Darrell Sheppard, and carried; IT WAS RESOLVED, that Todd King by hereby is, elected Chair of the Montgomery County Public Service Authority until term expiration date of February 17, 2020, or until the election of his successor.

The vote on the foregoing motion is as follows:

AYE	NO	ABSENT
Todd King		
Mary Biggs		
Sara Bohn		
Darrell Sheppard		
Christopher Tuck		
April DeMotts		
Steve Fijalkowski		

R19-02-02
RESOLUTION APPROVING
ELECTION OF VICE CHAIR

On a motion by Steve Fijalkowski, seconded by April DeMotts, and carried; IT WAS RESOLVED, that Darrell Sheppard be and hereby is, elected Vice Chair of the Montgomery County Public Service Authority until term expiration date of February 17, 2020, or until the election of his successor.

The vote on the foregoing motion is as follows:

AYE	NO	ABSENT
Todd King		
Mary Biggs		
Sara Bohn		
Darrell Sheppard		
Christopher Tuck		
April DeMotts		
Steve Fijalkowski		

R19-02-03
RESOLUTION APPROVING
ELECTION OF SECRETARY-TREASURER

On a motion by April DeMotts, seconded by Steve Fijalkowski, and carried; IT WAS RESOLVED, that Mary Biggs be and hereby is, elected Secretary-Treasurer of the Montgomery County Public Service Authority until term expiration date of February 17, 2020, or until election of her successor.

The vote on the foregoing motion is as follows:

AYE	NO	ABSENT
Todd King		
Mary Biggs		
Sara Bohn		
Darrell Sheppard		
Christopher Tuck		
April DeMotts		
Steve Fijalkowski		

CONSENT AGENDA

On a motion by Sara Bohn, seconded by Steve Fijalkowski, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the Consent Agenda, dated February 4, 2019.

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

AYE	NAY	ABSENT
Todd King		
Mary Biggs		
Sara Bohn		
Darrell Sheppard		
Christopher Tuck		
April DeMotts		
Steve Fijalkowski		

**R19-02-04
RESOLUTION APPROVING THE WATER FACILITIES SERVING OAK
FOREST MOBILE HOME PARK EXPANSION, WATER LINE
CHATTEL DEED AND EASEMENTS**

On a motion by Sara Bohn, seconded by Steve Fijalkowski and carried; IT WAS RESOLVED, by the Montgomery County Public Service Authority, that the Board of Directors hereby agree to accept the Chattel Deed for the Oak Forest Mobile Home Park Expansion, water line facilities; and, that said Chattel Deed provides fee simple transfer on the constructed water lines, valves, fittings, laterals, connections, and any and all equipment and appurtenances to the Montgomery County Public Service Authority. The Chattel Deed is hereby attached and made part of this Resolution by reference.

BE IT FURTHER RESOLVED, that the Chair of the Montgomery county Public Service Authority is hereby authorized to sign the above referenced Chattel Deed for the purpose of acknowledging acceptance of the Deed on behalf of the Directors of the Montgomery County Public Service Authority.

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

AYE	NAY	ABSENT
Todd King		
Mary Biggs		
Sara Bohn		
Darrell Sheppard		
Christopher Tuck		
April DeMotts		
Steve Fijalkowski		

R19-02-06
RESOLUTION APPROVING EMPLOYEE INCENTIVE PROGRAM

On a motion by Sara Bohn, seconded by Mary Biggs, and carried; IT WAS RESOLVED, That the Public Service Authority hereby approves Employee Incentive Program- Bonus for Reduced Sick Leave Use.

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

AYE	NAY	ABSENT
Todd King		
Mary Biggs		
Sara Bohn		
Darrell Sheppard		
Christopher Tuck		
April DeMotts		
Steve Fijalkowski		

R19-02-05
RESOLUTION APPROVING THE MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY TO SUBMIT AN APPLICATION WITH THE DEPARTMENT OF HEALTH FOR POSSIBLE FUNDING FOR WATER SYSTEM INTERCONNECTION PROJECTS

On a motion by Sara Bohn, seconded by Mary Biggs, and carried; IT WAS RESOLVED, that the Montgomery County Public Service Authority Board hereby authorize the Montgomery County Public Service Director to submit a funding application with the Virginia Department of Health seeking possible funding for the authority's water system interconnection projects.

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

AYE	NAY	ABSENT
Todd King		
Sara Bohn		
Darrel Sheppard		
Mary Biggs		
Christopher Tuck		
April DeMotts		
Steve Fijalkowski		

FINANCIAL REPORT

The Financial Report for the period ending January 31, 2019 was presented for review and discussion.

DIRECTOR'S REPORT

1. Monthly Activities Report

The January 2019 report is attached for review.

2. Water Transmission Main Project Design

The mapping and compilation of property owner information in the project areas of the Joinder Agreement interconnection projects (Radford Road to Bethel, Mudpike, Woodview, Plum Creek and Riner) is complete. We coordinated with American Electric Power (AEP) to co-locate the water transmission mains within AEP power line easements for the section from Radford Road to the Bethel system.

We contacted property owners in all project areas and received permission to survey their properties. Surveying of all project areas is complete and the development of the engineering plans is nearing completion. We will start easement negotiations once the engineering plans are finalized.

3. Automatic Customer Bill Payments

The computer software installation needed for automatic customer bill payment processing (ACH) is on track for customer use in May/June 2019 per the schedule prepared by the software vender, IT Department and Finance Department. The Montgomery County financial software is also being upgraded along with the ACH software module. The ACH module will be tested internally before being made available for customer use.

