

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

**BOARD / STAFF**

<b>MEMBERS PRESENT:</b>	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 McMahon	-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.

**PUBLIC ADDRESS SESSION**

Mr. Jim Wesel with Showcase Home Builders came before the Board to discuss water and sewer capacity for the development along Meadow Creek Road and Barn Road.

**CONSENT AGENDA**

On a motion by Chris Tuck, seconded by Mary Biggs, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the Consent Agenda, dated March 4, 2019.

The vote on the foregoing motion is as follows:

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

**INTO WORK SESSION**

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

**A. Meadow Creek / Bark Road Development Facility Fees**

Facility Fees for Commercial Developments were presented to the Board for discussion.

**B. Preliminary FY20 Water and Wastewater Budget**

FY20 Water and Wastewater Budget information was presented to the Board for discussion.

The vote on the foregoing motion is as follows:

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

**OUT OF WORK SESSION**

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

**R19-03-01  
RESOLUTION APPROVING  
TRAILER MOUNTED SEWER SLUDGE DEWATERING DEVICE**

On a motion by Steve Fijalkowski, Seconded by April DeMotts, and carried; IT WAS RESOLVED, by the Montgomery County Public Service Authority, that the Board of Directors hereby approve additional funding of up to \$100,000 from Operating Cash to allow for the purchase of a new Trailer Mounted Sewage Sludge Dewatering device. Partial funding of \$50,000 for this unit was included in the current FY19 Budget.

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

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

**R19-03-02  
RESOLUTION APPROVING  
NEW CUSTOMER INCENTIVE PROGRAM**

On a motion by April DeMotts, Seconded by Chris Tuck, and carried; IT WAS RESOLVED, by the Montgomery County Public Service Authority, that the Board of Directors hereby approve the modification to Public Service Authority Regulations Method for Paying Facility Fees Installment Plan & Eligibility (Exhibit 3) from twelve (12) or twenty-four (24) months to up to sixty (60) months for just one service (water or sewer) connection.

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

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

**FINANCIAL REPORT**

The Financial Report for the period ending February 28, 2019 was presented for review and discussion.

## **DIRECTOR'S REPORT**

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

The February 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 and the development of the engineering plans of all project areas is nearly complete. We are finalizing the engineering plans and plan to start easement negotiations in March. The compilation of information and preparation of the VDH funding application for all projects is underway.

### **3. Lock Box Payments**

Between September and November 2018, 62 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 15<sup>th</sup> of each month and due on the 5<sup>th</sup> 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 30<sup>th</sup> of each month and due on the 20<sup>th</sup> of the following month) which includes the Alleghany Springs, Elliston, Lafayette and Shawsville systems with about 800 customers 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 bank indicated their vendor thinks the issue is with the US Postal Service such as a "lost bag of mail." Due to the overall time of issue, it would have required several bags of mail to have been lost.

Since the issue has seemed to correct itself, we will continue to monitor the situation in the hopes that it has been resolved.

### **4. 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.

## **5. Development / Project Plan Review and Construction Issues**

We've recently experienced more issues than usual with several recent residential developments. Normally developments go through a project design process by the developer's design consultants with review and eventual plan approval by PSA and County staff. Once plans are approved, all applicable fees paid, and bonds posted, the project construction proceeds according to the approved construction plans. Proposed changes during construction are designed by the developer's engineer and submitted for review and approval by PSA and County staff. Work continues until completion per the approved construction plans and then inspected and tested as required with certification by the developer's engineer as required by VDH, DEQ and PSA regulations/standards. It is the developer's engineer responsibility to insure the work complies with the approved plans and all applicable requirements.

During the construction phase, several recent projects experienced difficulties in completing water and/or sewer work resulting in failed tests and unacceptable work per PSA Standards. PSA staff spent considerable time to assist the contractors and developers in attempts to complete and test the work. The number of failed tests and unacceptable work was more than usual or expected. Several projects requested PSA acceptance and/or approval of work not fully meeting PSA Standards to allow occupancy and/or sale of lots.

We received "certified" test results that were not witnessed by PSA staff for one project which was determined to have been improperly tested. The initial test results were rejected over the objection of the engineer, and when the tests were redone with PSA staff on-site, all of previously certified tests failed and many of the components were found to have been improperly constructed. In addition, submitted "as-built" drawings were found to be incomplete and showing unacceptable construction which the developer requested the PSA to accept.

We try to be reasonable in the application of PSA Standards, but find adherence to the standards insures the constructed facilities are in good operational condition and acceptable for public use. Work not meeting PSA Standards tends to cause excessive maintenance and/or replacement at the expense of the PSA.

## **AUTHORITY MEMBERS' REPORT**

Chair King- Chair King stated the reason he voted no for the Customer Incentive Program modification is he feels this could be at a lower rate. He also noted that Friday, March 08, 2019 is International Women's Day  
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

## **ADJOURNMENT**

There being no further business, the Chair adjourned this meeting to the next meeting scheduled for April 01, 2019.