

**MEETING MINUTES
CARROLL COUNTY PUBLIC SERVICE AUTHORITY
SEPTEMBER 8, 2014
CARROLL COUNTY GOVERNMENTAL CENTER
BOARD MEETING ROOM
HILLSVILLE, VA**

CALLED TO ORDER

The Carroll County Public Service Authority held their regular scheduled meeting on Monday, September 8, 2014 at 2:01 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 Larowe, Executive Director, and Dana Phillips, Assistant Director and Secretary/Treasurer of the Authority.

**CLOSED MEETING-PURSUENT TO VA CODE SECTION 2.2-371181 A(1)
DISCUSSION OF PERSONNEL, A(3) DISCUSSION OF AQUISITION OF REAL
PROPERTY.**

(ORDER)

Upon a motion by Mr. Hutchins and seconded by Mr. Payne and duly carried by the Authority does hereby enter into closed meeting at 2:04 p.m. until 2:57p.m. for the discussion of VA code section 2.2-371181 A(1) discussion of Personnel, A(3) Discussion of Acquisition or Real Property

(ORDER)

Upon a motion by Mr. Hutchins and seconded by Mrs. Dalton and duly carried by the authority does hereby convent out of closed meeting.

Where as the Authority has convened a Closed Meeting on this date 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

Now therefore be it resolved that the Authority certifies that to the best of each members knowledge (1) only public business matters lawfully exempt from open requirements by Virginia law were discussed in this Closed Meeting in which the 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 the motion concerning the Closed Meeting were heard, or considered by the Authority.

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CITIZENS TIME

Steven Gregson: Greetings Mr. Chairman and Authority Members, I first want to say my whistle does not work in Virginia and will go into that later but I want to start with some issues with the July Press Release with regards to the appeal hearing decision and have provided you copies of my script:

Press release - Page one — "On the same day as his complaint, USDA-RD notified the Carroll County PSA"

Mr. Chairman your press release exposes that the press release written by Staff member Larrowe for Chairman Littrell, had knowledge about this clawback on August 29, 2013, but did not come forward until local reporter questioned the check to RD on November 14th.

This reflects almost three months that this was withheld from the public during an election cycle.

Press release - Page two, 15t Para — "We could have shown USDA-RD... however USDA-RD never gave us a chance for a discussion prior."

According to the appeal hearing decision, RD called you the same day (August 29, 2013), a group travels over to Richmond and RD waited a week before they sent the demand letter on September 5, 2013, giving you ample time to defend. You blame others for something you could have prevented.

Press Release - Page two, 2nd Para — "On October 23, 2013, the Carroll County PSA reimbursed USDA-RD for \$266,167.20 in a single check and authorized the appeal."

The authorization of the appeal was not approved till the December 9, 2013 PSA meeting, just after the election cycle. That was the first public mention of the clawback, by vote.

Press Release - Page two, 3rd Para — 'By making false accusations against the PSA to USDA-RD, Mr. Gregson has cost Carroll County tens of thousands

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of dollars....we understand that Mr. Gregson has also made unfounded and erroneous allegations against the PSA to other State and federal Agencies as well."

There is no evidence that I made any false accusations. This along with the derogatory comments made about Mr. Mike Goldwasser clearly is a violation of the Carroll County Code of Ethics policy.

"Members shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other members of the Board of Supervisors, boards, commissions, authorities and committees, the staff or public."

Mr. Chairman you have a duty to enforce the violation but under the rule you would have to step down as Chairman and let someone else do so. The record reflects that I had gone to staff on numerous occasions and made several public appearances to have questions answered. If staff or this authority had answered my questions you clearly could have avoided all of these costs.

With regards to Appeal Hearing Decision

In the presentation I have included a copy of Appeal Hearing Decision and would ask you to take some time and study this decision.

It appears the Authority members have not had sufficient time to read the appeal decision; the hearing officer had several Finding of Facts (FOF) that I would like to highlight:

"FOF #1, #2, #3 & #5 clearly is evidence of a complete difference from the Press release in November.

On November 15, 2013, Under Chairman Littrell's name; Larowe wrote and sent a response to the media;

"The Joy Ranch Road Sewer project has been part of the Fancy Gap project all along..."

He went on to state,

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"USDA-RD and the PSA (inconjunction) found that an environmental assessment had not been conducted on the particular project."

The appeal finding of facts makes one question what Larowe's press release was talking about? Joy Ranch Road Sewer project was NEVER part of the Fancy Gap project until it was slipped in the bid package, some two years after the Federal approval. Additionally it was not just one ("an") environmental review but it was not in the PER, nor the application. With regards to National Environmental Protection Act (NEPA), this is still an issue that has not been decided on how a project can be added without an ER.

