

**MEETING MINUTES
CARROLL COUNTY PUBLIC SERVICE AUTHORITY
JUNE 9, 2014
CARROLL COUNTY GOVERNMENTAL CENTER
BOARD MEETING ROOM
HILLSVILLE, VA**

CALLED TO ORDER

The Carroll County Public Service Authority held their regularly scheduled meeting on Monday, June 9, 2014 at 2:00 p.m. in the Carroll County Governmental Center Board Meeting Room. Members present included: Sam Dickson, Chairman, Jeanette Dalton, Vice Chairman, Thomas Littrell, David Hutchins, James Light and William Payne. Also present were Gary Larrowe, Executive Director, and Dana Phillips, Assistant Director and Secretary/Treasurer of the Authority.

Chairman Dickson called the meeting to order at 2:00 pm.

APPROVAL TO REVISE AGENDA

Mr. Sam Dickson requested to revise the agenda. Radio read meters needs to be added to the first line under new business. With no other objections the agenda is revised.

Donald Webb and John Dougill will discuss water quality and testing.

**CLOSED MEETING-PURSUANT TO VIRGINIA CODE SECTION 2.2 -3711 A(1)
DISCUSSION OF PERSONNEL, A(3) DISCUSSION OF ACQUISITION OR
DISPOSITION OF RENTAL PROPERTY WHERE PUBLIC DISCUSSION WOULD
BE DETRIMENTAL TO THE COUNTY'S POSITION. A(5) DISCUSSION OF
PROSPECTIVE BUSINESS OR INDUSTRY, IN CONSULTATION WITH THE
COUNTY'S ATTORNY PERTAINING TO CURRENT LITIGATION.**

(ORDER)

Upon a motion by Mr. Hutchins and seconded by Mrs. Dalton and duly carried by the Authority does hereby enter into closed meeting at 2:02 p.m. until 2:49 p.m. for the discussion of Virginia code section 2.23711 A(1) discussion of Personnel, A(3) Discussion of Acquisition or Disposition of Rental Property were public discussion would be detrimental to the county's position. A(5) Discussion of prospective business or industry, in consultation with the county's attorney pertaining to current litigation.

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(ORDER)

Upon a motion by Mr. Hutchins and seconded by Mr. Payne and duly carried by the Authority does hereby convent out of closed meeting.

Whereas the Authority has convened a Closed Meeting on this pursuant to an affirmative recorded vote and on the motion to close meeting in accordance with the Virginia Freedom of Information Act.

CERTIFICATION OF CLOSED MEETING

Therefore, be it resolved that the Authority hereby certifies that, to the best of each members knowledge (1) only public business matter lawfully exempted from open requirements by the Virginia law were discussed in this Closed Meeting in which this certification as identified in this motion concerning the Closed Meeting were heard, or considered by the Authority certification resolution applies, and (11) only such public business matters as were identified in this motion concerning the Closed Meeting were heard, or considered by the Authority.

PUBLIC MEETING

Mr Dickson stated the purpose of the Public Meeting as a requirement of USDA-Rural Development regarding expenditure of contingency funds for the Fancy Gap Water and the Coon Ridge Water projects. The Public Meeting began at 2:50 p.m.

Overview given by Kevin Heath ...The first project mentioned which is Fancy Gap water currently has one active construction contract which is the Pump Station. We're nearing the point of close out at this point need to make a final clean up change order approximately \$140,000 as remaining in contingency. It's been discussed to extend water to Devo and Chris St approximately 4 homes could be served which is a little over 600 linear ft of water line. Foggy Ridge Road could serve approximately 3 homes about 950 linear feet of water line and then also the purchase of a portable generator that could be utilized on any of the PSA's water pump stations throughout the system. RD (Rural Development) has requested that an EA (Environmental Assessment) be completed for these proposed extensions which has been done and approved by Rural Development. That is where we are to date with the public information meeting being the next step. We are not as far along on construction in regards to the Coon Ridge water project but we are getting to the point of looking for a cleanup change order for both of those contracts and we're anticipating that approximately \$235,000 will remain in the contingency funds for that project. Other things that have been discussed is a request for service along Turman Drive approximately 5 homes could be served by that 1,400 linear feet of water line. Goodspur Road is a section of line was included in the original bid but was change ordered

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out due to the fact that at that time there was less than the 50% participation and that involves about 2,100 linear feet and about 8 homes and also a section of Water Plant Road that was also deleted by change order for less than 50% sign up potentially has 27 homes about 7,100 linear feet of water line. If you have any other specific questions that I need to try to answer I can do that or if not I can sit down and let anyone from the public speak.

Mr Dickson - We may have questions later. At this time we'd like to welcome anyone who'd like to speak about this to come forward. I'd like to remind you that this is a public meeting not a public hearing.