4. Lock Box Payments

Starting in September 2018, a number of customer payments mailed to the U.S. Post Office "lock box" were not received or processed by our banking services provider. All missing payments were from the first billing cycle (bills mailed on the 15th of each month and due on the 5th of the following month) which includes the Belview, Bethel, Mudpike, Plum Creek, Prices Fork, Riner and Woodview systems with about 1,900 customers. No bills from the second billing cycle (bills mailed on the 30th of each month and due on the 20th of the following month) which includes the Alleghany Springs, Elliston, Lafayette and Shawsville systems with about 800 customers have been lost.

To date, 62 customers' payments have been lost. Most of the lost payments were mailed using the supplied bill slip and envelope or payments processed through a bank or other bill pay service. The Utility Billing Clerk contacted affected customers and reversed all late penalties along with crediting any customer accounts charged returned check fees. Customer losses, fees, and additional staff time to process will be calculated and provided to the bank for reimbursement the PSA. The bank reimbursed the PSA for these costs for the first episode.

The Finance Department administers the PSA Utility Billings and has been communicating with the bank to determine the cause and resolution of the issue. The bank indicated their vendor thinks the issue is with the US Postal Service. We are evaluating solutions and options to address this issue.

5. Trailer Mounted Sewage Sludge Dewatering Device

Preliminary specification have been prepared for a new trailer mounted sewage sludge dewatering device (sludge press) to replace our existing 20 year old unit. The existing unit is nearing the end of its useful life and has been experiencing mechanical issues resulting in increased maintenance and downtime.

Partial funding for this new unit of \$50,000 was included in the current FY19 Budget with additional funding of up to \$100,000 designated from Operating Cash.

6. Insurance Claim from Water Break

We filed an insurance claim January 25, 2019 for a claimed fish killed due to a water main break along Martin Drive on January 1, 2019. The water from the main break may have flowed to an adjacent pond containing the fish. The identified fish included several species including “grass carp” which reportedly require a special permit to obtain. The property owner telephoned a complaint about the fish and followed up with a letter and pictures which was used to file the insurance claim.

7. Mini-Excavator Evaluation

The Director was tasked during the December 2018 PSA Meeting to review mini-excavators for possible procurement. The evaluation identified several suitable models in the price range of +/- \$75,000. Upon review with senior PSA staff, it was felt the need versus the cost was not justified and funds would be better used for other vehicle purchases. In addition, these units are readily available for short and long term leasing.

8. Driver / Vehicle Improvement Program

The Director was tasked during the December 2018 PSA Meeting to review driver and vehicle operations in response to recent incidents. A driver and vehicle operating plan is being developed. As a first step, we’ve scheduled driver training through our insurance company February 6, 2019 for PSA employees.

9. Water Main Breaks

We have suffered 4 water breaks during January 2019. Two were service line saddles that broke off the water main, one was a broken water main pipe and the last was a fitting that separated. All were handled in good order by PSA maintenance staff.

10. New Customer Incentive Program

The Director was asked to review possible customer incentives to attract new water and/or sewer customers. A similar program was implemented in 2005 / 2006 which brought in 47 new water customers and 14 new sewer customers. The customers had to pay the current connection fees (currently \$925 for water and \$950 for sewer, not including road crossings). The facility fees (currently \$2,500 for water and \$3,000 for sewer) were paid through an incentive program grant by Montgomery County to the PSA as a credit against Financial & Management Services support charges.

A similar grant from Montgomery County may violate the Joinder Agreement and waiving of facility fees may cause issues with state or federal funding.

However, there may be an option to modify the existing Facility Fee Installment Payment Plan (copy attached) to extend the payment term which would reduce the monthly payments. Attached is a spreadsheet listing monthly water and sewer payment options for up to 10 years.

AUTHORITY MEMBERS’ REPORT

- Chair King- No Report
- Vice Chair Fijalkowski – No Report
- Secretary Biggs – No Report
- Member Bohn- No Report
- Member DeMotts – No Report
- Member Sheppard – No Report
- Member Tuck - No Report

INTO CLOSED MEETING

(In at 7:35 p.m.)

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

- Section 2.2-3711 (1) Discussion, Consideration, or Interviews of Prospective Candidates for Employment; Assignment, appointment, Promotion, Performance, Demotion, Salaries, Disciplining or Or Resignation of Specific Officers, Appointees or Employees of Any Public Body
 - 1. Personnel

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
Todd King		
Steve Fijalkowski		
Mary Biggs		
Sara Bohn		
Darrell Sheppard		
Christopher Tuck		
April DeMotts		

OUT OF CLOSED MEETING

(Out at 7:45 p.m.)

On a motion by Chris Tuck, seconded by April DeMotts , 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
Todd King		
Steve Fijalkowski		
Mary Biggs		
Sara Bohn		
Darrell Sheppard		
Christopher Tuck		
April DeMotts		

CERTIFICATION OF CLOSED MEETING

On a motion by Chris Tuck, seconded by Sara Bohn, 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.

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
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Todd King

Steve Fijalkowski

Mary Biggs

Sara Bohn

Darrell Sheppard

Christopher Tuck

April DeMotts

ADJOURNMENT

There being no further business, the Chair adjourned this meeting to the next meeting scheduled for March 04, 2019.