I have to question Chairman Dickson's quote during the meeting(s):

"The PSA has been exceptionally open with issues..." and "Our process was done the right way, thoughtfully safely and securely"

Who wrote this for you and if you feel this, then why is there no evidence to support this statement or is this some more political lip service? The citizens of Carroll might be intimidated

and possibly stalked by local government actions but are not that gullible. As you all were chest butting and high fiving each other, on the technicality overturn, let's not forget the fact that Fancy Gap is without over \$350,000 of sewer services for which the project was intended with no ER and approval by the Authority on the so called "road extension." There are several issues the OIG will need to address along with no record of a required public hearing. I believe Mr. Larowe was quoted recently "it is a federal offense to tamper with a water or sewer system" in which he showed up some two and half hours after the reported break and staff had already left the scene some 45 minutes prior with no evidence of malicious intent. It gives one a new picture to think about old "Barney Fife" down the mountain.

During your July meeting, with no one from the public in attendance, several of you chose to label me as a "whistleblower." According to the Code of Virginia there are only

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two requirements to be a whistleblower. Keep in mind not one of you refer your comment(s) as a quote from others but went on record placing the label on me personally and continued as such at the Board of Supervisors meeting, even when Supervisor Hendrick warned you not to. The qualification to be a whistleblower in Virginia has only one of two elements; one has to be a state or county employee, or to be a citizen of the Commonwealth, of which both I am not. Staff and you as members of this Authority had prior knowledge that I am not a state employee along with not being a citizen of the Commonwealth, but a landowner, customer and real estate tax payer.

Therefore, if I had filed a complaint as a whistleblower in the Commonwealth it would be illegal and fraudulent. By your calling me a whistleblower, you have violated your own Code of Ethics; along with possibly violating State and Federal laws against slander and defamation of character. These violations have been done by you individually and have also created liability for the PSA and the County. This has to be a new low for this Authority and Board members and therefore, I am placing you on notice that anything less than a written public apology, approved by myself, read in the minutes will not be acceptable.

In closing, my only motivation was and is to be a voice for those in Fancy Gap, who are silent due to the fear of the intimidation by local government, who had over \$350,000 of grant dollars taken away from them The question remains; Who will provide the \$350,000 for the Fancy Gap area for the sewer services for which the grant dollars were intended? With that I will take my Florida State whistle and await your reply.

Good Day!!

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(ORDER)

APPROVAL OF CONSENT AGENDA

Upon a motion by Dr. Littrell, seconded by Mr. Hutchins the Authority does hereby approve the consent agenda, sections A, B and C are approved with a revision of section B approval items. The August 11, 2014 minutes are approved and are on file in the PSA office. The claims are also on file in the PSA office.

Claims

End of August Claims Check # 20372-20389	\$15,843.10
Beginning of September Claims Check # 20390-20422	\$150,923.84

Transfer for claims

CCPSA to Operating end of August claims	\$15,843.10
CCPSA to Operating for August claims	\$150,923.84
Operating to Cliffview	\$3,963.38

Transfer to Reserves

CCPSA to Debt Reserve	\$ 8,614.50
CCPSA to Short Lived Asset Reserves	\$10,652.83
CCPSA to O & M Reserve	\$ 5,613.93

Mr. Larrowe: Mr. Chair, under the approval items we need to modify that approval item; that would be the Authority approves a Public Meeting be held for public comments at the October 2014 PSA meeting for the USDA/RD approval for the expenditures of contingency funds for the projects that are currently open.

Mr. Light: When this is advertised in the newspaper is it a specific legal form or can it be written in any different format? Can it be switched around a little bit?

Mr. Larrowe: I am not sure that there is a quote-legal format for that, what we

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would end up doing is making a notice that there is a public meeting basically that is within the public meeting that is associated with the discussion of the expenditures of the contingency funds.

Mr. Light: One thing I would like to see when that is advertised is a couple sentences that say something like any Fancy Gap citizens that are unable to attend the meeting feel free to contact their board members or the staff before the meeting. Just so we do not have that thing where some people have to work and cannot make it at 2 o'clock.

Mr. Larrowe: That is a good point Mr. Light; we can end up pointing that out to all citizens not just Fancy Gap

Mr. Light: That way we do not have that fall back and we can weigh out their opinions during the meeting.

OLD BUSINESS

Dr. Littrell: We had a meeting at Oakland Elementary school on September 4th, at 7 o'clock. Dana, Debbie and Jessica were there representing the PSA. We had a very orderly meeting. All four of us failed to get an accurate count; we all guessed there were at least 50 people in attendance if not a few more. I gave a little bit of an overview of the possible project. We had maps there that showed the possible service areas that might be included. Dana was very gracious to answer the specific questions regarding sign-up costs. We had a couple of push-backs from some families that were at the first meeting and had the same questions. Over all I thought the atmosphere was very accepting, the only complaint I heard at all was the lack of publicity about the meeting itself. We did have it in several places but apparently some people just missed that. That is something we may look at in the future to as some other way of doing that. I mention the need for a community spark plug to get this project off; we didn't have anyone to step forward to do that. If we could find someone that really needed the water, I think that would go well. Overall, it went well. I think we may need another one or another way to contact folks in another manner. How many sign-ups did we get that night or how many do we have.

Mrs. Phillips: Many of the same folks were there that had been there at the other two meetings.

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Dr. Littell: So we are not at the 51% yet.

Mrs. Phillips: No

Mr. Larrowe: Approximately 50 out of 600.