Mr Gregson - Thanks Mr. Chairman and board members. I guess I am a little confused that this is being called a public meeting as opposed to a public hearing. I guess the first question that comes to mind with the aspect of the contingency why do we have money left over when the engineering firm on this project was terminated due to that we did not have any contingency money before this project a while back some 9 to 10 months ago. The other question is have we addressed the issue yet with the potential liquidated damages that has the PSA done anything on that yet on these particular projects that been speaking of. I am happy that disclosure of an issue with regards to the spending of these contingency funds happens. It appears that some kind of some knowledge has been gained with regards to callback. I am also concerned about a couple issues with this public meeting because it seems to me it's more of a public hearing than a public meeting. The public notice was placed in the Gazette for one day only on May 30 and was never on the PSA website which I believe is required under 2.23707, minutes were there but the public meeting was never announced to the general public. The public notice that was sent out doesn't it seems to be pretty vague to what has been brought up by Mr. Heath today and what's also confusing you all had a motion that was already made some time ago specific on these issues that go ahead for that so i don't know why we're backtracking on that aspect of it and i'm not sure if the reason behind the public hearing , but one would have to ask does this have to do with the motion and the vote that failed to disclose the possible conflict with the distribution and financial disclosure. I would request that this public hearing be postponed until proper notices regards to the specifically I know what the Federal Code is but the Commonwealth is pretty clear on that obviously by the lack of attendance here people did not get the notice or hopefully there'd be more people out here. With that just on a separate note while I'm up here to save time if someone could check the website there seems to be no minutes on the PSA website the minutes that are on there are the board of supervisor minutes and a special meeting that have nothing to do with the PSA so that would be kind of nice to see the minutes from the February meeting and thank you for your time.

There being no other citizens to speak the Public Meeting closed at 3:01 p.m.

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CITIZEN TIME

Mike Goldwasser- Thank you for your time. I'm here to speak about something; half of you have heard me because you're at the supervisors meetings. It really has been a problem for me and other people in the county to deal with the lack of transparency of most of the county governing body in this case particularly the PSA. There are several reasons this bothers me. Let me begin with the reimbursement request. None of us likes to make mistakes. When you are a public servant and in the public eye you're going to make mistakes. But you are dealing with the public's money and trust. And if you want the public to be involved with government then you need to be honest and forthright with them. Looking at the events with Rural Development, and the successful appeal, even though that has not been announced yet. But going back to September when the reimbursement was requested it was not mentioned in public session. The only time it was mentioned was when a local reporter asked Dr. Littrell about it. You're talking about close to \$300,000 of the public's money. We knew there was a chance it could be appealed. As of now it appears that the appeal was successful. It's interesting that for example when there's a chance of new industry coming it was publicized, here there was a demand of a reimbursement of \$300,000 of the public's money and the only evidence going back through the minutes were four separate construction fund checks which happen to add up to the exact amount of the reimbursement. It was never announced publically that it was cut to pay for reimbursement and the public was never informed. I don't understand how you can see yourself as a public servant and not feel some obligation to keep your constituents informed when this type of things are happening. And equally when you found out a couple of weeks ago that the appeal had been successful and of course you don't know if later that decision could be reversed. But you're working for us and that's our money and you have a responsibility to inform us about these things are happening when there happening. I get this feeling that opinion is being manipulated to try and make the government be in a favorable light and that bothers me. It bothers me that you didn't publicized there was a failure to do proper inspections of the Fancy Gap water. You wrote the people in Fancy Gap water. What if I drank the water at some place and it turned out that there was something horrible in the water. Highly unlikely but possible. I feel like you have an obligation to keep us informed about all the things that are happening. And if you fulfill that obligation you would have a greater amount of public trust and public involvement. As Mr. Gregson pointed out nobody is here to talk about how to spend the contingency fund. People just don't feel involved with government. There is not a monopoly of good ideas. We respect what you do. But there are other people who have good ideas too. What's your policy on public disclosure and what can we expect in the future? Please remember that you're handling our money.

No other citizens spoke.

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APPROVAL OF CONSENT AGENDA

Upon a motion by Mr.Hutchins, seconded by Dr. Littrell, and duly carried the Authority does hereby approve the Consent Agenda for Sections A, B, and C. The May 12, 2014 minutes were approved and are on file in the PSA office. The claims are also on file in the PSA office.

