

**MEETING MINUTES
CARROLL COUNTY PUBLIC SERVICE AUTHORITY
OCTOBER 19, 2015
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, October 19, 2015 at 2:01 p.m. in the Carroll County Governmental Center Board Meeting Room. Members present included: Sam Dickson, Chairman, William Payne, Vice Chairman, David Hutchins, James Light Jeanette Dalton, Thomas Littrell, and also present was Executive Director, Gary Larowe and Dana Phillips, Assistant Director and Secretary/Treasurer of the Authority.

Mr. Dickson: We want to mention that some of the board members will be attending the VACO meeting in November and there is a possibility that some county business may be discussed. So we want to make people aware of that. Another matter, now our friend Hillsville is upgrading their water plant. Due to an agreement we had before we will be supplying them water during the time that they will have their shut down. This is working out good as far as I know. There will be two weeks in November when we will be supplying them water. It is always good when you can help your neighbor; we do have an agreement if we were to get in trouble and they are to need help then they will be helping us out also.

(ORDER)

CLOSED MEETING-PURSUANT TO VA CODE SECTION 2.1 344 A (1) DISCUSSION OF PERSONNEL.

(ORDER)

Upon a motion by Mrs. Dalton, seconded by Mr. Payne and duly carried by the Authority does hereby enter into closed meeting at 2:03PM until 3:01 PM, for the discussion of VA Code 2.1 344 A (1) discussion of Personnel.

(ORDER)

Upon a motion by Dr. Littrell, 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 date pursuant to an affirmative recorded vote and on the motion to close in accordance with Virginia Freedom of Information Act.

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(ORDER)

CERTIFICATION OF CLOSED MEETING

Upon a motion by Dr.Littrell, and seconded by Mr. Payne and duly carried the Authority does hereby adopt the following resolution:

Whereas, section 2.1 344A (1) of the code of Virginia requires a certification of the Authority that such Closed Meeting was conducted in conformity with Virginia Law:

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

(ORDER)

APPROVAL OF CONSENT AGENDA

Upon a motion by Dr. Littrell, seconded by Mr. Payne and duly carried the Authority does hereby approve the consent agenda, sections A, B and C. The September 14, 2015 minutes were also approved, they are on file in the PSA office. The Claims are also on file in the PSA office. They are as follows:

Claims

Check # 21033- 21058 \$331,334.77
Check #21059- 21100 \$214,473.75

Transfer for Claims

CCPSA to Operating end of September claims \$331,334.77
CCPSA to Operating for October claims \$214,473.75

Transfer for Debt Reserves

CCPSA to Debt Reserve \$9,313.80

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Transfers

Exit 1 to CCPSA to close account \$1,767.70

Fancy Gap Water to CCPSA close account \$20.07

Fancy Gap Sewer to CCPSA close account \$23.27

Cliffview to CCPSA to reimburse previous expenses \$34,761.23

Coon Ridge to CCPSA close account \$3.03

Regional Water to CCPSA close account \$7.32

(ORDER)

Upon a motion by Dr. Littrell, seconded by Mr. Payne and carried by the Authority does hereby approve to amend the budget as presented to include the recovered prior project expense on the Cliffview and Fancy Gap Sewer Projects.

CITIZENS TIME

Steve Gregson: Thank you for it being a long closed session. I got to meet two very nice people from the Sylvatus area I hope the board will see to fixing their need that they have out there for some water that is highly tainted to say the least.

The list of accomplishments that the soon to depart County Administrator/Executive Director has self-proclaimed in the press release on the County Facebook page brought to mind the old Paul Harvey quote, "and now for the rest of the story". In this case, the rest of the story is **DEBIT**.

Consider the PSA financial statements for the past ten years. First, the good news: the Operating Income has increased by 123%

BUT ON THE EXPENSE SIDE...