Mr. Dickson: We want to express our thanks to Oakland School for letting us meet there.

Radio Read- Meters

Mrs. Montgomery: I have been doing a lot of research on Radio-Read. I wish we had started this a long time ago because we spend 80-100 hours a month reading meters. We could save a lot of time with radio-read meters. We are set up with Sensus so we will keep looking at that. I visited Pulaski County to look at their system. The guy pulled up and read 75 meters before he finished telling me what was going to happen. So it's pretty impressive when you actually see it happen. Hopefully I will be visiting Independence with a couple meter reading guys soon to see there system. Dana has already seen a Sensus system.

Commonwealth Hydrant

Mrs. Montgomery: I went out and had Scotty go with me to pin point the best location for that. It looks like the corner of Commonwealth and Stonebrook would be good. If you remember that, we have had people come to us wanting a hydrant down Stonebrook so this would kill two birds with one stone. Actually, VDOT just called me 5 minutes prior to coming in here saying they approved that location. So we will get to work on that as soon as possible.

PROJECT UPDATES

1-77 Exit 1 Water - Construction

Contractor (Eastern Tank and Utility Services) has installed approximately 14,400 LF of 8" & 6" water line along Imogene Church Road, Old Pipers Gap Road, Flower Gap Road, Cedar Lane and side roads. The Contractor has mobilized to start clearing and grading at the pump station site and installing the water line along Surratt Drive to connect to Mount Airy's water system.

Unrelated to the construction, the CCPSA had to haul water during the Labor Day weekend to supply the existing water system that serves Loves. The Contractor has indicated that they will expedite construction of the pump station and remaining work that would need to be completed in

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order to be able to supplement with water from Mount Airy.

Fancy Gap Water & Sewer - Construction Phase

Water—

Contract 2 - Water Pump Stations (Steve Martin's Trenching): All construction has been completed and the construction contract has been closed out.

For the CCPSA's request to use remaining project contingency funds for water line extensions (Devo, Chris, Foggy Ridge) and a portable generator, plans/specs are being completed and will need to be approved by VDH and USDA-RD prior to bidding.

Sewer -

Contract 4 - Sewage Collection System (DLB): All construction has been completed and the construction contract has been closed out.

Contract 5 - Sewage Pump Stations (E.C. Pace): All construction has been completed and the construction contract has been closed out.

Coon Ridge Water — Construction Phase

Contract 1 — Coon Ridge Road (C.W. Cauley & Son, Inc.): The Contractor has completed construction of all water lines included in the original contract and the system has been placed in service. The Change Order for additional water line on Goodspur Road has been completed. Anticipate preparing the final cleanup Change Order and final contract closeout documents in the upcoming month.

Contract 2 — Poplar Camp Road (Central Builders, Inc.): The Contractor has completed construction of all water lines included in the original contract and the system has been placed in service. The Change Order for additional water line on Turman Drive has been prepared and circulated for signatures.

Awaiting Health Department approval before USDA-RD will issue their approval and then construction can begin.

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Cliffview Water — Design Phase

Survey plat for the tank site and utility easement has been completed. Plans to be submitted to regulatory agencies by the end of the week ending 9/12.

(ORDER)

Upon a motion by Mr. Hutchins, seconded by Mr. Payne and duly carried by the Authority approves the motion to purchase the Tank site and the easements to the site for \$11,225.00 subject to geo-technical reports and USDA regulations approval.

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.

Mr. Payne: I still get phone calls from the people out Flower Gap Rd; Mr. Leonard keeps calling about the church out there.

Mrs. Montgomery: I called him and let him know that would be a new project.

Mr. Larrowe: The Exit 1 project is an extremely tight project financially; after we get finished with this project, we could potentially come back and do that. It is not that we do not want to serve them. I believe it was about 600 feet. It could potentially be in an in house project that would not cost very much. If we could get a few neighbors to sign up.

AUTHORITY MEMBERS TIMES

Mr. Payne: I was in over in Lambsburg last Friday, Eastern tank looks like they are doing great job and the lines were installed now. Everything looked real good.

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Dr. Littrell: We had a good meeting at Oakland; I think it will just take some more work to get that project.

Mr. Hutchins: I just want to thank the staff for their timely responses to those things that have been happening.

Mrs. Dalton: I am glad to see Fancy Gap with water now, they are happy people there. And I want to thank the staff and fellow board members for all they do to help get water in the county.

Mr. Light: Nothing at this time.

Mr. Dickson: I want to say thank to the staff for the quick action to the problems. It is never a covenant time. Thank you for what you do, we do appreciate it, and sometimes we may forget to say that. But thank you very much.

ADJOURNMENT

Upon a motion by Mr. Payne and seconded by Mr. Hutchins and duly carried the Authority does hereby adjourn at 3:27p.m. Until the next regular scheduled meeting on October 13, 2014 at 2:00 p.m. in the Carroll County Governmental Center Board of Supervisors meeting room.

W. S. "Sam" Dickson, Chairman

Gary Larrowe, Executive Director

Dana Phillips, Sec./Treasurer, Assistant Director