Claims:

Check # 20215 voided check

Check # 20216-20235 End of May claims in the amount of \$47,095.39

Check #20236-20266 June 04, 2014 claims in the amount of \$141,613.22

Transfer for Claims

Claims for end of May 2014 \$47,095.39

Claims for June 2014 \$ 141,613.22

Transfer for Reserves

CCPSA to Debt Reserve \$8,614.50

CCPSA to Cliffview \$1,207.18

Transfer to Pay off National Bank Loan (Exit 1)

Exit 1 to Construction Account \$760,297.32

Exit 1 to Construction Account \$60,383.12

CCPSA to Constriction Account \$40,170.53

OLD BUSINESS

Mr. Larrowe: Oakland has 23 agreements of the potential 617 customers, that's 3% of the agreements. We need 51% to move further.

Possible second meeting could be scheduled to gain customers.

PROJECT UPDATES

I-77 Exit 1 Water - Construction

Project loan closing with USDA-RD and Preconstruction Conference were held on May 29th.

Notice to Proceed was issued for an official start date of June 2nd. Contractor (Eastern Tank and Utility Services) is mobilizing equipment and materials. Construction is expected to begin the week of June 9th. The allotted construction period is 8 months to substantial completion.

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Fancy Gap Water & Sewer - Construction Phase

Water –

Contract 2 - Water Pump Stations (Steve Martin's Trenching): All three Well Pump Stations have been completed and have been placed in service. This construction contract is still open for completion of the SCADA change order work. All SCADA units have been installed and are operational. Contractor is currently troubleshooting some programming issues and training CCPSA staff.

For the CCPSA's request to use remaining project contingency funds for water line extensions (Devo, Chris, Foggy Ridge), a public meeting is scheduled to be on the agenda for the regular PSA meeting.

Sewer -

Contract 4 - Sewage Collection System (DLB): All gravity sewer line and force mains have been installed, and the system has been placed in service. Final cleanup Change Order has been submitted to USDA-RD for approval.

Contract 5 - Sewage Pump Stations (E.C. Pace): Base bid work at all pump stations has been completed, all stations have been placed in service. All SCADA units have been installed and are operational. Contractor is currently troubleshooting some programming issues and training CCPSA staff.

Coon Ridge Water – Construction Phase

Contract 1 – Coon Ridge Road (C.W. Cauley & Son, Inc.): The Contractor has installed approximately 30,500 LF of 8” and 6” water line and 192 service meters have been installed along Coon Ridge Road. The directionally drilled crossing of I-77 has been installed. The pipe connection on Airport Road has been made. Filling, flushing, and pressure testing of the lines are ongoing.

Contract 2 – Poplar Camp Road (Central Builders, Inc.): The Contractor has installed approximately 24,000 LF of 8” and 6” water line, 59 service connections, and the main-line PRV have been installed along Route 52. Filling, flushing, and pressure testing of the lines are ongoing.

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In order for the CCPSA to request to use remaining project contingency funds for additional water line extensions, a public meeting is scheduled to be on the agenda for the regular PSA meeting.

Cliffview Water – Design Phase

The first draft of plans have been completed and presented to PSA staff for review prior to regulatory submittal. Easements and other permit forms are being prepared. Potential tank site options have been evaluated.

FUNDING APPLICATIONS

Cana Sewer - No engineering activity during this month.

Oakland Water Study – No engineering activity during this month.

Meadowbrook Water Improvements Study – The 2014 project funding application to VDH has been submitted.

Sheeptown Water Study – No engineering activity during this month.

Approval to Submit Funding Applications to the Mount Rogers Planning District Commission

Upon a motion by Dr. Littrell, seconded by Mrs. Dalton and duly carried the Authority does hereby approve to submit funding applications to the Mount Rogers Planning District Commission. Lynnhaven Tank Project and Cliffview Community Water Extension Project funding applications approved to submit to the Infrastructure Planning and Technical Assistance (WW-TA) fund. Coon Ridge Water Extension and Exit 1 Water & Sewer Improvements funding applications approved to submit to the SW Virginia Regional Water/Wastewater Construction Fund.

GUEST SPEAKERS

Donald Webb & John Dougill- explained the process of testing water quality for the PSA.

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NEW BUSINESS

Jessica Montgomery- Explained the radio read meters. New bid for 100 units. It is hard for the employees to use current readers. With this system they would just drive by and pick up reading this would help productivity.

(ORDER)

Upon a motion by Mr. Payne and seconded by Dr. Littrell and duly carried the Authority does hereby make the motion to place a bid for 100 units of radio read meters.

AUTHORITY MEMBERS' TIME

The Authority Members had no comment during Authority Members' Time.

ADJOURNMENT

Upon a motion by Mr. Payne and seconded by Dr. Littrell and duly carried the Authority does hereby adjourn at 3:31 p.m. until the next regular scheduled meeting on July 14, 2014 at 2:00 p.m. in the Carroll County Governmental Center Board of Supervisors meeting room.

Thomas Littrell, Chairman

Gary Larowe, Executive Director

Dana Phillips, Sec./Treasurer, Assistant Director