Salaries and Fringes have increased by over \$525,000 annually, Professional Services have also increased by over \$100,000 annually and, Subsidies to the PSA provided by the Board of Supervisors from General Funds totaled zero in 2005 but by 2014 had increased to almost \$1.2 million. When one removes the Depreciation Expense the Total Operating Expenses have increased by 200%. So allow me to recap: In ten years Operating Income increase by 123% and

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Operating Expenses have increased by 200%!!!!These facts are not good but unfortunately, there is more bad news:

In 2005 the Note 6 — The annual requirements to amortize long term obligations thru year 2045 is almost \$9 million but in 2014 the same period the Debit is now over \$33.7 million plus an additional \$4.2 million over additional 10 years. That equals almost \$38 million. Again allow me to recap, 2005 \$9 million and now almost \$38 million in 2014 and this does not include 2015 numbers!!!

Thus the PSA, several members of which are self-appointed Supervisors (Dickson, Hutchins, Littrell), and its Executive Director (County Administrator Larrowe) have created a HUGE amount of DEBIT that will continue until the new leadership comes up with a plan that must be void of any financial support from the county coffers to increase income and decrease expenses. Pretty simple, the PSA is in financial trouble and by the way the "TEAM" approach with self-appointed Coach Larrowe, has failed miserably!!!

So next time you print a campaign press release or when individuals are taking credit, don't forget to include the **DEBIT** that this team has accomplished and saddled this rural county with.

In Closing -now the rest of the story!!!!" Good day!!!

OLD BUSINESS

Mr. Dickson: The Town of Hillsville we still have that on hold don't we Kevin?

Mr. Heath: Yes

Mr. Dickson: I want to mention we will be supplying them with water during their upgrade process of course this is possible because of the huge line we put in and being a part of the Regional Water System. This cost a lot of money but we sure are serving a lot of people with water now, as a matter of fact Sylvatus wouldn't even be coming. Water to people does cost money this board was committed to serving customers. I don't know the exact numbers we have

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increased in the last few years. We have added a tremendous amount of customers and a tremendous amount of lines and the last report I saw on the counties was the county debt per person we were in the lower third percentile. That is very good. That is the overall debt. That is just something to add to it Sylvatus water extension request. I guess that is why you are here. I am going to turn it over to Mrs. Dalton since she lives in that area and see what she has for us.

(ORDER)

Upon a motion by Mrs. Dalton, seconded Mr. Payne and duly carried the Authority does hereby approve to submit an application to the Virginia Department of Health for the extension of the Sylvatus water system.

Mr. Dickson: Is there any discussion? I think everyone is pretty familiar with it. Is there anything we need to add to that Kevin?

Mr. Heath: Between now and when the application is filed we will need to get user agreements for the folks out there. We have to have at least 51% to sign up for service.

Mr. Dickson: Dana, I guess you and your staff can take care of that. Any other questions concerns comments.

Mr. Gregson: Point of order Mr. Chairman?

Mr. Dickson: No, not right now sorry.

Mr. Gregson: Mr. Chairman the point of order in the open meeting.

Mr. Dickson: I am about ready to take a vote and you are interrupting my meeting? You care if I be the Chairman for a minute and do what I need to do.

Mr. Gregson: I apologize you are in the middle of vote.

Mr. Dickson: Thank you Sir, but if you have a point of order you can defiantly write it down and we will certainly look at that. We will start with Mr. Light...

Mr. Light: We are just talking about submitting the application like we talked about at the last meeting.

Mr. Dickson: Yes

Mr. Dickson: Ok what is your point of order?

Mr. Gregson: I just have a question in the minutes last month they talked about this project was additive bid at one time, is that correct? So why don't we do the same you did with Fancy Gap and Joy Ranch Road and just get the approval to treat that as an additive bid, and then you don't

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have to go through, or would you still have to go through the funding application.

Mr. Dickson: We are looking for funding right now. That is what we're looking for.

Mr. Gregson: Can't you tie that on to the additive bid to what project that was originally?

Mr. Dickson: No

Mr. Gregson: Could you give it a try?

Mr. Dickson: Either way we go it has to be paid for. We are hoping that the Health Department will come through for us with a good grant.

Mr. Gregson: Is the additive bid before the grant or was it a funding project?

Mr. Dickson: I think it was a little of both.

Mr. Gregson: But the minutes said it was too expensive.

Mr. Larrowe: The per connection cost was too high.

Mr. Gregson: But now it is less than that?

Mr. Dickson: It's not less it is still a pretty expensive project.

Mr. Light: The way I understood it at the last meeting was that now that they are applying to the Health Department they check and see if it is bad and they say it's bad then they will see if they can put some grant money out into this project, then we can look at going down different avenues. The first step is for the Health Department to say their water is bad. They can find some money somewhere to put into this project then we can go back, reevaluate maybe going back, and tack it on to what we already have. I think what got it cut to start with was too much feet of line that had no connections on it. We had the numbers last meeting, but if the Health Department comes up with grant money it will make it more feasible because it want cost the county as much, it will be grant money and free money.

Mr. Dickson: I can assure you we will look at everything.

PROJECT UPDATES

Cliffview Water — Construction Phase

The Contractor (C.W. Cauley & Son) has worked primarily at the tank site. The tank site grading and access road grading are estimated to be about 85% complete. The pipe crew has installed approximately 2,000 LF of 8" water line and 125 LF or road bores.

Lynnhaven Tank PRV - Design Phase

No engineering activity during this month.

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Cana/Meadowbrook Water — Planning Phase

USDA-RD SEARCH Grant Project. The draft PER is being prepared and will be provided to PSA staff for review. Environmental clearinghouse agency reviews have been received and the Environmental Assessment is being prepared.

FUNDING APPLICATIONS

Cliffview Water — Construction Grant application submitted to MRPDC in June for possible water line extension along Fries Road. Awaiting application review by MRPDC.

Lynnhaven PRV — Small Project Construction Grant application submitted to VDH in April, and a funding offer has been made to the PSA.

Force Account Construction — A VDH-DWSRF funding application has been submitted for force account construction of water lines along Coulson Church Road and Ridge Road. Awaiting application review by VDH.

NEW BUSINESS

Carroll County Public Service Authority Transmitter Policy

The Carroll County Public Service Authority (PSA) has installed a transmitter to water meters within the PSA's water service area. The transmitter is a device that allows the water meters to be read by a radio-read system. The portion of the transmitter that remains above the meter lid can be damaged by lawn mowers, vehicle traffic, etc. The Carroll County PSA will replace the damaged transmitter at no charge to the customer one time only. If the customer damages the transmitter again, the customer will be billed for the cost of the transmitter unit.

(ORDER)

Upon a motion by Dr. Littrell, seconded by Mr. Payne duly carried the Authority does hereby approve to adopt the Transmitter Policy.

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Mr. Dickson: Do you want to explain this abstract of judgment?

Mrs. Phillips: I just want you to be aware we will be filing some abstracts of judgment. We have gotten judgment on these folks through the General District Court. We are also use the Tax Set-Off Program, but if we are unable to collect on either of those, we will be going through Circuit Court. This puts a lien on their property should they sell we can collect funds.

Mr. Dickson: We will be attending the VACO meeting in Homestead during November 8th, 9th and 10th. There will be more than two of us there probably three. Some county business maybe discussed during this time or it may not. Be aware that is a possibility.

Mrs. Dalton: Will there be a change in our meeting time?

Mr. Dickson: Yes, I think that what the Board of Supervisors is thinking the November 12th .

(ORDER)

Upon a motion by Dr, Littrell seconded by Mrs. Dalton and duly carried the Authority does hereby approve to change the meeting date to Thursday, November 12 at 2:00 p.m.

Authority Members Time

Mrs. Dalton: I just hope this works out for those in Sylvatus who did not get water the first time and I think that is all.

Mr. Light: Nothing at this time.

Mr. Hutchins: I do not have anything.

Dr. Littrell: I certainly hope this application can be approved and funded, I know those folks there need it badly. That's our purpose to help the citizens of the Carroll County area. I want to thank the staff for what they have done and continue to do they work hard. Mr. Chairman I found it interesting that those who have greatly benefitted from the water and sewer projects are now complaining at the debt from getting those completed. In addition they're promoting additional projects in the county. I find you can't have it both ways.

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Mr. Payne: Nothing at this time.

Mr. Dickson: I do not have anything expect I will echo they fact that we hope that this works and there is not many avenues we can try but we will try them all.

(ORDER)

ADJOURNMENT

Upon a motion by Dr. Littrell and seconded by Mr. Hutchins and duly carried the Authority does hereby adjourn at 3:12 p.m. Until the next regular scheduled meeting on November 12, 2015 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